



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART X

#### ANCILLARY CREDIT BUSINESSES

##### *Definitions*

#### **145 Types of ancillary credit business.**

- (1) An ancillary credit business is any business so far as it comprises or relates to—
  - (a) credit brokerage,
  - (b) debt-adjusting,
  - (c) debt-counselling,
  - (d) debt-collecting, or
  - (e) the operation of a credit reference agency.
- (2) Subject to section 146(5), credit brokerage is the effecting of introductions—
  - (a) of individuals desiring to obtain credit—
    - (i) to persons carrying on businesses to which this sub-paragraph applies, or
    - (ii) in the case of an individual desiring to obtain credit to finance the acquisition or provision of a dwelling occupied or to be occupied by himself or his relative, to any person carrying on a business in the course of which he provides credit secured on land, or
  - (b) of individuals desiring to obtain goods on hire to persons carrying on businesses to which this paragraph applies, or
  - (c) of individuals desiring to obtain credit, or to obtain goods on hire, to other credit-brokers.
- (3) Subsection (2)(a)(i) applies to—
  - (a) a consumer credit business;

*Status: Point in time view as at 01/04/1991.*

*Changes to legislation: Consumer Credit Act 1974, Cross Heading: Definitions is up to date with all changes known to be in force on or before 02 April 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)*

- (b) a business which comprises or relates to consumer credit agreements being, otherwise than by virtue of section 16(5)(a), exempt agreements;
  - (c) a business which comprises or relates to unregulated agreements where—
    - (i) the [F1law applicable to] the agreement is the law of a country outside the United Kingdom, and
    - (ii) if the [F1law applicable to] the agreement were the law of a part of the United Kingdom it would be a regulated consumer credit agreement.
- (4) Subsection (2)(b) applies to—
- (a) a consumer hire business;
  - (b) a business which comprises or relates to unregulated agreements where—
    - (i) the [F1law applicable to] the agreement is the law of a country outside the United Kingdom, and
    - (ii) if th [F1law applicable to] the agreement were the law of a part of the United Kingdom it would be a regulated consumer hire agreement.
- (5) Subject to section 146(6), debt-adjusting is, in relation to debts due under consumer credit agreements or consumer hire agreements,—
- (a) negotiating with the creditor or owner, on behalf of the debtor or hirer, terms for the discharge of a debt, or
  - (b) taking over, in return for payments by the debtor or hirer, his obligation to discharge a debt, or
  - (c) any similar activity concerned with the liquidation of a debt.
- (6) Subject to section 146(6), debt-counselling is the giving of advice to debtors or hirers about the liquidation of debts due under consumer credit agreements or consumer hire agreements.
- (7) Subject to section 146(6), debt-collecting is the taking of steps to procure payment of debts due under consumer credit agreements or consumer hire agreements.
- (8) A credit reference agency is a person carrying on a business comprising the furnishing of persons with information relevant to the financial standing of individuals, being information collected by the agency for that purpose.

#### Textual Amendments

- F1** Words in s. 145(3)(c)(4)(b) substituted (1.4.1991) by [Contracts \(Applicable Law\) Act 1990 \(c. 36, SIF 30\)](#), s. 5, [Sch. 4 para. 2](#) ; S.I. 1991/707, [art. 2](#)

#### 146 Exceptions from section 145.

- (1) A barrister or advocate acting in that capacity is not to be treated as doing so in the course of any ancillary credit business.
- (2) A solicitor engaging in contentious business (as defined in section 86(1) of the <sup>M1</sup>Solicitors Act 1957) is not to be treated as doing so in the course of any ancillary credit business.
- (3) A solicitor within the meaning of the <sup>M2</sup>Solicitors (Scotland) Act 1933 engaging in business done in or for the purposes of proceedings before a court or before an arbiter is not to be treated as doing so in the course of any ancillary credit business.

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- (4) A solicitor in Northern Ireland engaging in business done, whether as solicitor or advocate, in or for the purposes of proceedings begun before a court (including the Lands Tribunal for Northern Ireland) or before an arbitrator appointed under the <sup>M3</sup>Arbitration Act (Northern Ireland) 1937, not being business [<sup>F2</sup>which falls within the definition of non-contentious probate business contained in Article 2(2) of the Administration of Estates (Northern Ireland) Order 1979], is not to be treated as doing so in the course of any ancillary credit business.
- (5) For the purposes of section 145(2), introductions effected by an individual by canvassing off trade premises either debtor-creditor-supplier agreements falling within section 12(a) or regulated consumer hire agreements shall be disregarded if—
- (a) the introductions are not effected by him in the capacity of an employee, and
  - (b) he does not by any other method effect introductions falling within section 145(2).
- (6) It is not debt-adjusting, debt-counselling or debt-collecting for a person to do anything in relation to a debt arising under an agreement if—
- (a) he is the creditor or owner under the agreement, otherwise than by virtue of an assignment, or
  - (b) he is the creditor or owner under the agreement by virtue of an assignment made in connection with the transfer to the assignee of any business other than a debt-collecting business, or
  - (c) he is the supplier in relation to the agreement, or
  - (d) he is a credit-broker who has acquired the business of the person who was the supplier in relation to the agreement, or
  - (e) he is a person prevented by subsection (5) from being treated as a credit-broker, and the agreement was made in consequence of an introduction (whether made by him or another person) which, under subsection (5), is to be disregarded.

#### Textual Amendments

**F2** Words substituted by [S.I. 1979/1576, art. 4](#)

#### Modifications etc. (not altering text)

**C1** [S. 146\(2\)\(4\)](#) amended (1.1.1992) by [S.I. 1991/2684, arts. 2, 4, Sch. 1](#)

#### Marginal Citations

**M1** 1957 c. 27.

**M2** 1933 c. 21.

**M3** 1937 c. 8 (N.I.)

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Point in time view as at 01/04/1991.

**Changes to legislation:**

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