

SCHEDULES

SCHEDULE 4

Section 75

AMENDMENTS CONSEQUENTIAL ON PART 2

Misrepresentation Act 1967 (c. 7)

- 1 (1) Section 3 of the Misrepresentation Act 1967 (avoidance of provision excluding liability for misrepresentation) is amended as follows.
 - (2) At the beginning insert “(1)”.
 - (3) At the end insert—
 - “(2) This section does not apply to a term in a consumer contract within the meaning of Part 2 of the Consumer Rights Act 2015 (but see the provision made about such contracts in section 62 of that Act).”

Unfair Contract Terms Act 1977 (c. 50)

- 2 The Unfair Contract Terms Act 1977 is amended as follows.
- 3 In section 1(2) (scope of Part 1) for “to 4” substitute “, 3”.
- 4 In section 2 (negligence liability), after subsection (3) insert—
 - “(4) This section does not apply to—
 - (a) a term in a consumer contract, or
 - (b) a notice to the extent that it is a consumer notice,(but see the provision made about such contracts and notices in sections 62 and 65 of the Consumer Rights Act 2015).”
- 5 (1) Section 3 (liability arising in contract) is amended as follows.
 - (2) In subsection (1) omit “as consumer or”.
 - (3) After subsection (2) insert—
 - “(3) This section does not apply to a term in a consumer contract (but see the provision made about such contracts in section 62 of the Consumer Rights Act 2015).”
- 6 Omit section 4 (unreasonable indemnity clauses).
- 7 Omit section 5 (“guarantee” of consumer goods).
- 8 (1) Section 6 (sale and hire-purchase) is amended as follows.
 - (2) After subsection (1) insert—
 - “(1A) Liability for breach of the obligations arising from—

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- (a) section 13, 14 or 15 of the 1979 Act (seller’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 a contract term except in so far as the term satisfies the requirement of reasonableness.”
- (3) Omit subsections (2) and (3).
- (4) After subsection (4) insert—
- “(5) This section does not apply to a consumer contract (but see the provision made about such contracts in section 31 of the Consumer Rights Act 2015).”
- 9 (1) Section 7 (miscellaneous contracts under which goods pass) is amended as follows.
- (2) After subsection (1) insert—
- “(1A) 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 such a term except in so far as the term satisfies the requirement of reasonableness.”
- (3) Omit subsections (2) and (3).
- (4) After subsection (4) insert—
- “(4A) This section does not apply to a consumer contract (but see the provision made about such contracts in section 31 of the Consumer Rights Act 2015).”
- 10 Omit section 9 (effect of breach of contract).
- 11 Omit section 12 (“dealing as consumer”).
- 12 In section 13(1) (varieties of exemption clauses) for “and 5 to” substitute “, 6 and”.
- 13 In section 14 (interpretation of Part 1), at the appropriate places insert—
- ““consumer contract” has the same meaning as in the Consumer Rights Act 2015 (see section 61);”;
- ““consumer notice” has the same meaning as in the Consumer Rights Act 2015 (see section 61);”.
- 14 (1) Section 15 (scope of Part 2) is amended as follows.
- (2) In subsection (2) for “to 18” substitute “and 17”.
- (3) In subsection (3)—
- (a) for “to 18” substitute “and 17”, and
 - (b) in paragraph (b) omit sub-paragraph (ii) and the “or” preceding it.
- 15 In section 16 (liability for breach of duty), after subsection (3) insert—
- “(4) This section does not apply to—
- (a) a term in a consumer contract, or
 - (b) a notice to the extent that it is a consumer notice,
- (but see the provision made about such contracts and notices in sections 62 and 65 of the Consumer Rights Act 2015).”

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- 16 (1) Section 17 (control of unreasonable exemptions in consumer or standard form contracts) is amended as follows.
- (2) In the heading omit “consumer or”.
- (3) In subsection (1)—
- (a) omit “a consumer contract or”,
 - (b) in paragraph (a) omit “consumer or”, and
 - (c) in paragraph (b) omit “consumer or”.
- (4) After subsection (2) insert—
- “(3) This section does not apply to a term in a consumer contract (but see the provision made about such contracts in section 62 of the Consumer Rights Act 2015).”
- 17 Omit section 18 (unreasonable indemnity clauses in consumer contracts).
- 18 Omit section 19 (“guarantee” of consumer goods).
- 19 (1) Section 20 (obligations implied by law in sale and hire-purchase contracts) is amended as follows.
- (2) After subsection (1) insert—
- “(1A) Any term of a contract which purports to exclude or restrict liability for breach of the obligations arising from—
- (a) section 13, 14 or 15 of the 1979 Act (seller’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),
- shall have effect only if it was fair and reasonable to incorporate the term in the contract.
- (1B) This section does not apply to a consumer contract (but see the provision made about such contracts in section 31 of the Consumer Rights Act 2015).”
- (3) Omit subsection (2).
- 20 (1) Section 21 (obligations implied by law in other contracts for the supply of goods) is amended as follows.
- (2) In subsection (1), for paragraphs (a) and (b) substitute “such as is referred to in subsection (3) below shall have no effect if it was not fair and reasonable to incorporate the term in the contract.”
- (3) In subsection (2)(b) omit “unless it is a consumer contract (and then only in favour of the consumer)”.
- (4) After subsection (3A) insert—
- “(3B) This section does not apply to a consumer contract (but see the provision made about such contracts in section 31 of the Consumer Rights Act 2015).”
- 21 Omit section 22 (consequence of breach of contract).
- 22 (1) Section 25 (interpretation of Part 2) is amended as follows.

