



Unfair Contract Terms Act 1977

1977 CHAPTER 50

PART II

AMENDMENT OF LAW FOR SCOTLAND

22 **Consequence of breach**

For the avoidance of doubt, where any provision of this Part of this Act requires that the incorporation of a term in a contract must be fair and reasonable for that term to have effect—

- (a) if that requirement is satisfied, the term may be given effect to notwithstanding that the contract has been terminated in consequence of breach of that contract;
- (b) for the term to be given effect to, that requirement must be satisfied even where a party who is entitled to rescind the contract elects not to rescind it.