STATUTORY INSTRUMENTS

1985 No. 620

CONSUMER CREDIT

The Consumer Credit (Exempt Agreements) Order 1985

Made - - - -	17*th April* 1985
Laid before Parliament	26*th April* 1985
Coming into Operation	20*th May* 1985

The Secretary of State, after consulting in accordance with subsections (3) and (9) of section 16 of the Consumer Credit Act 1974(**a**) with the persons therein referred to, in exercise of powers conferred on him by sections 16(1) and (4) to (6) and 182(2) and (4) of that Act and of all other powers enabling him in that behalf, hereby makes the following Order:—

Citation, commencement, interpretation and revocation

1.—(1) This Order may be cited as the Consumer Credit (Exempt Agreements) Order 1985 and shall come into operation on 20th May 1985.

(2) In this Order—

"the Act" means the Consumer Credit Act 1974;

"business premises" means premises for occupation for the purposes of a business (including any activity carried on by a body of persons, whether corporate or unincorporate) or for those and other purposes;

and references to the total charge for credit and the rate thereof are respectively references to the total charge for credit and the rate thereof calculated in accordance with the Consumer Credit (Total Charge for Credit) Regulations 1980(**b**).

(3) The Consumer Credit (Exempt Agreements) Order 1980(**c**), the Consumer Credit (Exempt Agreements) (Amendment) Order 1981(**d**), the Consumer Credit (Exempt Agreements) (Amendment) Order 1982(**e**), the Consumer Credit (Exempt Agreements) (Amendment) Order 1984(**f**) and the Consumer Credit (Exempt Agreements) (Amendment No. 2) Order 1984(**g**) are hereby revoked.

Exemption of certain consumer credit agreements secured on land

2.—(1) The Act shall not regulate a consumer credit agreement which falls within section 16(2) of the Act, being an agreement to which this paragraph applies.

(2) Where the creditor is a body specified in Part I of the Schedule to this Order, paragraph (1) above applies only to—

(a) a debtor–creditor–supplier agreement falling within section 16(2)*(a)* of the Act;

(**a**) 1974 c.39.
(**b**) S.I. 1980/51.
(**c**) S.I. 1980/52.
(**d**) S.I. 1981/964.
(**e**) S.I. 1982/1029.
(**f**) S.I. 1984/434.
(**g**) S.I. 1984/917.

(b) a debtor–creditor agreement secured by any land mortgage financing—

(i) the purchase of land; or

(ii) the provision of dwellings or business premises on any land; or

(iii) subject to paragraph (3) below, the alteration, enlarging, repair or improvement of a dwelling or business premises on any land;

(c) a debtor–creditor agreement secured by any land mortgage to refinance any existing indebtedness of the debtor, whether to the creditor or another person, under any agreement by which the debtor was provided with credit for any of the purposes specified in heads (i) to (iii) of sub-paragraph *(b)* above.

(3) Head (iii) of sub-paragraph *(b)* of paragraph (2) above applies only where the creditor is the creditor under—

(a) an agreement (whenever made) by which the debtor is provided with credit for any of the purposes specified in head (i) and head (ii) of that sub-paragraph; or

(b) an agreement (whenever made) refinancing an agreement under which the debtor is provided with credit for any of the said purposes,

being, in either case, an agreement relating to the land referred to in the said head (iii) and secured by a land mortgage on that land.

(4) Where the creditor is a body specified in Part II of the Schedule to this Order, paragraph (1) above applies only to an agreement of a description specified in that Part in relation to that body and made pursuant to an enactment or for a purpose so specified.

Exemption of certain consumer credit agreements by reference to the number of payments to be made by the debtor

3.—(1) The Act shall not regulate a consumer credit agreement which is an agreement of one of the following descriptions, that is to say,—

(a) a debtor–creditor–supplier agreement being either—

(i) an agreement for fixed-sum credit under which the number of payments to be made by the debtor does not exceed four; or

(ii) an agreement for running-account credit which provides for the making of payments by the debtor in relation to specified periods and requires that the number of payments to be made by the debtor in repayment of the whole amount of the credit provided in each such period shall not exceed one;

not being, in either case, an agreement of a description specified in paragraph (2) below; and in this sub-paragraph,"payment" means a payment comprising an amount in respect of credit with or without any other amount;

