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OFFICE OF FAIR TRADING

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# Unfair Contract Terms

A case report bulletin  
issued by the Office of Fair Trading

Issue No 6 April 1999

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## **FOREWORD**

### **by the Director General of Fair Trading**

This Bulletin gives details of many more cases successfully concluded by my Unfair Contract Terms Unit. Some 500 terms are shown as having been withdrawn or revised, which is a considerable achievement.

The Government has announced that it will give concurrent powers to enforce the Unfair Terms in Consumer Contracts Regulations to a range of other agencies. I welcome this development and look forward to working with them and to sharing the information and expertise gained in the past four years as sole enforcer of this important consumer protection legislation. I also welcome the reform because it will bring not only extra resources, but fresh perspectives and insights to dealing with the widespread use of unfair terms in the United Kingdom.

The format of the Bulletin has been revised in preparation for the changes. It is designed to promote co-ordination between enforcement agencies and to assist the monitoring of undertakings by traders not to use unfair terms. I hope that you will find this first Bulletin in the new format to be useful and informative, and that future editions can include details of successful action by other agencies.

**John S Bridgeman**  
Director General of Fair Trading

Copies of the *Unfair Terms in Consumer Contracts Regulations* (ref: SI 1994/3159), which include the 'Schedules' referred to in this Bulletin, can be purchased, price £1.55, from Stationery Office bookshops, or by post from:

**The Stationery Office Publications Centre  
PO Box 276  
London SW8 5DT**

Further copies of this Bulletin, copies of earlier issues, the explanatory Office of Fair Trading 'Briefing Note' *Unfair Standard Terms* (ref: OFT 143) and other OFT publications, are available, free of charge, from:

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If you think that any of the standard terms in a consumer contract are unfair, or if you have any comments on the contents of this Bulletin, please write to:

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Office of Fair Trading  
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# 1 INTRODUCTION

- 1.1 Under the *Unfair Terms in Consumer Contracts Regulations 1994* the Director General of Fair Trading (the Director General) has a duty to consider any complaints about standard contract terms that might be unfair. He can ask the High Court for an order forbidding further use of any term he considers unfair, and it is only the Court which has the authority to determine categorically whether a term is unfair. Cases can also be resolved informally through the acceptance of undertakings. The Director General has a power to publish information about the Regulations and the work of his Office.

## Changes to the Bulletin

- 1.2 The series of Unfair Contract Terms Bulletins is the main means by which the Director General publishes details of cases where potentially unfair contract terms have been amended or dropped. He also publishes examples of terms he has challenged and terms which have been amended to meet his concerns. Until now case reports and specimen terms have been combined in one Bulletin. Now the two are being produced separately.
- 1.3 This is the first Bulletin to be published under the new arrangements. It is a case report Bulletin. Part 2 contains reports of 113 cases concluded between January and December 1998 in which over 500 standard contract terms were abandoned or amended as a result of enforcement action by the Office of Fair Trading (OFT) under Regulation 8. The new case reports are tabular in form. They have been compiled in this way to make it easier to monitor the use of revised terms.
- 1.4 More detail is now given of the significant changes made to the contracts. The OFT considers such detail essential to achieving a co-ordinated approach with other agencies that will be given power to enforce the Regulations under proposals announced by the Department of Trade and Industry. Please note that descriptions of terms are brief and indicative only - it cannot be assumed that any term apparently matching the description of a revised term will necessarily be fair.
- 1.5 Previous Bulletins quoted some terms in full, but these were necessarily an ever-diminishing proportion of those actually challenged and revised. Specimen terms will continue to be published, as a means of giving a full account of what the Office considers fair and unfair, but will in future appear in a supplement published separately. Dividing the case reports from the specimen terms will make it possible to publish more frequent and up-to-date reports. The next case report Bulletin is planned for June and a specimen terms supplement will be issued soon after that.
- 1.6 The Office is preparing in other ways for sharing its enforcement role. In particular, work is in hand to compile full guidance on identifying unfair terms, and the reasons that can be given for considering them unfair, so that the new enforcement bodies can benefit from the OFT's experience.

## **The acceptance of undertakings**

- 1.7 The Office has frequently made clear to suppliers its willingness to take court proceedings under the Regulations. Up until the end of 1998, however, negotiation had always achieved the desired result. But now for the first time the OFT is taking a case of alleged unfair contract terms to court. On 17 March 1999 the OFT applied for an injunction against First National Bank under Regulation 8. Nonetheless in the period covered by this Bulletin, it remains true that compliance with the Regulations was achieved through acceptance of undertakings in lieu of proceedings - as provided for in Regulation 8(3). Normally such undertakings are given informally in correspondence, although in cases of difficulty or doubt the Office may insist on the formal signing of a document along the lines of a court order (see Part 7).
- 1.8 When a case ends in undertakings, formal or otherwise, the Office invariably makes clear to the supplier that revised contracts, and even individual terms that have been revised, are not immune from future action. In some cases, however, the OFT's willingness to consider future action in the light of the possibility of subsequent complaints may be more specifically indicated. This usually occurs where the Office has doubts about the potential unfairness of a term, but lacks sufficient evidence of a real possibility of harm to the consumer to warrant pressing a demand for it to be dropped. The terms on which the Director-General's position has been specifically reserved are now identified in the case reports, so that consumers and other agencies can monitor their use and report any unfairness.

## **The new layout of the case reports (Part 2)**

- 1.9 The intention in devising the new style of case reports is to give enough information about significant changes in terms secured by the Office to enable agencies such as trading standards departments (TSDs) which receive complaints about contract terms, and consumers themselves, to see whether undertakings to drop or amend terms are being honoured. Any title of the contract or the conditions is given under 'contract identifier' together with any reference numbers. The number of any revised term is given as well as the original term, other than in some cases where the contract has been so comprehensively redrafted that the replacement terms cannot be readily distinguished. Reasons why terms were considered unfair are indicated, and, where they were amended rather than simply deleted, the nature of the changes is summarised. To avoid uncertainty, the date on which final revisions were agreed is also given in the case report.
- 1.10 For convenience, the reasons for considering terms unfair are generally indicated by reference to the nearest example of unfair terms given in Schedule 3 to the Regulations - the so-called 'grey list'. This is not a full explanation. Fairness is assessed by reference to the test embodied in Regulation 4, not on the basis of establishing a similarity with one of the types of terms listed in the Schedule. Schedule 3 is not exhaustive and simply illustrates a number of types of term which may be considered unfair in the light of all the circumstances. Items in the Schedule

overlap, and terms often resemble more than one in different ways. Where this occurs, the most obviously appropriate illustrative term is cited. In cases of particular interest, additional descriptive information is given in a separate part of the case report.

### **Statistical breakdown of action on cases (Part 3)**

- 1.11 Essentially the same kind of figures are given here as in previous Bulletins. However, for the sake of greater clarity, the categories have in some cases been rearranged and in some cases re-labelled or amalgamated.
- 1.12 The figures show that the flow of complaints to the Director General about unfair terms continued to increase during 1998, reaching a monthly average of nearly one hundred. A rise in the number of cases 'still in hand' reflects the fact that the Office has been increasingly adopting a sector-wide approach to cases. For example, a significant number of the outstanding complaints at the end of 1998 were terms in package holiday contracts which the OFT has been handling as a group through an approach to the Association of British Travel Agents (ABTA) - see 1.17.

### **New indexes (Parts 4, 5, and 6)**

- 1.13 In addition to the statistical breakdown of action on cases in Part 3, the following new indexes are included in the Bulletin to increase its usefulness.
- Part 4: an alphabetical list of businesses approached, indicating the sectors in which they trade. This should make it easier for suppliers referring to the Bulletin to see how the Regulations could apply to their business.
  - Part 5: a list of the names of suppliers approached by the Office, broken down into geographical areas reflecting the 'home authority' principle. Its aim is to assist TSDs in monitoring the use of contract terms.
  - Part 6: a numerical analysis of types of terms which have been challenged, based on illustrative terms listed in Schedule 3 to the Regulations, but including some additional categories and sub-categories. It indicates the frequency with which the Office encounters particular types of unfairness.

### **Trading sectors covered (Part 4)**

#### *Problem sectors*

- 1.14 Part 4 shows that the trading sector in which the OFT took action most often in 1998 was home improvements - particularly double glazing and the fitting of kitchens, bathrooms and bedrooms. In a precedent-setting case for the sector, the home

improvements company Limelight plc agreed in December 1998 to delete a 'full payment in advance' clause from its standard contract. Further details are given in case report 61, and in the introduction to Bulletin 5.

- 1.15 Other trading sectors, apart from the home improvements business, which figure prominently on the list of suppliers approached are leisure clubs, training and education institutions, mail order companies, furniture suppliers and home maintenance firms.

### *Approaches to trade associations*

- 1.16 The list of suppliers approached by the Office also includes a number of trade associations which promote model terms, reflecting the OFT's policy to seek to influence the drafting of terms sector-wide. For example, the British Vehicle Rental and Leasing Association which covers 85% of vehicle rental and leasing companies revised its model terms in 1998 after an approach by the OFT. The new model terms require the use of plain English in standard car-hire terms, in place of jargon and unnecessary complexity.
- 1.17 Another example of the OFT's sector-wide approach is its approach to ABTA concerning contracts for package holidays. After consultation with the OFT, ABTA has recently issued new model terms and guidance on the use of terms to its members. This should make possible the resolution of a very substantial number of the 'still in hand' cases involving ABTA members (see 1.12).
- 1.18 The Office remains in discussion with the Council of Mortgage Lenders and the British Bankers Association about a number of sector-wide terms it considers to have potential for unfairness in mortgage and savings contracts, notably termination penalties and variation clauses. There are details in Part 2 on the Office's individual dealings on these subjects with City Mortgage Corporation (case report 23) and Northern Rock (case report 72), and also in the introduction to Bulletin 5.

### **Types of unfair terms (Part 6)**

#### *The most common unfair terms in 1998*

- 1.19 By far the largest category of unfairness in 1998 was that of terms excluding or limiting liability for shortcomings in the quality of goods and/or services (see Schedule 3, paragraph 1(b)). The most commonly-occurring type was that of terms excluding or restricting liability for delay. Clauses calculated to exclude liability for oral statements of employees and agents represented about 10% of terms challenged. Among these were not just 'entire agreement clauses', but also terms denying employees the authority to vary the contract and statements that contracts can be varied only in writing.

- 1.20 Financial penalties, price variation clauses, and unbalanced cancellation rights were also relatively common. Many terms were considered not to meet the ‘plain and intelligible language’ requirement of Regulation 6 and over 30 instances are reported of terms successfully challenged on this basis alone.
- 1.21 The OFT found terms in credit brokerage agreements which purport to deprive the consumer of a right to a ‘no-fault’ refund of all but £5 of the brokerage fee under section 155 of the Consumer Credit Act 1974. However, cases involving such terms are generally dealt with by the Office using the licensing system set up by the 1974 Act rather than under the Regulations. This is a common reason for terms being considered ‘more appropriate for other legislation’ - see the statistical breakdown of casework in Part 3.

*Types of unfair terms challenged for the first time in 1998*

- 1.22 Among types of term challenged for the first time were certain exclusions of non-contractual rights. These include statements in mail order contracts which could commit consumers to receiving goods without their realising it, so depriving them of the protection of the Unsolicited Goods and Services Act 1971 (case reports 64 and 80).
- 1.23 A different problem was posed for the first time by a term which appeared to be incompatible with the provisions of the Accommodation Agencies Act 1953 in that it required a fee for registration with a letting agency. This is illegal under the Act (see case report 19).
- 1.24 A further new type of unfair term is mentioned in case report 56. The term defined the main subject matter of the contract, and would have been a ‘core’ term enjoying exemption under Regulation 3(2)(a), but for the fact that it was not considered to be sufficiently drawn to the consumer's attention. It was therefore seen as breaching the requirement of plainness and intelligibility in Regulation 3(2).
- 1.25 Terms which define what is being purchased under the contract, or set the price to be paid, are exempt from the test of fairness to the extent that they are written in plain and intelligible language. The Regulations have to be interpreted so as to achieve the purposes of the European Community Directive they implement. Recital 20 of the relevant Directive (93/13) makes clear that the aim is not just the substitution of plain words for legal jargon but rather that consumers are given a real chance to read and understand contracts before becoming bound by them. If a ‘core’ term is hidden away in small print as if it were unimportant when in fact it is potentially burdensome, then it is considered as potentially unfair.



## 2 CASE REPORTS

See paragraphs 1.9 to 1.10 for an explanation of the new-style case reports.

