

## EXPLANATORY NOTE

This Order brings into operation those provisions of the Consumer Credit Act 1974 which are not yet in operation, except sections 123 to 125 (which relate to negotiable instruments), by appointing 19th May 1985 for the purposes of the relevant paragraphs of Schedule 3 to that Act (which contains transitional and commencement provisions).

The Order completes, with that one exception, the establishment of the new procedures for the protection of consumers who enter into consumer credit or hire agreements. These procedures replace those in existence under the present legislation dealing with moneylenders, pawnbrokers and hire-purchase traders and their transactions.

It should be noted that sections 114 to 122 (which relate to pledges) are brought into operation only in respect of articles taken in pawn under a consumer credit agreement regulated by the Act.

Articles 3 to 6 introduce consequential amendments and repeals with savings in respect of certain agreements made, and transactions carried out, before 19th May 1985. By virtue of paragraphs 16, 17, 20–22, 35, 37 and 38 of Schedule 3 to the Act, certain sections of the Act apply to an agreement made before that day where the agreement would have been a regulated agreement if made on that day.