
 STATUTORY INSTRUMENTS

1977 No. 328

CONSUMER CREDIT

**The Consumer Credit (Notice of Variation of Agreements)
Regulations 1977**

<i>Made - - - -</i>	<i>28th February 1977</i>
<i>Laid before Parliament</i>	<i>8th March 1977</i>
<i>Coming into Operation</i>	<i>1st April 1977</i>

The Secretary of State, in exercise of his powers under sections 82(1), 182(2) and 189(1) of the Consumer Credit Act 1974(a), and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Consumer Credit (Notice of Variation of Agreements) Regulations 1977 and shall come into operation on 1st April 1977.

(2) In these regulations, unless the context otherwise requires:—

“the Act” means the Consumer Credit Act 1974;

“the Gazette” means the appropriate Gazette, that is to say, in relation to a variation made by a creditor who maintains a place of business in—

- (a) England or Wales, the London Gazette;
- (b) Scotland, the Edinburgh Gazette;
- (c) Northern Ireland, the Belfast Gazette;

and, in relation to a variation made by a creditor who maintains a place of business in more than one of those countries, each appropriate Gazette;

“national daily newspaper” means a newspaper which—

- (a) is normally published daily, or daily except on any Sunday, Christmas Day, Good Friday or bank holiday within the meaning of section 1 of the Banking and Financial Dealings Act 1971(b); and
- (b) circulates generally throughout England, Scotland, Wales and Northern Ireland or throughout each of those countries in which the creditor making the variation in question maintains a place of business;

“served” means dealt with in such a manner that the thing served falls to be treated as properly served under section 176(1) of the Act;

and other expressions used in these regulations have the same respective meanings as in the Act.

(3) For the purposes of these regulations an agreement is to be treated as maintained on those premises where the debtor habitually approaches the creditor (or would so approach him if the need arose) in order to secure that transactions are carried out or arrangements are made under the agreement.

 (a) 1974 c. 39.

(b) 1971 c. 80.

(4) The Interpretation Act 1889(a) shall apply for the interpretation of these regulations as it applies for the interpretation of an Act of Parliament.

(5) References in these regulations to notice of variation are references to such notice of variation of a regulated agreement as is by virtue of section 82(1) of the Act required to be given to the debtor or hirer before the variation can take effect.

Notice valid for any variation

2. Subject to regulation 3 below, notice of variation of any regulated agreement shall—

- (a) set out particulars of the variation; and
- (b) be served on the debtor or hirer not less than seven days before the variation takes effect.

Notice valid for special variations

3.—(1) This regulation applies to a variation of a regulated consumer credit agreement where—

- (a) the amount of the payments of interest charged under the agreement is determined, both before and after the variation takes effect, by reference to the amount of the balance outstanding, established as at daily intervals; and
- (b) the variation is a variation of the rate of interest payable under the agreement.

(2) In the case of a variation to which this regulation applies, the requirements of regulation 2(b) above shall be treated as satisfied where—

- (a) the notice of variation—
 - (i) is published in at least three national daily newspapers, in each case being printed in a type not less than 3 mm in height and occupying a space of not less than 100 sq cm, or
 - (ii) if it is not reasonably practicable so to publish it, is published in the Gazette, and
- (b) if it is reasonably practicable to do so, the notice of variation is prominently displayed, so that it may easily be read, in a part (if any) open to the public of the premises of the creditor where the agreement to which the variation relates is maintained.

28th February 1977.

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

EXPLANATORY NOTE

(This Note is not part of the Regulations).

These Regulations prescribe the manner in which notice is to be given to the debtor or hirer of the variation of a consumer credit or consumer hire agreement by the creditor or owner under a power contained in the agreement before such variation can take effect. Notice of any variation in a regulated agreement must generally be given by serving a notice setting out the variation on the debtor or hirer seven days before the variation takes effect (Regulation 2). However, notice of a variation in the rate of interest payable under certain consumer credit agreements may be given by publishing a notice setting out the variation in at least three national daily newspapers (or, if this is not reasonably practicable, in the Gazette) and, if reasonably practicable, by displaying such a notice in the premises where the agreements to be varied are maintained (Regulation 3).

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