### 1 Acorn Mobility Services Ltd

|                        |                             |                            |  |
|------------------------|-----------------------------|----------------------------|--|
| <b>Name of Company</b> | Acorn Mobility Services Ltd | <b>Lead TSD</b>            | West Yorkshire                               |
| <b>Trading Sector</b>  | Stairlift Maintenance       | <b>Contract identifier</b> | Stairlift Maintenance Extended Warranty 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                 | <b>How changed</b>                                       | <b>New term</b> |
|----------------------|--|--|-----------------|
| 3                    | 1(d): retention of prepayments   | Revised to indicate duration of contract                 | 3               |
| 4                    | 1(b): restricting liability for damage to property and excluding liability for poor services | Deleted  |                 |
| 5                    | 1(i): binding consumers to hidden terms  | Deleted  |                 |
| 7                    | 1(l): right to increase price  | Revised to indicate quotation may increase after 21 days | 5               |

|                           |                    |
|---------------------------|--------------------|
| <b>Intelligibility</b>    | Generally improved |
| <b>Undertakings given</b> | 15 June 1998       |

**2 Adjustamatic Beds Ltd**

|                        |                       |                            |   |
|------------------------|-----------------------|----------------------------|---|
| <b>Name of Company</b> | Adjustamatic Beds Ltd | <b>Lead TSD</b>            | Surrey                                      |
| <b>Trading Sector</b>  | Furniture             | <b>Contract identifier</b> | Order form (Agreement & Conditions of Sale) |

| <b>Original term</b>            | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>  | <b>New term</b> |
|---------------------------------|---|---|-----------------|
| Agreement 3a, 6<br>Conditions 4 | 1(b): exclusion of liability for poor materials and for delay. Guarantees operating as exclusion clauses. Exclusion of right to set-off | All terms amended to remove exclusions  | As before       |
| Agreement 2                     | Declaration statement   | Deleted   |                 |
| Conditions 1a, b                | 1(n): denies employees authority to vary contract and denies oral representations of employees  | Revised   | 1               |
| Conditions 2                    | 1(k): right to change what is supplied  | Revised so that any alterations are notified to the customer. Cancellation and full refund if the alteration is fundamental | 2               |

|                           |             |
|---------------------------|-------------|
| <b>Undertakings given</b> | 1 June 1998 |
|---------------------------|-------------|

### 3 Anglo-Welsh Group plc

|                        |                       |                            |                      |
|------------------------|-----------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Anglo-Welsh Group plc | <b>Lead TSD</b>            | Bristol              |
| <b>Trading Sector</b>  | Canal Boat Holidays   | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 2                    | 1(d): retention of pre-payments on consumer cancellation  | Company to try to resell holiday at a discount of up to 25% of original price; if successful to return amount recovered, minus minimum £50 admin fee, to original consumer. | 4               |
| 6                    | 1(e): disproportionate compensation to be paid by consumer when in breach of his obligations  | Revised so that the company could only impose a reasonable charge for late or dirty return of the boat.   | 6               |
| 9. & 12 - 2.         | Inappropriate transfer of risk to consumer  | Company's liability on full and partial frustration was limited to a return of the monies paid by the consumer  | 9. & 12 - 2.    |
| 11                   | 1(b): excluding liability for breaches of contract  | Company liable for damage to cars parked on its premises if caused by own negligence  | 11              |
| 12.1                 | 1(c): binding the consumer, while allowing the supplier to reserve the right to refuse to hand over a boat because of his own will alone. | Company only permitted to refuse to provide boat to a person who in its reasonable opinion was not suitable - some examples given   | 12.1            |
| 13                   | 1(b): unreasonable time limit on claims   | Revised to ensure that the consumer's failure to follow the trader's complaints procedure did not unfairly limit his right to redress.                                      | 14              |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | Term 2 : We reserved the Director General's position on whether a minimum £50 administration charge might be disproportionate compensation in some cases. |
| <b>Undertakings given</b>                    | 27 April 1998   |

### 4 The Babies Paradise Nursery

|                        |                             |                            |            |
|------------------------|-----------------------------|----------------------------|------------|
| <b>Name of Company</b> | The Babies Paradise Nursery | <b>Lead TSD</b>            | Derbyshire |
| <b>Trading Sector</b>  | Baby goods                  | <b>Contract identifier</b> | Guarantee  |

| <b>Original term</b>         | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|------------------------------|--|--|-----------------|
| 'Statutory Rights' Statement | Not in plain and intelligible language                                       | Amended to give some indication as to what those rights are. | As before       |

|                           |                |
|---------------------------|----------------|
| <b>Undertakings given</b> | 11 August 1998 |
|---------------------------|----------------|

## 5 Bannocks (Tigre) Marble Company Ltd

|                        |                                |                            |                             |
|------------------------|--------------------------------|----------------------------|-----------------------------|
| <b>Name of Company</b> | Bannocks (Tigre) Marble Co Ltd | <b>Lead TSD</b>            | Warwickshire                |
| <b>Trading Sector</b>  | Monumental Masons              | <b>Contract identifier</b> | Conditions of Business 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 2                    | 1(n): excludes oral and written representations of employees                 | Deleted  |                 |
| 3                    | 1(l): right to vary price  | Revised to allow consumer to cancel but costs incurred by trader to be charged | 10              |
| 4                    | 1(m): right of final decision in contractual disputes                        | Part deleted and revised to clarify passing of risk                            | 21              |
| 6,10,12              | 1(b): exclusions of liability  | Revised to allow trader period to remedy defects and consumer time to notify   | 17,19           |
| 9                    | 1(k): right to change what is supplied                                       | Revised to give right to cancel with restricted liability to meet costs.       | 5               |

|                          |   |
|--------------------------|---|
| <b>Other information</b> | The contract was fully revised; no drafting from the original remains |
|--------------------------|---|

|                           |   |
|---------------------------|---|
| <b>Intelligibility</b>    | Generally improved, using the 'you' and 'we' format |
| <b>Undertakings given</b> | 5 January 1998                                      |

## 6 The Belgravia Trichological Group Ltd

|                        |  |                            |                           |
|------------------------|--|----------------------------|---------------------------|
| <b>Name of Company</b> | The Belgravia Trichological Group Ltd t/a The Belgravia Centre | <b>Lead TSD</b>            | Westminster               |
| <b>Trading Sector</b>  | Clinic   | <b>Contract identifier</b> | Terms and Conditions 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                      | <b>How changed</b> | <b>New term</b> |
|----------------------|---|--------------------|-----------------|
| 5                    | 1(b): excluding liability for defective goods   | Deleted            |                 |
| 6                    | 1(q): restriction on legal remedies   | Deleted            |                 |
| 7                    | Onerous enforcement clause allowed the company to collect outstanding fees by any method whatever | Deleted            |                 |
| 8                    | 1(b): excluding liability for poor services   | Deleted            |                 |
| 10                   | 1(b): excluding liability for delay   | Deleted            |                 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The Centre decided not to use printed terms and conditions in future |
| <b>Undertakings given</b> | 21 January 1998  |

## 7 Belmont Finance (UK) Ltd

|                        |   |                            |                           |
|------------------------|---|----------------------------|---------------------------|
| <b>Name of Company</b> | Belmont Finance (UK) Ltd                  | <b>Lead TSD</b>            | Kingston upon Thames      |
| <b>Trading Sector</b>  | Financial Management for Leisure Services | <b>Contract identifier</b> | Membership agreement 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b>                              |
|----------------------|--|--|--|
| Declarations         | Consumer declaration about contractual circumstances                         | Part deleted, part revised. Consumer advised to read terms       | Advice to read terms before signing contract |
| 1                    | 1(h): over-long notice period for consumer to decide not to renew            | Revised to invite renewal  | 2  |
| 2, C3                | 1(e): penalty clauses  | Revised to clarify charges for late payment and cancellation     | 3  |
| 4                    | 1(o); binding consumer, allowing Supplier to default                         | Revised to provide that club will use best endeavours to supply  | 5  |
| 5                    | 1(a): excluding liability for death or personal injury                       | Deleted  |  |
| 6                    | 1(n): excludes verbal agreements   | Revised to show club's intention is that agreement is in writing | 7  |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The terms are part of a credit agreement supplied by the trader for use in a number of leisure clubs |
| <b>Undertakings given</b> | 27 January 1998  |

## 8 Brides of Southampton

|                        |                          |                            |  |
|------------------------|--------------------------|----------------------------|--|
| <b>Name of Company</b> | Brides of Southampton    | <b>Lead TSD</b>            | Southampton  |
| <b>Trading Sector</b>  | Bridal wear: sale & hire | <b>Contract identifier</b> | Conditions of Sale 1997<br>Conditions of Hire 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| H:3                  | 1(e): penalty clause on cancellation   | Clarification of cancellation period and costs incurred             | 3               |
| H:5                  | 1(k): right to change what is supplied                                       | Revised to provide for alterations where nearest size not available | 5               |
| H:6                  | 1(b): exclusion of liability for defective or misdescribed goods             | Consumer to notify defects as soon as possible                      | 6               |
| S:5                  | 1(b): exclusion of liability for loss  | Trader's negligence not excluded                                    | 6               |
| S:6                  | 1(b): exclusion of liability for delay                                       | Trader's negligence not excluded                                    | 7               |
| S:7                  | 1(b): exclusion of liability for defective goods                             | Deleted   |                 |
| S:9                  | 1(d): retention of pre-payments  | Cancellation charges clarified                                      | 9,10            |

|  |   |
|--|---|
| <b>Other information</b>                     | The trader deals in specially ordered goods which may then be altered to fit  |
| <b>Specific reservations on Revised Term</b> | The trader placed a three month time limit on its duty to mitigate loss by selling the goods where the consumer refused to accept delivery. We reserved the Director General's position in the light of further complaints because of the individual nature of the goods. |
| <b>Undertakings given</b>                    | 3 April 1998  |

## 9 Britannia Rescue Ltd

|                        |                        |                            |                    |
|------------------------|------------------------|----------------------------|--------------------|
| <b>Name of Company</b> | Britannia Rescue Ltd   | <b>Lead TSD</b>            | West Yorkshire     |
| <b>Trading Sector</b>  | Motoring organisations | <b>Contract identifier</b> | B3.0a (Rev 5 6/97) |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| C6                   | 1(n): denies employees authority to vary contract                            | Revised to make clear that oral variation of terms not allowed | C6              |
| D13                  | Regulation 6: layout and language  | Jargon removed   | D14             |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | An earlier revision to a term was reported in Bulletin 3. A further complaint about another term led to this fuller revision. |
| <b>Undertakings given</b> | 14 December 1998  |

## 10 British Association of Balloon Operators

|                        |  |                            |                      |
|------------------------|--|----------------------------|----------------------|
| <b>Name of Company</b> | British Association of Balloon Operators | <b>Lead TSD</b>            | Warwickshire         |
| <b>Trading Sector</b>  | Balloon Flights                          | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b>       | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------------|--|---|-----------------|
| Voucher Purchase: 4        | 1(n): consumer cannot vary contract unless giving written notice             | Variations no longer have to be in writing to be binding. | 4               |
| Our obligations to you: 6  | 1(e): financial penalty - ambiguous administration costs                     | Reasonable administration costs charged                   | 6               |
| Our obligations to you: 10 | 1(e): financial penalty - excessive administration charge                    | Administration charge reduced.                            | 9               |
| Our obligations to you: 11 | 1(i): hidden terms - consumer unable to assess need for insurance cover      | Consumers advised to get own insurance cover.             | 10              |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Recommended terms and conditions were considered following complaints against a number of balloon flight operators. |
| <b>Undertakings given</b> | 6 May 1998  |

## 11 British Telecommunications plc

|                        |                                |                            |   |
|------------------------|--------------------------------|----------------------------|---|
| <b>Name of Company</b> | British Telecommunications plc | <b>Lead TSD</b>            | London                                    |
| <b>Trading Sector</b>  | Cable Television               | <b>Contract identifier</b> | Terms and Conditions for Cable TV Service |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                          | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 2.1                  | 1(n): denies liability for employee representations   | No longer explicitly excludes liability for statements not included in contract   | 2.1             |
| 3.2, 3.3, 3.4        | 1(f): unequal cancellation rights; consumers had to give one month's notice, BT could give seven days | Both parties can give fourteen days' notice   | 14.1, 14.2      |
| 12                   | Imposing unquantified financial burden  | No longer requires deposits or pre-payments   |                 |
| 15.3                 | 1(b): excluding liability for delay   | Deleted   | 2.3             |
| 15.4                 | Imposing unquantified financial burden  | Broken appointment charge is in price list  | 4.2             |
| 16                   | 1(b): restricting amount or type of liability   | Language simplified and liability for foreseeable loss accepted   | 8               |
| 17                   | Reg 6: indemnity clauses  | Now only applies to business customers  | 5.2             |
| 18                   | 1(j): right to vary terms of contract   | Customers informed of any variations and allowed to cancel during the minimum period of the contract if any services, charges or contract terms were varied to their detriment. | 10<br>14.1      |

|   |   |
|---|---|
| <b>Other information</b>                            | The original terms were for BT's two cable franchises - Milton Keynes Cable and Westminster Cable. BT has undertaken to the European Commission to dispose of both franchises as a condition of its participation in British Interactive Broadcasting, which provides interactive digital TV services. So far as we are aware it has not yet done so, and the revised terms are in force. |
| <b>Specific reservations about revised contract</b> | The Director General's position was reserved on the following terms, in the light of any future complaints:<br>2.1: might still be used to exclude liability for statements by employees.<br>2.6(a): right to vary technical specifications of service.<br>11: assignment clause.<br>8.2(b) and 17: meaning still unclear, and might confuse consumers                                    |
| <b>Undertakings given</b>                           | 25 November 1998  |

## 12 The British Vehicle Rental and Leasing Association

|                        |   |                            |                                  |
|------------------------|---|----------------------------|----------------------------------|
| <b>Name of Company</b> | The British Vehicle Rental and Leasing Association  | <b>Lead TSD</b>            | Buckinghamshire                  |
| <b>Trading Sector</b>  | Trade association representing 1,200 vehicle renting and leasing businesses (some 85% of the UK market) | <b>Contract identifier</b> | Recommended terms and conditions |

|                           |  |
|---------------------------|--|
| <b>Information</b>        | The whole contract was considered generally unfair, principally by reason of unclear language. The recommended terms were replaced by new terms and conditions (see also part 1 of Bulletin 5, and OFT News Release of 24 November 1998) |
| <b>Intelligibility</b>    | New terms drawn up in consultation with one of the plain language organisations (the Plain English Campaign) as well as OFT  |
| <b>Undertakings given</b> | 5 January 1998   |

### 13 C & C Removals & Storage

|                        |                          |                            |            |
|------------------------|--------------------------|----------------------------|------------|
| <b>Name of Company</b> | C & C Removals & Storage | <b>Lead TSD</b>            | Southwark  |
| <b>Trading Sector</b>  | Removals                 | <b>Contract identifier</b> | Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| Whole contract       | Generally unfair   | Deleted            | See below       |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Company adopted terms and conditions recommended by The Guild of Removers & Storers Ltd (see entry below). |
| <b>Undertakings given</b> | 26 January 1998  |

