
STATUTORY INSTRUMENTS

2009 No. 0000

CONSUMER CREDIT

Consumer Credit (Agreements) Regulations 2009

Made - - - - - ***

Laid before Parliament ***

Coming into force - - - *11 June 2010*

The Secretary of State makes these Regulations in exercise of the powers conferred by sections 60, 182(2) and 189(1) of the Consumer Credit Act 1974.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Consumer Credit (Agreements) Regulations 2009 and shall come into force on 11 June 2010.

(2) In these Regulations, unless the context otherwise requires—

“the 1983 regulations” means the Consumer Credit (Agreements) Regulations 1983;

“the Act” means the Consumer Credit Act 1974;

“advance payment” includes any deposit and in relation to a regulated consumer credit agreement includes also any part-exchange allowance in respect of any goods agreed in antecedent negotiations to be taken by the creditor in part exchange but does not include a repayment of credit or any insurance premium or any amount entering into the total charge for credit;

“the APR” means the annual percentage rate of charge for credit determined in accordance with Schedule 4 and the Total Charge for Credit Regulations;-

“borrowing rate” means the interest rate expressed as a fixed or variable percentage applied on an annual basis to the amount of credit drawn down;

“cash price” in relation to any goods, services, land or other things means the price or charge at which the goods, services land or other things may be purchased by, or supplied to, the debtor for cash;

“credit intermediary” has the same meaning as in section 54A of the Act;

“earlier agreement” means an earlier consumer credit agreement for the provision of credit;

“exempted agreement” means an agreement of the description specified in the Schedule to the Consumer Credit (Notices of Cancellation Rights) (Exemptions) Regulations 1983 in relation to which there are no charges forming part of the total charge for credit;

“lettering” includes figures and symbols;

“modified agreement” means an earlier agreement as varied or supplemented by a modifying agreement, which is treated as-

- (i) revoking the earlier agreement, and
- (ii) containing provisions reproducing the combined effect of the two agreements;

“pawn agreement” means a consumer credit agreement under which the creditor takes an article in pawn;

“the relevant date” shall be determined in accordance with the Total Charge for Credit Regulations and in the case of modifying agreements regulation 5 below;

“total amount of credit” means the credit limit or the total sums made available under a consumer credit agreement;

“total amount payable” means the sum of the total charge for credit and the total amount of credit;

“total charge for credit” means the total charge for credit determined in accordance with the Total Charge for Credit Regulations; and

“the Total Charge for Credit Regulations” means the Consumer Credit (Total Charge for Credit) Regulations 2009.

(3) References in these Regulations to contracts of insurance shall be read with-

- (a) section 22 of the Financial Services and Markets Act 2000;
- (b) any relevant order under that section; and
- (c) Schedule 2 to that Act.

(4) In these Regulations, any reference to a repayment is a reference to-

- (a) a repayment of the whole or any part of the credit;
- (b) a payment of the whole or any part of the total charge for credit; or
- (c) a combination of such repayments and payments.

Agreements to which these Regulations apply [subject to separate provisions on section 74(1)(b) CCA overdrafts]

2.—(1) These Regulations apply in respect of regulated consumer credit agreements except as provided for in paragraph (2).

(2) These Regulations do not apply to —

- (a) agreements secured on land;
- (b) agreements under which the creditor provides the debtor with credit which exceeds £100,000;
- (c) agreements entered into by the debtor wholly or predominantly for the purposes of a business carried on, or intended to be carried on, by him,
- (d) cancellable agreements.

except to the extent that regulation 3(2) applies.

Form and content of regulated consumer credit agreements [not applicable to overdrafts falling within section 74(1)(b) CCA]

3.—(1) Documents embodying regulated consumer credit agreements (other than modifying agreements) shall contain the information set out in column 2 of Schedule 1 to these Regulations in so far as it relates to the type of agreement referred to in Column 1.

(2) Documents embodying regulated consumer credit agreements referred to in regulation 2(2) (b), (c) and (d) above may contain the information set out in column 2 of Schedule 1 to these Regulations in so far as it relates to the type of agreement referred to in column 1 in which case these Regulations apply instead of the 1983 Regulations.

(3) The information specified in Schedule 1 shall be presented in a clear and concise manner.

