
STATUTORY INSTRUMENTS

2012 No. 2079

**The Green Deal Framework (Disclosure,
Acknowledgment, Redress etc.) Regulations 2012**

PART 6

**Permitted early repayment of credit and cash
advances and terms which bind and benefit bill payers**

Permitted early repayment of credit

38.—(1) This regulation provides for a green deal plan to include a term requiring the early repayment of the outstanding amount (“early repayment”) where the plan—

- (a) will not be a regulated consumer credit agreement; and
- (b) the parties who are to enter into the plan do not intend that it will be treated as if it were a regulated consumer credit agreement.

(2) A green deal plan which provides for early repayment when a trigger event occurs is not contrary to section 5(3)(b) if, when that event occurs, the conditions in paragraphs (3) and (4) are met.

(3) The first condition is that the person (“A”) who is required to make an early repayment when the trigger event occurs is—

- (a) the person who sold or let the property to another person (“B”) where—
 - (i) B became the bill payer immediately after the sale or letting;
 - (ii) the trigger event occurred because B became the bill payer; and
 - (iii) A was not the bill payer immediately before the trigger event occurred, and A is either the improver or has been a bill payer under the plan; or
- (b) where paragraph (a) does not apply, the person who was the bill payer immediately before the trigger event.

(4) The second condition is that the green deal provider must be satisfied that—

- (a) if it were to enter into a new agreement to provide the remaining credit to the person who is the bill payer immediately after the trigger event occurs; and
- (b) if that agreement was on substantially the same terms as the terms of the plan,

the new agreement would be a regulated consumer credit agreement.

(5) In this regulation—

- (a) “outstanding amount” means the sum of the green deal instalments which are payable in the period commencing when a trigger event occurs and ending at the end of the payment period; and
- (b) “remaining credit” means the outstanding amount less interest and charges.