



# Contracts (Rights of Third Parties) Act 1999

## 1999 CHAPTER 31

### 6 Exceptions.

- (1) Section 1 confers no rights on a third party in the case of a contract on a bill of exchange, promissory note or other negotiable instrument.
- (2) Section 1 confers no rights on a third party in the case of any contract binding on a company and its members under [<sup>F1</sup>section 33 of the Companies Act 2006 (effect of company's constitution)].

[<sup>F2</sup>(2A) Section 1 confers no rights on a third party in the case of any incorporation document of a limited liability partnership [<sup>F3</sup>or any agreement (express or implied) between the members of a limited liability partnership, or between a limited liability partnership and its members, that determines the mutual rights and duties of the members and their rights and duties in relation to the limited liability partnership.]]

[<sup>F4</sup>(2A) Section 1 confers no rights on a third party in the case of any incorporation document of a limited liability partnership [<sup>F3</sup>or any agreement (express or implied) between the members of a limited liability partnership, or between a limited liability partnership and its members, that determines the mutual rights and duties of the members and their rights and duties in relation to the limited liability partnership.]]

- (3) Section 1 confers no right on a third party to enforce—
  - (a) any term of a contract of employment against an employee,
  - (b) any term of a worker's contract against a worker (including a home worker), or
  - (c) any term of a relevant contract against an agency worker.
- (4) In subsection (3)—
  - (a) “contract of employment”, “employee”, “worker's contract”, and “worker” have the meaning given by section 54 of the <sup>M1</sup>National Minimum Wage Act 1998,
  - (b) “home worker” has the meaning given by section 35(2) of that Act,
  - (c) “agency worker” has the same meaning as in section 34(1) of that Act, and

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*Changes to legislation: There are currently no known outstanding effects for the Contracts (Rights of Third Parties) Act 1999, Section 6. (See end of Document for details)*

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- (d) “relevant contract” means a contract entered into, in a case where section 34 of that Act applies, by the agency worker as respects work falling within subsection (1)(a) of that section.
- (5) Section 1 confers no rights on a third party in the case of—
- (a) a contract for the carriage of goods by sea, or
  - (b) a contract for the carriage of goods by rail or road, or for the carriage of cargo by air, which is subject to the rules of the appropriate international transport convention,
- except that a third party may in reliance on that section avail himself of an exclusion or limitation of liability in such a contract.
- (6) In subsection (5) “contract for the carriage of goods by sea” means a contract of carriage—
- (a) contained in or evidenced by a bill of lading, sea waybill or a corresponding electronic transaction, or
  - (b) under or for the purposes of which there is given an undertaking which is contained in a ship’s delivery order or a corresponding electronic transaction.
- (7) For the purposes of subsection (6)—
- (a) “bill of lading”, “sea waybill” and “ship’s delivery order” have the same meaning as in the <sup>M2</sup>Carriage of Goods by Sea Act 1992, and
  - (b) a corresponding electronic transaction is a transaction within section 1(5) of that Act which corresponds to the issue, indorsement, delivery or transfer of a bill of lading, sea waybill or ship’s delivery order.
- (8) In subsection (5) “the appropriate international transport convention” means—
- (a) in relation to a contract for the carriage of goods by rail, the Convention which has the force of law in the United Kingdom under [<sup>F5</sup>regulation 3 of the Railways (Convention on International Carriage by Rail) Regulations 2005],
  - (b) in relation to a contract for the carriage of goods by road, the Convention which has the force of law in the United Kingdom under section 1 of the <sup>M3</sup>Carriage of Goods by Road Act 1965, and
  - (c) in relation to a contract for the carriage of cargo by air—
    - (i) the Convention which has the force of law in the United Kingdom under section 1 of the <sup>M4</sup>Carriage by Air Act 1961, or
    - (ii) the Convention which has the force of law under section 1 of the <sup>M5</sup>Carriage by Air (Supplementary Provisions) Act 1962, or
    - (iii) either of the amended Conventions set out in Part B of Schedule 2 or 3 to the <sup>M6</sup>Carriage by Air Acts (Application of Provisions) Order 1967.

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#### **Extent Information**

- E1** In its application to Northern Ireland, this section has effect subject to the modifications set out in s. 9(2)(3)

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#### **Textual Amendments**

- F1** Words in s. 6(2) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), arts. 1(2), 2(1), **Sch. 1 para. 179(2)(a)** (with art. 10)

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- F2** S. 6(2A) inserted (N.I.) (13.9.2004) by Limited Liability Partnerships Regulations (Northern Ireland) 2004 (S.R. 2004/307), regs. 1, 9, **Sch. 4 para. 16**
- F3** Words in s. 6(2A) substituted (1.10.2009) by The Companies Act 2006 (Consequential Amendments, Transitional Provisions and Savings) Order 2009 (S.I. 2009/1941), arts. 1(2), 2(1), **Sch. 1 para. 179(2)(b)** (with art. 10)
- F4** S. 6(2A) inserted (E.W.) (6.4.2001) by S.I. 2001/1090, reg. 9, **Sch. 5 para. 20**
- F5** Words in s. 6(8)(a) substituted (coming into force in accordance with reg. 1 of the amending S.I.) by The Railways (Convention on International Carriage by Rail) Regulations 2005 (S.I. 2005/2092), **Sch. 3 para. 3**

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**Marginal Citations**

- M1** 1998 c. 39.  
**M2** 1992 c. 50.  
**M3** 1965 c. 37.  
**M4** 1961 c. 27.  
**M5** 1962 c. 43.  
**M6** S.I. 1967/480.

**Changes to legislation:**

There are currently no known outstanding effects for the Contracts (Rights of Third Parties) Act 1999, Section 6.