### 14 Camelot Interior Design & Development Ltd

|                        |   |                            |                      |
|------------------------|---|----------------------------|----------------------|
| <b>Name of Company</b> | Camelot Interior Design & Development Ltd | <b>Lead TSD</b>            | West Yorkshire       |
| <b>Trading Sector</b>  | Interior Design                           | <b>Contract identifier</b> | Fixers Contract 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| Whole Contract       | Generally unsuitable for use with consumers and unclear                      | Deleted            |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | The trader informed the Director General that he no longer uses written terms & conditions. |
| <b>Undertakings given</b> | 3 September 1998  |

## 15 Caradon Everest Ltd

|                        |                     |                            |  |
|------------------------|---------------------|----------------------------|--|
| <b>Name of Company</b> | Caradon Everest Ltd | <b>Lead TSD</b>            | Hertfordshire  |
| <b>Trading Sector</b>  | Double glazing      | <b>Contract identifier</b> | Purchase Agreement - Terms and Conditions HS 0044 (6/96) |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                                | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 1                    | 1(k): right to change what is supplied  | Right restricted to modifications of a minor or technical nature  | 1               |
| 2                    | Delivery in instalments at supplier's discretion  | Will only take place with customers' agreement  | 2               |
| 3                    | 1(b): full payment in advance, if goods not installed within six weeks of being ready - no right of set-off | The cost of installation can be withheld until installation is complete   | 3               |
| 4                    | 1(b): excluding or restricting liability for delay  | No longer excludes loss caused by delay   | 4               |
| 5                    | 1(k): right to change what is supplied when work done under guarantee                                       | Warns that modifications in replacement products may be necessary   | 5.1             |
| 6                    | 1(f): cancellation following survey   | Survey must take place within three weeks and reasons will be given in writing for cancellation                                   | 6               |
| 7                    | 1(l): right to increase the price if extra work needs to be done because of condition of property           | Possibility of price increase emphasised by bold type, and consumers advised to take their own advice about condition of property | 7               |
| 11                   | 1(n): requires all additions/variations to be in writing  | No longer operates by excluding liability for statements made by staff  | 11              |
| 13                   | 1(b): full payment in advance as a result of credit check - no right of set-off                             | Consumer can ask to see information about credit status on which company has relied   | 13              |

|                           |                  |
|---------------------------|------------------|
| <b>Undertakings given</b> | 24 February 1998 |
|---------------------------|------------------|

## 16 Carlisle Fine Furniture Ltd

|                        |   |                            |              |
|------------------------|---|----------------------------|--------------|
| <b>Name of Company</b> | Carlisle Fine Furniture Ltd t/a Fishers | <b>Lead TSD</b>            | Cumbria      |
| <b>Trading Sector</b>  | Furniture                               | <b>Contract identifier</b> | Receipt 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                                      | <b>New term</b> |
|----------------------|--|---|-----------------|
| Liability            | 1(b): time limit on claims   | Revised to allow consumer to claim in a reasonable time | Inspection      |
| Receipt              | 1(b): excluding liability for defective or misdescribed goods                | Deleted   |                 |

|  |  |
|--|--|
| <b>Specific reservations on Revised Term</b> | We reserved the Director General's position on the part of the term which requires that the furniture be inspected on delivery |
| <b>Undertakings given</b>                    | 27 March 1998  |

## 17 CavityTech Systems Ltd

|                        |                        |                            |             |
|------------------------|------------------------|----------------------------|-------------|
| <b>Name of Company</b> | CavityTech Systems Ltd | <b>Lead TSD</b>            | East Sussex |
| <b>Trading Sector</b>  | Home Improvements      | <b>Contract identifier</b> | Conditions  |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 1                    | 1(l): right to increase the price  | Consumer may cancel within 7 days of notification of price increase. | 1               |
| 2                    | 1(d): retention of pre-payments  | Revised so that only admin costs withheld if consumer cancels.       | 2               |
| 3                    | 1(f): unintelligible reference to cancellation rights                        | Revised to reflect normal common law position.                       | 3               |
| 4                    | 1(b): excluding liability for delay  | Cancellation of contract allowed if excessive delay.                 | 4               |

|    |   |  |    |
|----|---|--|----|
| 7  | 1(b): limitation of liability for damage or loss              | Company liable for damage caused by its negligence or breach of contract.      | 7  |
| 8  | 1(e): penalty clause  | Interest rate reduced on late payment.   | 8  |
| 9  | Regulation 6: Plain and intelligible language                 | Statutory rights statement expanded.   | 9  |
| 10 | 1(n): excludes verbal or written representations by employees | Deleted  |    |
| 11 | 1(b): unreasonable time limit on claims                       | Time limit of seven days to report faults amended to 'on discovery of defect'. | 10 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Terms 1,2 and 3 taken together gave a very unbalanced position on cancellation rights. |
| <b>Undertakings given</b> | 3 June 1998  |

## 18 Cellcom Ltd

|                        |                   |                            |   |
|------------------------|-------------------|----------------------------|---|
| <b>Name of Company</b> | Cellcom Ltd       | <b>Lead TSD</b>            | Brent & Harrow  |
| <b>Trading Sector</b>  | Mobile telephones | <b>Contract identifier</b> | Cellular Service Application, terms and conditions ref CSA/Issue 09 Sept 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 3.2                  | 1(b): right not to supply any part of the service without liability.         | Limits of the company's control over the service explained  | 4               |
| 6.1.4                | 1(e): disconnection charge   | Reduced - see below   | 2.2 iv          |
| 6.2                  | 1(l): right to change the tariff (and without notice)                        | Now a right to terminate before price increase in minimum term, without a disconnection charge                            | 13              |
| 7                    | Right to require a deposit for any reason at any time                        | Deposit now required only as initial condition of supply, or to supply additional services, or on failure to pay on time. | 2.4             |

|              |  |   |      |
|--------------|--|---|------|
| 9.2          | 1(h): 90-day notice requirement  | Reduced to one month although notice must be given in the month preceding.  | 7.1  |
| 10.1.5       | 1(o): right not to supply for any breach (however minor)                                   | Right now restricted to more serious breaches of contract, or misconduct, or probable financial risk to the company   | 4.2  |
| 11.2         | 1(p): right to assign the contract by supplier   | If the contract is assigned, the service will remain on broadly similar lines   | 10.2 |
| 13.4<br>13.5 | 1(b): exclusion of liability for the company's own negligence and breach of statutory duty | Now excludes only unforeseeable losses. Limit of liability raised   | 12   |
| 15.1         | 1(j): general right to vary the contract terms   | Conditions 1,7,9 and 2 may not be amended. Any other amendment leading to a price increase - see comments on term 6.2 | 13   |
| 15.2         | 1(n): entire agreement clause  | Deleted   |      |

|  |   |
|--|---|
| <b>Other information</b>                     | The 'minimum length' of the contract was stated to be 12 months in term 9.2. But the three months' notice could not be given until the expiry of the minimum term, making the contract effectively one of 15 months. There was evidence that this was misleading to consumers. The consumer may now give notice under term 7 to coincide with the end of the 12 month initial period  |
| <b>Specific reservations on Revised Term</b> | The Director General's position on the disconnection charges was specifically reserved in the light of any future evidence that these charges restricted consumer choice or operated as penalty charges. The charges vary between £9.99 and £35.25 according to the call tariff option chosen with the company now deducting £15 from these charges on the return of the SIM card (though no more than the disconnection charge). |
| <b>Intelligibility</b>                       | Generally improved  |
| <b>Undertakings given</b>                    | 28 August 1998  |

## 19 Century 21 Harris & Martin

|                        |                            |                            |                                  |
|------------------------|----------------------------|----------------------------|----------------------------------|
| <b>Name of Company</b> | Century 21 Harris & Martin | <b>Lead TSD</b>            | London Borough of Waltham Forest |
| <b>Trading Sector</b>  | Letting Agency             | <b>Contract identifier</b> | Terms and Conditions             |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 1                    | 1(d): retention of pre-payments  | Deposit and admin charge refunded in event of landlord cancellation. | 1               |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | We considered another term possibly to breach the Accommodation Agencies Act 1953 (since it required an administration fee before contracts were drafted). This term was also revised so that the payment was made when a property had been found and accepted. |
| <b>Undertakings given</b> | 20 April 1998   |

## 20 Cherry Craft

|                        |                 |                            |                    |
|------------------------|-----------------|----------------------------|--------------------|
| <b>Name of Company</b> | Cherry Craft    | <b>Lead TSD</b>            | Dorset             |
| <b>Trading Sector</b>  | Canal Boat Hire | <b>Contract identifier</b> | Conditions of Hire |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                 | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2                    | 1(d): retention of pre-payments on consumer cancellation                                     | Amount to be retained by trader reduced to cover admin costs                                | 2               |
| 3                    | Term allowed the supplier to impose undue financial burdens in relation to condition of boat | Checklist procedure so that the condition of boat agreed before and after hire period       | 3               |
| 4                    | 1(a): exclusion of liability for death or injury   | Term amended to make clear that trader liable if injury or death arises from his negligence | 4               |
| 5                    | 1(k): right to change what is supplied   | The hirer entitled to a proportionate refund if holiday changed                             | 5               |

|   |  |  |   |
|---|--|--|---|
| 6 | 1(e): term penalised the hirer by loss of deposit if unauthorised repairs made to boat | Term instructs the hirer on the correct action to take in the event of a breakdown   | 6 |
| 9 | 1(b): exclusion of liability for negligence.   | Revised term states that the exclusion of liability for damage or loss to hirer's property does not apply where the damage or loss arises from the trader's negligence | 9 |

|                           |                |
|---------------------------|----------------|
| <b>Undertakings given</b> | 7 October 1998 |
|---------------------------|----------------|

## 21 Christies Panel Products Ltd

|                        |  |                            |                              |
|------------------------|--|----------------------------|------------------------------|
| <b>Name of Company</b> | Christies Panel Products Ltd                                     | <b>Lead TSD</b>            | North Somerset               |
| <b>Trading Sector</b>  | Supply of fitted bedroom, kitchen, lounge and bathroom furniture | <b>Contract identifier</b> | Terms and Conditions of Sale |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2.1, 2.2             | 1(n): denies employees authority to vary contract                            | No longer excludes liability for statements by employees      | 2.1             |
| 3.1                  | 1(e): financial penalties  | Cancellation fees reduced and clearly described               | 3.1-3.5         |
| 3.2                  | 1(f): cancellation following survey  | Written explanation for price increase will be given          | 3.6             |
| 3.1                  | Regulation 6 - plain and intelligible language                               | References to consumer protection legislation clarified       | 3.3, 15.1       |
| 5.4                  | Regulation 6 - plain and intelligible language                               | Clearer explanation of risk of forfeiting deposit             | 3.4             |
| 6.5, 6.6             | 1(k): right to change what is supplied                                       | Changes only made with customers' agreement                   | 6.5, 6.6        |
| 11.2                 | 1(b): time limit on claims where goods or installation defective             | Requirement for claims to be made within seven days withdrawn | 11.4            |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 6 November 1998 |
|---------------------------|-----------------|

## 22 Churchill's Stairlifts plc

|                        |  |                            |                           |
|------------------------|--|----------------------------|---------------------------|
| <b>Name of Company</b> | Churchill's Stairlifts plc               | <b>Lead TSD</b>            | Cheshire                  |
| <b>Trading Sector</b>  | Supply and installation of mobility aids | <b>Contract identifier</b> | Terms and Conditions 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2.4                  | 1(n): requires all variations to be in writing                               | Deleted   |                 |
| 2.5                  | 1(d): retention of deposit   | Revised to provide that trader may charge costs incurred                  | 2.4             |
| 3.2                  | 1(l): right to vary price  | Revised to allow trader to recover costs incurred                         | 3.2             |
| 6.1,8.1              | 1(b): exclusion of liability for defective goods                             | Revised to allow consumer period to notify defects                        | 7.1             |
| 7.3                  | Onerous enforcement clause   | Trader permitted to request return of goods not paid for                  | 6.2             |
| 8.3                  | 1(a): exclusion of liability for death and personal injury                   | Revised: no exclusion of trader's negligence or consumer statutory rights | 7.3             |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | A number of complaints were received about these terms |
| <b>Undertakings given</b> | 6 April 98   |

## 23 City Mortgage Corporation

|                        |   |                            |                  |
|------------------------|---|----------------------------|------------------|
| <b>Name of Company</b> | City Mortgage Corporation - a Cityscape group company | <b>Lead TSD</b>            | Brent and Harrow |
| <b>Trading Sector</b>  | Mortgage lending                                      | <b>Contract identifier</b> | Mortgage Deed    |

On 12 February 1998, the Director General announced that the City Mortgage Corporation (CMC) had agreed to remove unfair penalties from its loan agreements following action under the Regulations. The changes represent a departure from previous use of 'dual rates' and a substantial reduction in the charges to borrowers who redeem their loans early or whose properties are repossessed. The severity of the penalties in CMC mortgages was unacceptable and the use of the so-called 'Rule of 78'<sup>1</sup> for early redemption of long-term unregulated loans could not be allowed to continue. The company had already agreed to stop writing new loans

using these terms (dual interest rates and expensive early-repayment calculations including the rule of 78) from 1 August 1997, in accordance with the guidance given in the booklet *Non-Status Lending Guidelines* issued by the OFT (revised edition published in November 1997, ref: OFT 192). Under the terms of new undertakings, effective from 22 December 1997, CMC stated that it would no longer enforce a higher rate of 18% (considered by the OFT to be a penalty rate) on any borrower whose account became, or remained, overdue. Instead, the company's higher rate would be set at 12.4% - compared with its usual 'concessionary' rate of 9.9%. Furthermore, the rate of interest would be raised to the 12.4% mark only where a borrower was in default by three months, and would fall again once the arrears had been paid.

