

SCHEDULE 1

Regulation 2(1)

INFORMATION IN CREDIT ADVERTISEMENTS

PART I

maximum information that may be contained in simple credit advertisements in whole or in part

Name

1. The name of the advertiser.

Logo

2. A logo of his, of his associate and of his trade association.

Address

3. A postal address of his.

Telephone number

4. A telephone number of his.

Occupation

5. An occupation of his or a statement of the general nature of his occupation.

Other information

6. Any other information other than—
 - (a) information that a person is willing to provide credit; or
 - (b) the cash price, or other price, of any goods, services, land or other things.

PART II

maximum information to be contained in intermediate credit advertisements

Compulsory information

Name and address or telephone number

1. The name of the advertiser and a postal address or telephone number of his (or a freephone number) except—
 - (a) in the case of advertisements in any form on the premises of a dealer or creditor (not being advertisements in writing which customers are intended to take away);
 - (b) in the case of advertisements which include the name and address of a dealer; and
 - (c) in the case of advertisements which include the name of a credit-broker and a postal address or telephone number of his (or a freephone number).

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Security

2. A statement that any security is or may be required, and where the security comprises or may comprise a mortgage or charge on the debtor's home a statement in the following form:—

“YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.”.

Insurance

3. A statement of any contract of insurance required, not being a contract of insurance against the risk of loss or damage to goods or land or any risk relating to the use of the goods or land.

Deposit of money in an account

4. A statement of any requirement to place on deposit any sum of money in any account with any person.

Credit-broker's fee

5. In the case of an advertisement published for the purposes of a business of credit brokerage carried on by any person, the amount of any fee payable by the debtor or an associate of his to a credit-broker or a statement of the method of its calculation.

Information about terms of business

6. Either a statement that individuals may obtain on request a quotation in writing about the terms on which the advertiser is prepared to do business or a statement that individuals may obtain on request a document containing no less information than a full credit advertisement about the terms on which the advertiser is prepared to do business.

APR

7. Where a cash price is given in the advertisement in relation to any specified goods, services, land or other things, having a particular cash price, the acquisition of which from an identified dealer may be financed by credit or where other information about financial and related particulars set out in paragraph 10(f) or (i) below is given in the advertisement—

- (a) the APR in relation to any actual or prospective agreement, other than an agreement specified in sub-paragraph (b) below, or a statement indicating that the total amount payable by the debtor is not greater than the total cash price of the goods, services, land or other things, the acquisition of which is to be financed by credit under the agreement;
- (b) the APR in relation to a debtor-creditor-supplier agreement for running-account credit under which the debtor agrees to pay the creditor an amount specified in the agreement on specified occasions, there is a credit limit and charges for credit are either a fixed amount in respect of each transaction or calculated as a proportion of the price payable under a transaction financed by the credit, the APR being calculated on each of the following assumptions respectively:—
 - (i) the debtor is provided with an amount of credit at the date of the making of the agreement which, taken with the amount of the charge for that credit ascertained at that date, is equal to the credit limit, and the debtor repays the sum of the said amounts by payments of the amounts specified in the agreement on the specified occasions and makes no other payment and obtains no further credit in relation to the account; and

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- (ii) a like assumption to that in sub-paragraph (i) above save that the said sum of the said amounts shall be taken to be one third of the credit limit; and
- (c) in relation to agreements under which the rate or amount of any item included in the total charge for credit will or may be varied, a statement indicating that the rate or amount will or may be varied.

Cash price

8. In the case of an advertisement relating to credit to be provided under a debtor-creditor-supplier agreement, where the advertisement specifies goods, services, land or other things having a particular cash price, the acquisition of which from an identified dealer may be financed by the credit, the cash price of such goods, services, land or other things.

Foreign currency mortgages

9. Where the advertisement is for a mortgage or other loan secured on property and repayments are to be made in a currency other than sterling, a statement in the following form:—

“THE STERLING EQUIVALENT OF YOUR LIABILITY UNDER A FOREIGN CURRENCY MORTGAGE MAY BE INCREASED BY EXCHANGE RATE MOVEMENTS.”.