(4) For the purposes of this regulation, the requirement for the information to be “clear” includes a requirement that the wording, apart from any signature, is to be easily legible and of a colour which is readily distinguishable from the background medium upon which the information is displayed.

(5) Documents embodying regulated consumer credit agreements, other than exempted agreements, shall contain statements of the protection and remedies available to debtors under the Act, in the Form numbered in Column 1 of Schedule 2 to these Regulations and set out in Column 3, in so far as they relate to the type of agreement referred to in Column 2.

(6) Documents embodying regulated consumer credit agreements shall embody any security provided in relation to the regulated agreement by the debtor.

(7) Paragraph (9) applies to documents embodying a debtor-creditor-supplier agreement falling within section 12(a) of the Act or a debtor-creditor agreement (in this paragraph and paragraph (9) in either case referred to as “the principal agreement”) and also embodying, or containing the option of, a debtor-creditor-supplier agreement falling within section 12(b) of the Act (in this paragraph and paragraph (9) referred to as “the subsidiary agreement”) where the subsidiary agreement is to finance a premium under one or more of—

(a) a contract of insurance to provide a sum payable in the event of the death of a debtor or a debtor suffering one or more of the following—

- (i) accident,
- (ii) sickness, and
- (iii) unemployment,

at any time before the credit under the principal agreement and the subsidiary agreement has been repaid, where the sum payable does not exceed the amount sufficient to defray the sums payable to the creditor in respect of that credit and of the total charge for credit and where the policy monies payable under the contract of insurance are to be used for a repayment under the principal agreement and the subsidiary agreement;

(b) contract of shortfall insurance; and

(c) contract of insurance in so far as it relates to the guarantee of goods.

(8) Documents to which this paragraph applies may contain instead of the headings specified in paragraph 1 of Schedule 1 to these Regulations and any applicable statements of protection and remedies available to debtors under the Act that would otherwise apply—

(a) a heading as far as they relate to the principal agreement; and

(b) if applicable, statements of the protection and remedies available to debtors under the Act in so far as they relate to the principal agreement.

Signing of agreement [not applicable to overdrafts falling within section 74(1)(b) CCA]

4.—(1) The information specified in paragraphs 5, 6, 7, 11 and 14 of Column 2 of Schedule 1 to these Regulations in relation to the type of regulated agreement referred to in Column 1 shall be “the prescribed terms” for the purposes of section 61(1)(a) of the Act (the terms which must be contained in a document if a regulated agreement is not to be improperly executed).

(2) The document containing the prescribed terms of the regulated agreement (referred to in paragraph (1)) shall contain a space indicated for the purpose of the debtor’s signature.

(3) The signature of the document shall be made in the following manner-

- (a) by the debtor or by or on behalf of the debtor in the case of a partnership or an unincorporated body of persons in the space in the document indicated for the purpose and, subject to sub-paragraph (c) below, the date of the signature shall be inserted in the space in the document indicated for the purpose;
- (b) by the creditor, or by a person on his behalf, in the space indicated for the purpose and, subject to sub-paragraph (c) below, the date of the signature shall be inserted;

- (c) Except where the agreement is cancellable, the date on which the unexecuted agreement becomes an executed agreement may be inserted in the document and in such a case any other date specified in paragraphs (a) and (b) above need not be inserted; and
- (d) nothing in this Regulation shall prohibit the inclusion in the said document, near to any such signature, of the signature by any witness.

(4) In Scotland any provision in paragraph (3) above requiring the said document to be signed shall be complied with by a body corporate if the document is properly executed in accordance with the law of Scotland.

(5) Where an agreement is intended to be concluded by the use of electronic communication nothing in this regulation shall prohibit the inclusion in the document of information about the process or means of providing, communicating or verifying the signature to be made by the debtor.

Modifying agreements

5.—(1) Subject to paragraph (2), the provisions of these Regulations shall apply to a modifying agreement which varies or supplements an earlier agreement where the resulting modified agreement is treated under section 82(3) of the Act as, a regulated agreement.

(2) Where an item of information required in Schedule 1 to these Regulations is unchanged by the modifying agreement, the requirements of regulation 3(1) may be satisfied in relation to such items of information by a statement in the modifying agreement clearly indicating that the information in the earlier agreement remains unchanged.

(3) Any statement referred to in paragraph (2) shall be contained in the document containing the prescribed terms.

