



# Supply of Goods (Implied Terms) Act 1973

## 1973 CHAPTER 13

### *Hire-purchase agreements*

#### **[<sup>F1</sup>8 Implied terms as to title.**

- (1) In every [<sup>F2</sup>relevant hire-purchase agreement], other than one to which subsection (2) below applies, there is—
- (a) an implied [<sup>F3</sup>term] on the part of the creditor that he will have a right to sell the goods at the time when the property is to pass; and
  - (b) an implied [<sup>F3</sup>term] that—
    - (i) the goods are free, and will remain free until the time when the property is to pass, from any charge or encumbrance not disclosed or known to the person to whom the goods are bailed or (in Scotland) hired before the agreement is made, and
    - (ii) that person will enjoy quiet possession of the goods except so far as it may be disturbed by any person entitled to the benefit of any charge or encumbrance so disclosed or known.
- (2) In a [<sup>F2</sup>relevant hire-purchase agreement], in the case of which there appears from the agreement or is to be inferred from the circumstances of the agreement an intention that the creditor should transfer only such title as he or a third person may have, there is—
- (a) an implied [<sup>F3</sup>term] that all charges or encumbrances known to the creditor and not known to the person to whom the goods are bailed or hired have been disclosed to that person before the agreement is made; and
  - (b) an implied [<sup>F3</sup>term] that neither—
    - (i) the creditor; nor
    - (ii) in a case where the parties to the agreement intend that any title which may be transferred shall be only such title as a third person may have, that person; nor

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*Changes to legislation: There are currently no known outstanding effects for the Supply of Goods (Implied Terms) Act 1973, Section 8. (See end of Document for details)*

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(iii) anyone claiming through or under the creditor or that third person otherwise than under a charge or encumbrance disclosed or known to the person to whom the goods are bailed or hired, before the agreement is made;

will disturb the quiet possession of the person to whom the goods are bailed or hired.]

[<sup>F4</sup>(3) As regards England and Wales and Northern Ireland, the term implied by subsection (1)(a) above is a condition and the terms implied by subsections (1)(b), (2)(a) and (2)(b) above are warranties.]

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#### **Textual Amendments**

- F1** S. 8 substituted by [Consumer Credit Act 1974 \(c. 39\)](#), s. 192(4), **Sch. 4 para. 35**
- F2** Words in Act substituted (1.10.2015) by [Consumer Rights Act 2015 \(c. 15\)](#), s. 100(5), **Sch. 1 para. 2**; [S.I. 2015/1630](#), art. 3(g) (with art. 6(1))
- F3** Words in s. 8(1)(a)(b)(2)(a)(b) substituted (3.1.1995) by [1994 c. 35](#), ss. 7, 8(2), **Sch. 2 para. 4(2)(a)** (with s. 8(3))
- F4** S. 8(3) inserted (3.1.1995) by [1994 c. 35](#), ss. 7, 8(2), **Sch. 2 para. 4(2)(b)** (with s. 8(3))
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#### **Modifications etc. (not altering text)**

- C1** S. 8 amended by [Unfair Contract Terms Act 1977 \(c. 50, SIF 30\)](#), **ss. 6(1)(b)**, 20(1)(b)

**Changes to legislation:**

There are currently no known outstanding effects for the Supply of Goods (Implied Terms) Act 1973, Section 8.