



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART II

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

#### 19 **Linked transactions.**

- (1) A transaction entered into by the debtor or hirer, or a relative of his, with any other person ( “the other party ”), except one for the provision of security, is a linked transaction in relation to an actual or prospective regulated agreement (the “principal agreement ”) of which it does not form part if—
  - (a) the transaction is entered into in compliance with a term of the principal agreement; or
  - (b) the principal agreement is a debtor-creditor-supplier agreement and the transaction is financed, or to be financed, by the principal agreement; or
  - (c) the other party is a person mentioned in subsection (2), and a person so mentioned initiated the transaction by suggesting it to the debtor or hirer, or his relative, who enters into it—
    - (i) to induce the creditor or owner to enter into the principal agreement, or
    - (ii) for another purpose related to the principal agreement, or
    - (iii) where the principal agreement is a restricted-use credit agreement, for a purpose related to a transaction financed, or to be financed, by the principal agreement.
- (2) The persons referred to in subsection (1)(c) are—
  - (a) the creditor or owner, or his associate;
  - (b) a person who, in the negotiation of the transaction, is represented by a credit-broker who is also a negotiator in antecedent negotiations for the principal agreement;
  - (c) a person who, at the time the transaction is initiated, knows that the principal agreement has been made or contemplates that it might be made.

**Changes to legislation:** Consumer Credit Act 1974, Section 19 is up to date with all changes known to be in force on or before 11 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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- (3) A linked transaction entered into before the making of the principal agreement has no effect until such time (if any) as that agreement is made.
- (4) Regulations may exclude linked transactions of the prescribed description from the operation of subsection (3).

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 25(2A)(b)(ia) inserted by [2010 c. 28 Sch. 2 para. 36](#)