(4) For the purposes of Schedule 1 to these Regulations, in calculating –

- (a) the amount of repayments of credit or of any capital outstanding under an earlier agreement,
- (b) the total charge for credit (or any items included in it) in relation to the credit to be provided under the modified agreement, or
- (c) the APR in relation to the modified agreement,

the relevant date shall be determined by reference to the date of the modifying agreement.

Pawn agreements [not applicable to overdrafts falling within section 74(1)(b) CCA]

6.—(1) Where a pawn-receipt is given under section 114(1) of the Act by a person who takes any article in pawn under a regulated consumer credit agreement (or a modifying agreement varying or supplementing an earlier credit agreement which is, or is treated under section 82(3) of the Act as, a regulated agreement) and where the pawn receipt is not separate from any document embodying such an agreement it shall-

- (a) contain the information set out in paragraphs 1, 2 and 22 of Schedule 1 to these Regulations; and
- (b) include a notice in the Form contained in Schedule 3 to these Regulations.

Statutory Forms [not applicable to overdrafts falling within section 74(1)(b) CCA]

7.—(1) The wording of any Form specified in Schedules 2 and 3 shall be reproduced in documents embodying regulated consumer credit agreements (where applicable) without any alteration, except that—

- (a) the words “the creditor” may be replaced by the name of the creditor, by the expression by which the creditor is referred to in the agreement or by an appropriate pronoun, and any consequential changes to pronouns and verbs or other consequential grammatical changes may be made;

(b) the word “DEBTOR” may be replaced by “BORROWER” or “CUSTOMER” and the word “Debtor(s)” may be replaced by “Borrower(s)” or “Customer(s)”; and

(c) every Form shall be completed in accordance with any footnote.

(2) Any such footnote shall not be treated as part of any Form specified in the said Schedules and may be reproduced in addition to any such Form.

(3) Where any such footnote requires any words to be omitted, those words shall be omitted or deleted.

(4) Where words are shown in capital letters in any Form specified in Schedule 2 or 3 to these Regulations, and are reproduced in documents embodying regulated agreements, they shall be afforded more prominence (whether by capital letters, underlining, larger or bold print or otherwise) than any other lettering in that Form except lettering inserted in accordance with paragraph 1(c) above and no less prominence than that given to any other information in the document apart from the heading to the document, trade names, trade names, names of parties to the agreement or lettering in the document inserted in handwriting.

Form and content of agreements falling within section 74(1)(b) of the Act

8.–(1) Subject to paragraph (2) and to regulation 9, the following shall be specified in writing in a clear and concise manner in the case of an agreement falling within section 74(1)(b) of the Act–

- (a) the type of credit;
- (b) the identities and geographical addresses of the contracting parties and, where applicable, of the credit intermediary involved;
- (c) the duration of the agreement;
- (d) the credit limit and the conditions governing its drawdown;
- (e) the borrowing rate, the conditions governing the application of that rate, any index or reference rate applicable to the initial borrowing rate, as well as the periods, conditions and procedure for changing the borrowing rate and, if different borrowing rates apply in different circumstances, the above information in respect of all the applicable rates;
- (f) the total cost of credit to the debtor, calculated at the time the agreement is made, mentioning all the assumptions used in order to calculate it;
- (g) an indication that the debtor may be requested to repay the amount of credit in full on demand at any time; and
- (h) the charges applicable from the time the agreement is made and, where applicable, the conditions under which those charges may be changed.

(2) For the purposes of paragraph (1), the requirement for the information to be clear includes a requirement that the wording is easily legible and of a colour which is readily distinguishable from the background medium upon which the information is displayed.

(3) In respect of an agreement falling within section 74(1)(b)(ii) of the Act, paragraph (1)(f) shall not apply.

9. Where an agreement falling within section 74(1)(b) of the Act has been made at the debtor’s request using a means of distance communication so that information cannot be provided as required by regulation 1(1), or where the debtor has requested that the overdraft be made available with immediate effect, the creditor shall immediately after the agreement is made provide the contractual information required by regulation 8(1).

10. Where an agreement for a current account allows the possibility that a debtor may overdraw with the tacit agreement of the creditor, the agreement for the current account shall include the following information–

- (a) the borrowing rate, the conditions governing the application of that rate, any index or reference rate applicable to the initial borrowing rate as well as the periods, conditions and procedure for changing the borrowing rate and if different borrowing rates apply in different circumstances, the above information in respect of all the applicable rates; and
- (b) the charges applicable from the time the agreement is made and, where applicable, the conditions under which those charges may be changed.

