
STATUTORY INSTRUMENTS

1992 No. 1942

CONSUMER PROTECTION

The Timeshare (Cancellation Notices) Order 1992

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| <i>Made</i> | - - - - | <i>6th August 1992</i> |
| <i>Laid before Parliament</i> | | <i>10th August 1992</i> |
| <i>Coming into force</i> | - - | <i>12th October 1992</i> |

The Secretary of State, in exercise of the powers conferred upon him by section 4(2) and subsections (6), (7) and (8) of section 12 of the Timeshare Act 1992(1), hereby makes the following Order:

1. This Order may be cited as the Timeshare (Cancellation Notices) Order 1992 and shall come into force on 12th October 1992.
2. In this Order, “the Act” means the Timeshare Act 1992.
3. Subject to the following provisions of this Order—
 - (a) a notice of the right to cancel a timeshare agreement given under section 2 of the Act shall be in the form set out in schedule 1 to this Order;
 - (b) a blank notice of cancellation which is required by section 4(2) of the Act to accompany a notice as described in (a) above shall be attached to that notice and shall be in the form set out in schedule 2 to this Order;
 - (c) a notice of the right to cancel a timeshare credit agreement given under section 3 of the Act shall be in the form set out in schedule 3 to this Order;
 - (d) a blank notice of cancellation which is required by section 4(2) of the Act to accompany a notice as described in (c) above shall be attached to that notice and shall be in the form set out in schedule 4 to this Order.
4. A notice referred to in article 3(a) or (c) shall be printed on a single sheet of paper with the part which sets out section 7 of the Act appearing on the back of the sheet.
5. The lettering of the notices referred to in article 3 shall be easily legible and of a colour which is easily distinguishable from the colour of the paper; and capital letters shall be used in all the places in which they are shown in each schedule and phrases shall be in bold lettering and underlined in accordance with the schedules.
6. No capital letter in any of the notices referred to in article 3 shall be less than 2 millimetres high with lower case letters in proportion.

7. The lettering of the words “YOUR RIGHT TO CANCEL” and “PLEASE READ CAREFULLY” in the notices referred to in article 3(a) and (c) shall be larger than any other lettering on those notices.

8. In the notices referred to in article 3 there shall be inserted in the blank spaces beside the numbers shown in the form set out in the appropriate schedule the following wording or information and the numbers shall not appear in the notices

in schedule 1—

1. the offeror’s reference number, code or other details to enable the contract or offer to be identified;

2. the name of the offer or;

3. the last date on which notice of cancellation may be given;

4. the name and address of a person to whom notice of cancellation may be given;

in schedule 2—

1. the name and address of a person to whom notice of cancellation may be given;

2. the offeror’s reference number, code or other details to enable the contract or offer to be identified;

in schedule 3—

1. the creditor’s reference number, code or other details to enable the timeshare credit agreement to be identified;

2. the name of the creditor;

3. the last date on which notice of cancellation may be given;

4. the name and address of a person to whom notice of cancellation may be given;

in schedule 4—

1. the name and address of a person to whom notice of cancellation may be given;

2. the creditor’s reference number, code or other details to enable the timeshare credit agreement to be identified.

6th August 1992

Denton of Wakefield
Parliamentary Under Secretary of State,
Department of Trade and Industry

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Schedule 1

Article 3(a)

Timeshare Form 1

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YOUR RIGHT TO CANCEL
PLEASE READ CAREFULLY

NOTICE OF RIGHT TO CANCEL TIMESHARE AGREEMENT
GIVEN UNDER SECTION 2 OF THE TIMESHARE ACT 1992

1 This notice refers to timeshare agreement (1) with (2) that you propose to enter into.

2 **YOU HAVE UNTIL (3) IN WHICH TO CHANGE YOUR MIND**

At any time before or on the above date you may cancel the agreement. If you do so (unless the agreement also includes provisions for credit to help you pay for the timeshare—see paragraph 4 below) you will be able to claim back any money that you have paid under or in contemplation of the agreement. You will then have no other rights or obligations under the agreement.

3 If you wish to cancel the agreement you must send or take written notice of cancellation to:

(4)

before or on (3). You may use the cancellation form provided if you wish to but you do not need to.

4 **If your timeshare agreement includes a credit agreement**

If your timeshare agreement includes provision for credit with which to pay for the timeshare, then if you cancel the agreement as set out above, the part of it that relates to the repayment of the credit and the payment of interest will still be enforceable subject to section 7 of the Timeshare Act 1992 (see overpage). This section sets out the procedure to be followed if you wish to withdraw from the credit arrangements.

5 If you are paying for your timeshare purchase by means of credit provided or to be provided under a separate timeshare credit agreement, and not under your timeshare agreement itself, you may also have a right to cancel the timeshare credit agreement. If you have, you should receive or have received a separate notice setting out what these rights are and you will have to give notice separately if cancelling that agreement.

