
 STATUTORY INSTRUMENTS

1976 No. 1002

CONSUMER CREDIT

**The Consumer Credit (Termination of Licences)
Regulations 1976**

<i>Made</i> - - - -	24th June 1976
<i>Laid before Parliament</i>	5th July 1976
<i>Coming into Operation</i>	3rd August 1976

The Secretary of State, in exercise of powers conferred on her by sections 22(1)(a), 37(2) and (3), 147(1), 182(2) and 189(1) of the Consumer Credit Act 1974(a) and of all other powers enabling her in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Consumer Credit (Termination of Licences) Regulations 1976 and shall come into operation on 3rd August 1976.

(2) In these Regulations—

“the Act” means the Consumer Credit Act 1974;

“the court” means in relation to England and Wales the High Court or any county court having jurisdiction in bankruptcy and in relation to Scotland the Court of Session or any sheriff court having jurisdiction in bankruptcy;

“licence” means a standard licence and “licensee” shall be construed accordingly;

“period of deferment” means the period specified in regulation 3;

“terminating event” means an event on the occurrence of which a licence is to terminate by section 37(1) of the Act or regulation 2 of these Regulations;

and except where the contrary intention appears, other expressions used in these Regulations have the same respective meanings as in the Act.

(3) The Interpretation Act 1889(b) shall apply for the interpretation of these Regulations as it applies for the interpretation of an Act of Parliament.

Events on the occurrence of which licence is to terminate

2. In addition to the events specified in section 37(1) of the Act and set out in the Schedule to these Regulations, the other events specified in that Schedule shall be events relating to a licensee on the occurrence of which the licence held by him is to terminate.

 (a) 1974 c. 39.

(b) 1889 c. 63.

Deferment of termination of licence

3. The termination of a licence by section 37(1) of the Act or under regulation 2 of these Regulations shall be deferred for a period of twelve months beginning with the date of the terminating event ("period of deferment").

Extension of licence period in certain cases

4.—(1) In this regulation references to the prescribed period of a licence are references to the period during which the licence covers such activities as are described in it, being the period prescribed for that purpose by regulation 2 of the Consumer Credit (Period of Standard Licence) Regulations 1975(a).

(2) Where, in relation to a licence, the period of deferment has effect such that it would expire after the end of the prescribed period of the licence, the said regulation 2 shall apply in relation to the licence as if the period so prescribed were one which began with the date mentioned in that regulation and ended with the expiration of the period of deferment.

Persons authorised to carry on the business of a licensee

5. Where there occurs—

- (a) any terminating event; or
- (b) any subsequent event which would be a terminating event in relation to the licence if the licence was not already to terminate by virtue of an earlier terminating event;

any person specified in the Schedule in relation to that terminating event or that subsequent event, as the case may be, shall be authorised to carry on the business of the licensee under the licence during the period of deferment but subject to the conditions prescribed in regulation 6.

Conditions of authorisation

6. A person authorised by regulation 5 to carry on the business of the licensee shall do so subject to the following conditions, that is to say—

- (a) that he shall, within a period of two months beginning with the date on which he becomes authorised to carry on the business of the licensee, give notice in writing to the Director of—
 - (i) his name and the address from which he is or will be carrying on the business of the licensee;
 - (ii) the name and address of the licensee as specified in the licence;
 - (iii) the terminating event by virtue of which he is or will be carrying on the business of the licensee and the date of that event; and
 - (iv) the capacity in which he is or will be carrying on that business; and

(a) S.I. 1975/2124 (1975 III, p. 7924).

(b) that if he fails to comply with (a) above, he shall not be authorised to carry on the business of the licensee after the expiry of the period specified in that paragraph until such time as he has given notice in writing to the Director of all the matters specified therein.

John Fraser,
Minister of State,
Department of Prices and Consumer
Protection.

24th June 1976.

(Regulations 2 and 5) SCHEDULE

EVENTS RELATING TO A LICENSEE ON THE OCCURRENCE OF WHICH THE LICENCE IS TO TERMINATE: PERSONS AUTHORISED TO CARRY ON THE BUSINESS OF THE LICENSEE UNDER THE LICENCE

PART I

EVENTS RELATING TO THE UNITED KINGDOM OR TO SOME PART THEREOF, NOT BEING EVENTS RELATING TO NORTHERN IRELAND ONLY

Events relating to a licensee on the occurrence of which the licence is to terminate	Persons authorised to carry on the business of the licensee under the licence
<p><i>Events relating to a licensee, being one individual, on the occurrence of which the licence is to terminate by virtue of section 37(1) of the Act:—</i></p> <ol style="list-style-type: none"> 1. The death of the licensee 2. The adjudication of the licensee as bankrupt or, in Scotland, the sequestration of his estate. 3. The licensee becoming a patient within the meaning of Part VIII of the Mental Health Act 1959(a) or, in Scotland, becoming incapable of managing his own affairs. 	<ol style="list-style-type: none"> (i) Any executor, administrator, trustee, receiver, manager, judicial factor or the official assignee of or appointed in relation to the estate of the deceased licensee or that part thereof which comprises the business carried on by the licensee under the licence; (ii) in a case where there is for the time being no person falling within subparagraph (i) above entitled to carry on the business of the licensee, any person entitled to apply for a grant of letters of administration or, in Scotland, confirmation. (i) The trustee in the bankruptcy or sequestration; (ii) the official assignee. <p>The person authorised under section 102 or 103 of that Act for the purpose of carrying on the business of the licensee or, in Scotland, the curator bonis or judicial factor appointed for that purpose.</p>

