STATUTORY INSTRUMENTS

1964 No. 1567

HIRE-PURCHASE

The Hire-Purchase (Documents) (Legibility and Statutory Statements) Regulations 1964

Made - - - - 24*th September* 1964
Coming into Operation 1*st January* 1965

The Board of Trade, in pursuance of the powers conferred upon them by section 3(4) of the Hire-Purchase Act 1964(a) (hereinafter called "the Act of 1964"), by sections 2(3) and 3(3) of the Hire-Purchase Act 1938(b) (hereinafter called "the principal Act") as modified and extended to Scotland by section 25 of the Act of 1964, by section 22 of the Act of 1964 and by that section as modified and extended to Scotland by section 26 of the Act of 1964, by sections 2(2) and 3(2) of the principal Act as modified by subsections (3) and (4) of section 5 of the Act of 1964 and by those sections as so modified and extended to Scotland by the said section 26, hereby make the following Regulations:—

PART I

LEGIBILITY OF DOCUMENTS

1. Every document to which this Part of these Regulations apply shall comply with the following provisions of the said Part.

2.—(1) The paper of the document shall be white and, except as otherwise provided in these Regulations, the lettering of the document shall be black or dark grey.

(2) The lettering, apart from any signature, shall be clear.

3.—(1) The following parts of the contents of the document may consist of handwriting or a reproduction of handwriting, that is to say—

(*a*) particulars relating to any person named in the document;

(*b*) particulars of the goods;

(*c*) the financial particulars of any transaction, including the date on which, or the period for which, any payment is to be made;

(*d*) any signature or copy thereof;

(*e*) any date;

(*f*) any amount (whether in figures or words) inserted in the notice mentioned in section 2(2)(*c*) of the principal Act or in a copy of that notice;

(*g*) in the case of a document referred to in Regulation 6(1)(*b*) or a copy of such a document, the words "all the" or the number referred to in Regulation 6(2) included within the space outlined for the signature of the buyer.

(a) 1964 c. 53. (b) 1 & 2 Geo. 6. c. 53.

(2) Except as provided in paragraph (1) of this Regulation the contents of the document shall not consist of handwriting or a reproduction thereof.

(3) Any signature may be in any colour, and the colour of the lettering in any other part of the contents of the document which by virtue of this Regulation may consist of, and which does consist of, handwriting may be blue.

4.—(1) The lettering in the document shall be roman or upright sanserif.

(2) The height of the smallest letter in the document shall be not less than ·056 of an inch, and the width of any column in the document shall not exceed 4½ inches:

Provided that the limit on the width of the column shall not apply to any part of the document if the height of the smallest letter in that part of the document is not less than ·067 of an inch.

(3) Subject to the provision of Regulation 7(7) hereof the lettering in the document shall not be in capital letters except that capital letters may be used—

(*a*) for the initial letters of words; or

(*b*) in headings.

(4) The provisions of this Regulation shall not apply to—

(*a*) any part of the contents of the document which by virtue of Regulation 3 may consist of, and which does consist of, handwriting or a reproduction thereof;

(*b*) any instructions for the completion of the document.

5. This Part of these Regulations shall apply to documents of the following descriptions, that is to say,—

(*a*) any hire-purchase agreement to which the principal Act applies, and any conditional sale agreement to which section 21 of the Act of 1964 applies, and any such copy as is mentioned in paragraph (*d*) or paragraph (*e*) of section 2(2) of the principal Act;

(*b*) any credit-sale agreement to which the principal Act applies under which the total purchase price exceeds £30, and any such copy as is mentioned in paragraph (*c*) or paragraph (*d*) of section 3(2) of that Act;

(*c*) any copy supplied to the hirer or buyer in pursuance of a request made by him under section 6 of the principal Act;

(*d*) any note or memorandum of a contract of guarantee relating to such a hire-purchase agreement, conditional sale agreement or credit-sale agreement as is mentioned in paragraph (*a*) or paragraph (*b*) of this Regulation, and any such copy as is mentioned in paragraph (*a*) or paragraph (*b*) of section 20(1) of the Act of 1964;

(*e*) any such copy as is mentioned in paragraph (*a*) or paragraph (*b*) of subsection (4) of section 20 of the Act of 1964 which is supplied to the guarantor in pursuance of a request made by him under subsection (3) of that section.

