



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART IV U.K.

#### SEEKING BUSINESS

##### *Advertising*

#### 43 Advertisements to which Part IV applies. U.K.

- (1) This Part applies to any advertisement, published for the purposes of a business carried on by the advertiser, indicating that he is willing—
  - (a) to provide credit, or
  - (b) to enter into an agreement for the bailment or (in Scotland) the hiring of goods by him.
- (2) An advertisement does not fall within subsection (1) if the advertiser does not carry on—
  - (a) a consumer credit business or consumer hire business, or
  - (b) a business in the course of which he provides credit to individuals secured on land, or
  - (c) a business which comprises or relates to unregulated agreements where—
    - (i) the [<sup>F1</sup>law applicable to] the agreement is the law of a country outside the United Kingdom, and
    - (ii) if the [<sup>F1</sup>law applicable to] the agreement were the law of a part of the United Kingdom it would be a regulated agreement.
- (3) An advertisement does not fall within subsection (1)(a) if it indicates—
  - (a) <sup>F2</sup> .....
  - (b) that the credit is available only to a body corporate.

[<sup>F3</sup>(3A) An advertisement does not fall within subsection (1)(a) in so far as it is a communication of an invitation or inducement to engage in investment activity within

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the meaning of section 21 of the Financial Services and Markets Act 2000, other than an exempt generic communication.

<sup>F3</sup>(3B) An “exempt generic communication” is a communication to which subsection (1) of section 21 of the Financial Services and Markets Act 2000 does not apply, as a result of an order under subsection (5) of that section, because it does not identify a person as providing an investment or as carrying on an activity to which the communication relates.]

(4) An advertisement does not fall within subsection (1)(b) if it indicates that the advertiser is not willing to enter into a consumer hire agreement.

(5) The Secretary of State may by order provide that this Part shall not apply to other advertisements of a description specified in the order.

#### Textual Amendments

- F1** Words in s. 43(2)(c) substituted (1.4.1991) by [Contracts \(Applicable Law\) Act 1990 \(c. 36, SIF 30\)](#), s. 5, [Sch. 4 para. 2](#); [S.I. 1991/707](#), [art. 2](#)
- F2** [S. 43\(3\)\(a\)](#) and word after it ceases to have effect (6.4.2008) and repealed (6.4.2008) by [Consumer Credit Act 2006 \(c. 14\)](#), ss. {2(3)}, 70, 71(2), {Sch. 4}; [S.I. 2007/3300](#), [art. 3\(2\)](#), [Sch. 2](#)
- F3** [S. 43\(3A\)\(3B\)](#) inserted (1.9.2002) by [S.I. 2001/544](#), [arts. 2](#), 90(3); [S.I. 2001/3538](#), [art. 2](#)

#### 44 Form and content of advertisements. **U.K.**

(1) The Secretary of State shall make regulations as to the form and content of advertisements to which this Part applies, and the regulations shall contain such provisions as appear to him appropriate with a view to ensuring that, having regard to its subject-matter and the amount of detail included in it, an advertisement conveys a fair and reasonably comprehensive indication of the nature of the credit or hire facilities offered by the advertiser and of their true cost to persons using them.

(2) Regulations under subsection (1) may in particular—

- (a) require specified information to be included in the prescribed manner in advertisements, and other specified material to be excluded;
- (b) contain requirements to ensure that specified information is clearly brought to the attention of persons to whom advertisements are directed, and that one part of an advertisement is not given insufficient or excessive prominence compared with another.

#### 45 Prohibition of advertisement where goods etc. not sold for cash. **U.K.**

If an advertisement to which this Part applies indicates that the advertiser is willing to provide credit under a restricted-use credit agreement relating to goods or services to be supplied by any person, but at the time when the advertisement is published that person is not holding himself out as prepared to sell the goods or provide the services (as the case may be) for cash, the advertiser commits an offence.

#### 46 False or misleading advertisements. **U.K.**

(1) If an advertisement to which this Part applies conveys information which in a material respect is false or misleading the advertiser commits an offence.

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- (2) Information stating or implying an intention on the advertiser's part which he has not got is false.