Events relating to a licensee on the occurrence of which the licence is to terminate	Persons authorised to carry on the business of the licensee under the licence
<i>Other events relating to a licensee on the occurrence of which the licence is to terminate by virtue of regulation 2 of these Regulations:—</i>	
4. The approval by the court of a composition or scheme of arrangement under section 16 of the Bankruptcy Act 1914(a) proposed by the licensee, being a composition or arrangement under or in pursuance of which the property of the licensee comprising the business carried on by him under the licence is assigned to a trustee.	The trustee appointed under or in pursuance of the composition or scheme of arrangement.
5. The registration under the Deeds of Arrangement Act 1914(b) of a deed of arrangement executed by the licensee, being a deed under or in pursuance of which the property of the licensee comprising the business carried on by him under the licence is assigned to a trustee.	The trustee appointed under or in pursuance of the deed of arrangement.
6. In Scotland, the granting by the licensee of a voluntary trust deed for behoof of creditors, being a deed providing for the property of the licensee comprising the business carried on by the licensee under the licence being transferred to a trustee.	The trustee appointed under or in pursuance of the trust deed.
7. In Scotland, the approval by the court under section 37 of the Bankruptcy (Scotland) Act 1913(c) of a deed of arrangement, being an arrangement providing for the property of the licensee comprising the business carried on by the licensee under the licence being transferred to a trustee.	The trustee appointed under or in pursuance of the deed of arrangement.
8. In a case where all the members of a licensee which is a partnership or other unincorporated body of persons are adjudged bankrupt, the last such adjudication.	(i) The trustee in the bankruptcy; (ii) the official assignee.
9. In Scotland, the sequestration of the estate of a licensee which is a firm.	The trustee in the sequestration.

(a) 1914 c.59.

(b) 1914 c.47.

(c) 1913 c.20.

Events relating to a licensee on the occurrence of which the licence is to terminate	Persons authorised to carry on the business of the licensee under the licence
10. The approval by the court of a composition or scheme of arrangement under section 16 of the Bankruptcy Act 1914 proposed by all the members of a licensee which is a partnership or other unincorporated body of persons, being a composition or arrangement under or in pursuance of which the property of the licensee comprising the business carried on by it under the licence is assigned to a trustee.	The trustee appointed under or in pursuance of the composition or scheme of arrangement.
11. The registration under the Deeds of Arrangement Act 1914 of a deed of arrangement executed by all the members of a licensee which is a partnership or other unincorporated body of persons, being a deed under or in pursuance of which the property of the licensee comprising the business carried on by it under the licence is assigned to a trustee.	The trustee appointed under or in pursuance of the deed of arrangement.

PART II

EVENTS RELATING TO
NORTHERN IRELAND ONLY

Events relating to a licensee on the occurrence of which the licence is to terminate	Persons authorised to carry on the business of the licensee under the licence
<i>Events relating to a licensee, being one individual, on the occurrence of which the licence is to terminate by virtue of section 37(1) of the Act:—</i>	
12. The vesting of the estate and effects of the licensee in the official assignee under section 349 of the Irish Bankrupt and Insolvent Act 1857(a).	(i) The official assignee; (ii) in a case where the estate and effects vest jointly in the official assignee and some other person, the official assignee and that other person.

Events relating to a licensee on the occurrence of which the licence is to terminate	Persons authorised to carry on the business of the licensee under the licence
<p>13. The making of a declaration under section 15 of the Lunacy Regulation (Ireland) Act 1871(a) that the licensee is of unsound mind and incapable of managing his person or property, or the making of an order under section 68 of that Act in consequence of its being found that he is of unsound mind and incapable of managing his affairs.</p>	<p>The person appointed in consequence of a declaration under section 15 of that Act or under section 68 thereof to carry on the business of the licensee.</p>
<p><i>Other events relating to a licensee on the occurrence of which the licence is to terminate by virtue of regulation 2 of these Regulations:—</i></p>	
<p>14. The registration under the Deeds of Arrangement Act 1887(b) of a deed of arrangement executed by the licensee, being a deed under or in pursuance of which the property of the licensee comprising the business carried on by him under the licence is assigned to a trustee.</p>	<p>The trustee appointed under or in pursuance of the deed of arrangement.</p>
<p>15. The vesting of the estate and effects of all the members of a licensee which is a partnership or other unincorporated body of persons, in the official assignee under section 349 of the Irish Bankrupt and Insolvent Act 1857.</p>	<p>(i) The official assignee; (ii) in a case where the estate and effects vest jointly in the official assignee and some other person, the official assignee and that other person.</p>
<p>16. The registration under the Deeds of Arrangement Act 1887 of a deed of arrangement executed by all the members of a licensee which is a partnership or other unincorporated body of persons, being a deed under or in pursuance of which the property of the licensee comprising the business carried on by it under the licence is assigned to a trustee.</p>	<p>The trustee appointed under or in pursuance of the deed of arrangement.</p>

(a) 1871 c.22.

(b) 1887 c.57.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

Under the Consumer Credit Act 1974, a licence issued by the Director General of Fair Trading is, with certain exceptions, to be required to carry on a consumer credit, consumer hire or ancillary credit business. Section 37(1) of that Act specifies certain events on the occurrence of which a licence held by one individual terminates.

These Regulations specify other events relating to licensees on the occurrence of which licences held by them are to terminate.

The Regulations also provide for the termination of a licence by section 37(1) of the Act or by virtue of the Regulations to be deferred for a period of 12 months and authorise the business of the licensee to be carried on under the licence by certain other persons during that period subject to prescribed conditions.

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