

1992 No. 272

CONSUMER PROTECTION**Price Indications (Bureaux de Change) Regulations
(Northern Ireland) 1992***Made**15th June 1992**Coming into operation in accordance with regulation 1*

The Department of Economic Development, in exercise of the powers conferred on it by Article 19(1), (2), (3) and (4) of the Consumer Protection (Northern Ireland) Order 1987(a) and of every other power enabling it in that behalf and after consultation with the Director General of Fair Trading and such other persons as it considered it appropriate to consult, hereby makes the following Regulations:—

Citation and commencement

1. These Regulations may be cited as the Price Indications (Bureaux de Change) Regulations (Northern Ireland) 1992 and shall come into operation as follows—

- (a) all regulations except regulations 4(2) and 5(3) on 20th July 1992; and
- (b) regulations 4(2) and 5(3) on 20th July 1993.

Interpretation

2. In these Regulations—

“bureau de change” has the meaning assigned to it by regulation 3(2) and references to a person operating a bureau de change shall be construed accordingly;

“buying rate” means the amount of a specified foreign currency which the person giving the exchange rate indication will buy from a consumer for the sum of £1 sterling, subject, if that be the case, to payment of any commission or other charge not taken into account in the calculation of that amount;

“deal” means purchase from or sell to a consumer foreign currency and “dealing” shall be construed accordingly;

“exchange rate”, except in the expression “exchange rate indication”, means a buying rate or a selling rate, as the case may be;

“exchange rate indication” has the meaning assigned to it by regulation 3(4);

(a) S.I. 1987/2049 (N.I. 20)

“foreign currency” means the currency (other than sterling) of any country and in any form (other than bankers’ drafts) and includes European Currency Units;

“the Order” means the Consumer Protection (Northern Ireland) Order 1987; and

“selling rate” means the amount of a specified foreign currency which the person giving the exchange rate indication will sell to a consumer for the sum of £1 sterling, subject, if that be the case, to payment of any commission or other charge not taken into account in the calculation of that amount.

Scope of Regulations

3.—(1) The provisions of these Regulations have effect when a person to whom paragraph (2) applies gives, in the course of business, an indication of a description to which paragraph (4) applies.

(2) Subject to paragraph (3) this paragraph applies to any person who operates a bureau de change, that is to say, an enterprise in the course of which he buys from, or sells to, consumers any foreign currency.

(3) Paragraph (2) does not have effect in relation to any act done by him at any premises to which consumers are admitted and at which he does not in any way hold himself out to consumers generally as being prepared to buy or sell any foreign currency.

(4) This paragraph applies to any indication to consumers, however given, of an amount in one currency which the person giving the indication will or may buy from, or sell to, a consumer in exchange for an amount of sterling (an “exchange rate indication”) and applies whether or not the rate or amount of any commission or other charge is stated; and these Regulations have effect whether or not the indication constitutes an offer.

(5) These Regulations—

(a) have effect in relation to any person whether he is acting as principal or as agent for any person; and

(b) do not have effect in relation to any person solely because he holds himself out as willing to accept, or accepts, payment in a foreign currency for goods, services, accommodation or facilities which he supplies or has supplied.

Exchange rate information to be given

4.—(1) Subject to paragraphs (4) and (5), where a person gives an exchange rate indication—

(a) he shall state—

(i) the relevant exchange rate,

(ii) if the exchange rate stated applies only to currency of certain values or in certain denominations, the values or denominations to which it applies or the values or denominations to which it does not apply,

- (iii) the rate or amount of any commission or other charge which will or may be chargeable in respect of a transaction to which the indication applies and which is not included in the exchange rate stated, and
- (iv) if an exchange rate or a rate or amount of any commission or other charge applies only to dealings in certain circumstances or only in relation to certain transactions, those circumstances or those transactions;

(b) subject to sub-paragraph (c), where the indication—

- (i) includes a buying rate, he shall also state the corresponding selling rate (if any) or, if there is no corresponding selling rate but he is prepared to supply notes or travellers' cheques to order, that he is so willing; or
- (ii) includes a selling rate, he shall also state the corresponding buying rate (if any),

together with the information specified in sub-paragraph (a)(ii) to (iv); and

(c) sub-paragraph (b)(i) shall not have effect in relation to travellers' cheques before paragraph (2) comes into operation in accordance with regulation 1.