Optional information

10. Any other information, except that no information may be shown indicating that a person is willing to provide credit other than as follows:—

Logo

- (a) a logo of his, of his associate and of his trade association;

Occupation

- (b) an occupation of his or a statement of the general nature of his occupation;

Credit facilities

- (c) a statement that credit facilities are, or that a specified category of credit facility is, available, and where applicable a statement indicating the period or the maximum period of availability;

Restricted offers of credit to class or group of persons

- (d) in the case of any credit being available only to, or on terms which are applicable only to, persons who fall within any class or group, a statement of that fact identifying that class or group;

APR

- (e) where not shown under paragraph 7 above, the information about the APR specified in paragraph 7(a) to (c);

Interest

- (f) where the APR is specified in the advertisement, the rate of any interest on the credit;

Amount of credit

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- (g) the amount of credit which may be provided under a consumer credit agreement or an indication of one or both of the maximum amount and the minimum amount of credit which may be provided;

Nature of security not affecting debtor's home

- (h) the nature of any security required where this does not comprise a mortgage or charge on the debtor's home;

Advance payment

- (i) where the APR is specified in the advertisement, a statement as to whether an advance payment is required and if so the amount or minimum amount of the payment expressed as a sum of money or as a percentage;

Different treatment of cash and credit purchasers

- (j) a statement indicating any respect in which cash purchasers are treated differently from those acquiring any goods, land or other things, or being provided with services, under a transaction which is financed by credit; and

Name and address or telephone number of creditor

- (k) in the case of an advertisement to which paragraph 1(c) above applies, the name of the creditor and a postal address or telephone number of his (or a freephone number).

PART III

minimum information to be contained in full credit advertisements

Name and address

1. The name and a postal address of the advertiser except—
 - (a) in the case of advertisements in any form on the premises of a dealer or creditor (not being advertisements in writing which customers are intended to take away);
 - (b) in the case of advertisements which include the name and address of a dealer; and
 - (c) in the case of advertisements which include the name and a postal address of a credit-broker.

Security

2. A statement that any security is or may be required, and where the security comprises or may comprise a mortgage or charge on the debtor's home a statement in the following form:—

“YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.”.

Insurance

3. A statement of any contract of insurance required, not being a contract of insurance against the risk of loss or damage to goods or land or any risk relating to the use of the goods or land.

Deposit of money in an account

4. A statement of any requirement to place on deposit any sum of money in any account with any person.

Credit-broker's fee

5. In the case of an advertisement published for the purposes of a business of credit brokerage carried on by any person, the amount of any fee payable by the debtor or an associate of his to a credit-broker or a statement of the method of its calculation.

Quotation

6. A statement that individuals may obtain on request a quotation in writing about the terms on which the advertiser is prepared to do business.

APR

7.—(1) The APR in relation to any actual or prospective agreement, other than an agreement specified in sub-paragraph (2) below, or a statement indicating that the total amount payable by the debtor is not greater than the total cash price of the goods, services, land or other things, the acquisition of which is to be financed by credit under the agreement.

(2) The APR in relation to a debtor-creditor-supplier agreement for running-account credit under which the debtor agrees to pay the creditor an amount specified in the agreement on specified occasions, there is a credit limit and charges for credit are either a fixed amount in respect of each transaction or calculated as a proportion of the price payable under a transaction financed by the credit, the APR being calculated on each of the assumptions set out in paragraph 7(b) of Part II of this Schedule respectively.

(3) In relation to agreements under which the rate or amount of any item included in the total charge for credit will or may be varied, a statement indicating that the rate or amount will or may be varied.

Restricted offers of credit to class or group of persons

8. In the case of any credit being available only to, or on terms which are applicable only to, persons who fall within any class or group, a statement of that fact identifying that class or group.

Nature of security not affecting debtor's home

9. The nature of any security required where this does not comprise a mortgage or charge on the debtor's home.

Frequency, number and amount of advance payments

10. A statement of the frequency and number of any advance payments required and of the amount or minimum amount expressed as a sum of money or as a percentage or a statement indicating the manner in which the amount will be determined.

Different treatment of cash and credit purchasers

11. A statement indicating any respect in which cash purchasers are treated differently from those acquiring any goods, land or other things, or being provided with services, under a transaction which is financed by credit.