(b) a debtor–creditor–supplier agreement financing the purchase of land, being an agreement under which the number of payments to be made by the debtor does not exceed four; and in this sub-paragraph, "payment" means a payment comprising or including an amount in respect of credit or the total charge for credit (if any);

(c) a debtor–creditor–supplier agreement for fixed-sum credit to finance a premium under a contract of insurance relating to any land or to anything thereon where—

(i) the creditor is the creditor under an agreement secured by a land mortgage on that land which either is an exempt agreement

by virtue of section 16(1) of the Act or of Article 2 above or is a personal credit agreement which would be an exempt agreement by virtue of either of those provisions if the credit provided were not to exceed £15,000;

(ii) the amount of the credit is to be repaid within the period to which the premium relates, not being a period exceeding 12 months; and

(iii) there is no charge forming part of the total charge for credit under the agreement other than interest at a rate not exceeding the rate of interest from time to time payable under the agreement mentioned in head (i) above,

and the number of payments to be made by the debtor does not exceed twelve; and in this sub-paragraph "payment" has the same meaning as it has in paragraph (1)*(b)* above; and

(d) a debtor–creditor–supplier agreement for fixed-sum credit where—

(i) the creditor is the creditor under an agreement secured by a land mortgage on any land which either is an exempt agreement by virtue of section 16(1) of the Act or of Article 2 above or is a personal credit agreement which would be an exempt agreement by virtue of either of those provisions if the credit provided were not to exceed £15,000;

(ii) the agreement is to finance a premium under a contract of life insurance which provides, in the event of the death before the credit under the agreement referred to in head (i) above has been repaid of the person on whose life the contract is effected, for payment of a sum not exceeding the amount sufficient to defray the sums which, immediately after that credit has been advanced, would be payable to the creditor in respect of that credit and of the total charge for that credit; and

(iii) there is no charge forming part of the total charge for credit under the agreement other than interest at a rate not exceeding the rate of interest from time to time payable under the agreement referred to in head (i) above,

and the number of payments to be made by the debtor does not exceed twelve; and in this sub-paragraph, "payment" has the same meaning as it has in sub-paragraph (1)*(b)* above.

(2) The descriptions of agreement referred to in sub-paragraph *(a)* of paragraph (1) above and to which accordingly that sub-paragraph does not apply are—

(a) agreements financing the purchase of land;

(b) agreements which are conditional sale agreements or hire-purchase agreements; and

(c) agreements secured by a pledge (other than a pledge of documents of title or of bearer bonds).

Exemption of certain consumer credit agreements by reference to the rate of the total charge for credit

4.—(1) The Act shall not regulate a consumer credit agreement which is an agreement of one of the following descriptions, that is to say—

(a) subject to paragraphs (2), (3) and (4) below, any debtor–creditor

agreement in respect of which the rate of the total charge for credit does not exceed the rate referred to in paragraph (5) below;

(b) subject to paragraph (4) below, a debtor–creditor–supplier agreement for fixed-sum credit where—

(i) the creditor is the creditor under an agreement secured by a land mortgage on any land which either is an exempt agreement by virtue of section 16(1) of the Act or of Article 2 above or is a personal credit agreement which would be an exempt agreement by virtue of either of those provisions if the credit provided were not to exceed £15,000;

(ii) the agreement is to finance a premium under a contract of life insurance which provides, in the event of the death before the credit under the agreement referred to in head (i) above has been repaid of the person on whose life the contract is effected, for payment of a sum not exceeding the amount sufficient to defray the sums which, immediately after that credit has been advanced, would be payable to the creditor in respect of that credit and of the total charge for that credit; and

(iii) there is no charge forming part of the total charge for credit under the agreement other than interest at a rate not exceeding the rate of interest from time to time payable under the agreement referred to in head (i) above,

and in respect of which the rate of the total charge for credit does not exceed the rate referred to in paragraph (5) below;

(c) subject to paragraph (4) below, a debtor–creditor agreement in respect of which the only amount included in the total charge for credit is interest which cannot under the agreement at any time exceed the higher of the following, that is to say—

(i) the sum of one per cent and the highest of any base rates published by the banks named in paragraph (6) below, being the latest rates in operation on the date 28 days before any such time; and

(ii) 13 per cent;

and for the purposes of this sub-paragraph, "interest" means interest at a rate determined in accordance with the formula set out in paragraph (1) of Regulation 7 of the Consumer Credit (Total Charge for Credit) Regulations 1980, and in that formula as applied by this paragraph "period rate of charge" has the meaning assigned to it in paragraph (2) of that Regulation.