PART II

STATUTORY STATEMENTS—SPACE FOR SIGNATURE

6.—(1) The following provisions of this Regulation shall apply to every document which on being signed as mentioned in section 2(2)(*a*) or section 3(2)(*a*) of the principal Act—

(*a*) constitutes a hire-purchase agreement to which that Act applies, or

(*b*) constitutes a conditional sale agreement to which section 21 of the Act of 1964 applies, or

(*c*) constitutes a credit-sale agreement to which the principal Act applies under which the total purchase price exceeds £30.

(2) The signature of the hirer or buyer, as the case may be, shall be inserted in a space in the document outlined in the manner indicated in Part I of the Schedule hereto and accompanied by the words specified in that Part which are appropriate to that document and set out in the form therein indicated and, in the case of a document referred to in paragraph (1)(*b*) of this Regulation, those words shall include immediately before the word "instalments" the words "all the" or the number of the instalments which must be paid before the goods will become the property of the buyer:

Provided that nothing in this paragraph shall require there to be any particular number of words to a line.

(3) The width of the outlined area shall be not less than $3\frac{1}{4}$ inches, and its height shall be not less than $1\frac{3}{4}$ inches in the case of a credit-sale agreement and not less than 2 inches in the case of any other agreement; and the thickness of the outlining shall be not less than ·025 of an inch.

(4) The colour of the lettering within the outlined area and of the outlining of that area shall be red and the height of the smallest letter within the outlined area shall be not less than ·067 of an inch.

(5) Paragraph (4) of this Regulation shall not apply to any words which by virtue of Regulation 3(1)(*g*) may be, and which are, in handwriting or a reproduction of handwriting, but the lettering of those words may be red.

(6) The distance vertically between any of the words which are to appear in the outlined area above the place for signature and—

(*a*) in the case of a hire-purchase agreement or a conditional sale agreement, any of the words which are to appear below that place, or

(*b*) in the case of a credit-sale agreement, the lower horizontal line of the outlined area

shall be not less than 1 inch.

(7) Nothing in this Regulation shall prohibit the inclusion within the outlined area of any postage stamp which does not obscure any of the words required by this Regulation to be included within the outlined area.

PART III

STATUTORY STATEMENTS—RIGHT OF CANCELLATION

7.—(1) In a case to which section 5(1) of the Act of 1964 applies the first statutory copy and the second statutory copy in relation to the relevant document shall contain the statements specified, respectively, in sections 1 and 2 of Part II of the Schedule hereto set out in, and outlined in, the manner therein indicated; and the following provisions of this Regulation shall apply in the case of each copy:

Provided that nothing in this paragraph shall require there to be any particular number of words to a line.

(2) The statement shall appear on the page which contains particulars of the goods to which the relevant document relates.

(3) The width of the outlined area shall be not less than 6 inches and its height shall be not less than $2\frac{1}{4}$ inches in the first statutory copy and not less than $2\frac{1}{2}$ inches in the second statutory copy; and the thickness of the outlining shall be not less than ·025 of an inch.

(4) The colour of the lettering and the outlining of the area shall be red.

(5) The height of the smallest letter within the outlined area shall be not less than ·067 of an inch.

(6) Where the lettering of the name and address required to be included within the outlined area consists of handwriting or a reproduction of handwriting that lettering may be, but shall not be required by virtue of paragraph (4) of this Regulation to be, in red, and paragraph (5) of this Regulation shall not apply to that lettering.

(7) The words "NOTICE TO CUSTOMER: RIGHT OF CANCELLATION" shall be in capital letters.