CMC also undertook not to apply the rule of 78 calculation, plus a charge of six months' interest, when unregulated loans (at that time, loans above £15,000: since 1 May 1998, those above £25,000) were repaid before their full term. Instead it would use a settlement figure calculated on the actual reducing balance plus a set number of months' interest depending on when the loan is redeemed - six months in each of the first three years, reducing by one month for each year thereafter, and falling to zero after year eight. Interest would always be calculated on the lower, 'concessionary' rate - whatever the arrears position at redemption.

The changes apply to all loans operated by CMC and Cityscape group companies taken out before 1 August 1997 (since CMC had already agreed to stop using dual interest rates and the rule of 78 in agreements after that date). The changes apply whether or not the lender was a CMC or Cityscape group company at the time. Any redemption payments made after 22 December 1997 on the old basis would be recalculated in line with these undertakings and a refund given to the borrower.

The rule of 78 is a method of apportioning interest over the period of a loan and was specifically designed for the repayment of short-term loans. It 'front-loads' interest payments - which works against those borrowers who repay the capital before the end of the agreed loan period. The settlement figures it produces can be unjustifiably high, particularly where the sum of the total charges under the agreement approach or exceed the amount of the loan - as will happen with long-term agreements, typically those for 10 years or more.

## 24 Club Toyota

|                        |               |                            |                                       |
|------------------------|---------------|----------------------------|---------------------------------------|
| <b>Name of Company</b> | Club Toyota   | <b>Lead TSD</b>            | Surrey                                |
| <b>Trading Sector</b>  | New car sales | <b>Contract identifier</b> | Club membership (Roadside assistance) |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 4, 8                 | 1(d): retention of pre-payment on consumer cancellation                      | Revised to allow pro-rata refund of unused subscription                  | 4               |
| 6                    | 1(j): general variation clause   | Revised to include 1 month notification of variation to membership rules | 6               |

|       |   |  |      |
|-------|---|--|------|
| 7     | 1(a): exclusion of liability for death/injury       | Revised so that company is liable for own negligence | 7    |
| 10    | 1(b): exclusion of liability for consequential loss | Revised so that company liable for own negligence    | 8    |
| 8     | 1(f): supplier's right to cancel too great          | Member's cancellation rights equal company's         | 6    |
| 9, 10 | Regulation 6: plain and intelligible language       | Rewritten in plain language                          | 7, 8 |

|                           |               |
|---------------------------|---------------|
| <b>Undertakings given</b> | 4 August 1998 |
|---------------------------|---------------|

## 25 Coastal Cottages of Pembrokeshire Ltd

|                        |                                       |                            |                    |
|------------------------|---------------------------------------|----------------------------|--------------------|
| <b>Name of Company</b> | Coastal Cottages of Pembrokeshire Ltd | <b>Lead TSD</b>            | Pembrokeshire      |
| <b>Trading Sector</b>  | Holiday Accommodation                 | <b>Contract identifier</b> | Booking conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>              | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 2                    | 1(n): limiting the supplier's obligation to respect commitments undertaken by his agents. | Revised to limit the circumstances when the agent gives no warranties as to the accuracy of the information in the brochure                                   | 2               |
| 5                    | 1(b): restricting liability for breaches of contract                                      | Revised to limit only the agent's liability, not the property owner's, for the non-availability of the property   | 5               |
| 12                   | 1(b): unreasonable time limit on claims   | Revised to ensure that the consumer's failure to follow the trader's complaints procedure did not unfairly limit his right to redress                         | 12              |
| 13                   | Inappropriate transfer of risk & frustration  | Revised so that the trader's liability on partial frustration was not completely excluded and trader had an obligation to consider at least a partial refund. | 13              |
| 14                   | 1(b): excluding liability for misdescribed services                                       | Deleted   |                 |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | The Director General reserved his position on term 8 of the Booking Conditions as the term permitted the retention by the company of the consumer's deposit if the consumer cancelled irrespective of whether the property owner was able to relet the accommodation. |
| <b>Undertakings given</b>                    | 12 August 1998  |

## 26 Consolidated Financial Insurance

|                        |                                  |                            |                                     |
|------------------------|----------------------------------|----------------------------|-------------------------------------|
| <b>Name of Company</b> | Consolidated Financial Insurance | <b>Lead TSD</b>            | London Borough of Hounslow          |
| <b>Trading Sector</b>  | Insurance                        | <b>Contract identifier</b> | G E Capital Hire-Purchase Agreement |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>   | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| Capital Care         | 1(i):binding consumer to hidden terms. The term in a regulated consumer credit agreement identified which of 3 levels of payment protection insurance cover the consumer had selected with an abbreviation onto the finance agreement. The insurance policy contained no key to levels of cover or abbreviations | The term was revised so that full words (i.e. life, accident, sickness and unemployment) described the levels of cover and the consumer was given the opportunity to tick his selection. | Capital Care    |

|                           |             |
|---------------------------|-------------|
| <b>Undertakings given</b> | 6 July 1998 |
|---------------------------|-------------|

## 27 Cosyhome 2000 Ltd

|                        |                   |                            |                         |
|------------------------|-------------------|----------------------------|-------------------------|
| <b>Name of Company</b> | Cosyhome 2000 Ltd | <b>Lead TSD</b>            | Leicester               |
| <b>Trading Sector</b>  | Home Improvements | <b>Contract identifier</b> | Conditions of Sale 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 1                    | 1(b): exclusion of liability for delay                                       | Revised to allow consumer cancellation in event of unacceptable delay | 1               |

|   |  |  |   |
|---|--|--|---|
| 2 | 1(b): exclusion of liability for poor work             | Revised so that trader liable for own negligence         | 3 |
| 3 | 1(m): supplier's right to decide when he is in default | Revised to give clearer explanation of consumers' rights | 4 |

|                           |                    |
|---------------------------|--------------------|
| <b>Intelligibility</b>    | Generally improved |
| <b>Undertakings given</b> | 17 February 1998   |

## 28 Craftmatic UK Ltd

|                        |                             |                            |  |
|------------------------|-----------------------------|----------------------------|--|
| <b>Name of Company</b> | Craftmatic UK Ltd           | <b>Lead TSD</b>            | Belfast  |
| <b>Trading Sector</b>  | Supplier of adjustable beds | <b>Contract identifier</b> | Conditions of Supply 1996<br>Information and Benefits form,<br>Delivery Receipt 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                     | <b>How changed</b>   | <b>New term</b>               |
|----------------------|--|--|-------------------------------|
| Whole contract       | Generally unsuitable for consumer use, including exclusions of liability and unequal obligations | Rewritten  | Standard Conditions of Supply |
| 5                    | Excluding rights relating to doorstep selling  | Deleted  |                               |
| 8                    | Consumer declaration about contractual circumstances   | Deleted  |                               |
| Delivery             | 1(b): clause requiring consumer to examine goods   | Revised to confirm that 'correct' goods have been received | Delivery                      |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | Term 4 of the revised Information and Benefit form might be regarded as an entire agreement clause unfair in the light of Schedule 3 paragraph 1(n) and the Director General reserved his position. |
| <b>Undertakings given</b>                    | Standard Conditions of Supply August 1997<br>Information & Benefits form, Delivery receipt June 1998  |

## 29 Credit Acceptance Corporation Ltd

|                        |                                   |                            |                            |
|------------------------|-----------------------------------|----------------------------|----------------------------|
| <b>Name of Company</b> | Credit Acceptance Corporation Ltd | <b>Lead TSD</b>            | Norfolk                    |
| <b>Trading Sector</b>  | Consumer Credit                   | <b>Contract identifier</b> | Conditional Sale Agreement |

| Original term           | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed | New term |
|-------------------------|---|-------------|----------|
| Declaration 5.          | 1(b): restricting liability for breaches of contract                  | Deleted     |          |
| 5.1,5.2,5.3<br>5.4, 5.6 | 1(b): restricting liability for breaches of contract                  | Deleted     |          |
| 8.3, 8.4                | 1(n): denies employees authority to vary contract                     | Deleted     |          |

|                           |                    |
|---------------------------|--------------------|
| <b>Intelligibility</b>    | Generally improved |
| <b>Undertakings given</b> | 18 August 1998     |

## 30 Cromwell Crown Hotel

|                        |                      |                            |                                       |
|------------------------|----------------------|----------------------------|---------------------------------------|
| <b>Name of Company</b> | Cromwell Crown Hotel | <b>Lead TSD</b>            | Royal Borough of Kensington & Chelsea |
| <b>Trading Sector</b>  | Hotel Accommodation  | <b>Contract identifier</b> | Receipt                               |

| Original term            | Application of the Regulations (Schedule 3 paragraph or as indicated)   | How changed  | New term |
|--------------------------|---|--|----------|
| Only one term on receipt | 1(d): retention of pre-payments on consumer cancellation. Term stated that any deposit paid to reserve a hotel room was 'non-refundable'. | Term revised so that deposit was non-refundable only if replacement booking not taken. | Receipt  |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 16 January 1998 |
|---------------------------|-----------------|

### 31 Dampco (UK) Ltd

|                        |                  |                            |           |
|------------------------|------------------|----------------------------|-----------|
| <b>Name of Company</b> | Dampco (UK) Ltd. | <b>Lead TSD</b>            | Coventry  |
| <b>Trading Sector</b>  | Home Maintenance | <b>Contract identifier</b> | Guarantee |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| Entire Form          | 1(b): no liability for unsatisfactory work or products.                      | Acceptable 'statutory rights' term added.                                  | L               |
| J                    | 1(q): compulsory arbitration clause  | Consumer no longer prevented from taking action in the small claims court. | J               |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 2 March 1998 |
|---------------------------|--------------|

### 32 Direct Plumbing & Heating Supplies Ltd

|                        |  |                            |            |
|------------------------|--|----------------------------|------------|
| <b>Name of Company</b> | Direct Plumbing & Heating Supplies Ltd | <b>Lead TSD</b>            | Nottingham |
| <b>Trading Sector</b>  | Home Maintenance                       | <b>Contract identifier</b> | None.      |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| Whole document       | Contents of whole document considered generally unsuitable                   | Deleted            |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | All contractual terms and conditions removed. |
| <b>Undertakings given</b> | 16 November 1998                              |

### 33 Door Store (Wirral) Ltd

|                        |                         |                            |         |
|------------------------|-------------------------|----------------------------|---------|
| <b>Name of Company</b> | Door Store (Wirral) Ltd | <b>Lead TSD</b>            | Wirral  |
| <b>Trading Sector</b>  | Home Improvements       | <b>Contract identifier</b> | Invoice |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 1, 2, 3, 4           | 1(b): exclusion of liability for poor work and materials                     | Deleted            |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Company has told us that it now trades without standard terms |
| <b>Undertakings given</b> | 8 October 1998  |

### 34 Driving Instructor Training Centre Ltd

|                        |  |                            |                        |
|------------------------|--|----------------------------|------------------------|
| <b>Name of Company</b> | Driving Instructor Training Centre Ltd | <b>Lead TSD</b>            | Surrey                 |
| <b>Trading Sector</b>  | Training                               | <b>Contract identifier</b> | Agreements 1995 & 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 2 (95)               | 1(b): excluding liability for poor services                                  | Deleted  |                 |
| 6 (95)               | Regulation 6: term ambiguous about centre's right to cancel                  | Deleted  |                 |
| 3 (rev 98)           | 1(f): supplier's right to cancel without refund                              | Revised: Centre makes it clear that it will not cancel the training course | 3               |
| 4 (rev 98)           | Statutory references   | Explanation of rights given  | 5               |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 3 November 1998 |
|---------------------------|-----------------|

### 35 Dunraven Manufacturing Ltd

|                        |   |                            |                      |
|------------------------|---|----------------------------|----------------------|
| <b>Name of Company</b> | Dunraven Manufacturing Ltd t/a Dunraven Windows | <b>Lead TSD</b>            | Bridgend             |
| <b>Trading Sector</b>  | Supply of windows, doors and conservatories     | <b>Contract identifier</b> | Terms and Conditions |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed   | New term |
|---------------|---|---|----------|
| 1             | 1(n): excludes oral representations and variations must be in writing | No longer excludes liability for representations by company   | 1        |
| 3             | 1(b): subjecting right of set-off to penalty                          | No longer refuses to investigate complaints unless work has been paid for in full                       | 3        |
| 4             | 1(k): right to change what is supplied                                | Deleted   |          |
| 7             | 1(b): excluding liability for delay                                   | Liability limited to matters beyond company's control   | 4        |
| 8             | 1(b): time limit on claims where goods or installation defective      | Requirement for claims to be made within seven days withdrawn   |          |
| 9             | 1(f): unequal cancellation rights                                     | Company no longer has the right to cancel at any time, and must give reasons if it cancels after survey | 2        |

|                           |                  |
|---------------------------|------------------|
| <b>Undertakings given</b> | 28 February 1998 |
|---------------------------|------------------|

### 36 Dyno-Rod plc

|                        |                  |                            |                              |
|------------------------|------------------|----------------------------|------------------------------|
| <b>Name of Company</b> | Dyno-Rod plc     | <b>Lead TSD</b>            | Kingston-upon-Thames         |
| <b>Trading Sector</b>  | Home Maintenance | <b>Contract identifier</b> | General Terms and Conditions |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed | New term |
|---------------|---|-------------|----------|
|---------------|---|-------------|----------|

|           |  |   |         |
|-----------|--|---|---------|
| 8         | 1(b): no liability for delay                                 | Consumer cancellation allowed in event of excessive delay by company                                | 7.2     |
| 5         | 1(l): right to increase the price                            | Consumer cancellation allowed in event of unacceptable price increase                               | 5.1/5.2 |
| 2.02-2.04 | 1(n): excludes representations of employees                  | Amended to show it is the company's intention that all terms of agreement are contained in document | 2       |
| 20        | 1(b): no liability for damage                                | Amended so that company will be liable for damage caused by its own negligence                      | 9       |
| 6         | 1(e): penalty clause did not recognise duty to mitigate loss | Deleted   |         |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Original contract also contained terms for commercial clients only; these have now been separated. |
| <b>Undertakings given</b> | 18 February 1998   |