(2) Subject to paragraph (3) below, sub-paragraph *(a)* of paragraph (1) above does not apply to agreements which provide for an increase in, or permit the creditor to increase, the rate or amount of any item which—

(a) is included in the total charge for credit; or

(b) would fall to be so included, apart from the operation of Regulation 14 of the Consumer Credit (Total Charge for Credit) Regulations 1980,

after the relevant date of the agreement within the meaning of Regulation 1(2) of those Regulations.

(3) Sub-paragraph *(a)* of paragraph (1) above does not apply to agreements—

(a) in relation to which the debtor is an employee of the creditor or of an

associate of his and which provide for an increase in, or permit the creditor to increase, the rate or amount of any item such as is mentioned in paragraph (2) above on the termination of the employment of the debtor with the creditor or such associate, as the case may be; or

(b) under which the rate or amount of any such item falls to be ascertained throughout the duration of the agreement by reference to the level of any index or other factor in accordance with any formula specified in the agreement;

and which do not provide for an increase in, or permit the creditor to increase, the rate or amount of any item mentioned in paragraph (2) above in any way other than those permitted by either or both of sub-paragraphs *(a)* or *(b)* of this paragraph.

(4) Paragraph (1) above does not apply to agreements under which the total amount to be repaid by the debtor to discharge his indebtedness in respect of the amount of credit provided may vary according to any formula specified in the agreement having effect by reference to movements in the level of any index or to any other factor.

(5) The rate mentioned in sub-paragraphs *(a)* and *(b)* of paragraph (1) above is the higher of the following, that is to say—

(a) the sum of one per cent and the highest of any base rates published by the banks named in paragraph (6) below, being the latest rates in operation on the date 28 days before the date on which the agreement is made; and

(b) 13 per cent.

(6) The banks referred to in paragraphs (1)*(c)* and (5) above are—

Bank of England
Bank of Scotland
Barclays Bank PLC
Central Trustee Savings Bank Limited
Clydesdale Bank PLC
Co-operative Bank Public Limited Company
Coutts & Co.
Lloyds Bank PLC
Midland Bank Public Limited Company
National Westminster Bank Public Limited Company
The Royal Bank of Scotland PLC
Williams & Glyn's Bank Public Limited Company.

Exemption of certain consumer credit agreements having a connection with a country outside the United Kingdom

5. The Act shall not regulate a consumer credit agreement made—

(a) in connection with trade in goods or services between the United Kingdom and a country outside the United Kingdom or within a country or between countries outside the United Kingdom, being an agreement under which credit is provided to the debtor in the course of a business carried on by him; or

(b) between a creditor who is a Federal credit union (as defined in the Federal Credit Union Act (**a**) of the United States of America of 26th June 1934) and a debtor who is—

(i) a member of any of the armed forces of the United States of America;

(ii) an employee not habitually resident in the United Kingdom of any of those forces; or

(iii) any such member's or employee's wife or husband or any other person (whether or not a child of his) whom he wholly or partly maintains and treats as a child of the family.

Exemption of certain consumer hire agreements

6. The Act shall not regulate a consumer hire agreement where the owner is a body corporate authorised by or under any enactment to supply electricity, gas or water and the subject of the agreement is a meter or metering equipment used or to be used in connection with the supply of electricity, gas or water, as the case may be.

Alexander Fletcher,
Parliamentary Under-Secretary of State,
Department of Trade and Industry.

17th April 1985.

Article 2

SCHEDULE

Bodies whose agreements of the specified description are exempt agreements

PART I

Insurance Companies

Abbey Life Assurance Company Limited
Albany Life Assurance Company Limited
Alliance Assurance Company Limited
Ambassador Life Assurance Company Limited
American International Life Assurance Company of New York
American Life Insurance Company
Ansvar Insurance Company Limited
Atlas Assurance Company Limited
Australian Mutual Provident Society
Avon Insurance PLC

(**a**) Chapter 14 of Title 12 of the United States Code (June 26, 1934, ch. 750, §1, 48 Stat. 1216; Sept. 22, 1959, Pub. L. 86–354, §1, 73 Stat. 628.).

