Status: Point in time view as at 11/11/1999.
Changes to legislation: There are currently no known outstanding effects for the
Contracts (Rights of Third Parties) Act 1999, Section 1. (See end of Document for details)

Contracts (Rights of Third Parties) Act 1999

1999 CHAPTER 31

1   Right of third party to enforce contractual term.

(1) Subject to the provisions of this Act, a person who is not a party to a contract (a "third party") may in his own right enforce a term of the contract if—

  (a)   the contract expressly provides that he may, or

  (b)   subject to subsection (2), the term purports to confer a benefit on him.

(2) Subsection (1)(b) does not apply if on a proper construction of the contract it appears that the parties did not intend the term to be enforceable by the third party.

(3) The third party must be expressly identified in the contract by name, as a member of a class or as answering a particular description but need not be in existence when the contract is entered into.

(4) This section does not confer a right on a third party to enforce a term of a contract otherwise than subject to and in accordance with any other relevant terms of the contract.

(5) For the purpose of exercising his right to enforce a term of the contract, there shall be available to the third party any remedy that would have been available to him in an action for breach of contract if he had been a party to the contract (and the rules relating to damages, injunctions, specific performance and other relief shall apply accordingly).

(6) Where a term of a contract excludes or limits liability in relation to any matter references in this Act to the third party enforcing the term shall be construed as references to his availing himself of the exclusion or limitation.

(7) In this Act, in relation to a term of a contract which is enforceable by a third party—

  "the promisor" means the party to the contract against whom the term is enforceable by the third party, and

  "the promisee" means the party to the contract by whom the term is enforceable against the promisor.

Status:
Point in time view as at 11/11/1999.

Changes to legislation:
There are currently no known outstanding effects for the Contracts (Rights of Third Parties) Act 1999, Section 1.