**47 Advertising infringements. U.K.**

- (1) Where an advertiser commits an offence against regulations made under section 44 or against section 45 or 46 or would be taken to commit such an offence but for the defence provided by section 168, a like offence is committed by—
- (a) the publisher of the advertisement, and
  - (b) any person who, in the course of a business carried on by him, devised the advertisement, or a part of it relevant to the first-mentioned offence, and
  - (c) where the advertiser did not procure the publication of the advertisement, the person who did procure it.
- (2) In proceedings for an offence under subsection (1)(a) it is a defence for the person charged to prove that—
- (a) the advertisement was published in the course of a business carried on by him, and
  - (b) he received the advertisement in the course of that business, and did not know and had no reason to suspect that its publication would be an offence under this Part.

**Modifications etc. (not altering text)**

**C1** S. 47(1) excluded (*temp.*) by S.I. 1989/1125, reg. 10(1)

**C2** S. 47(1) restricted (31.10.2004) by The Consumer Credit (Advertisements) Regulations 2004 (S.I. 2004/1484), reg. 12

*Canvassing etc.*

**48 Definition of canvassing off trade premises (regulated agreements). U.K.**

- (1) An individual (the “canvasser”) canvasses a regulated agreement off trade premises if he solicits the entry (as debtor or hirer) of another individual (the “consumer”) into the agreement by making oral representations to the consumer, or any other individual, during a visit by the canvasser to any place (not excluded by subsection (2)) where the consumer, or that other individual, as the case may be, is, being a visit—
- (a) carried out for the purpose of making such oral representations to individuals who are at that place, but
  - (b) not carried out in response to a request made on a previous occasion.
- (2) A place is excluded from subsection (1) if it is a place where a business is carried on (whether on a permanent or temporary basis) by—
- (a) the creditor or owner, or
  - (b) a supplier, or
  - (c) the canvasser, or the person whose employee or agent the canvasser is, or
  - (d) the consumer.

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#### 49 Prohibition of canvassing debtor-creditor agreements off trade premises. **U.K.**

- (1) It is an offence to canvass debtor-creditor agreements off trade premises.
- (2) It is also an offence to solicit the entry of an individual (as debtor) into a debtor-creditor agreement during a visit carried out in response to a request made on a previous occasion, where—
  - (a) the request was not in writing signed by or on behalf of the person making it, and
  - (b) if no request for the visit had been made, the soliciting would have constituted the canvassing of a debtor-creditor agreement off trade premises.
- (3) Subsections (1) and (2) do not apply to any soliciting for an agreement enabling the debtor to overdraw on a current account of any description kept with the creditor, where—
  - (a) the [F4OFT] has determined that current accounts of that description kept with the creditor are excluded from subsections (1) and (2), and
  - (b) the debtor already keeps an account with the creditor (whether a current account or not).
- (4) A determination under subsection (3)(a)—
  - (a) may be made subject to such conditions as the [F4OFT] thinks fit, and
  - (b) shall be made only where the [F4OFT] is of opinion that it is not against the interests of debtors.
- (5) If soliciting is done in breach of a condition imposed under subsection (4)(a), the determination under subsection (3)(a) does not apply to it.

#### Textual Amendments

**F4** Words in s. 49 substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, Sch. 25 para. 6(22); S.I. 2003/766, art. 2, Sch. (with art. 3)

#### 50 Circulars to minors. **U.K.**

- (1) A person commits an offence, who, with a view to financial gain, sends to a minor any document inviting him to—
  - (a) borrow money, or
  - (b) obtain goods on credit or hire, or
  - (c) obtain services on credit, or
  - (d) apply for information or advice on borrowing money or otherwise obtaining credit, or hiring goods.
- (2) In proceedings under subsection (1) in respect of the sending of a document to a minor, it is a defence for the person charged to prove that he did not know, and had no reasonable cause to suspect, that he was a minor.
- (3) Where a document is received by a minor at any school or other educational establishment for minors, a person sending it to him at that establishment knowing or suspecting it to be such an establishment shall be taken to have reasonable cause to suspect that he is a minor.