Black Horse Life Assurance Company Limited
Bradford Insurance Company Limited
Britannic Assurance Public Limited Company
The British & European Reinsurance Company Limited
British Equitable Assurance Company Limited
The British Life Office Limited
The British Oak Insurance Company Limited
British Reserve Insurance Company Limited

Caledonian Insurance Company
The Cambrian Insurance Company Limited
The Canada Life Assurance Company
Cannon Assurance Limited
Car and General Insurance Corporation Limited
Citibank Assurance Company Limited
City of Westminster Assurance Company Limited
City of Westminster Assurance Society Limited
Clerical, Medical and General Life Assurance Society
The Colonial Mutual Life Assurance Society Limited
Commercial Union Assurance Company plc
Commercial Union Pensions Management Limited
Commercial Union Life Assurance Company Limited
Confederation Life Insurance Company
The Contingency Insurance Company Limited
Co-operative Insurance Society Limited
Cornhill Insurance Public Limited Company
Criterion Insurance Company Limited
Crown Life Assurance Company Limited
Crown Life Insurance Company
Crown Life Pensions Limited
Crusader Insurance PLC

The Dominion Insurance Company Limited

Eagle Star Insurance Company Limited
Ecclesiastical Insurance Office plc
Economic Insurance Company Limited
English & American Insurance Company Limited
The English Insurance Company Limited
The Equitable Life Assurance Society
Equity & Law Life Assurance Society plc
Essex and Suffolk Insurance Company Limited
Excess Insurance Company Limited

Federation Mutual Insurance Limited
Fine Art and General Insurance Company Limited
Friends' Provident Life Office
FS Assurance Limited

General Accident Fire and Life Assurance Corporation Public Limited Company
Gisborne Life Assurance Company Limited
Gresham Life Assurance Society Limited
Guardian Assurance plc
Guardian Royal Exchange Assurance plc

Hambro Life Assurance plc
Hill Samuel Life Assurance Limited

The Ideal Insurance Company Limited
The Imperial Life Assurance Company of Canada
Irish Life Assurance plc
The Iron Trades Employers Insurance Association Limited

Langham Life Assurance Company Limited
Legal and General Assurance Society Limited

The Licenses and General Insurance Company Limited
The Life Association of Scotland Limited
London Aberdeen & Northern Mutual Assurance Society Limited
London and Manchester Assurance Company Limited
London and Manchester (Pensions) Limited
London & Scottish Assurance Corporation Limited
The London Assurance
The London Life Association Limited

The Manufacturers Life Insurance Company
Marine and General Mutual Life Assurance Society
Maritime Insurance Company Limited
Medical Sickness Annuity & Life Assurance Society Limited
The Mercantile and General Reinsurance Company plc
Midland Assurance Limited
Minster Insurance Company Limited
The Motor Union Insurance Company Limited
Municipal Life Assurance Limited
Municipal Mutual Insurance Limited

NALGO Insurance Association Limited
National Employers' Life Assurance Company Limited
National Employers' Mutual General Insurance Association Limited
The National Farmers Union Mutual Insurance Society Limited
The National Insurance and Guarantee Corporation PLC
The National Mutual Life Association of Australasia Limited
National Mutual Life Assurance Society
National Provident Institution
National Vulcan Engineering Insurance Group Limited
N.E.L. Pensions Limited
The New Zealand Insurance plc
North British & Mercantile Insurance Company Limited
The Northern Assurance Company Limited
Norwich Union Fire Insurance Society Limited
Norwich Union Insurance Group (Managed Funds) Limited
Norwich Union Insurance Group (Pensions Management) Limited
Norwich Union Life Insurance Society
NRG London Reinsurance Company Limited

Oaklife Assurance Limited
The Ocean Accident & Guarantee Corporation Limited
The Orion Insurance Company P.L.C.

