



Consumer Credit Act 1974

1974 CHAPTER 39

PART V

ENTRY INTO CREDIT OR HIRE AGREEMENTS

Making the agreement

60 Form and content of agreements

- (1) The Secretary of State shall make regulations as to the form and content of documents embodying regulated agreements, and the regulations shall contain such provisions as appear to him appropriate with a view to ensuring that the debtor or hirer is made aware of—
 - (a) the rights and duties conferred or imposed on him by the agreement,
 - (b) the amount and rate of the total charge for credit (in the case of a consumer credit agreement),
 - (c) the protection and remedies available to him under this Act, and
 - (d) any other matters which, in the opinion of the Secretary of State, it is desirable for him to know about in connection with the agreement.
- (2) Regulations under subsection (1) may in particular—
 - (a) require specified information to be included in the prescribed manner in documents, and other specified material to be excluded;
 - (b) contain requirements to ensure that specified information is clearly brought to the attention of the debtor or hirer, and that one part of a document is not given insufficient or excessive prominence compared with another.
- (3) If, on an application made to the Director by a person carrying on a consumer credit business or a consumer hire business, it appears to the Director impracticable for the applicant to comply with any requirement of regulations under subsection (1) in a particular case, he may, by notice to the applicant direct that the requirement be waived or varied in relation to such agreements, and subject to such conditions (if any), as he may specify, and this Act and the regulations shall have effect accordingly.

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- (4) The Director shall give a notice under subsection (3) only if he is satisfied that to do so would not prejudice the interests of debtors or hirers.

61 Signing of agreement

- (1) A regulated agreement is not properly executed unless—
- (a) a document in the prescribed form itself containing all the prescribed terms and conforming to regulations under section 60(1) is signed in the prescribed manner both by the debtor or hirer and by or on behalf of the creditor or owner, and
 - (b) the document embodies all the terms of the agreement, other than implied terms, and
 - (c) the document is, when presented or sent to the debtor or hirer for signature, in such a state that all its terms are readily legible.
- (2) In addition, where the agreement is one to which section 58(1) applies, it is not properly executed unless—
- (a) the requirements of section 58(1) were complied with, and
 - (b) the unexecuted agreement was sent, for his signature, to the debtor or hirer by post not less than seven days after a copy of it was given to him under section 58(1), and
 - (c) during the consideration period, the creditor or owner refrained from approaching the debtor or hirer (whether in person, by telephone or letter, or in any other way) except in response to a specific request made by the debtor or hirer after the beginning of the consideration period, and
 - (d) no notice of withdrawal by the debtor or hirer was received by the creditor or owner before the sending of the unexecuted agreement.
- (3) In subsection (2)(c), " the consideration period" means the period beginning with the giving of the copy under section 58(1) and ending—
- (a) at the expiry of seven days after the day on which the unexecuted agreement is sent, for his signature, to the debtor or hirer, or
 - (b) on its return by the debtor or hirer after signature by him,
- whichever first occurs.
- (4) Where the debtor or hirer is a partnership or an unincorporated body of persons, subsection (1)(a) shall apply with the substitution for " by the debtor or hirer " of " by or on behalf of the debtor or hirer ".

62 Duty to supply copy of unexecuted agreement

- (1) If the unexecuted agreement is presented personally to the debtor or hirer for his signature, but on the occasion when he signs it the document does not become an executed agreement, a copy of it, and of any other document referred to in it, must be there and then delivered to him.
- (2) If the unexecuted agreement is sent to the debtor or hirer for his signature, a copy of it, and of any other document referred to in it, must be sent to him at the same time.
- (3) A regulated agreement is not properly executed if the requirements of this section are not observed.

63 Duty to supply copy of executed agreement

- (1) If the unexecuted agreement is presented personally to the debtor or hirer for his signature, and on the occasion when he signs it the document becomes an executed agreement, a copy of the executed agreement, and of any other document referred to in it, must be there and then delivered to him.
- (2) A copy of the executed agreement, and of any other document referred to in it, must be given to the debtor or hirer within the seven days following the making of the agreement unless—
 - (a) subsection (1) applies, or
 - (b) the unexecuted agreement was sent to the debtor or hirer for his signature and, on the occasion of his signing it, the document became an executed agreement.
- (3) In the case of a cancellable agreement, a copy under subsection (2) must be sent by post.
- (4) In the case of a credit-token agreement, a copy under subsection (2) need not be given within the seven days following the making of the agreement if it is given before or at the time when the credit-token is given to the debtor.
- (5) A regulated agreement is not properly executed if the requirements of this section are not observed.

64 Duty to give notice of cancellation rights

- (1) In the case of a cancellable agreement, a notice in the prescribed form indicating the right of the debtor or hirer to cancel the agreement, how and when that right is exercisable, and the name and address of a person to whom notice of cancellation may be given.—
 - (a) must be included in every copy given to the debtor or hirer under section 62 or 63, and
 - (b) except where section 63(2) applied, must also be sent by post to the debtor or hirer within the seven days following the making of the agreement.
- (2) In the case of a credit-token agreement, a notice under subsection (1)(b) need not be sent by post within the seven days following the making of the agreement if either—
 - (a) it is sent by post to the debtor or hirer before the credit token is given to him, or
 - (b) it is sent by post to him together with the credit-token.
- (3) Regulations may provide that except where section 63(2) applied a notice sent under subsection (1)(b) shall be accompanied by a further copy of the executed agreement, and of any other document referred to in it.
- (4) Regulations may provide that subsection (1)(b) is not to apply in the case of agreements such as are described in the regulations, being agreements made by a particular person, if—
 - (a) on an application by that person to the Director, the Director has determined that, having regard to—
 - (i) the manner in which antecedent negotiations for agreements with the applicant of that description are conducted, and
 - (ii) the information provided to debtors or hirers before such agreements are made, the requirement imposed by subsection (1)(b) can be

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dispensed with without prejudicing the interests of debtors or hirers ;
and

- (b) any conditions imposed by the Director in making the determination are complied with.
- (5) A cancellable agreement is not properly executed if the requirements of this section are not observed.

65 Consequences of improper execution

- (1) An improperly-executed regulated agreement is enforceable against the debtor or hirer on an order of the court only.
- (2) A retaking of goods or land to which a regulated agreement relates is an enforcement of the agreement.

66 Acceptance of credit-tokens

- (1) The debtor shall not be liable under a credit-token agreement for use made of the credit-token by any person unless the debtor had previously accepted the credit-token, or the use constituted an acceptance of it by him.
- (2) The debtor accepts a credit-token when—
 - (a) it is signed , or
 - (b) a receipt for it is signed, or
 - (c) it is first used,either by the debtor himself or by a person who, pursuant to the agreement, is authorised by him to use it.