11. Where the requirements of regulation 8(1), 9, or 10 are not met, the agreement shall be deemed to be improperly executed for the purposes of section 65 of the Act.

Date

Minister for Further Education, Skills, Apprenticeships and Consumer Affairs
Department for Business Innovation & Skills

Name

SCHEDULE 1

Regulation 3

INFORMATION TO BE INCLUDED IN REGULATED CREDIT AGREEMENTS

<i>Type of agreement</i> (1)	<i>Information</i> (2)
<p><i>Nature of the agreement</i></p> <p>1. All types.</p>	<p>(1) Subject to paragraph (2) below, a heading in one of the following forms of words—</p> <ul style="list-style-type: none"> (a) “Hire Purchase Agreement regulated by the Consumer Credit Act 1974” (b) “Conditional Sale Agreement regulated by the Consumer Credit Act 1974. (c) “Fixed Sum Loan Agreement regulated by the Consumer Credit Act 1974” (d) “Credit Card Agreement regulated by the Consumer Credit Act 1974” (e) “Agreement modifying a Credit Agreement and regulated by the Consumer Credit Act 1974.” <p>as the case may require.</p> <p>(2) If none of the headings in (1)(a) to (e) above are applicable —</p> <ul style="list-style-type: none"> (a) a heading in the following form of words – “Credit Agreement regulated by the Consumer Credit Act 1974” and (b) a description of the type of credit. <p>(3) Where the document and a pawn receipt are combined, the words “, and Pawn Receipt”, shall be inserted in the heading after the word “Agreement”.</p> <p>(4) Where the document embodies an agreement of which at least one part is a consumer credit agreement not regulated by the Act, the word “partly” shall be inserted before “regulated” unless the regulated and unregulated parts of the agreement are clearly separate.</p> <p>(5) Where the credit is secured on land the words “secured on” followed by the address of the land shall be inserted at the end of the heading.</p>
<p><i>Parties to the agreement</i></p> <p>2. All types.</p>	<p>The identity and geographical address of the creditor, debtor and, where relevant, the identity and geographical address of any credit intermediary involved.</p>

<p><i>Term of the agreement</i></p> <p>3. Agreement of fixed duration.</p> <p>4. Open end agreements.</p>	<p>The duration of the agreement.</p> <p>A statement indicating that the agreement has no fixed duration. The statement shall include details of the minimum duration of the agreement where such a period is provided for under the agreement.</p>
<p><i>Amount of credit</i></p> <p>5. Agreements falling within paragraph 9 except agreements under which both—</p> <p>(a) the total amount payable by the debtor is not greater than the total cash price referred to in paragraph 10; and</p> <p>(b) there is no advance payment.</p> <p>6. Agreements for fixed-sum credit not falling within paragraph 9.</p> <p><i>Credit Limit</i></p> <p>7. Agreements for running account credit.</p> <p><i>Drawdown conditions</i></p> <p>8. All types.</p>	<p>The amount of the credit to be provided under the agreement, namely the difference between the total cash price to be shown under paragraph 10 and the total of any advance payments.</p> <p>The amount of credit to be provided under the agreement.</p> <p>The credit limit expressed as—</p> <p>(a) a sum of money;</p> <p>(b) a statement that the credit limit will be determined by the creditor from time to time under the agreement and that notice of it will be given by the creditor to the debtor;</p> <p>(c) a sum of money together with a statement that the creditor may vary the credit limit to such sum as the creditor may from time to time determine under the agreement and that notice of it will be given by the creditor to the debtor; or</p> <p>(d) in a case not falling within head a b or c above, either a statement indicating the manner in which the credit limit will be determined and that notice of it will be given by the creditor to the debtor or a statement indicating that there is no credit limit.</p> <p>A statement indicating how and when the debtor will obtain the credit.</p>
<p><i>Description of goods, services, land etc</i></p> <p>9. Restricted use debtor-creditor-supplier agreements for fixed-sum credit to finance a transaction comprising the acquisition of goods, services, land or other things specified in the</p>	<p>A list or other description of the goods, services or other things and in the case of land, a general description of the land, the acquisition of which is to be financed by credit under the agreement.</p>