The Parcels & General Assurance Association Limited
Pearl Assurance Public Limited Company
Pensions Management (SWF) Limited
Permanent Insurance Company Limited
Phoenix Assurance Public Limited Company
Pioneer Mutual Insurance Company Limited
Property Growth Pensions & Annuities Limited
Provident Life Association of London Limited
Provident Mutual Life Assurance Association
Provincial Insurance Public Limited Company
Provincial Life Assurance Company Limited
The Prudential Assurance Company Limited

Railway Passengers Assurance Company
Refuge Assurance, public limited company
The Reliance Fire & Accident Insurance Corporation Limited
The Reliance Marine Insurance Company Limited
Reliance Mutual Insurance Society Limited
Royal Exchange Assurance
Royal Insurance Public Limited Company
Royal Insurance (Int.) Limited

Royal Insurance (U.K.) Limited
Royal Life Insurance Limited
Royal Life (Unit Linked Assurances) Limited
Royal Life (Unit Linked Pension Funds) Limited
The Royal London Mutual Insurance Society Limited
The Royal National Pension Fund for Nurses
Royal Reinsurance Company Limited

Schroder Life Assurance Limited
Scottish Amicable Life Assurance Society
Scottish Equitable Life Assurance Society
Scottish General Insurance Company Limited
Scottish Insurance Corporation Limited
The Scottish Life Assurance Company
The Scottish Mutual Assurance Society
The Scottish Provident Institution
Scottish Union and National Insurance Company
Scottish Widows' Fund and Life Assurance Society
The Sentinel Insurance Company Limited
Skandia Life Assurance Company Limited
Standard Life Assurance Company
Standard Life Pension Funds Limited
The State Assurance Company Limited
Suffolk Life Annuities Limited
Sun Alliance and London Assurance Company Limited
Sun Insurance Office Limited
Sun Life Assurance Company of Canada
Sun Life Assurance Society plc

Target Life Assurance Company Limited
The Teachers' Assurance Company Limited
Transinternational Life Insurance Company Limited
Trident General Insurance Company Limited
Trident Investors Life Assurance Company Limited
Trident Life Assurance Company Limited

U.K. Life Assurance Company Limited
United British Insurance Company Limited
United Friendly Insurance plc
United Kingdom Temperance and General Provident Institution
United Standard Insurance Company Limited
The University Life Assurance Society

The Victory Reinsurance Company Limited

Wesleyan and General Assurance Society
The Western Australian Insurance Company Limited
Westgate Insurance Company Limited
The White Cross Insurance Company Limited
World-Wide Assurance Company Limited

Yorkshire—General Life Assurance Company Limited
The Yorkshire Insurance Company Limited

Zurich Life Assurance Company Limited

Friendly Societies

The Ancient Order of Foresters Friendly Society
Anglo-Saxons Friendly Society

Blackburn Philanthropic Mutual Assurance Society
British Benefit Society
British Order of Ancient Free Gardeners' Friendly Society
British United Order of Oddfellows Friendly Society
Brunel Assurance Society

Cirencester Benefit Society
City of Glasgow Friendly Society
Civil Servants' Annuities Assurance Society
Colmore Friendly Society
Coventry Assurance Society

Dentists' Provident Society
Devon and Exeter Men's Equitable Benefit Society
Devon and Exeter Womens Equitable Benefit Society

Grand United Order of Oddfellows Friendly Society

The Hampshire and General Friendly Society
Harvest Friendly Society
Hazel Grove Provident Burial Society
Hearts of Oak Benefit Society
Hoddesdon Provident and Annuity Society

The Ideal Benefit Society
The Independent Order of Odd Fellows Manchester Unity Friendly Society
The Independent Order of Rechabites, Salford Unity, Friendly Society

Leeds District of the Ancient Order of Foresters Investment Assocation
Leek Assurance Collecting Society
The Leicester District Foresters' Investment Society
Liverpool Victoria Friendly Society
The Loyal Order of Ancient Shepherds (Ashton Unity) Friendly Society
Loyal Past and Present Officers' Lodge, Norwich District, Independent Order of Oddfellows M.U. Friendly Society

The Manchester and Districts of the Ancient Order of Foresters Investment Association

National Deposit Friendly Society
National Equalized Druids Friendly Society
National United Order of Free Gardeners Friendly Society
New Tab Friendly Society
Northumberland and Durham Miners' Permanent Relief Fund Friendly Society
Nottingham Oddfellows Friendly Society
Nottingham Permanent Mutual Money Society

The Order of Druids Friendly Society
The Order of the Sons of Temperance Friendly Society
Original Holloway Society