PART IV

GENERAL

8.—(1) In these Regulations the words "letter" and "lettering" include figures.

(2) In the application of these Regulations to conditional sale agreements to which section 21 of the Act of 1964 applies, any reference to any provision of that Act (other than the said section 21) or of the principal Act shall be construed as a reference to that provision as it has effect in relation to such an agreement by virtue of subsection (3) of the said section 21.

(3) In the application of these Regulations to Scotland—

(*a*) any reference to the principal Act or to any provision of that Act or of the Act of 1964 shall be construed as a reference to the principal Act or to that provision in the form in which it is extended to Scotland by virtue of section 25 or section 26 of the Act of 1964 as the case may be;

(*b*) in Regulation 5(*d*), the words "note or memorandum of a" and the words "paragraph (*a*) or paragraph (*b*) of", where those words second occur, shall be omitted.

(4) The Interpretation Act 1889(a) shall apply to the interpretation of these Regulations as it applies to the interpretation of an Act of Parliament.

(5) These Regulations may be cited as the Hire-Purchase (Documents) (Legibility and Statutory Statements) Regulations 1964, and shall come into operation on 1st January 1965.

Drumalbyn,
Minister of State,
Board of Trade

24th September 1964.

(a) 52 & 53 Vict. c. 63.

SCHEDULE

PART I

Specified words to be included in outlined space for signature

1. **Where the document contains the terms of a hire-purchase agreement:**

> This document contains the terms of a hire-purchase agreement. Sign it only if you want to be legally bound by them.
>
> Signature
> of hirer
>
> The goods will not become your property until you have made all the payments. You must not sell them before then.

2. **Where the document contains the terms of a conditional sale agreement:**

> This document contains the terms of a conditional sale agreement. Sign it only if you want to be legally bound by them.
>
> Signature
> of buyer
>
> The goods will not become your property until you have paid.....instalments. You must not sell them before then.

3. **Where the document contains the terms of a credit-sale agreement:**

> This document contains the terms of a credit-sale agreement. Sign it only if you want to be legally bound by them.
>
> Signature
> of buyer

PART II

Statutory Statements—Right of Cancellation

Section 1

Statement to be included in the first statutory copy

NOTICE TO CUSTOMER : RIGHT OF CANCELLATION

You have for a short time a legal right to cancel this agreement. You can do this by writing, saying that you are cancelling the agreement, to.....

.....

If you do cancel this agreement, any money you have already paid must be returned to you. If you have given any property in part-exchange, the property—or its value—must also be returned to you. If you have got the goods, you need take no action to return them but can wait for them to be collected. You need not hand them over unless you have received a written request to do so and have had your money and property back. If you wish, however, you may yourself take or send the goods to the person named above.

Section 2

Statement to be included in the second statutory copy

NOTICE TO CUSTOMER : RIGHT OF CANCELLATION

You have for a short time a legal right to cancel this agreement. You can do this by writing, saying that you are cancelling the agreement, to.....

.....

You must post your letter before the end of the third day after the day on which you receive this copy of the agreement.

If you do cancel this agreement, any money you have already paid must be returned to you. If you have given any property in part-exchange, the property—or its value—must also be returned to you. If you have got the goods, you need take no action to return them but can wait for them to be collected. You need not hand them over unless you have received a written request to do so and have had your money and property back. If you wish, however, you may yourself take or send the goods to the person named above.

EXPLANATORY NOTE

(This Note is not part of the Regulations, but is intended to indicate their general purport.)

These Regulations, which are made under the Hire-Purchase Acts 1938 to 1964 and the Hire-Purchase (Scotland) Acts 1938 to 1964, prescribe

(*a*) requirements for securing that hire-purchase, credit-sale and conditional sale agreements are easily legible ; and

(*b*) requirements relating to the space for the signature of the hirer or buyer ; and

(*c*) requirements relating to the statements of the right of the hirer or buyer to cancel the agreement which must be contained in the statutory copies of an agreement signed by the hirer or buyer at a place other than trade premises.