(2) Where a person gives an exchange rate indication which relates to one only of travellers' cheques and notes and he is prepared to deal in the other of them, he shall, either as the case may require—

- (a) state the corresponding exchange rate for notes or for travellers' cheques together with the information specified in paragraph (1)(a)(ii) to (iv); or
- (b) in relation to sales, state that he is prepared to supply notes or travellers' cheques to order, together with the rate or amount of any commission or other charges which will be chargeable.

(3) Where a person gives an exchange rate indication and—

- (a) there is to be a lapse of time between the placing of an order and the completion of the transaction; and
- (b) that person indicates that he will, or may, charge a buying rate or a selling rate other than the rate applicable at the time the order is placed or that any commission or other charge may be different,

he shall, before the order is placed, state his intention and shall also state—

- (i) when and how the rate will be determined, and
- (ii) the commission or other charge which will be charged or, if he is unable to state the commission or other charge, how it will be calculated.

(4) Where a consumer makes a specific request for an exchange rate indication relating to notes or to travellers' cheques in a particular currency, the person giving the indication shall state—

- (a) the applicable buying rate or selling rate, as the case may require; and

(b) if the rate applies only to currency of certain values or in certain denominations, those values or those denominations; and

(c) the rate or amount of any commission or other charge which is not included in the buying rate or the selling rate, as the case may be, and paragraphs (1) and (2) shall not have effect.

(5) This regulation does not have effect in relation to an exchange rate indication given by way of a net price to a consumer who has made a specific request that he be informed of the amount of one currency which a person is prepared to buy or sell net of all commission and other charges in exchange for a specified amount of another currency.

Manner of giving exchange rate indications etc.

5.—(1) Where one or more written exchange rate indications are displayed on any premises, a written exchange rate indication (together with related statements required to be given under regulation 4) shall be given clearly and prominently and so as to be visible to each consumer—

(a) as he approaches the premises or the part of the premises where the bureau de change is operated; or

(b) as soon as he enters the premises or, as the case may be, that part.

(2) Any exchange rate indication and any statement required to be given under regulation 4 shall—

(a) be clearly expressed, unambiguous and easily identifiable by a consumer as applying to the currency in question; and

(b) be given audibly (in the case of an oral indication or statement) or legibly (in the case of a written indication or statement).

(3) Any written statement which is displayed on any premises shall be given as clearly, legibly and prominently as the exchange rate indication to which it relates.

(4) In paragraph (2), the reference to exchange rate indications include references to any net price to which regulation 4(5) applies.

Obligation to furnish receipts etc.

6.—(1) Subject to paragraph (2), when a person who operates a bureau de change and who has given an exchange rate indication relevant to the transaction sells or buys foreign currency, he shall furnish to the consumer at the time when the currency is supplied a document (a "receipt") containing the following information—

(a) the date by reference to which the exchange rate is determined;

(b) the amount of foreign currency involved;

(c) the amount of sterling involved;

(d) the rate of exchange;

(e) the rate or amount of commission or other charge levied by him which is not included in the exchange rate stated;

(f) the net amount paid to the consumer; and

- (g) the name and address of the person operating the bureau de change or such other information as will enable those particulars to be readily identified by the consumer,

and a receipt shall be legible, clearly expressed and unambiguous.

(2) Where currency is supplied to a consumer by means of a machine which is operated by him and which exchanges cash or an instrument representing cash in one currency for cash or an instrument representing cash in another currency,—

- (a) in the case of a machine which is so designed as to be capable of providing a receipt, the obligation to supply a receipt does not arise unless the consumer requests, by means of an instruction given to the machine, that a receipt be supplied; and
- (b) in the case of a machine which is not so designed, the obligation to supply a receipt does not arise if there is displayed on or in close proximity to the machine and so as to be visible to a consumer as he approaches the machine, a notice to the effect that a receipt will not be provided.

