



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART II

#### CREDIT AGREEMENTS, HIRE AGREEMENTS AND LINKED TRANSACTIONS

#### **11 Restricted-use credit and unrestricted-use credit**

- (1) A restricted-use credit agreement is a regulated consumer credit agreement—
  - (a) to finance a transaction between the debtor and the creditor, whether forming part of that agreement or not, or
  - (b) to finance a transaction between the debtor and a person (the "supplier") other than the creditor, or
  - (c) to refinance any existing indebtedness of the debtor's, whether to the creditor or another person,and "restricted-use credit" shall be construed accordingly.
- (2) An unrestricted-use credit agreement is a regulated consumer credit agreement not falling within subsection (1), and "unrestricted-use credit" shall be construed accordingly.
- (3) An agreement does not fall within subsection (1) if the credit is in fact provided in such a way as to leave the debtor free to use it as he chooses, even though certain uses would contravene that or any other agreement.
- (4) An agreement may fall within subsection (1)(b) although the identity of the supplier is unknown at the time the agreement is made.