

---

STATUTORY INSTRUMENTS

---

**2002 No. 1674**

**The Late Payment of Commercial Debts Regulations 2002**

**Proceedings restraining use of grossly unfair terms**

3.—(1) In this regulation:

- (a) “small and medium-sized enterprises” means those enterprises defined in Annex 1 to Commission Regulation (EC) No 70/2001 of 12th January 2001 on the application of Articles 87 and 88 of the EC Treaty to State aid to small and medium-sized enterprises<sup>(1)</sup>;
- (b) “representative body” means an organisation established to represent the collective interests of small and medium-sized enterprises in general or in a particular sector or area.

(2) This regulation applies where a person acting in the course of a business has written standard terms on which he enters (or intends to enter) as purchaser into contracts to which the Late Payment of Commercial Debts (Interest) Act 1998 applies which include a term purporting to oust or vary the right to statutory interest in relation to qualifying debts created by those contracts.

(3) If it appears to the High Court that in all or any circumstances the purported use of such a term in a relevant contract would be void under the Late Payment of Commercial Debts (Interest) Act 1998, the court on the application of a representative body may grant an injunction against that person restraining him in those circumstances from using the offending term, on such terms as the court may think fit.

(4) Only a representative body may apply to the High Court under this regulation.