### 37 Elliott-Medway FineLine Ltd

|                        |                             |                            |      |
|------------------------|-----------------------------|----------------------------|------|
| <b>Name of Company</b> | Elliott-Medway FineLine Ltd | <b>Lead TSD</b>            | Kent |
| <b>Trading Sector</b>  | Double Glazing              | <b>Contract identifier</b> | 3/96 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 6                    | 1(b): excluding liability for poor workmanship                               | No longer disclaims liability if fitters redirect cabling at consumer's request    | 6               |
| 8                    | 1(f): cancellation following survey  | Written explanation for price increase will be given                               | 8               |
| Statement            | Consumer declaration of contractual circumstances                            | Consumers not asked to say they have read and 'fully understand' terms of contract |                 |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 2 November 1998 |
|---------------------------|-----------------|

### 38 Essex Furniture

|                        |  |                            |                 |
|------------------------|--|----------------------------|-----------------|
| <b>Name of Company</b> | Essex Furniture t/a Furniture Workshop | <b>Lead TSD</b>            | Southend-on-Sea |
| <b>Trading Sector</b>  | Furniture                              | <b>Contract identifier</b> | Invoice         |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                       | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| Whole contract       | 1(b): all terms excluded liability - main exclusions for breaches of contract and right of set-off | Revised to remove exclusions and full payment in advance clause | Whole contract  |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 2 November 1998 |
|---------------------------|-----------------|

### 39 Field & Trek plc

|                        |                                |                            |                      |
|------------------------|--------------------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Field & Trek plc               | <b>Lead TSD</b>            | Essex County Council |
| <b>Trading Sector</b>  | Climbing Equipment- Mail Order | <b>Contract identifier</b> | Order Form           |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| Liability Statement  | 1(a) - excluding liability for death or personal injury                      | Consumer no longer required to accept risk of assessing suitability of the goods | Safety Warning  |

|                           |               |
|---------------------------|---------------|
| <b>Undertakings given</b> | 6 August 1998 |
|---------------------------|---------------|

#### 40 G & S Properties

|                        |                  |                            |  |
|------------------------|------------------|----------------------------|--|
| <b>Name of Company</b> | G & S Properties | <b>Lead TSD</b>            | East Dunbartonshire  |
| <b>Trading Sector</b>  | Estate Agency    | <b>Contract identifier</b> | (i) Sole Selling Rights Contract of Engagement and Mandate. (ii) Terms and Conditions of Business. |

| <b>Original term</b>            | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                           | <b>New term</b> |
|---------------------------------|--|--|-----------------|
| Terms of business (c)           | 1(b): restriction of right to set-off  | Amended to allow consumer's right of set-off | 5               |
| Sole selling option 2(a) & 2(b) | Regulation 6: plain and intelligible language.                               | Re-written in plain language                 | 4               |
| Terms of business (b)           | Regulation 6: plain and intelligible language.                               | Re-written in plain language                 | 5               |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Definition of Sole Selling Rights was also amended to comply with the Estate Agents (Provision of information) Regulations 1991. |
| <b>Undertakings given</b> | 2 March 1998   |

#### 41 Gorse Hill Caravans Ltd

|                        |                         |                            |                       |
|------------------------|-------------------------|----------------------------|-----------------------|
| <b>Name of Company</b> | Gorse Hill Caravans Ltd | <b>Lead TSD</b>            | Conwy                 |
| <b>Trading Sector</b>  | Holiday Accommodation   | <b>Contract identifier</b> | Conditions of Booking |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2                    | 1(d) - retention of pre-payments on consumer cancellation                    | Revised: only an admin charge of £20 / booking retained when trader relet a cancelled booking   | 2               |
| 3                    | 1(b) - restricting liability for breaches of contract                        | Revised: only where the trader cancelled a booking for reasons beyond his control that the consumer's right to redress was limited to a refund. | 3               |

|   |  |  |   |
|---|--|--|---|
| 8 | 1(b) - unreasonable time limit on claims | Revised to ensure that the consumer's failure to follow the trader's complaints procedure did not unfairly limit his right to redress. | 8 |
|---|--|--|---|

|                           |             |
|---------------------------|-------------|
| <b>Undertakings given</b> | 9 July 1998 |
|---------------------------|-------------|

## 42 Greentree Caravans

|                        |                    |                            |                      |
|------------------------|--------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Greentree Caravans | <b>Lead TSD</b>            | Norfolk              |
| <b>Trading Sector</b>  | Caravan sales      | <b>Contract identifier</b> | Terms and Conditions |

| Original term           | Application of the Regulations (Schedule 3 paragraph or as indicated)   | How changed | New term |
|-------------------------|---|-------------|----------|
| Purchaser's Declaration | 1(b):excluding liability for non performance  | Deleted     |          |
| 1                       | 1(b): guarantees operating as exclusion clauses   | Deleted     |          |
| 2                       | 1(b):exclusion of liability for poor work/materials   | Deleted     |          |
| 3                       | 1(b): exclusion/restriction of liability for delay  | Deleted     |          |
| 6                       | Regulation 6: unintelligibility   | Deleted     |          |
| 7                       | Fails to meet requirement of 'good faith' as price increases would be passed on to consumer but price decreases would not | Deleted     |          |
| 8                       | Supplier to impose an unfair financial burden   | Deleted     |          |
| 9                       | 1(e): penalty clause did not recognise duty to mitigate losses  | Deleted     |          |
| 10                      | Unfair enforcement clause   | Deleted     |          |
| 11                      | 1(n): requires all variations to be in writing  | Deleted     |          |
| Hire Purchase option    | Regulation 6: general unintelligible language   | Deleted     |          |

|  |   |
|--|---|
| <b>Undertakings given</b>                    | Formal undertakings signed on 3 September 1998. |
| <b>Specific reservations on Revised Term</b> | Revised terms not yet in use                    |

#### 43 Guild of Removers and Storers

|                        |                               |                            |                      |
|------------------------|-------------------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Guild of Removers and Storers | <b>Lead TSD</b>            | Buckinghamshire      |
| <b>Trading Sector</b>  | Removals                      | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>       | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 2.3                  | 1(i): hidden terms - details of insurance cover not given                          | Insurance details now included   | 2.3             |
| 6                    | Regulation 6: legal jargon   | Jargon removed   | 6               |
| 9.2                  | 1(b): liability limited to the value of the goods carried                          | Revised to explain limitations on liability  | 9.2             |
| 13                   | Regulation 6: legal jargon   | Jargon removed   | 13              |
| 17                   | 1(n): entire agreement clause - written terms must prevail over verbal discussions | Revised to make clear company intends written terms to prevail over verbal discussions | 17              |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Advice was given on these terms and conditions at the request of the Guild and not as a result of a complaint |
| <b>Intelligibility</b>    | Generally improved  |
| <b>Undertakings given</b> | 12 January 1998   |

#### 44 Harringtons Caravans Ltd

|                        |                          |                            |                                  |
|------------------------|--------------------------|----------------------------|----------------------------------|
| <b>Name of Company</b> | Harringtons Caravans Ltd | <b>Lead TSD</b>            | Cheshire                         |
| <b>Trading Sector</b>  | Caravan sales            | <b>Contract identifier</b> | Order form, Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 2                    | 1(b): exclusion/restriction of liability for delay                           | Deleted            |                 |
| 4                    | 1(e): penalty; did not recognise duty to mitigate loss                       | Deleted            |                 |

|    |   |         |  |
|----|---|---------|--|
| 7  | Regulation 6; generally unintelligible  | Deleted |  |
| 8  | Regulation 6; legal jargon  | Deleted |  |
| 9  | 1(b): exclusion of liability for poor work and materials; guarantee operating as exclusion clause | Deleted |  |
| 11 | Regulation 6; statutory references  | Deleted |  |
| 14 | 1(n): all variations to be in writing   | Deleted |  |

|  |   |
|--|---|
| <b>Undertakings given</b>                    | Formal undertakings signed on 24 August 1998. |
| <b>Specific reservations on Revised Term</b> | Revised terms not yet in use                  |

#### 45 Heritage Covers Ltd

|                        |                                   |                            |                     |
|------------------------|-----------------------------------|----------------------------|---------------------|
| <b>Name of Company</b> | Heritage Covers Ltd<br>t/a Plumbs | <b>Lead TSD</b>            | Lancashire          |
| <b>Trading Sector</b>  | Made to measure furnishings       | <b>Contract identifier</b> | Plumbs Classic 1997 |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed  | New term                    |
|---------------|---|--|-----------------------------|
| Guarantee     | Regulation 6: statutory rights reference                              | Explanation of rights now given                          | Consumer's statutory rights |
| 3             | 1 (b): excluding liability for defective or misdescribed goods        | Revised to allow trader to make <i>minor</i> adjustments | 3                           |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | The revised 'made to measure' term now provides for a further fitting within 28 days to deal with any <i>minor</i> adjustments. |
| <b>Undertakings given</b> | 27 March 1998   |

## 46 Hidden Hearing

|                        |                  |                            |                       |
|------------------------|------------------|----------------------------|-----------------------|
| <b>Name of Company</b> | Hidden Hearing   | <b>Lead TSD</b>            | Cardiff               |
| <b>Trading Sector</b>  | Medical supplies | <b>Contract identifier</b> | Confirmation of Order |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 17                   | 1(b): guarantee operating as exclusion clauses                               | Revised to make clear that the guarantee does not supersede the consumer's statutory rights | 17              |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Regulation 6: The terms were printed in light grey ink on white on reverse of contract and were difficult to read. |
| <b>Intelligibility</b>    | Generally improved   |
| <b>Undertakings given</b> | 3 March 1998   |

## 47 Homeloft Ltd

|                        |                   |                            |                      |
|------------------------|-------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Homeloft Ltd      | <b>Lead TSD</b>            | Leicestershire       |
| <b>Trading Sector</b>  | Home Improvements | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 3a                   | 1(b): excluding liability for delay  | Consumer cancellation allowed in event of installation not having commenced within 6 months.   | 3D              |
| 4& 9c                | 1(b): limitation of liability  | Amended by addition of statutory rights clause - term no longer limits liability to cost of contract price.  | 5               |
| 5d                   | 1(d): retention of pre-payment   | Term written prominently in bold and upper case, making clear that consumer aware that there are some circumstances where he will have to pay some monies although conversion not completed. | 4               |

|              |  |  |    |
|--------------|--|--|----|
| 5(a)<br>5(e) | 1(j): general variation clauses  | Deleted  |    |
| 11(d)        | 1(l): right to increase the price  | Revised term allows consumer to cancel where price increases for reasons beyond control of either party. | 7C |
| 7            | 1(n): requires all variations to be in writing   | Deleted  |    |
| 8            | Unfair enforcement clause, allowed company to rip out products that had not been paid for. | Deleted  |    |
| 10           | 1(f): supplier's right to cancel   | Term limited so that cancellation for 'any reason' no longer applies.                                    | 2B |

|                           |                  |
|---------------------------|------------------|
| <b>Undertakings given</b> | 18 February 1998 |
|---------------------------|------------------|

#### 48 Hosiery Corporation International

|                        |                                   |                            |                         |
|------------------------|-----------------------------------|----------------------------|-------------------------|
| <b>Name of Company</b> | Hosiery Corporation International | <b>Lead TSD</b>            | Oxfordshire             |
| <b>Trading Sector</b>  | Mail order: tights                | <b>Contract identifier</b> | Silkies: mail shot 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>   | <b>New term</b> |
|----------------------|---|--|-----------------|
| Order term           | 1(i): hidden terms - presentation of term in small print obscuring nature of contract which allows 2 further pairs of tights to be sent to the consumer on approval | Revised - in light of Advertising Standards Authority advice | Order term      |

|  |   |
|--|---|
| <b>Other information</b>                     | The revision agreed by the trader with the ASA is more legible. The trader gave an assurance that the old mailing has been withdrawn and is not being relied upon   |
| <b>Specific reservations on Revised Term</b> | The Director General's position has been reserved, in the light of any future complaints, since the information that the consumer would be sent goods on approval might not be sufficiently prominent and the mailshot might therefore mislead and confuse consumers. |
| <b>Undertakings given</b>                    | 9 July 1998   |

#### 49 Howard Gordon & Co Ltd

|                        |                        |                            |                           |
|------------------------|------------------------|----------------------------|---------------------------|
| <b>Name of Company</b> | Howard Gordon & Co Ltd | <b>Lead TSD</b>            | Sheffield                 |
| <b>Trading Sector</b>  | Letting Agency         | <b>Contract identifier</b> | Management Agreement 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>   | <b>How changed</b>                                    | <b>New term</b> |
|----------------------|--|---|-----------------|
| Cancellation         | 1(b): exclusion of liability for poor service as landlord may be required to pay full management fee on cancellation even if there has been poor service | Revised so as not to exclude liability for negligence | Cancellation    |
| 8                    | 1(l): right to increase price  | Deleted   |                 |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | The position was reserved on the amendment to the cancellation clause which limited the scope of the term to 'proven negligence', the continued use of a declaration term, and the intelligibility of the language used |
| <b>Undertakings given</b>                    | 30 April 1998   |

