



Consumer Credit Act 1974

1974 CHAPTER 39

PART VI

MATTERS ARISING DURING CURRENCY OF CREDIT OR HIRE AGREEMENTS

86 Death of debtor or hirer

- (1) The creditor or owner under a regulated agreement is not entitled, by reason of the death of the debtor or hirer, to do an act specified in paragraphs (a) to (e) of section 87(1) if at the death the agreement is fully secured.
- (2) If at the death of the debtor or hirer a regulated agreement is only partly secured or is unsecured, the creditor or owner is entitled, by reason of the death of the debtor or hirer, to do an act specified in paragraphs (a) to (e) of section 87(1) on an order of the court only.
- (3) This section applies in relation to the termination of an agreement only where—
 - (a) a period for its duration is specified in the agreement, and
 - (b) that period has not ended when the creditor or owner purports to terminate the agreement,but so applies notwithstanding that, under the agreement, any party is entitled to terminate it before the end of the period so specified.
- (4) This section does not prevent the creditor from treating the right to draw on any credit as restricted or deferred, and taking such steps as may be necessary to make the restriction or deferment effective.
- (5) This section does not affect the operation of any agreement providing for payment of sums—
 - (a) due under the regulated agreement, or
 - (b) becoming due under it on the death of the debtor or hirer, out of the proceeds of a policy of assurance on his life.
- (6) For the purposes of this section an act is done by reason of the death of the debtor or hirer if it is done under a power conferred by the agreement which is—

Status: This is the original version (as it was originally enacted).

- (a) exercisable on his death, or
- (b) exercisable at will and exercised at any time after his death.