
STATUTORY INSTRUMENTS

1997 No. 30

The Trading Schemes Regulations 1997

Pre-performance requirements

4.—(1) Save where the requirements set out in paragraph (2) below are satisfied, no promoter of, nor participant in, a trading scheme shall—

- (a) supply goods or services to a participant in the trading scheme;
- (b) provide any goods or services under a transaction effected by such a participant;
- (c) be a party to any arrangement under which goods or services are supplied or provided as aforesaid; or
- (d) accept from any such participant any payment or undertaking to make a payment in respect of any goods or services supplied or provided as mentioned in any of the preceding paragraphs (a) to (c) above or in respect of any goods or services to be so supplied or provided.

(2) The requirements referred to in paragraph (1) above are that—

- (a) the arrangements with a participant do not include a statement or promise that the participant will receive a payment or benefit in respect of the continued participation of another person in the trading scheme to which such arrangements relate or in any other trading scheme;
- (b) the promoter or a participant and the participant joining the trading scheme shall have signed a written agreement which contains all the terms under which the participant joining the trading scheme is participating in the trading scheme and which complies with regulation 5;
- (c) a copy of that agreement shall have been furnished to the participant joining the trading scheme.