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**Modifications etc. (not altering text)**

**C3** S. 50 excluded by [Education \(Student Loans\) Act 1990 \(c. 6, SIF 41:1, 2\)](#), s. 1(5), **Sch. 2 para. 3(8)**

**51 Prohibition of unsolicited credit-tokens. U.K.**

- (1) It is an offence to give a person a credit-token if he has not asked for it.
- (2) To comply with subsection (1) a request must be contained in a document signed by the person making the request, unless the credit-token agreement is a small debtor-creditor-supplier agreement.
- (3) Subsection (1) does not apply to the giving of a credit-token to a person—
  - (a) for use under a credit-token agreement already made, or
  - (b) in renewal or replacement of a credit-token previously accepted by him under a credit-token agreement which continues in force, whether or not varied.

**Modifications etc. (not altering text)**

**C4** S. 51 applied (1.11.2009) by [The Payment Services Regulations 2009 \(S.I. 2009/209\)](#), regs. 1(2)(c), **52(a)** (with [reg. 3](#))

PROSPECTIVE

**<sup>F5</sup>51A Restrictions on provision of credit card cheques U.K.**

**Textual Amendments**

**F5** S. 51A omitted (26.7.2013 for specified purposes) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6)**20(16)**

PROSPECTIVE

**<sup>F6F6</sup>... Section 51A: exemption for business U.K.**

**Textual Amendments**

**F6** S. 51B omitted (26.7.2013 for specified purposes) by virtue of [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No.2\) Order 2013 \(S.I. 2013/1881\)](#), art. 1(2)(6)**20(17)**

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### Miscellaneous

#### 52 Quotations. **U.K.**

(1) Regulations may be made—

- (a) as to the form and content of any document (a “quotation”) by which a person who carries on a consumer credit business or consumer hire business, or a business in the course of which he provides credit to individuals secured on land, gives prospective customers information about the terms on which he is prepared to do business;
- (b) requiring a person carrying on such a business to provide quotations to such persons and in such circumstances as are prescribed.

(2) Regulations under subsection (1)(a) may in particular contain provisions relating to quotations such as are set out in relation to advertisements in section 44.

[<sup>F7</sup>(3) In this section, “quotation” does not include—

- (a) any document which is a communication of an invitation or inducement to engage in investment activity within the meaning of section 21 of the Financial Services and Markets Act 2000; or
- (b) any document (other than one falling within paragraph (a)) provided by an authorised person (within the meaning of that Act) in connection with an agreement which would or might be an exempt agreement as a result of section 16(6C).]

#### Textual Amendments

**F7** S. 52(3) inserted (1.9.2002) by S.I. 2001/544, arts. 2, 90(4); S.I. 2001/3538, art. 2

#### 53 Duty to display information. **U.K.**

Regulations may require a person who carries on a consumer credit business or consumer hire business, or a business in the course of which he provides credit to individuals secured on land [<sup>F8</sup>(other than credit provided under an agreement which is an exempt agreement as a result of [<sup>F9</sup>section 16(6C)(a)])], to display in the prescribed manner, at any premises where the business is carried on to which the public have access, prescribed information about the business.

#### Textual Amendments

**F8** Words in s. 53 inserted (1.9.2002) by S.I. 2001/544, arts. 2, 90(5); S.I. 2001/3538, art. 2

**F9** Words in s. 53 substituted (6.11.2006 for certain purposes and 6.4.2007 otherwise) by The Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) (No.2) Order 2006 (S.I. 2006/2383), arts. 1(2), 25(3)

#### 54 Conduct of business regulations. **U.K.**

Without prejudice to the generality of section 26, regulations under that section may include provisions further regulating the seeking of business by a [<sup>F10</sup>a person to whom the regulations apply] who carries on a consumer credit business or a consumer hire business.

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**Textual Amendments**

**F10** Words in s. 54 substituted (1.12.2001) by S.I. 2001/3649, **art. 172**

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**Modifications etc. (not altering text)**

**C5** S. 54 extended (1.1.1993) by S.I. 1992/3218, **reg. 59(2)**  
S. 54 extended (1.1.1996) by S.I. 1995/3275, **reg. 36(2)**

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