Section 7 of the Timeshare Act 1992 provides as follows:-

- “(1) This section applies following-
- (a) the giving of notice of cancellation of a timeshare agreement in accordance with section 5 of this Act in a case where subsection (9) of that section applies, or
 - (b) the giving of notice of cancellation of a timeshare credit agreement in accordance with section 6 of this Act.
- (2) If the offeree repays the whole or a portion of the credit-
- (a) before the expiry of one month following the giving of the notice, or
 - (b) in the case of a credit repayable by instalments, before the date on which the first instalment is due,
- no interest shall be payable on the amount repaid.
- (3) If the whole of a credit repayable by instalments is not repaid on or before the date specified in subsection (2)(b) above, the offeree shall not be liable to repay any of the credit except on receipt of a request in writing in such form as may be prescribed, signed by or on behalf of the offeror or (as the case may be) creditor, stating the amounts of the remaining instalments (recalculated by the offeror or creditor as nearly as may be in accordance with the agreement and without extending the repayment period), but excluding any sum other than principal and interest.”

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**NOTICE OF CANCELLATION OF TIMESHARE
AGREEMENT GIVEN UNDER SECTION 5
OF THE TIMESHARE ACT 1992**

Complete and return this notice **ONLY** if you wish to cancel the timeshare agreement or to withdraw your offer to enter into the agreement.

To:

I/we* hereby give notice that I/we* wish to cancel my/our* timeshare agreement. (1)

Contract or Reference No. (2)

Signed

Dated

*Delete as appropriate

If this notice is sent by post in a properly addressed and pre-paid letter the notice is treated as given at the time of posting.

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Schedule 3

Article 3(c)

Timeshare Form 3

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YOUR RIGHT TO CANCEL
PLEASE READ CAREFULLY

NOTICE OF RIGHT TO CANCEL TIMESHARE CREDIT AGREEMENT
GIVEN UNDER SECTION 3 OF THE TIMESHARE ACT 1992

1 Before you entered into your timeshare agreement you should have received notice of your right to cancel that agreement within a specified period of not less than fourteen days after the date when you entered into that agreement.

2 This notice refers to timeshare credit agreement (1) with
(2) that you propose to enter into.

3 **YOU HAVE UNTIL (3) IN WHICH TO CHANGE YOUR MIND**

At any time before or on the above date you may cancel the agreement and, if you do so, then

- (i) repayment of any credit you may have received, and payment of interest on it, will become subject to section 7 of the Timeshare Act 1992 (see overpage); and
- (ii) subject to (i) above you will have no other rights or obligations under the timeshare credit agreement.

4 If you wish to cancel the agreement you must send or take written notice of cancellation to:

(4)
before or on (3). You may use the cancellation form provided if you wish to but you do not need to.

5 Cancelling your timeshare credit agreement does not cancel your timeshare agreement. If you also wish to cancel your timeshare agreement you must do that separately.

Section 7 of the Timeshare Act 1992 provides as follows:–

- “(1) This section applies following–
- (a) the giving of notice of cancellation of a timeshare agreement in accordance with section 5 of this Act in a case where subsection (9) of that section applies, or
 - (b) the giving of notice of cancellation of a timeshare credit agreement in accordance with section 6 of this Act.
- (2) If the offeree repays the whole or a portion of the credit–
- (a) before the expiry of one month following the giving of the notice, or
 - (b) in the case of a credit repayable by instalments, before the date on which the first instalment is due,
- no interest shall be payable on the amount repaid.
- (3) If the whole of a credit repayable by instalments is not repaid on or before the date specified in subsection (2)(b) above, the offeree shall not be liable to repay any of the credit except on receipt of a request in writing in such form as may be prescribed, signed by or on behalf of the offeror or (as the case may be) creditor, stating the amounts of the remaining instalments (recalculated by the offeror or creditor as nearly as may be in accordance with the agreement and without extending the repayment period), but excluding any sum other than principal and interest.”

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**NOTICE OF CANCELLATION OF TIMESHARE CREDIT
AGREEMENT GIVEN UNDER SECTION 6
OF THE TIMESHARE ACT 1992**

Complete and return this notice **ONLY** if you wish to cancel the timeshare credit agreement.

To:

I/we* hereby give notice that I/we* wish to cancel my/our* timeshare credit agreement. (1)

Contract or Reference No. (2)

Signed

Dated

*Delete as appropriate

If this notice is sent by post in a properly addressed and pre-paid letter the notice is treated as given at the time of posting.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order prescribes the form of

- (a) a notice of the right to cancel a timeshare agreement; and
- (b) a blank notice of cancellation of a timeshare agreement; and
- (c) a notice of the right to cancel a timeshare credit agreement; and
- (d) a blank notice of cancellation of a timeshare credit agreement.

Under sections 2 and 3 of the Timeshare Act 1992 the notices (a) and (c) must be supplied to the offeree together with a document setting out the terms of the timeshare agreement or the timeshare credit agreement, or the substance of those terms. Under section 4 of the Act the notices (a) and (c) must be accompanied by the notices (b) and (d) respectively.

It is a criminal offence for an offeror to enter into a timeshare agreement unless the offeree has received notices (a) and (b) in accordance with the requirements above.

Notices (c) and (d) should also be given, in accordance with the requirements above, to the offeree before a timeshare credit agreement is entered into, (although entering into such an agreement when the offeree has not received them does not constitute a criminal offence).

Notices (a) and (c) give information about the offeree's rights to cancel a timeshare agreement or a timeshare credit agreement at any time before or on a day specified in the notice. This must be a day which falls not less than fourteen days after the agreement is entered into. These notices also spell out the rights and obligations of the offeree should he choose to exercise the right to cancel.

Notices (b) and (d) may be used by the offeree to cancel the agreement.