
STATUTORY INSTRUMENTS

2010 No. 2960

**The Timeshare, Holiday Products, Resale
and Exchange Contracts Regulations 2010**

PART 6

PAYMENTS

Advance consideration

25.—(1) This regulation makes provision about when consideration may be accepted in relation to regulated contracts.

(2) Paragraph (3) applies in relation to a timeshare contract, long-term holiday product contract or exchange contract.

(3) No person may accept any consideration from the consumer before the end of the withdrawal period in relation to the contract (see regulation 21).

(4) Paragraph (5) applies in relation to a resale contract, the subject of which is rights under a timeshare contract or long-term holiday product contract.

(5) No person may accept any consideration from the consumer before—

- (a) the sale of those rights takes place, or
- (b) the contract is otherwise terminated.

(6) For the purposes of this regulation “consideration” includes any of the following—

- (a) payments,
- (b) guarantees,
- (c) reservations of money on account,
- (d) acknowledgements of debt.

(7) A person who contravenes paragraph (3) or (5) commits an offence.

Payment schedule: long-term holiday product contracts

26.—(1) A trader must not accept any payment in respect of a regulated contract that is a long-term holiday product contract unless the payment is made in accordance with a schedule which complies with the requirements of this regulation.

(2) The schedule must provide for all payments under the contract (including any membership fee) to be divided into yearly instalments of equal value, taking into account the duration of the contract.

(3) The schedule must be prepared by the trader and provided to the consumer.

(4) The trader must send a request for payment in writing to the consumer at least 14 days before a payment of an instalment becomes due under the schedule.

(5) A trader who contravenes paragraph (1) or (4) commits an offence.