



# Unfair Contract Terms Act 1977

## 1977 CHAPTER 50

### PART I

#### AMENDMENT OF LAW FOR ENGLAND AND WALES AND NORTHERN IRELAND

##### *Liability arising from sale or supply of goods*

#### **5 “Guarantee” of consumer goods.**

- (1) In the case of goods of a type ordinarily supplied for private use or consumption, where loss or damage—
- (a) arises from the goods proving defective while in consumer use; and
  - (b) results from the negligence of a person concerned in the manufacture or distribution of the goods,

liability for the loss or damage cannot be excluded or restricted by reference to any contract term or notice contained in or operating by reference to a guarantee of the goods.

- (2) For these purposes—
- (a) goods are to be regarded as “in consumer use” when a person is using them, or has them in his possession for use, otherwise than exclusively for the purposes of a business; and
  - (b) anything in writing is a guarantee if it contains or purports to contain some promise or assurance (however worded or presented) that defects will be made good by complete or partial replacement, or by repair, monetary compensation or otherwise.
- (3) This section does not apply as between the parties to a contract under or in pursuance of which possession or ownership of the goods passed.

#### **6 Sale and hire purchase.**

- (1) Liability for breach of the obligations arising from—

*Status: Point in time view as at 01/02/1991.*

*Changes to legislation: There are currently no known outstanding effects for the Unfair Contract Terms Act 1977, Cross Heading: Liability arising from sale or supply of goods. (See end of Document for details)*

- (a) [<sup>F1</sup>section 12 of the Sale of Goods Act 1979](seller's implied undertakings as to title, etc.);
  - (b) section 8 of the <sup>M1</sup> Supply of Goods (Implied Terms) Act 1973 (the corresponding thing in relation to hire-purchase),  
cannot be excluded or restricted by reference to any contract term.
- (2) As against a person dealing as consumer, liability for breach of the obligations arising from—
- (a) [<sup>F2</sup>section 13, 14, or 15 of the 1979 Act](sellers's implied undertakings as to conformity of goods with description or sample, or as to their quality or fitness for a particular purpose);
  - (b) section 9, 10 or 11 of the 1973 Act (the corresponding things in relation to hire-purchase),  
cannot be excluded or restricted by reference to any contract term.
- (3) As against a person dealing otherwise than as consumer, the liability specified in subsection (2) above can be excluded or restricted by reference to a contract term, but only in so far as the term satisfies the requirement of reasonableness.
- (4) The liabilities referred to in this section are not only the business liabilities defined by section 1(3), but include those arising under any contract of sale of goods or hire-purchase agreement.

#### Textual Amendments

- F1** Words substituted by [Sale of Goods Act 1979 \(c. 54, SIF 109:1\)](#), ss. 62, 63, [Sch. 2 para. 19\(a\)](#)
- F2** Words substituted by [Sale of Goods Act 1979 \(c. 54, SIF 109:1\)](#), ss. 62, 63, [Sch. 2 para. 19\(b\)](#)

#### Marginal Citations

- M1** [1973 c. 13](#).

## 7 Miscellaneous contracts under which goods pass.

- (1) Where the possession or ownership of goods passes under or in pursuance of a contract not governed by the law of sale of goods or hire-purchase, subsections (2) to (4) below apply as regards the effect (if any) to be given to contract terms excluding or restricting liability for breach of obligation arising by implication of law from the nature of the contract.
- (2) As against a person dealing as consumer, liability in respect of the goods' correspondence with description or sample, or their quality or fitness for any particular purpose, cannot be excluded or restricted by reference to any such term.
- (3) As against a person dealing otherwise than as consumer, that liability can be excluded or restricted by reference to such a term, but only in so far as the term satisfies the requirement of reasonableness.
- [<sup>F3</sup>(3A) Liability for breach of the obligations arising under section 2 of the Supply of Goods and Services Act 1982 (implied terms about title etc. in certain contracts for the transfer of the property in goods) cannot be excluded or restricted by reference to any such term.]
- (4) Liability in respect of—

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- (a) the right to transfer ownership of the goods, or give possession; or
- (b) the assurance of quiet possession to a person taking goods in pursuance of the contract,

cannot [<sup>F4</sup>(in a case to which subsection (3A) above does not apply)], be excluded or restricted by reference to any such term except in so far as the term satisfies the requirement of reasonableness.

- (5) This section does not apply in the case of goods passing on a redemption of trading stamps within the <sup>M2</sup> Trading Stamps Act 1964 or the <sup>M3</sup> Trading Stamps Act (Northern Ireland) 1965.

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#### **Textual Amendments**

**F3** S. 7(3A) inserted by [Supply of Goods and Services Act 1982 \(c. 29, SIF 109:1\)](#), **ss. 17(2)**, 20(5)

**F4** Words inserted by [Supply of Goods and Services Act 1982 \(c. 29, SIF 109:1\)](#), **ss. 17(3)**, 20(5)

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#### **Marginal Citations**

**M2** 1964 c. 71

**M3** 1965 c. 6 (N.I.)

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**Changes to legislation:**

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