#### 50 HSS Hire Service Group plc

|                        |                            |                            |  |
|------------------------|----------------------------|----------------------------|--|
| <b>Name of Company</b> | HSS Hire Service Group plc | <b>Lead TSD</b>            | Surrey   |
| <b>Trading Sector</b>  | Equipment Hire             | <b>Contract identifier</b> | HSS Hire Shops Terms and Conditions of Hire and Sale |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>   | <b>New term</b> |
|----------------------|---|--|-----------------|
| 3(a)                 | 1(b): no liability for defective goods: damage to goods be noted and agreed on the delivery form.                     | Any damage should be reported to the trader as soon as practicable | 3(a)            |
| 3(b)                 | 1(b): consumer responsible for unloading equipment; any assistance provided by the trader was at the consumer's risk. | Deleted  |                 |

|      |  |   |      |
|------|--|---|------|
| 4(f) | 1(b): limitation on liability :excluding liability for consequential loss. | The revised term excludes only unforeseeable losses | 4(f) |
| 4(f) | 1(k): right to change what is supplied                                     | Deleted   |      |
| 1(a) | 1(n): no variations or additions are effective                             | Deleted   |      |
| 3(f) | Regulation 6: indemnity clause   | Deleted   |      |

|                           |               |
|---------------------------|---------------|
| <b>Undertakings given</b> | 22 April 1998 |
|---------------------------|---------------|

## 51 Hy-Style Furnishing Centres (Farnwood Ltd)

|                        |  |                            |              |
|------------------------|--|----------------------------|--------------|
| <b>Name of Company</b> | Hy-Style Furnishing Centres (Farnwood Ltd) | <b>Lead TSD</b>            | Liverpool    |
| <b>Trading Sector</b>  | Furniture and hand made furniture          | <b>Contract identifier</b> | Invoice 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                                    | <b>New term</b> |
|----------------------|--|---|-----------------|
| Delivery             | 1(b): excluding liability for delay  | Exclusions limited to delays outside trader's control | Delivery        |
| Cancellation         | 1(b): excluding liability for defective or misdescribed goods                | Revised to provide for a refund                       | Cancellation    |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The trader introduced an arbitration provision to cover disputes over the definition of 'unreasonable delay' |
| <b>Undertakings given</b> | 24 March 1998  |

## 52 ISL Renosystems Ltd

|                        |                     |                            |             |
|------------------------|---------------------|----------------------------|-------------|
| <b>Name of Company</b> | ISL Renosystems Ltd | <b>Lead TSD</b>            | West Sussex |
| <b>Trading Sector</b>  | Home Improvements   | <b>Contract identifier</b> | Guarantee   |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>              | <b>How changed</b>   | <b>New term</b> |
|----------------------|---|--|-----------------|
| 5                    | Regulation 6: plain and intelligible language in relation to 'statutory rights' provision | Term makes clear guarantee is additional to consumer's statutory rights. | 5               |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Term contained a reference to 'statutory rights' along with a limitation of the amount and type of any damage claim, which was considered contradictory and confusing |
| <b>Undertakings given</b> | 18 February 1998  |

## 53 Jarvis Windowcraft

|                        |                    |                            |                                   |
|------------------------|--------------------|----------------------------|-----------------------------------|
| <b>Name of Company</b> | Jarvis Windowcraft | <b>Lead TSD</b>            | Leicester                         |
| <b>Trading Sector</b>  | Double Glazing     | <b>Contract identifier</b> | Terms, Conditions and Warranties. |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 1                    | Regulation 6: statutory references   | Deleted            |                 |
| 3                    | 1(k): right to change what is supplied                                       | Deleted            |                 |
| 5                    | 1(f): unequal cancellation rights  | Deleted            |                 |
| 6                    | 1(b): excluding liability for delay  | Deleted            |                 |
| 9                    | 1(b): restriction of right of set-off  | Deleted            |                 |
| 15                   | 1(n): requires all variations to be in writing                               | Deleted            |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | All terms deleted other than the company's guarantee terms. |
| <b>Undertakings given</b> | 29 May 1998   |

## 54 Joe Graham & Son Ltd

|                        |                      |                            |                     |
|------------------------|----------------------|----------------------------|---------------------|
| <b>Name of Company</b> | Joe Graham & Son Ltd | <b>Lead TSD</b>            | Bedfordshire        |
| <b>Trading Sector</b>  | Equipment Hire       | <b>Contract identifier</b> | Hire agreement 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>   | <b>How changed</b>                                     | <b>New term</b> |
|----------------------|--|--|-----------------|
| 3                    | 1(b): exclusion of liability for poor services                                 | Trader's negligence no longer excluded                 | 3               |
| 9                    | 1 (b): exclusion of liability for defective goods                              | Revised to only refer to misuse of the goods           | 9               |
| 10                   | 1(b): exclusion of liability for defective or misdescribed goods/poor services | Revised to recognise trader's liability when in breach | 10              |

|                           |                    |
|---------------------------|--------------------|
| <b>Intelligibility</b>    | Generally improved |
| <b>Undertakings given</b> | 30 October 1998    |

## 55 Kingdom of Leather

|                        |                    |                            |                           |
|------------------------|--------------------|----------------------------|---------------------------|
| <b>Name of Company</b> | Kingdom of Leather | <b>Lead TSD</b>            | Essex                     |
| <b>Trading Sector</b>  | Furniture retailer | <b>Contract identifier</b> | Terms and Conditions 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 1                    | 1(n): requires all variations to be in writing                               | Variations should be written onto the contract                       | 1.3             |
| 4                    | 1(e): penalty clause   | Trader may only charge reasonable losses and expenses                | 4               |
| 5                    | 1(b): exclusion of liability for delay                                       | If delivery not within specific period, consumer has right to refund | 5.1             |
| 6                    | 1(b): time limit for notifying claims  | Consumer permitted reasonable period to notify defects               | 6               |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Having agreed revised terms, complaint evidence indicated that the old terms remained in use. The trader provided the Director General with an assurance in November 1997 that the old terms were no longer in use. |
| <b>Undertakings given</b> | 7 August 1998   |

## 56 Kingfisher plc

|                        |                |                            |                                       |
|------------------------|----------------|----------------------------|---------------------------------------|
| <b>Name of Company</b> | Kingfisher plc | <b>Lead TSD</b>            | Westminster                           |
| <b>Trading Sector</b>  | Retail         | <b>Contract identifier</b> | Kingfisher Gift Vouchers Terms of Use |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>   | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| Expiry date          | The expiry date on gift vouchers was not adequately drawn to the consumer's attention. Although expiry dates in this context may amount to core terms, see Regulation 3(2)(a), they are likely to have potential for unfairness if they are not drawn to the attention of consumers. | Deleted            |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | The company will honour out of date vouchers and will not limit time for use of vouchers in future. |
| <b>Undertakings given</b> | 3 July 1998   |

## 57 Kingsway Scotland Ltd

|                        |  |                            |                                  |
|------------------------|--|----------------------------|----------------------------------|
| <b>Name of Company</b> | Kingsway Scotland Ltd t/a The Suite Centre | <b>Lead TSD</b>            | Fife                             |
| <b>Trading Sector</b>  | Furniture                                  | <b>Contract identifier</b> | Customer Order Confirmation 1995 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                                 | <b>New term</b> |
|----------------------|--|--|-----------------|
| 3                    | 1(b): exclusion of liability for delay                                       | Revised to allow consumer cancellation             | Delivery        |
| 5                    | 1(b): exclusion of liability for defective goods                             | Revised to allow consumer period to notify defects | Shortages       |

|    |  |  |              |
|----|--|--|--------------|
| 6  | 1(n): excludes representations of employees      | Deleted  |              |
| 10 | 1(b): exclusion of liability for defective goods | Deleted  |              |
| 12 | 1(e): penalty on cancellation                    | Partially revised to allow consumer short period to cancel without penalty | Cancellation |

|  |   |
|--|---|
| <b>Other information</b>                     | We received a series of complaints which continued to keep enforcement action open.   |
| <b>Specific reservations on Revised Term</b> | We reserved the Director General's position on a cancellation clause which allows for a 48 hour cooling off period before the manufacturing order is placed but requires a minimum cancellation fee of £250 thereafter. |
| <b>Intelligibility</b>                       | Generally improved  |
| <b>Undertakings given</b>                    | 27 January 1998   |

## 58 Laport Garage Doors

|                        |                     |                            |   |
|------------------------|---------------------|----------------------------|---|
| <b>Name of Company</b> | Laport Garage Doors | <b>Lead TSD</b>            | Derbyshire  |
| <b>Trading Sector</b>  | Home Improvements   | <b>Contract identifier</b> | (i) Terms and Conditions of Sale<br>(ii) Customer Order |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2                    | 1(l): right to increase the price  | Customer may cancel if unacceptable price rise resulting from necessary additional work   | 7.1             |
| 8                    | 1(m): supplier's right to decide whether he is in default                    | Deleted   |                 |
| Front of order form  | 1(b): no liability for damage  | Company will make good damage caused by its negligence.                                   | 3.6             |
| 4                    | 1(b): no liability for delay   | Term limited so liability excluded for delays caused by reasons beyond company's control. | 3.4             |

|   |   |   |     |
|---|---|---|-----|
| 6 | 1(b): no liability for unsatisfactory goods | Any manufacturer's guarantee is issued, in addition to consumer's statutory rights. | 3.5 |
|---|---|---|-----|

|                           |                |
|---------------------------|----------------|
| <b>Undertakings given</b> | 27 August 1998 |
|---------------------------|----------------|

## 59 Larkswood Ltd

|                        |               |                            |                                  |
|------------------------|---------------|----------------------------|----------------------------------|
| <b>Name of Company</b> | Larkswood Ltd | <b>Lead TSD</b>            | Bedfordshire                     |
| <b>Trading Sector</b>  | Furniture     | <b>Contract identifier</b> | Acknowledgement of order/Invoice |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated)             | How changed  | New term |
|---------------|---|--|----------|
| 1             | 1(b): exclusion of consumer's right of set-off/restriction of liability for delay | Revised to allow cancellation of order after 4 month delay in delivery | 1        |
| 2 (para 6)    | 1(b):exclusion of consumer's right of set-off                                     | Revised to allow payment only for goods                                | 2        |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 9 March 1998 |
|---------------------------|--------------|

## 60 Lawrence Eden Design Studio

|                        |                              |                            |  |
|------------------------|------------------------------|----------------------------|--|
| <b>Name of Company</b> | Lawrence Eden Design Studio  | <b>Lead TSD</b>            | Cumbria                                      |
| <b>Trading Sector</b>  | Fitted kitchens and bedrooms | <b>Contract identifier</b> | Terms and Conditions of Sale current in 1997 |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed   | New term |
|---------------|---|---|----------|
| 1, 13         | 1(n): requires all variations to be in writing                        | Amended so as not to; override consumers' requirements; seek to oust terms implied by statute; or exclude liability for statements by employees | 1        |

|           |  |   |    |
|-----------|--|---|----|
| 2         | 1(b): excluding consumers' right of set-off                                  | Goods paid for on delivery but labour charge paid when installation complete                            | 2  |
| 3, 9      | 1(f): unequal cancellation rights  | Survey must take place within two weeks and reasons will be given in writing for cancellation           | 3  |
| 5(a), (b) | 1(k): right to change what is supplied.                                      | Changes only made with consumers' agreement, and limited to matters beyond company's reasonable control | 5  |
| 6         | 1(b): excluding consumers' right of set-off                                  | Consumers not prevented from withholding part of contract sum if goods faulty                           | 6  |
| 7 (b)     | 1(b): excluding liability for poor workmanship                               | Company specifically accepts liability for damage caused by fitters                                     | 7  |
| 7 (c)     | Reg 6: reference to consequential loss                                       | Deleted   |    |
| 8         | 1(b): excluding or restricting liability for delay                           | If fitting date unavoidably delayed, new date set will be one that is convenient to consumer            | 8  |
| 10        | 1(b): excluding consumers' right of set-off by cancelling further deliveries | Deleted   |    |
| 12        | 1(q): compulsory arbitration clause  | Deleted   |    |
| 14        | Reg 6: meaning not clear   | Redrafted   | 11 |
| 15        | 1(b): requiring consumers to examine goods                                   | Consumers do not lose right to complain if they fail to notice defects when goods are delivered         | 12 |

|   |  |
|---|--|
| <b>Specific reservations about revised contract</b> | Revised Term 2: reserved Director General's position because of concern that retention of labour charge until satisfactory completion could still limit consumers' right of set-off. |
| <b>Undertakings given</b>                           | 26 June 1998   |

61 **Limelight Group plc**

|                        |  |                            |   |
|------------------------|--|----------------------------|---|
| <b>Name of Company</b> | Dolphin Showers Ltd<br>Moben Kitchens<br>Portland Conservatories Ltd | <b>Lead TSD</b>            | Worcestershire<br>Trafford<br>Staffordshire |
| <b>Trading Sector</b>  | Fitted bathrooms, kitchens and conservatories                        | <b>Contract identifier</b> | Terms of Trading current in late 1997       |

| <b>Original term</b>                   | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>             | <b>How changed</b>  | <b>New term</b>         |
|--|--|---|-------------------------|
| Dolphin 21<br>Moben 14<br>Portland 4.1 | 1(b): full payment in advance - excludes right of set-off                                | Deleted   |                         |
| Moben 1<br>Portland 2.1                | 1(k): right to vary goods and/or materials   | Restricted to minor variations  | Moben 2<br>Portland 2   |
| Moben 4<br>Portland 6.1                | 1(f): unequal cancellation rights  | Company must give reasons for not wishing to proceed with work                        | Moben 4<br>Portland 8   |
| Portland 2.1, 3.3                      | 1(f): cancellation following survey  | Written reasons for increasing price will be given                                    | 2                       |
| Moben 16<br>Portland 11.6              | 1(q): consumers required to submit to jurisdiction of English courts, wherever they live | This part of term deleted   | Moben 16<br>Portland 20 |
| Dolphin<br>Moben<br>Portland           | Consumer declaration   | Consumers no longer asked to say they have 'read understood and agree with' terms     |                         |
| Moben 15<br>Portland 1, 11.4           | 1(n): entire agreement clauses   | Not necessary for changes to be authorised by a director                              | Moben 1<br>Portland 1   |
| Portland 3.1                           | 1(l): right to increase price  | No exclusion of liability for consumers' loss if price increased and consumer cancels | 10                      |
| Portland 5.2                           | 1(b): time limit on claims   | Right to compensation not lost if claims not made within 28 days                      |                         |
| Portland 7.2,<br>8.1.1                 | Onerous enforcement clause   | Company cannot enter consumers' premises to seize goods not paid for                  | 15.1                    |

|                |  |   |      |
|----------------|--|---|------|
| Portland 8.1.3 | 1(b): excluding liability for breach of contract | Company accepts liability for errors in applying for planning permission etc on consumers' behalf | 15.3 |
|----------------|--|---|------|

