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 STATUTORY INSTRUMENTS
 

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1983 No. 902

## CONSUMER PROTECTION

**The Supply of Services (Exclusion of Implied Terms) Order 1983**

<i>Made</i> - - - -	24th June 1983
<i>Laid before Parliament</i>	1st July 1983
<i>Coming into Operation</i>	4th July 1983

The Secretary of State, in exercise of the powers conferred on him by section 12(4) of the Supply of Goods and Services Act 1982(a) and of all other powers enabling him in that behalf, hereby makes the following Order:

1. This Order may be cited as the Supply of Services (Exclusion of Implied Terms) Order 1983 and shall come into operation on 4th July 1983.

2.—(1) Section 13 of the Supply of Goods and Services Act 1982 (which provides that, in a contract for the supply of a service where the supplier is acting in the course of a business, there is an implied term that the supplier will carry out the service with reasonable care and skill) shall not apply to the following services:—

- (a) the services rendered to a building society by a director of the society in his capacity as such;
- (b) the services rendered to a society registered or deemed to be registered under the Industrial and Provident Societies Act 1965(b) or the Industrial and Provident Societies Act (Northern Ireland) 1969(c) by any member of the committee of management or other directing body of such a society in his capacity as such.

(2) In this Article, “building society” and “director” shall have the same meaning as in the Building Societies Act 1962(d) or the Building Societies Act (Northern Ireland) 1967(e).

24th June 1983.

*Alexander Fletcher,*  
Parliamentary Under Secretary of State,  
Department of Trade and Industry.

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- (a) 1982 c. 29.
  - (b) 1965 c. 12.
  - (c) 1969 c. 24(N.I.).
  - (d) 1962 c. 37.
  - (e) 1967 c. 31 (N.I.).

## EXPLANATORY NOTE

*(This Note is not part of the Order.)*

Section 13 of the Supply of Goods and Services Act 1982 provides that, in a contract for the supply of a service where the supplier is acting in the course of a business, there is an implied term that the supplier will carry out the service with reasonable care and skill. Section 16 provides for such a term to be negated or varied by express agreement between the parties to the contract.

The Secretary of State has power, under section 12(4), to provide by order that section 13 shall not apply to services of a description specified in the order.

This Order provides that section 13 shall not apply to the services rendered to a building society by a director of the society, or those rendered to an industrial or provident society by a member of its committee of management or other directing body.

The degree of care and skill which such directors and managers owe to their societies in cases where the subject is not specifically covered in their contract will, as in the case of directors of companies — see the Supply of Services (Exclusion of Implied Terms) Order 1982 (S.I. 1982/1771) — accordingly continue to be governed by the common law (which imposes a duty of care on them), rather than by Section 13 of the 1982 Act.

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