(3) In this regulation, “instrument representing cash” includes a cheque or travellers’ cheque but does not include an instrument capable of being used (whether or not some other action is also required) for the purpose of initiating a transaction through an automatic teller machine or automatic cash dispenser.

Coin exchange machines

7.—(1) In the case of a machine in relation to which a person who operates a bureau de change gives an indication that, in exchange for the insertion into the machine of one or more specified coins in one currency (with or without some other action by the consumer), one or more coins in another currency will be dispensed by the machine, that person shall cause to be displayed on the machine, or in close proximity to it, a notice which—

- (a) is visible to the consumer as he approaches the machine; and
- (b) clearly states the value of coins in the other currency which will be given in exchange for each specified coin of the first-mentioned currency.

(2) In a case where this regulation has effect, regulations 4 to 6 shall not apply.

Exchange rate indications etc. to be accurate and reliable

8.—(1) Any information or explanation provided for the purposes of regulations 4, 6(1) and 7 shall be accurate.

(2) An indication as to a price or any other matter shall not include any statement that an exchange rate indication is not to be relied upon.

Offences and defences

9.—(1) A person operating a bureau de change who contravenes any provision of these Regulations shall be guilty of an offence punishable—

- (a) on conviction on indictment, by a fine; and
- (b) on summary conviction, by a fine not exceeding £2,000.

(2) In relation to proceedings against any person for an offence under this regulation—

- (a) Article 17(2) of the Order (defence that indication not contained in an advertisement) shall apply as it applies to proceedings for an offence under Article 13(1) or (2) of the Order;
- (b) Article 30 of the Order (defence of due diligence) shall apply as it applies to proceedings for an offence to which paragraph (1) of that Article applies; and
- (c) Article 31 of the Order (liability of persons other than principal offender) shall apply as it applies to proceedings for an offence mentioned in Article 30(1) of the Order.

Sealed with the Official Seal of the Department of Economic Development on 15th June 1992.

(L.S.)

A. H. McAlister

Assistant Secretary

(This note is not part of the Regulations.)

These Regulations apply to any individual or other body which carries on the business of a bureau de change in the course of which foreign currency is sold, or bought from consumers (as defined in Article 13(b) of the Consumer Protection (Northern Ireland) Order 1987), in exchange for sterling.

The Regulations regulate the manner in which a person who holds himself out as operating a bureau de change at any premises gives at those premises an indication to consumers of the rate at which business may be done (an "exchange rate indication") (regulation 3).

Exchange rate indications must state the terms on which transactions will be conducted and provide other information including any commission or other charges. However, where a consumer requests information about the terms on which a particular transaction will be conducted, only information relevant to that transaction need be given. When an exchange rate indication is given and there is to be an interval between the placing of the order and the supply of the currency during which rates may change, particulars of how the exchange rate and any commission or other charges will be determined must be given before the order is placed (regulation 4). Special provision is made in relation to coin operated machines (regulation 7).

Exchange rate indications and related information are to be given clearly and prominently and either legibly or audibly (regulation 5).

The Regulations require that a receipt setting out the terms of the transaction must be provided to the consumer in all cases except that of a transaction conducted through a machine. The issue of receipts in the latter case is only required if the machine is designed to supply receipts and the consumer requests one, but is not required at all where the machine exchanges coins only (regulation 6).

An exchange rate indication must be accurate and no suggestion may be made that it is not to be relied on (regulation 8).

Contravention of the Regulations is an offence and provision is made for defences (regulation 9).

The Regulations come into operation on 20th July 1992 except for the provision relating to the clarity etc of statements accompanying exchange rate indications and the requirement to display corresponding rates for notes and travellers' cheques, both of which come into operation on 20th July 1993 (regulation 1).