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- (2) In subsection (1)—
 - (a) omit the definition of “consumer”,
 - (b) for the definition of “consumer contract” substitute—
 - ““consumer contract” has the same meaning as in the Consumer Rights Act 2015 (see section 61);”, and
 - (c) at the appropriate place insert—
 - ““consumer notice” has the same meaning as in the Consumer Rights Act 2015 (see section 61);”.
- (3) Omit subsections (1A) and (1B).
- (4) In subsection (5), for “and 16 and 19 to” substitute “, 16, 20 and”.
- 23 In section 26(2) (international supply contracts) omit “or 4”.
- 24 (1) Section 27 (choice of law clauses) is amended as follows.
 - (2) In subsection (2)—
 - (a) omit “(either or both)”, and
 - (b) omit paragraph (b) and the “or” preceding it.
 - (3) Omit subsection (3).
- 25 Omit section 28 (temporary provision for sea carriage of passengers).
- 26 (1) Schedule 1 (scope of sections 2 to 4 and 7) is amended as follows.
 - (2) In the heading, for “to 4” substitute “, 3”.
 - (3) In paragraph 1, for “to 4” substitute “and 3”.
 - (4) In paragraph 2—
 - (a) for “to 4” substitute “, 3”, and
 - (b) omit “except in favour of a person dealing as consumer”.
 - (5) In paragraph 3—
 - (a) for “, 3 and 4” substitute “and 3”, and
 - (b) omit “, except in favour of a person dealing as consumer”.
- 27 In Schedule 2 (“guidelines” for application of reasonableness test), for “6(3), 7(3) and (4),” substitute “6(1A), 7(1A) and (4),”.

Companies Act 1985 (c. 6)

- 28 (1) Schedule 15D to the Companies Act 1985 (specified descriptions of disclosures for the purposes of section 449) is amended as follows.
 - (2) In paragraph 17—
 - (a) omit paragraph (i), and
 - (b) after paragraph (l) insert—
 - “(m) Schedule 3 to the Consumer Rights Act 2015”.
 - (3) For paragraph 25 substitute—

- “25 A disclosure for the purposes of enabling or assisting a regulator under Schedule 3 to the Consumer Rights Act 2015 other than the Competition and Markets Authority to exercise its functions under that Schedule.”

Merchant Shipping Act 1995 (c. 21)

- 29 In section 184 of the Merchant Shipping Act 1995 (application of Schedule 6 to carriage within British Islands) omit subsection (2).

Arbitration Act 1996 (c. 23)

- 30 The Arbitration Act 1996 is amended as follows.
- 31 (1) Section 89 (application of unfair terms regulations to consumer arbitration agreements) is amended as follows.
- (2) In subsection (1), for “the Unfair Terms in Consumer Contracts Regulations 1994” substitute “Part 2 (unfair terms) of the Consumer Rights Act 2015”.
- (3) For subsection (2) substitute—

 “(2) In those sections “the Part” means Part 2 (unfair terms) of the Consumer Rights Act 2015.”

- 32 For section 90 (regulations apply where consumer is a legal person) substitute—

“90 Part applies where consumer is a legal person

 The Part applies where the consumer is a legal person as it applies where the consumer is an individual.”

- 33 In section 91(1) (arbitration agreement unfair where modest amount sought) for “Regulations” substitute “Part”.

Unfair Terms in Consumer Contracts Regulations 1999 (S.I. 1999/2083)

- 34 The Unfair Terms in Consumer Contracts Regulations 1999 are revoked.

Enterprise Act 2002 (c. 40)

- 35 In Schedule 15 to the Enterprise Act 2002 (enactments for the purposes of which disclosures may be made), at the end insert—
- “Schedule 3 to the Consumer Rights Act 2015.”

Companies Act 2006 (c. 46)

- 36 The Companies Act 2006 is amended as follows.
- 37 (1) Section (A) of Part 2 of Schedule 2 (specified descriptions of disclosures for the purposes of section 948) is amended as follows.
- (2) In paragraph 25—
- (a) omit paragraph (h), and
- (b) after paragraph (k) insert—
- “(l) Schedule 3 to the Consumer Rights Act 2015”.

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- (3) For paragraph 33 substitute—
- “33 A disclosure for the purposes of enabling or assisting a regulator under Schedule 3 to the Consumer Rights Act 2015 other than the Competition and Markets Authority to exercise its functions under that Schedule.”
- 38 (1) Part 2 of Schedule 11A (specified descriptions of disclosures for the purposes of section 1224A) is amended as follows.
- (2) In paragraph 39, for paragraph (i) insert—
- “(i) Schedule 3 to the Consumer Rights Act 2015”.
- (3) For paragraph 48 substitute—
- “48 A disclosure for the purposes of enabling or assisting a regulator under Schedule 3 to the Consumer Rights Act 2015 other than the Competition and Markets Authority to exercise its functions under that Schedule.”

Consequential repeals

- 39 In consequence of the amendments made by this Schedule—
- (a) omit paragraph 19(b) of Schedule 2 to the Sale of Goods Act 1979, and
- (b) in paragraph 21 of that Schedule, omit “and (2)(a)” and “(in each case)”.