<p>agreement or identified and agreed on at the time the agreement is made.</p> <p><i>Cash price</i> 10. Agreement falling within paragraph 9.</p>	<p>The cash price in relation to each list or other description of goods, services, land or other things, to be shown under paragraph 9 above, and the total cash price.</p>
<p><i>Borrowing rate</i> 11 All types</p>	<p>The borrowing rate(s) and, where available, any index or reference rate applicable to the initial rate.</p> <p>The following additional information shall be given in relation to each rate that applies:</p> <ul style="list-style-type: none"> (1) the conditions governing the application of the rate; (2) the period during which the rate will apply; (3) the conditions and procedure for changing the rate.
<p><i>Total amount payable</i> 12. All types.</p> <p><i>APR</i> 13. All types.</p> <p><i>Timing of repayments</i></p>	<p>The total amount payable by the debtor calculated at the time the credit agreement is made, being the sum of the total charge for credit, the total amount of credit and any advance payment.</p> <p>[In the case of running account credit, where the credit limit is not known at the time the credit agreement is made, the total amount of credit referred to in paragraph (1) above shall be assumed to be £1,200 or in a case where credit is to be provided subject to a credit limit of less than £1,200, an amount equal to that limit.]</p> <p>The APR in relation to the agreement calculated at the time the credit agreement is concluded. All the assumptions used in order to calculate that rate shall be specified.</p> <p>Alternatively, where applicable, a statement indicating that the total amount payable under the agreement 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.</p> <p>The timing of repayments to be made under the</p>

<p>14. All types.</p>	<p>agreement expressed by reference to one or more of the following—</p> <ul style="list-style-type: none"> (e) the dates on which each repayment is to be made; (f) the frequency and number of the repayments and the date of the first repayment or a statement indicating the manner in which that date will be determined; (g) a statement indicating the number of repayments and the manner in which the dates of the repayments will be determined.
<p><i>Amounts of repayments</i></p> <p>15 All types.</p>	<p>The amount of each repayment to be made under the agreement expressed as-</p> <ul style="list-style-type: none"> (a) a sum of money; (b) a specified proportion of a specified amount (including the amount outstanding from time to time); (c) a combination of heads (a) and (b) above; or (d) in a case where the amount of any repayment cannot be expressed in accordance with head (a), (b) or (c) above, a statement indicating the manner in which the amount will be determined.
<p><i>Statement of account</i></p> <p>16. Agreements of fixed duration where the debtor's repayments under the agreement result in an immediate reduction in the total amount of credit owed, other than agreements—</p> <ul style="list-style-type: none"> (a) referred to in regulation 2(2); or (b) agreements where the total amount payable by the debtor does not exceed the total amount of credit. 	<p>The right to receive, on request, and free of charge, at any time throughout the duration of the agreement, a statement in the form of a table showing-</p> <ul style="list-style-type: none"> (a) the repayments owing under the agreement; (b) the periods and conditions relating to the payments; (c) a breakdown of each repayment showing how much comprises— <ul style="list-style-type: none"> (i) capital repayment, (ii) interest, and (iii) if applicable, any other charges. <p>Where the interest rate is variable or the other charges may be varied under the agreement, the statement shall indicate clearly and concisely that the information contained in the statement will remain valid until such time as any of the applicable interest rates or charges is varied in accordance with the agreement.</p>
<p><i>Statement where no immediate credit reduction</i></p> <p>17. Agreements under which payments of</p>	<p>A statement indicating the periods and</p>