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | In respect of first term listed above see OFT News Release dated 29 December 1998.<br>Company also owns Sharps Bedrooms. |
| <b>Undertakings given</b> | 21 December 1998   |

## 62 London Total Energy Company Ltd

|                        |   |                            |  |
|------------------------|---|----------------------------|--|
| <b>Name of Company</b> | London Total Energy Company Ltd, now t/a London Electricity | <b>Lead TSD</b>            | London Borough of Camden                             |
| <b>Trading Sector</b>  | Gas supply  | <b>Contract identifier</b> | Standard Conditions for the Supply of Gas (GSC/1/96) |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated)                   | How changed   | New term |
|---------------|---|---|----------|
| 2             | 1(m): supplier's right to decide whether he is in default                               | Deleted   |          |
| 8.5           | 1(n): denies liability for representations of employees and only variations in writing  | Term states that the written terms and conditions only form basis of the agreement. | 4.6      |
| 8.7           | 1(b): restricting consumers' legal rights by excluding liability for consequential loss | Term accepts liability for foreseeable loss resulting from breach of contract.      | 4.1      |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | The new term 4.6: might be understood by consumers to mean that liability for oral statements is being disclaimed |
| <b>Intelligibility</b>                       | Generally improved  |
| <b>Undertakings given</b>                    | 12 October 1998   |

### 63 Machine Mart Ltd

|                        |                             |                            |  |
|------------------------|-----------------------------|----------------------------|--|
| <b>Name of Company</b> | Machine Mart Ltd            | <b>Lead TSD</b>            | Nottingham                                     |
| <b>Trading Sector</b>  | Supply of tools & equipment | <b>Contract identifier</b> | Terms of Business 1997 as subsequently revised |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 1                    | 1(n): all variations to be in writing  | Revised to indicate trader's intention that the written terms are contained in agreement | 1               |
| 5                    | Onerous enforcement term   | Deleted  |                 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The original terms were generally unsuitable for consumer use. The trader deals both with consumers (30%) and trade. |
| <b>Intelligibility</b>    | Generally improved   |
| <b>Undertakings given</b> | 13 May 1998  |

### 64 MDM The Crown Collections Ltd

|                        |                               |                            |   |
|------------------------|-------------------------------|----------------------------|---|
| <b>Name of Company</b> | MDM The Crown Collections Ltd | <b>Lead TSD</b>            | Kent                                      |
| <b>Trading Sector</b>  | Mail Order - Collectibles     | <b>Contract identifier</b> | Advertisement: Millennium Collection Coin |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| Offer                | Exclusion of special rights: term could mislead consumers and deny protection offered by the Unsolicited Goods and Services Act 1971. | Revised to clarify that consumers would receive goods on approval | Receive         |

|                           |                  |
|---------------------------|------------------|
| <b>Undertakings given</b> | 27 November 1998 |
|---------------------------|------------------|

**65 Mercedes Benz (UK) Ltd**

|                        |   |                            |                   |
|------------------------|---|----------------------------|-------------------|
| <b>Name of Company</b> | The Dodman Read Ltd Dealership for Mercedes Benz (UK) Ltd | <b>Lead TSD</b>            | Cheshire          |
| <b>Trading Sector</b>  | Motor vehicle sales                                       | <b>Contract identifier</b> | Terms of Business |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2.i                  | 1(l): right to increase the price  | Consumer now notified of price increase and can opt out of additional work                                    | 2.i             |
| 2.iii                | 1(b): no liability for non-performance                                       | Revised to allow the company to explain why work cannot be carried out although DG's position reserved        | 2.iii           |
| 3                    | 1(m): supplier given the right of final decision in contractual disputes     | Revised to leave final decision with court  | 3               |
| 4                    | 1(b):restriction of liability for delay                                      | Revised so that the company accepts liability for delays it causes  | 4               |
| 7                    | Regulation 6: unintelligible language and jargon                             | Rewritten in plain language   | 7               |
| 8                    | Unfair enforcement clause  | Revised so that the company is obliged to obtain best resale price for vehicle sold to cover customers' debts | 8               |
| 12                   | Regulation 6: unintelligible language and jargon                             | Revised so that the company accepts responsibility for own negligence   | 12              |
| 17                   | 1(n): denies employees authority to alter and all variations in writing      | Revised to allow variation of the terms in writing  | 17              |

|  |  |
|--|--|
| <b>Specific reservations on Revised Term</b> | 2.ii DG's position reserved as the company may sell the car without notice if the consumer has not paid their account within 3 months. In practice the company would need to notify the consumer of their intention to do this but we took the view that the clause should state this. |
| <b>Intelligibility</b>                       | Generally improved   |
| <b>Undertakings given</b>                    | 10 November 1998   |

66 Metro-Rod

|                        |                  |                            |                              |
|------------------------|------------------|----------------------------|------------------------------|
| <b>Name of Company</b> | Metro-Rod        | <b>Lead TSD</b>            | Cheshire                     |
| <b>Trading Sector</b>  | Home Maintenance | <b>Contract identifier</b> | General Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>       | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 2.02-2.04            | 1(n): denies oral representations of employees and all variations to be in writing | Company's intention is that all work is provided and accepted on terms in document. | 1               |
| 5, 25                | 1(l): right to increase the price  | Consumer allowed to cancel in the event increase is too high.                       | 7               |
| 6                    | 1(e): penalty clause   | Term now states that company will seek to mitigate its loss.                        | 3               |
| 8                    | 1(b): excluding liability for delay  | Allows consumer to cancel if work not performed within reasonable time scale.       | 5               |
| 20                   | 1(b): no liability for damage caused by the company                                | Accepts liability for damage caused by company's negligence.                        | 11              |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Original contract also contained terms specifically for business clients which have now been separated from main body of contract. |
| <b>Undertakings given</b> | 16 December 1998   |

## 67 Midland Bank plc

|                        |                   |                            |                       |
|------------------------|-------------------|----------------------------|-----------------------|
| <b>Name of Company</b> | Midland Bank plc  | <b>Lead TSD</b>            | Corporation of London |
| <b>Trading Sector</b>  | Telephone Banking | <b>Contract identifier</b> | Terms and Conditions  |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 6.6                  | 1(b): restricting liability for breaches of contract                         | Revised so that all circumstances when the bank's liability is limited must be beyond the bank's control | 6.6             |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 27 July 1998 |
|---------------------------|--------------|

## 68 Modern Security Systems Ltd

|                        |                             |                            |   |
|------------------------|-----------------------------|----------------------------|---|
| <b>Name of Company</b> | Modern Security Systems Ltd | <b>Lead TSD</b>            | Hertfordshire                             |
| <b>Trading Sector</b>  | Burglar Alarms              | <b>Contract identifier</b> | Consumer Agreement - Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                    | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 4(b)                 | 1(l): right to increase the price   | Term allows consumer to terminate contract should price rise be too great.            | 5               |
| 4(b)                 | Onerous enforcement clause - contract terminated if payment not made within 5 days of due date. | Contract suspended if payment not made within 21 days of due date                     | 4(c)            |
| 6(c)                 | 1(b): restricting liability for quality of goods  | Liability accepted for quality of goods   | 7(b), 7(c)      |
| 8(b)                 | 1(e): penalty clause  | Consumer allowed 21 days to rectify breach of contract                                | 9(c)            |
| 11                   | 1(n): excludes liability for written and oral representations                                   | Trader's intention is that all terms and conditions are contained within the contract | 12              |
| 13                   | 1(j): general variation clause  | Deleted   |                 |

|  |  |
|--|--|
| <b>Specific reservations on Revised Term</b> | Term 4(a): may operate to deny the consumer the option of offsetting a debt against any claim which the consumer may have. Director General's position reserved in light of future complaints. |
| <b>Intelligibility</b>                       | Generally improved   |
| <b>Undertakings given</b>                    | 13 March 1998  |

## 69 Mobile Lock and Safe Co

|                        |                         |                            |                                   |
|------------------------|-------------------------|----------------------------|-----------------------------------|
| <b>Name of Company</b> | Mobile Lock and Safe Co | <b>Lead TSD</b>            | London Borough of Wandsworth      |
| <b>Trading Sector</b>  | Security                | <b>Contract identifier</b> | Terms and Conditions of Sale 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 1, 2                 | 1(b): exclusion of liability for defective goods                             | Deleted            |                 |
| 3, 4                 | 1(l): right to vary price  | Deleted            |                 |
| 5                    | 1(e): penalty clause   | Deleted            |                 |
| 6                    | 1(b): exclusion of liability for delay                                       | Deleted            |                 |
| 7                    | 1(k): right to vary what is supplied   | Deleted            |                 |
| 8                    | 1(b): time limits on claims  | Deleted            |                 |
| 9                    | 1(k): right to vary what is supplied   | Deleted            |                 |
| 10                   | 1(b): exclusion of liability for defective goods                             | Deleted            |                 |

|                           |                                      |
|---------------------------|--------------------------------------|
| <b>Other information</b>  | This small trader withdrew all terms |
| <b>Undertakings given</b> | 9 March 1998                         |

## 70 Nappy Tales

|                        |   |                            |                      |
|------------------------|---|----------------------------|----------------------|
| <b>Name of Company</b> | Nappy Tales                               | <b>Lead TSD</b>            | Oxfordshire          |
| <b>Trading Sector</b>  | Cleaning Services - nappy laundry service | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| Statement            | 1(d): retention of entire pre-payment (Registration fee)                     | Deposit refundable on termination of contract; registration fee split into two parts to include a refundable deposit. | Statement       |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 30 October 1998 |
|---------------------------|-----------------|

## 71 Norman Court Trust Ltd

|                        |  |                            |                 |
|------------------------|--|----------------------------|-----------------|
| <b>Name of Company</b> | Norman Court Trust Ltd t/a Norman Court School | <b>Lead TSD</b>            | Dorset          |
| <b>Trading Sector</b>  | Independent School                             | <b>Contract identifier</b> | Entry form 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>  | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| Fees                 | Regulation 6, unclear; the contract required initial fees prior to the entry of the child to the school. Not clear how fees were treated if the child withdrew. | Revision clarified all aspects of initial fees and termination provisions |                 |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 6 February 1998 |
|---------------------------|-----------------|

## 72 Northern Rock plc

|                        |                         |                            |   |
|------------------------|-------------------------|----------------------------|---|
| <b>Name of Company</b> | Northern Rock plc       | <b>Lead TSD</b>            | Newcastle upon Tyne   |
| <b>Trading Sector</b>  | Banking: deposit taking | <b>Contract identifier</b> | Investment Terms and Conditions for Branch Accounts, Select Accounts, and Save Direct |

On 15 May, the Director General announced that the OFT was investigating complaints by account holders that their investment accounts with Northern Rock had been restructured without warning, with reductions in interest rates, and that they were prevented from moving funds without loss of interest by the notice periods in their accounts. In more detail: eleven postal accounts were consolidated into three, none of which had a notice period of greater than 60 days; the principal concern expressed by consumers was that they had invested in accounts with longer notice periods (typically 90 days) in order to receive premium interest; these notice periods were shortened but interest rates were also reduced to take account of the changes. In response to these complaints, Northern Rock agreed, on 18 May, to introduce a one-month moratorium in which aggrieved account holders could switch accounts without notice and thus without loss of interest. This offer was open to all those who had made transfers from their accounts from 23 April, when the changes had taken effect. On 19 May the bank announced a 'Savers' Pledge' under which it would give account holders sufficient notice to allow them to move funds without penalty or loss of interest, should it change account terms or interest rates in the future. Northern Rock is reviewing all its consumer contracts in the light of the Regulations, and is engaged in continuing discussion with the OFT about this matter. The OFT is also engaged in discussions with the banking industry about the implication of its actions in this case for standard terms allowing variations to interest rates and other important terms in deposit-taking and loan contracts.

