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STATUTORY INSTRUMENTS

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**2000 No. 2334**

**The Consumer Protection (Distance Selling) Regulations 2000**

**Repayment of credit and interest after cancellation of a related credit agreement**

**16.**—(1) This regulation applies following the cancellation of a related credit agreement by virtue of regulation 15(1).

(2) If the consumer repays the whole or a portion of the credit—

- (a) before the expiry of one month following the cancellation of the credit agreement, 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 referred to in paragraph (2)(b), the consumer shall not be liable to repay any of the credit except on receipt of a request in writing, signed by the creditor, stating the amounts of the remaining instalments (recalculated by the 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.

(4) Where any security has been provided under a related credit agreement the duty imposed on the consumer to repay credit and to pay interest shall not be enforceable before the creditor has discharged any duty imposed on him by regulation 15(4) to return any property lodged with him as security on cancellation.