<p>charges and interest made by the debtor do not give rise to a reduction of the credit advanced.</p> <p>17A Agreements under which repayments made by the debtor do not give rise to an immediate corresponding reduction of the total amount of credit but are used to constitute capital during periods and under conditions laid down in the consumer credit agreement or in an ancillary agreement.</p>	<p>conditions for the payment of the interest and of any associated recurrent and non-recurrent charges.</p> <p>A statement indicating that-</p> <p>(a) the debtor's regular repayments will not repay the capital advanced; and</p> <p>(b) the debtor must repay the capital advanced unless the agreement provides a guarantee that any capital constituted by the debtor's repayments will repay the total amount of credit.</p>
<p><i>Charges</i></p> <p>18. All types where applicable.</p>	<p>(1) where applicable, the charges for maintaining an account recording both payment transactions and draw downs, unless the opening of the account is optional.</p> <p>(2) Any charge payable as a result of using a method of payment in respect of repayment transactions or drawdown.</p> <p>(3) Any other charges deriving from the credit agreements (other than those referred to in paragraph 19(3) below) and the conditions under which those charges may be changed.</p>
<p><i>Interest for late payment</i></p> <p>19. All types.</p>	<p>(1) The interest rate which applies in the case of late payments applicable at the time of the making of the credit agreement,</p> <p>(2) the arrangements for its adjustment and,</p> <p>(3) where applicable, any charges payable for late payment.</p>
<p><i>Warning</i></p> <p>20. All types except pawn agreements.</p>	<p>A statement warning about the consequences of missing payments, including, for example, a reference to possible legal proceedings and the possibility that the debtor's home may be repossessed and the possibility of missing payments making it more difficult to obtain credit.</p>
<p><i>Notarial fees</i></p> <p>21. All types.</p>	<p>Where applicable, a statement that notarial fees will be payable.</p>
<p><i>Security provided by the debtor</i></p> <p>22 Pawn agreements, to which section 114 of the Act applies and where no separate pawn receipt is given.</p> <p>23 All types except those referred to in paragraph 22 in relation to which any security is to be provided by the debtor.</p>	<p>A statement indicating that an article has been taken in pawn under the agreement and a description of the article sufficient to identify it.</p> <p>A description of the security or guarantee as applicable.</p>
<p><i>Compulsory insurance</i></p> <p>24. All types</p>	<p>A description of any contract of insurance which the debtor is required to conclude under the terms of this agreement.</p>
<p><i>Right of withdrawal</i></p> <p>25. All types except-</p>	<p>A statement providing details of the debtor's right under section 73A of the Act to withdraw</p>

<p>(a) agreements secured on land; (b) agreements under which the creditor provides the debtor with credit exceeding £100,00; and (c) cancellable agreements.</p>	<p>from the consumer credit agreement including—</p> <p>(1) the right to withdraw within 14 days without the debtor having to give any reason;</p> <p>(2) when that period of withdrawal begins and ends;</p> <p>(3) the requirement of the debtor to notify the creditor of his intention to withdraw, in writing or orally;</p> <p>(4) contact details of the person/creditor whom he must notify of his intention to withdraw from the agreement;</p> <p>(5) the requirement to repay the credit without delay and no later than 30 calendar days of giving notice of withdrawal;</p> <p>(6) the requirement to pay, without delay and no later than 30 calendar days of giving notice of withdrawal, the interest accrued from the date of drawing down the credit to the date of repaying it;</p> <p>(7) the amount of interest payable per day expressed as a sum of money; and</p> <p>(8) details of how and to whom he must pay the credit and interest.</p> <p>Paragraph (7) does not apply in respect of agreements for running account credit where it is not practicable for the creditor to state the amount of interest payable per day. In such cases, the agreement shall state that where credit is drawn down during the withdrawal period, the creditor shall inform the debtor, on request, without delay, of the amount of interest payable per day.</p>
<p><i>Linked credit agreements</i> 26. linked credit agreements except those- (a) falling within paragraph 27; (b) under which the credit provided exceeds £60,260 or is less than £160.</p>	<p>A statement explaining-</p> <p>(1) that the credit agreement finances the supply of specific goods or services,</p> <p>(2) If the goods or services are not supplied, or are supplied only in part, or do not conform with the contract, the debtor has the right to seek redress from the creditor, if he is unable to obtain redress from the supplier of the goods or services.</p>
<p>27. Agreements falling within section 12(b) or (c) to which section 75 of the Act applies</p>	<p>A statement explaining that if the debtor purchases any item costing more than £100 and less than £30,000 using credit supplied under the credit agreement, he may have a right of redress against the creditor in any of the following circumstances-</p> <p>(a) the goods fail to arrive,</p> <p>(b) the goods are not of satisfactory quality, or</p> <p>(c) any misrepresentation is made by the</p>

