
STATUTORY INSTRUMENTS

1988 No. 930 (N.I. 9)

NORTHERN IRELAND

The Minors' Contracts (Northern Ireland) Order 1988

Made - - - - *25th May 1988*

Coming into operation *26th July 1988*

At the Court at Buckingham Palace, the 25th day of May 1988

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act

Title and commencement

1. This Order may be cited as the Minors' Contracts (Northern Ireland) Order 1988 and shall come into operation on the expiration of two months from the day on which it is made.

Interpretation

2. The Interpretation Act (Northern Ireland) 1974 and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—1954 shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

Disapplication of Infants Relief Act 1874, etc.

3. The following enactments shall not apply to any contract made by a minor after the coming into operation of this Order—

- (a) the Infants Relief Act 1874 (which invalidates certain contracts made by minors and prohibits actions to enforce contracts ratified after majority); and
- (b) section 5 of the Betting and Loans (Infants) Act 1892 (which invalidates contracts to repay loans advanced during minority).

Guarantees

4. Where—

- (a) a guarantee is given in respect of an obligation of a party to a contract made after the coming into operation of this Order, and
- (b) the obligation is unenforceable against him (or he repudiates the contract) because he was a minor when the contract was made, the guarantee shall not for that reason alone be unenforceable against the guarantor.

Restitution

5.—(1) Where—

- (a) a person (“the plaintiff”) has after the coming into operation of this Order entered into a contract with another (“the defendant”), and
 - (b) the contract is unenforceable against the defendant (or he repudiates it) because he was a minor when the contract was made, the court may, if it is just and equitable to do so, require the defendant to transfer to the plaintiff any property acquired by the defendant under the contract, or any property representing it.
- (2) Nothing in this Article shall be taken to prejudice any other remedy available to the plaintiff.

Amendment and repeals

6.—(1) In section 113 of the Consumer Credit Act 1974 (that Act not to be evaded by use of security) in subsection (7)—

- (a) after the word “indemnity”, in both places where it occurs, there shall be inserted “or guarantee”;
 - (b) after the words “minor, or” there shall be inserted “an indemnity is given in a case where he”; and
 - (c) for the word “they” there shall be substituted “those obligations”.
- (2) The Infants Relief Act 1874 and the Betting and Loans (Infants) Act 1892 are hereby repealed (in accordance with Article 3).

G. I. de Deney
Clerk of the Privy Council

EXPLANATORY NOTE

(This note is not part of the Order)

This Order removes certain restrictions on the enforceability of contracts entered into by minors. Article 3 disapplies the Infants Relief Act 1874 and section 5 of the Betting and Loans (Infants) Act 1892, thereby allowing a minor to ratify an otherwise unenforceable contract on attaining majority. Article 4 makes a guarantee of a contractual obligation entered into by a minor enforceable against the guarantor. Under Article 5 a court may, where it thinks it just and equitable to do so, order the return of property acquired by a minor under an unenforceable contract.