Pioneer Benefit Society
Preston Catholic Collecting Society
Preston Shelley Assurance Collecting Society
Provident Reliance Friendly Society

Rational and County Assurance Society
Royal Liver Friendly Society
Scottish Friendly Assurance Society
The Scottish Legal Life Assurance Society
Sons of Scotland Temperance Friendly Society
Stepney District Distressed Members' Pension Benevolent Fund
Suffolk Friendly Society
The Sussex Widow and Orphans Society

The Teachers' Provident Society
Time Assurance Society
Tunbridge Wells Equitable Friendly Society
Tunstall and District Assurance Collecting Society

United Ancient Order of Druids Friendly Society
United Kingdom Civil Service Benefit Society
United Patriots' National Benefit Society

West Surrey General Benefit Society
Widow and Orphan Fund of the Woolwich District of the Independent Order of Odd Fellows Manchester Unity Friendly Society
Widow and Orphans' Fund, Stepney District of the Independent Order of Odd Fellows, Manchester Unity Friendly Society
Widows' and Orphans' Society, Ware District of Odd Fellows
Widow, Widowers and Orphans' Fund of the Godalming District of the Independent Order of Oddfellows, Manchester Unity, Friendly Society
Wiltshire Holloway Benefit Society

Charities

The Central Board of Finance of the Church of England
Church Commissioners
The Church of England Pensions Board
The Church of Scotland
The Church of Scotland General Trustees
Church of Scotland Trust
The Winchester Diocesan Board of Finance
York Diocesan Board of Finance Limited

PART II

Bodies Corporate	*Description of Agreement and Enactments*
Land Improvement Companies	
The Lands Improvement Company	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to— *(a)* the Lands Improvement Company's Acts 1853 to 1969 (**a**) ; or *(b)* the Improvement of Land Acts 1864 and 1899 (**b**) .
Bodies corporate named or specifically referred to in a public general Act	
United Kingdom	
The Agricultural Mortgage Corporation PLC	Agreements of a description falling within section 16(2) of the Act, being agreements made for a purpose consistent with the principal objects of that body set out in section 1(1)*(a)* and *(b)* of the Agricultural Credits Act 1928 (**c**) .
Basildon Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981 (**d**) .
Central Lancashire New Town Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.

(**a**) 1853 c. cliv, 1855 c. lxxxiv, 1859 c. lxxxii, 1863 c. cxl, 1920 c. xi, 1969 c.xxv.
(**b**) 1864 c. 114, 1899 c.46.. (**c**) 1928 c.43. (**d**) 1981 c.64.

Commission for the New Towns	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
Cumbernauld Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 3 of the New Towns (Scotland) Act 1968 (**a**) .
Cwmbran Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
East Kilbride Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 3 of the New Towns (Scotland) Act 1968.
The Eastern Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947 (**b**) .
The Electricity Council	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Council and employees or prospective employees of the Council pursuant to section 2(5) of the Electricity Act 1947, as applied in relation to the Council by section 3(6) of the Electricity Act 1957 (**c**) .
General Practice Finance Corporation	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 2(1) of the National Health Service Act 1966 (**d**) .
Glenrothes Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 3 of the New Towns (Scotland) Act 1968.
The Housing Corporation	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 1(1) of the Housing Act 1980 (**e**) .
Irvine Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 3 of the New Towns (Scotland) Act 1968.
Livingston Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 3 of the New Towns (Scotland) Act 1968.

(**a**) 1968 c.16. (**b**) 1947 c.54. (**c**) 1957 c.48.
(**d**) 1966 c.8. (**e**) 1980 c.51.

The London Docklands Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 136 of the Local Government Planning and Land Act 1980 (a) .
The London Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
Milton Keynes Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
National Westminster Home Loans Limited	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 104B(5)*(b)* and (5A) of the Housing Act 1957 (b) , section 8(4)*(b)* and (4A) of the Housing Act 1980 (c) and section 20 of the Housing and Building Control Act 1984 (d) , or falling within article 2(2)*(a)* to *(c)*, advancing money on the security of dwelling-houses which could be advanced by building societies under the Building Societies Act 1962 (e) .
The North Eastern Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
Peterborough Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
The Scottish Agricultural Securities Corporation plc	Agreements of a description falling within section 16(2) of the Act, being agreements made for a purpose consistent with the principal objects of that body set out in section 1(1)*(a)* and *(b)* of the Agricultural Credits (Scotland) Act 1929 (f) .
Scottish Special Housing Association	Agreements of a description falling within section 16(2) of the Act, being agreements in relation to which the Secretary of State for Scotland may make advances to the Scottish Special Housing Association in terms of paragraph *(f)* of section 25(1) of

