



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART VII

#### DEFAULT AND TERMINATION

##### *Early payment by debtor*

#### **94 Right to complete payments ahead of time**

- (1) The debtor under a regulated consumer credit agreement is entitled at any time, by notice to the creditor and the payment to the creditor of all amounts payable by the debtor to him under the agreement (less any rebate allowable under section 95), to discharge the debtor's indebtedness under the agreement.
- (2) A notice under subsection (1) may embody the exercise by the debtor of any option to purchase goods conferred on him by the agreement, and deal with any other matter arising on, or in relation to, the termination of the agreement.

#### **95 Rebate on early settlement**

- (1) Regulations may provide for the allowance of a rebate of charges for credit to the debtor under a regulated consumer credit agreement where, under section 94, on refinancing, on breach of the agreement, or for any other reason, his indebtedness is discharged or becomes payable before the time fixed by the agreement, or any sum becomes payable by him before the time so fixed.
- (2) Regulations under subsection (1) may provide for calculation of the rebate by reference to any sums paid or payable by the debtor or his relative under or in connection with the agreement (whether to the creditor or some other person), including sums under linked transactions and other items in the total charge for credit.

## **96 Effect on linked transactions**

- (1) Where for any reason the indebtedness of the debtor under a regulated consumer credit agreement is discharged before the time fixed by the agreement, he, and any relative of his, shall at the same time be discharged from any liability under a linked transaction, other than a debt which has already become payable.
- (2) Subsection (1) does not apply to a linked transaction which is itself an agreement providing the debtor or his relative with credit.
- (3) Regulations may exclude linked transactions of the prescribed description from the operation of subsection (1).

## **97 Duty to give information**

- (1) The creditor under a regulated consumer credit agreement, within the prescribed period after he has received a request in writing to that effect from the debtor, shall give the debtor a statement in the prescribed form indicating, according to the information to which it is practicable for him to refer, the amount of the payment required to discharge the debtor's indebtedness under the agreement, together with the prescribed particulars showing how the amount is arrived at.
- (2) Subsection (1) does not apply to a request made less than one month after a previous request under that subsection relating to the same agreement was complied with.
- (3) If the creditor fails to comply with subsection (1)—
  - (a) he is not entitled, while the default continues, to enforce the agreement; and
  - (b) if the default continues for one month he commits an offence.