	<p>supplier of the goods.</p> <p>[Or A statement explaining that the debtor may have a right to sue the supplier, the creditor or both if he has received unsatisfactory goods or services paid for under the agreement costing more than £100 and less than £30,000.]</p>
<p><i>Early repayment</i></p> <p>28. All types except agreements secured on land.</p>	<p>A statement providing details of the debtor's right of early repayment under section 95A of the Act including –</p> <p>(1) the fact that the debtor has a right to repay early in full or part,</p> <p>(2) the procedure for early repayment, and</p> <p>(3) where applicable details of the creditor's right to compensation under section 95 of the Act and the manner in which that compensation shall be determined.</p>
<p><i>Termination by debtor</i></p> <p>29. Open ended agreements.</p> <p>30. Hire purchase and conditional sale agreements.</p>	<p>A statement explaining how and when the debtor can terminate the agreement.</p> <p>A statement explaining-</p> <p>(a) how and when the debtor can terminate the agreement under section 99 of the Act, and</p> <p>(b) the debtor's maximum liability under section 100 of the Act.</p>
<p><i>Ombudsman Scheme</i></p> <p>31. All types.</p>	<p>A statement explaining that the debtor has the right to complain to the Financial Ombudsman Scheme.</p>
<p><i>Contractual terms and conditions</i></p> <p>32. All types.</p>	<p>Where applicable, the other contractual terms and conditions.</p>
<p><i>Supervisory authority</i></p> <p>33. All types.</p>	<p>A statement specifying that the Office of Fair Trading, [geographical address] is the regulating authority of consumer credit agreements.</p>

SCHEDULE 2

Regulations 3(5) and 7

**FORMS OF STATEMENT OF PROTECTION AND REMEDIES
AVAILABLE UNDER THE CONSUMER CREDIT ACT 1974 TO
DEBTORS UNDER REGULATED CONSUMER CREDIT
AGREEMENTS**

<i>FORM (1)</i>	<i>TYPE OF AGREEMENT (2)</i>	<i>FORM OF STATEMENT (3)</i>
1.	Agreement to which section 58(1) of the Act applies	YOUR RIGHTS Under the Consumer Credit Act 1984, you should have been given a copy of this agreement at least seven days ago so you could consider whether you wanted to go ahead. If the creditor did not give you a copy of this agreement he can only enforce it with a court order.
2.	All agreements which are secured on land	YOUR HOME MAY BE REPOSSESSED. Your home may be repossessed if you do not keep up repayments on a mortgage or other debt secured on it.
3.	Cancellable agreements	<i>CANCELLATION STATEMENTS forms 4-6, Part 1 of Schedule 2 to the Agreement Regulations 1983</i>
4.	Pawn agreements to which section 114 of the Act applies	IMPORTANT – READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS The Consumer Credit Act 1974 lays down certain requirements for your protection which should have been complied with which this agreement was made. If they were not, the creditor cannot enforce this agreement without getting a court order. The Act also gives you a number of rights. In particular, you should read the NOTICE TO DEBTOR [in this agreement]* [in your pawn receipt]** If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau Notes: *Phrase in square brackets to be included by creditor in agreements where any document embodying the agreement is not separate from the pawn receipt. Creditor to omit "in your pawn receipt". **Phrase in square brackets to be included by creditor in agreements where a separately pawn-receipt is given to the debtor Creditor to omit "in this agreement".

<p>5.</p>	<p>Conditional sale agreements secured on land</p>	<p>TERMINATION: YOUR RIGHTS Until the title to the land has passed to you, you have a right to end this agreement. To do so write to the person you make your payments to. They will then be entitled to the return of the land and the [half the total amount payable under this agreement, that is] £x. ** If, at the time you end this agreement, you have already paid at least this amount plus any overdue instalments and you have taken reasonable care of the land, you will not have to pay any more.</p> <p>NOTES: *Creditor to insert the passage in square brackets where the amount calculated in accordance with the provisions of section 100 of the Act applies. If the agreement provides for a sum below the minimum prescribed in the Act, the passage in square brackets is to be omitted **Creditor to insert the amount calculated in accordance with the provisions of section 100 of the Act or such lesser sum as the agreement may provide.</p>
<p>6.</p>	<p>Agreements modifying conditional sale agreements relating to land</p>	<p>TERMINATION: YOUR RIGHTS Until the title to the land has passed to you, you have a right to end this agreement. To do so write to the person you make your payments to. They will then be entitled to the return of the land and to [half the total amount payable under this agreement, that is] [£—] If at the time you end this agreement, you have already paid at least this amount plus any overdue instalments and you have taken reasonable care of the land, you will have to pay any more.</p> <p>Notes: *Creditor to insert the passage in square brackets where the amount calculated in accordance with the provisions of section 100 of the Act applies. If the agreement provides for a sum below the minimum prescribed in the Act, the passage in square brackets is to be omitted. ** Creditor to insert the amount calculated in accordance with the provisions of section 100 of the Act or such lesser sum as the agreement may provide.</p>

