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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations amend the Unfair Terms in Consumer Contracts Regulations 1999 (“the principal Regulations”) by adding the Financial Services Authority to the list of qualifying bodies in Part One of Schedule 1. These Regulations also amend the principal Regulations to reflect changes in the names of certain of the qualifying bodies listed in Part One of Schedule 1, and to reflect the fact that the functions of the Director General of Electricity Supply and of the Director General of Gas Supply have been transferred to the Gas and Electricity Markets Authority under Part I of the Utilities Act 2000.

The principal Regulations implement Council Directive [93/13/EEC](#) on unfair terms in consumer contracts (O.J. No. L95, 21.4.93, p.29).

These Regulations also provide that when the Financial Services Authority exercises functions under these Regulations it has the same powers as when it exercises functions under the Financial Services Act 1986.

A qualifying body may apply for an injunction to prevent the continued use of an unfair contract term, as defined by regulation 5 of the principal Regulations, provided it has notified the Director General of Fair Trading of its intention to do so at least 14 days before the application is made (unless the Director General consents to a shorter period) (regulation 12 of the principal Regulations). A qualifying body named in Part One of Schedule 1 (public bodies) is under a duty to consider a complaint if it has told the Director General that it will do so (regulation 11 of the principal Regulations).

The principal Regulations provide a power for the Director General and the public qualifying bodies to require traders to produce copies of their standard contracts, and give information about their use, in order to facilitate investigation of complaints and ensure compliance with undertakings or court orders (regulation 13 of the principal Regulations).