



Consumer Credit Act 1974

1974 CHAPTER 39

PART VII

DEFAULT AND TERMINATION

Early payment by debtor

[^{F1}95B Compensatory amount: green deal finance

- (1) This section applies where—
 - (a) a regulated consumer credit agreement provides for the rate of interest on the credit to be fixed for a period of time (“the fixed rate period”),
 - (b) the agreement is a green deal plan [^{F2}(within the meaning of section 1 of the Energy Act 2011)] which is of a duration specified for the purposes of this section in regulations, and
 - (c) under section 94 the debtor discharges all or part of his indebtedness during the fixed rate period.
- (2) The creditor may claim an amount equal to the cost which the creditor has incurred as a result only of the debtor's indebtedness being discharged during the fixed rate period if—
 - (a) the amount of the payment under section 94 is not paid from the proceeds of a contract of payment protection insurance, and
 - (b) such other conditions as may be specified for the purposes of this section in regulations are satisfied.
- (3) The amount in subsection (2)—
 - (a) must be fair,
 - (b) must be objectively justified,
 - (c) must be calculated by the creditor in accordance with provision made for the purposes of this section in regulations, and
 - (d) must not exceed the total amount of interest that would have been paid by the debtor under the agreement in the period from the date on which the debtor

Changes to legislation: Consumer Credit Act 1974, Section 95B is up to date with all changes known to be in force on or before 09 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

makes the payment under section 94 to the date fixed by the agreement for the discharge of the indebtedness of the debtor.

- (4) If a creditor could claim under either section 95A or this section, the creditor may choose under which section to claim.]

Textual Amendments

- F1** S. 95B inserted (21.3.2012 for specified purposes, 28.1.2013 in so far as not already in force) by [Energy Act 2011 \(c. 16\)](#), **ss. 29(2)**, 121(1); S.I. 2012/873, art. 3(1)(d)(2); S.I. 2013/125, art. 2(d)
- F2** Words in s. 95B(1)(b) omitted (E.W.S.) (28.2.2014) by virtue of [The Consumer Credit Act 1974 \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/436\)](#), arts. 1(2), **8(2)** (with art. 1(3))

Modifications etc. (not altering text)

- C1** Ss. 94-97A excluded (E.W.S.) (15.7.2014) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Green Deal\) \(Amendment\) Order 2014 \(S.I. 2014/1850\)](#), arts. 1(2), **12(2)** (with art. 1(3))

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 25(2A)(b)(ia) inserted by [2010 c. 28 Sch. 2 para. 36](#)