(a) 1980 c.65.
(b) 1957 c.56; section 104B was inserted by section 92 of the Housing Act 1980, as amended by Schedule 6 of the Housing and Building Control Act 1984 (c.29).
(c) 1980 c.51; section 8(4A) was inserted by section 5(4) of the Housing and Building Control Act 1984.
(d) 1984 c.29. (e) 1962 c.37. (f) 1929 c.13.

	the Housing (Financial Provisions) (Scotland) Act 1968 (a) as inserted by the Housing (Financial Provisions) (Scotland) Act 1978 (b) .
Sea Fish Industry Authority	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to section 3(1)*(e)* and *(f)* of the Fisheries Act 1981 (c) .
The South Eastern Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
The South Western Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
The Southern Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
Telford Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
Warrington and Runcorn Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
Washington Development Corporation	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made pursuant to section 4 of the New Towns Act 1981.
The Yorkshire Electricity Board	Agreements of a description falling within article 2(2)*(a)* to *(c)*, being agreements made between the Board and employees or prospective employees of the Board pursuant to section 2(5) of the Electricity Act 1947.
	Northern Ireland
Eastern Health and Social Services Board	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 59 of and Schedule 9 to the Health and Personal Social Services (Northern Ireland) Order 1972 (d) .

(a) 1968 c.31. (b) 1978 c.14. (c) 1981 c.29.
(d) S.I. 1972/1265 (N.I.14).

Northern Health and Social Services Board	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 59 of and Schedule 9 to the Health and Personal Social Services (Northern Ireland) Order 1972.
The Northern Ireland Housing Executive	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 9 of the Housing (Northern Ireland) Order 1981 (a) as substituted by article 85 of the Housing (Northern Ireland) Order 1983 (b) .
Southern Health and Social Services Board	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 59 of and Schedule 9 to the Health and Personal Social Services (Northern Ireland) Order 1972.
Western Health and Social Services Board	Agreements of a description falling within section 16(2) of the Act, being agreements made pursuant to article 59 of and Schedule 9 to the Health and Personal Social Services (Northern Ireland) Order 1972.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order consolidates the Consumer Credit (Exempt Agreements) Order 1980 as amended, which provides that certain consumer credit and consumer hire agreements shall be exempt agreements for the purposes of the Consumer Credit Act 1974.

The Order provides that the following consumer credit agreements are exempt agreements—

(a) certain agreements secured on land where the creditor is a body specified in the Schedule to the Order (Article 2);

(b) certain agreements where the number of payments to be made by the debtor does not exceed the number specified (Article 3);

(c) certain agreements where the rate of the total charge for credit is a rate which does not exceed the highest of the London and Scottish Clearing Banks' base rates plus one per cent or 13 per cent, whichever is the higher (Article 4); and

(d) certain agreements having a connection with a country outside the United Kingdom or made between a U.S. Federal credit union and defined persons having a connection with the U.S. armed forces (Article 5).

(a) S.I. 1981/156 (N.I.3). (b) S.I. 1983/1118 (N.I.15).

The Order also provides that consumer hire agreements are exempt agreements where the owner is a statutory corporation supplying electricity, gas or water and the subject of the agreement is a meter or metering equipment used in connection with that supply (Article 6).

The limits of £5,000 are increased to £15,000 in Articles 3 and 4 to take account of the increase on 20th May 1985 by the Consumer Credit (Increase of Monetary Limits) Order 1983 (S.I. 1983/1878) in the monetary limit from £5,000 to £15,000 set out in section 8(2) of the Consumer Credit Act 1974 relating to the definition of a consumer credit agreement.

Five further bodies are included in the Schedule, 18 are deleted and the names of 33 are amended.

The text of the Federal Credit Union Act referred to in Article 5 of the Order is available for inspection by prior arrangement at the Department of Trade and Industry (Overseas Trade Division 2), 1 Victoria Street, London SW1H 0ET.

SI 1985/620
ISBN 0-11-056620-3

