



Contract (Third Party Rights) (Scotland) Act 2017

2017 asp 5

5 Protection of third party's entitlement after notice given

- (1) Subsection (2) applies (subject to subsections (3) and (4)) where—
 - (a) a person who has a third-party right arising from an undertaking contained in a contract is given notice of the undertaking by a contracting party, and
 - (b) the undertaking is subsequently cancelled or modified.
- (2) No account is to be taken of the cancellation or (as the case may be) modification of the undertaking when it is being enforced or otherwise invoked by virtue of the third-party right.
- (3) Subsection (2) does not apply if—
 - (a) the undertaking is one which depends on something happening or not happening, and
 - (b) it remained uncertain whether that thing would happen or not at the time when the notice mentioned in subsection (1)(a) was given.
- (4) Subsection (2) does not apply in relation to the cancellation or modification of the undertaking if—
 - (a) at the time when the notice mentioned in subsection (1)(a) was given, the person given the notice was told by the contracting party that the undertaking may be cancelled or (as the case may be) that the modification may be made, or
 - (b) the person who has the third-party right has given assent to the cancellation or (as the case may be) modification of the undertaking.

Commencement Information

II S. 5 in force at 26.2.2018 by S.S.I. 2018/8, reg. 2

Changes to legislation:

There are currently no known outstanding effects for the Contract (Third Party Rights) (Scotland) Act 2017, Section 5.