

SCHEDULES

SCHEDULE 2

CONSUMER CONTRACT TERMS WHICH MAY BE REGARDED AS UNFAIR

PART 2

SCOPE OF PART 1

Financial services

- 21 Paragraph 8 (cancellation without reasonable notice) does not include a term by which a supplier of financial services reserves the right to terminate unilaterally a contract of indeterminate duration without notice where there is a valid reason, if the supplier is required to inform the consumer of the cancellation immediately.
- 22 Paragraph 11 (variation of contract without valid reason) does not include a term by which a supplier of financial services reserves the right to alter the rate of interest payable by or due to the consumer, or the amount of other charges for financial services without notice where there is a valid reason, if—
- (a) the supplier is required to inform the consumer of the alteration at the earliest opportunity, and
 - (b) the consumer is free to dissolve the contract immediately.

Contracts which last indefinitely

- 23 Paragraphs 11 (variation of contract without valid reason), 12 (determination of characteristics of goods etc after consumer bound) and 14 (determination of price after consumer bound) do not include a term under which a trader reserves the right to alter unilaterally the conditions of a contract of indeterminate duration if—
- (a) the trader is required to inform the consumer with reasonable notice, and
 - (b) the consumer is free to dissolve the contract.

Sale of securities, foreign currency etc

- 24 Paragraphs 8 (cancellation without reasonable notice), 11 (variation of contract without valid reason), 14 (determination of price after consumer bound) and 15 (increase in price) do not apply to—
- (a) transactions in transferable securities, financial instruments and other products or services where the price is linked to fluctuations in a stock exchange quotation or index or a financial market rate that the trader does not control, and
 - (b) contracts for the purchase or sale of foreign currency, traveller's cheques or international money orders denominated in foreign currency.

Status: This is the original version (as it was originally enacted).

Price index clauses

- 25 Paragraphs 14 (determination of price after consumer bound) and 15 (increase in price) do not include a term which is a price-indexation clause (where otherwise lawful), if the method by which prices vary is explicitly described.