Frequency, number and amount of repayments of credit

12.—(1) In the case of an advertisement relating to an agreement for running-account credit, a statement of the frequency of the repayments of credit under the advertised transaction and of the amount of each repayment stating whether it is a fixed or minimum amount, or a statement indicating the manner in which the amount will be determined.

(2) In the case of other credit advertisements, a statement of the frequency, number and amount of repayments of credit.

(3) In the case of an advertisement relating to an agreement under which interest on the credit to be provided is of a type to which sections 369 to 376 of the Income and Corporation Taxes Act 1988⁽¹⁾ apply (which make provision for the deduction of income tax at the basic rate from certain loan interest):—

- (a) a further statement indicating whether the amount of any repayment of credit mentioned in the advertisement is calculated before or after the deduction of tax; and
- (b) where such an advertisement indicates the amounts of repayments both before and after deduction of tax, and in one or other such case not all the repayments would be equal for the purposes of sub-paragraph (1) above, a statement indicating the lowest and the highest amounts and the exact year or other period in respect of which each such amount is to be paid, unless such information is included in the statement required under sub-paragraph (1) above.

(4) The advertisement shall not include in relation to any repayment under this paragraph the expression “weekly equivalent” or any expression to the like effect or any expression of any other periodical equivalent, unless weekly payments or the other periodical payments are provided for under the agreement.

(5) The amount of any repayment under this paragraph may be expressed as a sum of money or as a specified proportion of a specified amount (including the amount outstanding from time to time).

Other payments and charges

13.—(1) Subject to sub-paragraphs (2) and (3) below, a statement indicating the description and amount of any other payments and charges which may be payable under the transaction advertised.

(2) Where the liability of the debtor to make any payment cannot be ascertained at the date the advertisement is published, a statement indicating the description of the payment in question and the circumstances in which the liability to make it will arise.

(3) Sub-paragraphs (1) and (2) above do not apply to any charge payable under the transaction to the creditor or any other person on his behalf upon failure by the debtor or a relative of his to do or refrain from doing anything which he is required to do or refrain from doing, as the case may be.

Total amount payable by the debtor

14.—(1) Subject to sub-paragraphs (2) and (3) below, in the case of an advertisement relating to credit to be provided under a consumer credit agreement which is repayable at specified intervals or in specified amounts and other than cases under which the sum of the payments within sub-paragraphs (a) to (c) below is not greater than the cash price referred to in paragraph 15 below, the total amount payable by the debtor, being the total of—

- (a) advance payments;
- (b) the amount of credit repayable by the debtor; and
- (c) the amount of the total charge for credit.

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(2) In the case of an agreement for running-account credit the total amount payable by the debtor under this paragraph shall be calculated on each of the following assumptions:

- (a) the debtor is provided with an amount of credit equal to the cash price of the goods or services less any advance payment required;
- (b) there are no changes in the rates of interest on the credit which may be provided under the agreement;
- (c) the debtor pays the amount stated in the advertisement or if none is stated the fixed or minimum sums payable under the agreement;
- (d) all repayments of credit and of the total charge for credit are made on the due date under the agreement; and
- (e) the debtor acquires no further goods or is provided with no further services under the agreement.

(3) Sub-paragraph (1) above does not apply in the case of an advertisement relating to running-account credit to be provided under a consumer credit agreement where the advertisement does not specify goods, services, land or other things having a particular cash price, the acquisition of which may be financed by the credit.

Cash price

15. In the case of an advertisement relating to credit to be provided under a debtor-creditor-supplier agreement, where the advertisement specifies goods, services, land or other things having a particular cash price, the acquisition of which from an identified dealer may be financed by the credit, the cash price of such goods, services, land or other things.

Foreign currency mortgages

16. Where the advertisement is for a mortgage or other loan secured on property and repayments are to be made in a currency other than sterling a statement in the following form:—

“THE STERLING EQUIVALENT OF YOUR LIABILITY UNDER A FOREIGN CURRENCY MORTGAGE MAY BE INCREASED BY EXCHANGE RATE MOVEMENTS.”.