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STATUTORY INSTRUMENTS

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**1997 No. 30**

**The Trading Schemes Regulations 1997**

**Contents of contracts**

5. — The agreement referred to in regulation 4 shall include:—
- (a) the name and address of the promoter or, in the case of a scheme promoted by more than one person, the names and addresses of all the promoters;
  - (b) a description of the goods or services to be acquired by or supplied to the participant by the promoter or promoters, other participants or suppliers nominated by the promoter or promoters or any other person under the trading scheme;
  - (c) a statement describing the capacity in which the participant shall act for the purposes of any transaction which he may effect under the trading scheme;
  - (d) a statement describing the financial obligation of the participant during the period of twelve months from the commencement date of the agreement. The promoter shall give to the participant at least 60 days advance written notice of any subsequent changes in such financial obligation.
  - (e) a statement describing the right of the participant to cancel the agreement:—
    - (i) within 14 days of entering into the agreement without penalty and with the right to recover any monies which he had paid to or for the benefit of the promoter or any of the promoters or any other participant in connection with his participation in the trading scheme or paid to any other participant in accordance with the provisions of the trading scheme and the manner in which that cancellation and recovery shall be effected;
    - (ii) within 14 days of entering into the agreement the right to return to an address specified in the agreement which must be an address in the United Kingdom, any goods the participant has purchased within that period under the trading scheme and which remain unsold provided that such unsold goods remain in the condition in which they were in at the time of purchase, whether or not their external wrappings have been broken and to recover any monies paid in respect of such goods;
    - (iii) within 14 days of entering into the agreement the right to cancel any services ordered within that period under the trading scheme and to recover any monies paid in respect of such services not yet supplied to the participant;and that the promoter or any other person who has supplied goods to the participant under the trading scheme shall not be entitled to make a handling charge in respect of goods returned under sub-paragraph (ii) above or services cancelled under sub-paragraph (iii) above;
  - (f) a statement describing the rights of the participant to terminate the agreement at any time without penalty by giving 14 days written notice to the promoter or any of the promoters at an address which is specified in the agreement;
  - (g) a statement describing the rights of the participant following termination of the agreement by the promoter or the participant as set out in these Regulations;

- (h) the written warnings in the form set out in Part I and Part II of Schedule 2 hereto which comply with the following:–
  - (i) the words are easily legible; and
  - (ii) the words in Part II are printed immediately above the space for the participant's signature.
- (i) a statement setting out the conditions under which the participant shall be entitled to return goods to the promoter or any promoters or any other participant which shall include at least the rights conferred on the participant by regulation 6 below and which must include an address in the United Kingdom to which such goods can be returned.
- (j) a statement setting out the conditions when commission already paid by the promoter or another participant will be recoverable from the participant which shall include at least the rights conferred on the participant by regulation 9.
- (k) where the agreement comprises more than one document, a statement setting out all documents which form part of the contract between the parties and that those documents form the entire agreement between the parties.