



Energy Act 2011

2011 CHAPTER 16

PART 1

ENERGY EFFICIENCY

CHAPTER 1

GREEN DEAL

Modifying consumer credit legislation

29 Early repayment of green deal finance

- (1) The Consumer Credit Act 1974 is amended as follows.
- (2) After section 95A (compensatory amount to creditor in relation to early repayment) insert—

“95B Compensatory amount: green deal finance

- (1) This section applies where—
 - (a) a regulated consumer credit agreement provides for the rate of interest on the credit to be fixed for a period of time (“the fixed rate period”),
 - (b) the agreement is a green deal plan (within the meaning of section 1 of the Energy Act 2011) which is of a duration specified for the purposes of this section in regulations, and
 - (c) under section 94 the debtor discharges all or part of his indebtedness during the fixed rate period.
- (2) The creditor may claim an amount equal to the cost which the creditor has incurred as a result only of the debtor's indebtedness being discharged during the fixed rate period if—

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Changes to legislation: There are currently no known outstanding effects for the Energy Act 2011, Section 29. (See end of Document for details)

- (a) the amount of the payment under section 94 is not paid from the proceeds of a contract of payment protection insurance, and
 - (b) such other conditions as may be specified for the purposes of this section in regulations are satisfied.
- (3) The amount in subsection (2)—
- (a) must be fair,
 - (b) must be objectively justified,
 - (c) must be calculated by the creditor in accordance with provision made for the purposes of this section in regulations, and
 - (d) must not exceed the total amount of interest that would have been paid by the debtor under the agreement in the period from the date on which the debtor makes the payment under section 94 to the date fixed by the agreement for the discharge of the indebtedness of the debtor.
- (4) If a creditor could claim under either section 95A or this section, the creditor may choose under which section to claim.”
- (3) In section 94 (right to complete payments ahead of time)—
- (a) in subsection (1) after “section 95A(2)” insert “ or section 95B(2) ”;
 - (b) in subsection (5) after “section 95A(2)” insert “ or section 95B(2) ”.
- (4) In subsection (2)(c) of section 97A (duty to give information on partial repayment) after “section 95A(2)” insert “ or section 95B(2) ”.

Commencement Information

- I1** S. 29 in force at 21.3.2012 for specified purposes by S.I. 2012/873, art. 3(1)(d)(2)
- I2** S. 29 in force at 28.1.2013 in so far as not already in force by S.I. 2013/125, art. 2(d)

Status:

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