SCHEDULE 3

Regulation 6

NOTICE TO BE CONTAINED IN DOCUMENTS EMBODYING A COMBINED CONSUMER CREDIT AGREEMENT AND PAWN RECEIPT

NOTICE TO THE DEBTOR

IMPORTANT – YOU SHOULD READ THIS CAREFULLY

Right to Redeem Articles

If you hand in this agreement (which is also your pawn receipt) and pay the amount you owe, you may redeem the article(s) in pawn at any time within 6 months of the date of this agreement or any longer time agreed with the creditor (“the redemption period”).

IF YOU DO NOT REDEEM THE ARTICLE(S) ON OR BEFORE *YOU MAY LOSE YOUR RIGHT TO REDEEM IT (THEM).

Loss of Receipt

If you lose your receipt you may provide either a statutory declaration or, if the credit (or credit limit) is not more than £[—] and the creditor agrees, a signed statement instead. The creditor may provide the form to be used and may charge for doing so.

Unredeemed Articles

An article not redeemed within the redemption period becomes the creditor’s property if the credit (or credit limit) is not more than £[—] and the redemption period is 6 months. In any other case it may be sold by the creditor, but it continues to be redeemable until it is sold. Interest is payable until the actual date of redemption. Where the credit (or credit limit) is more than £[—] the creditor must give you 14 days notice of his intention to sell. When an article has been sold you will receive information about the sale. If the proceeds (less expenses) are more than the amount that would have been payable to redeem the article on the date of the sale you will be entitled to receive the extra amount. If the proceeds are less than the amount you will owe the creditor the shortfall.

Your goods will not be insured by the creditor while they are in pawn. *****

Notes:

*Creditor to insert the date at the end of the redemption period.

**Creditor to insert the amount specified in section 118(1)(b) of the Act.

***Creditor to insert the amount specified in section 120(1)(a) of the Act.

****Creditor to insert the amount specified in the Consumer Credit (Realisation of Pawn) Regulations 1983.

*****Creditor to omit this paragraph if inapplicable.

SCHEDULE 4

Regulation 1(2)

PROVISIONS RELATING TO CALCULATION AND DISCLOSURE OF APR

Assumptions about running-account credit

1. In the case of an agreement for running-account credit, the assumption in paragraph (a) below shall have effect for the purpose of calculating the APR in place of the assumption in regulation 5(o) of the Total Charge for Credit Regulations that might otherwise apply—

- (a) in a case where credit is to be provided subject to a credit limit of less than £1,200, an amount equal to that limit.

Permissible tolerances in disclosure of an APR

2. For the purposes of these Regulations, it shall be sufficient compliance with the requirement to show an APR if there is included in the agreement—

- (a) a rate which exceeds the APR by not more than one, or
- (b) a rate which falls short of the APR by not more than 0.1,
- (c) or in a case to which paragraph 2 or 3 of this Schedule applies, a rate determined in accordance with those paragraphs or whichever of them applies to that case.

Tolerance where repayments are nearly equal

3. In the case of an agreement under which all repayments but one are equal and that one repayment does not differ from any other repayment by more whole pence than there are repayments of credit, there may be included in an agreement relating to the agreement a rate found under regulation 7 of the Total Charge for Credit Regulations 1980 as if that one repayment were equal to the other repayments to be made under the agreement.

Tolerance where interval between relevant date and first repayment is greater than interval between repayments

4. In the case of an agreement under which—

- (a) three or more repayments are to be made at equal intervals, and
- (b) the interval between the relevant date and the first repayment is greater than the interval between the repayments,

there may be included in the agreement relating to the agreement a rate found under regulation 7 of the Total Charge for Credit Regulations 1980 as if the interval between the relevant date and the first repayment were shortened so as to be equal to the interval between repayments.

EXPLANATORY NOTE

(This note is not part of the Order)

Text to follow

DRAFT