



Minors' Contracts Act 1987

1987 CHAPTER 13

An Act to amend the law relating to minors' contracts.

[9th April 1987]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. The following enactments shall not apply to any contract made by a minor after the commencement of this Act—

Disapplication of
Infants Relief Act
1874 etc.

(a) the Infants Relief Act 1874 (which invalidates certain contracts made by minors and prohibits actions to enforce contracts ratified after majority); and

1874 c. 62

(b) section 5 of the Betting and Loans (Infants) Act 1892 (which invalidates contracts to repay loans advanced during minority).

1892 c. 4.

2. Where—

Guarantees.

(a) a guarantee is given in respect of an obligation of a party to a contract made after the commencement of this Act, and

(b) the obligation is unenforceable against him (or he repudiates the contract) because he was a minor when the contract was made,

the guarantee shall not for that reason alone be unenforceable against the guarantor.

3.—(1) Where—

Restitution.

(a) a person ("the plaintiff") has after the commencement of this Act entered into a contract with another ("the defendant"), and

- (b) the contract is unenforceable against the defendant (or he repudiates it) because he was a minor when the contract was made,

the court may, if it is just and equitable to do so, require the defendant to transfer to the plaintiff any property acquired by the defendant under the contract, or any property representing it.

(2) Nothing in this section shall be taken to prejudice any other remedy available to the plaintiff.

Consequential
amendment and
repeals.
1974 c. 39.

4.—(1) In section 113 of the Consumer Credit Act 1974 (that Act not to be evaded by use of security) in subsection (7)—

- (a) after the word “indemnity”, in both places where it occurs, there shall be inserted “or guarantee”;
- (b) after the words “minor, or” there shall be inserted “an indemnity is given in a case where he”; and
- (c) for the word “they” there shall be substituted “those obligations”.

1874 c. 62.
1892 c. 4.

(2) The Infants Relief Act 1874 and the Betting and Loans (Infants) Act 1892 are hereby repealed (in accordance with section 1 of this Act).

Short title,
commencement
and extent.

5.—(1) This Act may be cited as the Minors' Contracts Act 1987.

(2) This Act shall come into force at the end of the period of two months beginning with the date on which it is passed.

(3) This Act extends to England and Wales only.

PRINTED IN ENGLAND BY J. A. DOLE
Controller and Chief Executive of Her Majesty's Stationery Office and
Queen's Printer of Acts of Parliament.