## 73 Norwich Union Life & Pensions Ltd

|                        |   |                            |                 |
|------------------------|---|----------------------------|-----------------|
| <b>Name of Company</b> | Norwich Union Life & Pensions Ltd<br>Broadwalk Shopping Centre car park | <b>Lead TSD</b>            | Barnet          |
| <b>Trading Sector</b>  | Car parks   | <b>Contract identifier</b> | Car park notice |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                       | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| Statement            | 1(a): No liability for death or personal injury<br><br>1(b): No liability for breaches of contract | Revised term accepts liability for death, personal injury, loss and damage resulting from company's negligence. | Statement       |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Also void under section 2(1) of the Unfair Contract Terms Act 1977 |
| <b>Undertakings given</b> | 6 October 1998   |

## 74 Orange Personal Communications Ltd

|                        |  |                            |  |
|------------------------|--|----------------------------|--|
| <b>Name of Company</b> | A Hutchison Telecom company t/a Orange | <b>Lead TSD</b>            | Bristol                                  |
| <b>Trading Sector</b>  | Mobile telephones                      | <b>Contract identifier</b> | Customer agreement, terms and conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>        | <b>How changed</b>  | <b>New term</b> |
|----------------------|---|---|-----------------|
| 1, 4(iv)             | Paragraph 1(l): right to change the tariff (and without notice).                    | Revised - right to increase in line with Retail Prices Index with a right to terminate without charge before a greater increase during the minimum term, on 14 days notice given within one month of the price increase | 4.3, 14.2       |
| 5.b                  | 1(h): 90-day notice requirement   | Reduced to one month  | 4.1             |
| 2. b                 | 1(b): widely expressed right to suspend services for modification of the system etc | Revised to explain how interruptions to service could occur   | 3.2, 3.3        |
| 7                    | Right to require a deposit for any reason at any time                               | Deposits now required only as the initial condition of supply, or to supply additional services, or on failure to pay on time.  | 2.4             |
| 5.c                  | 1(o): right to terminate services for breach (however minor)                        | Right now restricted to more serious breaches of contract, or misconduct, with intermediate suspension of services.   | 3.4, 4.5        |
| 6                    | 1(b): wide restriction of liability including 'consequential losses'                | Now excludes only unforeseeable indirect loss. Limit of liability for direct loss raised.   | 17              |
| 7.a                  | 1(n): entire agreement clause   | Terms may be altered by mutual agreement with the parties having to produce evidence of the change  | 18              |
| 7.c                  | Wide right to share information with third parties                                  | Right now more limited  | 18.2            |
| 11.2                 | 1(p): right for supplier to assign the contract                                     | Orange to assign only on terms which are no less advantageous to the consumer   | 16.2            |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The Office issued a News Release on 20 January 1998 announcing that Orange had been forced to drop its unfair 3 month notice requirement |
| <b>Intelligibility</b>    | The contract was extensively redrafted and the Office commented on intermediate versions of the contract used with consumers.            |
| <b>Undertakings given</b> | 16 January (effective February)  |

## 75 Parex Commercials Ltd (Kitchen Base)

|                        |  |                            |                                      |
|------------------------|--|----------------------------|--------------------------------------|
| <b>Name of Company</b> | Parex Commercials Ltd t/a Kitchen Base | <b>Lead TSD</b>            | Haringey                             |
| <b>Trading Sector</b>  | Home improvements: Fitted kitchens     | <b>Contract identifier</b> | Terms and Conditions of the Contract |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 1                    | 1(f): unequal cancellation rights  | Survey must take place within one month and reasons will be given in writing for cancellation                         | 4               |
| 3                    | 1(k): right to change what is supplied                                       | Changes only made with consumers' agreement, unless minor   | 10, 11          |
| 4                    | 1(b): excluding liability for delay or breach of contract                    | Company accepts liability for loss caused by its own breach, and undertakes to fit goods within a reasonable time     | 5, 6            |
| 6                    | 1(b): requiring consumers to examine goods when delivered                    | Consumers must inform company if goods are defective as soon as possible after delivery                               | 7               |
| 8                    | 1(b): exclusion of right of set-off  | Consumers allowed retention   | 12              |
| 9                    | 1(d): non-return of pre-payment  | If customer cancels company will claim for actual costs incurred, and will not retain deposit if it has been at fault | 5               |
| 12                   | 1(b): excluding liability for poor workmanship                               | Company accepts liability if fitters are negligent  | 9               |

|                          |  |
|--------------------------|--|
| <b>Other information</b> | The original contract was for supply and installation. The company now has two contracts, supply only and supply and installation. The new terms identified in this summary are in the supply and installation contract. |
|--------------------------|--|

|   |   |
|---|---|
| <b>Specific reservations about revised contract</b> | <p>Revised term 4 provides that the survey will take place within a month, during which the company holds the consumer's deposit: we would have preferred a commitment to a shorter period</p> <p>If the consumer cancels, revised term 5.2.1 allows the company to claim the cost of materials intended for the job, despite being bound by term 5.4 to mitigate its losses. We accepted an assurance that consumers would not end up paying for goods which the company could have used.</p> <p>We consider that the revised term 12 may still amount to full payment in advance but we await future complaints</p> |
| <b>Undertakings given</b>                           | 30 April 1998   |

## 76 Pembrokeshire Coast & Country Cottages

|                        |  |                            |                    |
|------------------------|--|----------------------------|--------------------|
| <b>Name of Company</b> | Pembrokeshire Coast & Country Cottages | <b>Lead TSD</b>            | Pembrokeshire      |
| <b>Trading Sector</b>  | Holiday Accommodation                  | <b>Contract identifier</b> | Booking Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 11                   | 1(b): unreasonable time limit on claims                                      | Revised to ensure that the consumer's failure to follow the trader's complaints procedure does not unfairly limit his right to redress.   | 5 (b)           |
| 13                   | 1(f): unequal cancellation rights: supplier's right to cancel too great      | Revised to make the circumstances where the trader could cancel the holiday and be liable only to return the consumer's fees limited to where the cancellation was for reasons beyond the supplier's control. | 9               |
| 15                   | 1(b): excluding liability for misdescribed services                          | Deleted   |                 |

|                           |   |
|---------------------------|---|
| <b>Undertakings given</b> | Most revisions are implemented in the trader's 1999 brochure but some further revision to term 13 to be adopted in the 2000 brochure. |
|---------------------------|---|

## 77 Perth and Kinross Council

|                        |                           |                            |                   |
|------------------------|---------------------------|----------------------------|-------------------|
| <b>Name of Company</b> | Perth and Kinross Council | <b>Lead TSD</b>            | Perth and Kinross |
| <b>Trading Sector</b>  | Car Parks                 | <b>Contract identifier</b> | Car park notice   |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                   | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| Statement            | 1(a): no liability for death or personal injury<br>1(b): no liability for breaches of contract | Revised term accepts liability for death, personal injury and loss caused by company's negligence. | Statement       |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | Statement void under section 2(1) of the Unfair Contract Terms Act 1977 |
| <b>Undertakings given</b> | 22 October 1998   |

## 78 Phoenix Timber Group plc

|                        |  |                            |                           |
|------------------------|--|----------------------------|---------------------------|
| <b>Name of Company</b> | Phoenix Timber Group plc t/a Protim Services Ltd | <b>Lead TSD</b>            | Gateshead                 |
| <b>Trading Sector</b>  | Home improvements - damp proofing                | <b>Contract identifier</b> | Terms and Conditions 1995 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>            | <b>New term</b> |
|----------------------|--|-------------------------------|-----------------|
| Whole contract       | Generally unsuitable for use with consumers                                  | Discontinued for consumer use |                 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The trader gave an assurance that the terms and conditions were not being used for domestic contracts. |
| <b>Undertakings given</b> | November 1996  |

79 Plas Y Brenin

|                        |  |                            |                      |
|------------------------|--|----------------------------|----------------------|
| <b>Name of Company</b> | Plas Y Brenin  | <b>Lead TSD</b>            | Conwy                |
| <b>Trading Sector</b>  | Residential Outdoor Activity Courses (Package Holiday Regulations Apply) | <b>Contract identifier</b> | Terms and conditions |

| <b>Original term</b>    | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|-------------------------|--|---|-----------------|
| Declaration 3           | 1(b): restricting liability for breaches of contract                         | Revised so that restriction on liability only applies to loss or damage not caused by trader's negligence   | Declaration 3   |
| 1.2, 1.4, 2.2, 2.3, 2.4 | 1(d): retention of pre-payments on consumer cancellation                     | Revised to provide for a scale of retained sums depending on how much notice of cancellation is given   | 2.1 to 2.5      |
| 2.5                     | Excluding consumer's right to assign   | Revised to make a place on one of trader's courses transferrable to another person, subject to some conditions  | 2.6             |
| 3.1, 3.2                | 1(f): unequal cancellation rights: supplier's right to cancel too great      | Revised so that trader can only cancel (other than for reasons of force majeure) on reasonable notice. Trader's cancellation right made more prominent. | 3.1 to 3.4      |
| 3.3                     | 1(b): restricting liability for breaches of contract                         | Deleted   |                 |

|                           |                |
|---------------------------|----------------|
| <b>Undertakings given</b> | 18 August 1998 |
|---------------------------|----------------|

## 80 Pobjoy Mint Ltd

|                        |                           |                            |                                |
|------------------------|---------------------------|----------------------------|--------------------------------|
| <b>Name of Company</b> | Pobjoy Mint Ltd           | <b>Lead TSD</b>            | Surrey                         |
| <b>Trading Sector</b>  | Mail Order - Collectibles | <b>Contract identifier</b> | Advertisement:<br>Ref 98033/73 |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated)  | How changed | New term |
|---------------|--|-------------|----------|
| Preview term  | Exclusion of special rights. Term could mislead consumers and deny protection offered by the Unsolicited Goods and Services Act 1971 | Deleted     |          |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 16 October 1998 |
|---------------------------|-----------------|

## 81 Portway Motor Centre

|                        |                      |                            |  |
|------------------------|----------------------|----------------------------|--|
| <b>Name of Company</b> | Portway Motor Centre | <b>Lead TSD</b>            | Worcestershire                           |
| <b>Trading Sector</b>  | Car Auction          | <b>Contract identifier</b> | Terms and Conditions of Sale and Trading |

| Original term                               | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed                    | New term                 |
|---|---|--------------------------------|--------------------------|
| 1(a)  | 1(n): all variations to be in writing                                 | Deleted                        |                          |
| 2(l), 4(c), 8(a), 6(f), 10(a), 12(b) and 18 | 1(b): restricting liability for breaches of contract                  | Revised to remove exclusions   | Whole contract redrafted |
| 13  | 1(q): restricting the consumer's remedies                             | Compulsory arbitration removed | 4                        |

|                           |                    |
|---------------------------|--------------------|
| <b>Intelligibility</b>    | Generally improved |
| <b>Undertakings given</b> | 4 March 1998       |

## 82 P P Supplies Ltd

|                        |                              |                            |                            |
|------------------------|------------------------------|----------------------------|----------------------------|
| <b>Name of Company</b> | P P Supplies Ltd             | <b>Lead TSD</b>            | East Sussex                |
| <b>Trading Sector</b>  | Personal/miscellaneous goods | <b>Contract identifier</b> | Catalogue mail order sales |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 3                    | Regulation 6: statutory references   | Revised to include additional explanation of statutory rights | 3               |
| 5                    | 1(b): exclusion of liability for breaches of contract                        | Revised to clarify company's position on returned goods       | 5               |
| 6                    | 1(b): exclusion of liability for breaches of contract                        | Revised to clarify company's position on returned goods       | 6               |
| 7                    | 1(a): restriction of liability for injury                                    | Revised to accept company's liability for own negligence      | 7               |

|                           |                |
|---------------------------|----------------|
| <b>Undertakings given</b> | 24 August 1998 |
|---------------------------|----------------|

## 83 Pukka Palace Ltd

|                        |                              |                            |                                       |
|------------------------|------------------------------|----------------------------|---------------------------------------|
| <b>Name of Company</b> | Pukka Palace Ltd             | <b>Lead TSD</b>            | Shropshire                            |
| <b>Trading Sector</b>  | Home furnishings, mail order | <b>Contract identifier</b> | Pukka Pack: terms and conditions 1996 |

| <b>Original term</b>   | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|------------------------|--|---|-----------------|
| 1,2,8,11(a b, c, g) 16 | 1(b): general exclusions of liability for defective or misdescribed goods    | Revised to clarify limit on claims                                  | 1, 10           |
| 4                      | 1(l): right to increase the price  | Consumer allowed to cancel in the event of unacceptable price rises | 4               |
| 7                      | 1(e): penalty on cancellation  | Revised to explain cancellation rights                              | 9               |
| 10                     | 1(b): exclusion of liability for delay                                       | Exclusion limited to delay outside trader control                   | 10.1.10         |

|    |                                       |         |  |
|----|---------------------------------------|---------|--|
| 16 | 1(q): restricting consumers' remedies | Deleted |  |
|----|---------------------------------------|---------|--|

|  |  |
|--|--|
| <b>Specific reservations on Revised Term</b> | We reserved our position on new term 5.2 which provides for an interest charge of 2% per month on unpaid amounts |
| <b>Intelligibility improved</b>              | The revised layout improved intelligibility  |
| <b>Undertakings given</b>                    | 30 July 1998   |

#### 84 R & HA Fletcher t/a LST Clinics

|                        |   |                            |  |
|------------------------|---|----------------------------|--|
| <b>Name of Company</b> | R & H A Fletcher<br>t/a L S T Clinics     | <b>Lead TSD</b>            | Warwickshire                           |
| <b>Trading Sector</b>  | Cosmetic Surgery &<br>Dermatology Clinics | <b>Contract identifier</b> | Medical Treatment Consent<br>Form 1995 |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed   | New term      |
|---------------|---|---|---------------|
| 1             | Consumer Declaration  | Consumer confirms consent form has been read to him                           | Medical: 5    |
| 2             | 1(n): denies liability for oral representations of employees          | Revised to indicate that the clinical information will inform later decisions | Medical: 3, 4 |
| 3             | 1(b): full payment in advance   | Clinic may make reasonable charges for incurred costs                         | Client: 2     |
| 4             | Consumer declaration  | Revised: warning that costs will vary with treatment                          | Client: 3     |
| 5             | 1(a): excluding liability for death or personal injury                | Deleted   |               |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The trader split the agreement into a Medical Consent Form and a Client Agreement Form |
| <b>Intelligibility</b>    | Generally improved   |
| <b>Undertakings given</b> | 29 April 98  |

## 85 Scenic Ltd

|                        |                                   |                            |                       |
|------------------------|-----------------------------------|----------------------------|-----------------------|
| <b>Name of Company</b> | Scenic Ltd                        | <b>Lead TSD</b>            | Hertfordshire         |
| <b>Trading Sector</b>  | Windows, doors and conservatories | <b>Contract identifier</b> | Terms current in 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 2                    | 1(n): all variations void unless in writing                                  | Consumers asked to satisfy themselves that the contract meets their requirements | 5(a), (b)       |
| 18                   | 1(f): company may cancel at any time before commencement of work             | Right to cancel on survey with reasons provided at consumers' request            | 6               |
| 16                   | 1(b): excluding liability for fitters' negligence                            | Negligence no longer excluded  | 10              |

|   |  |
|---|--|
| <b>Specific reservations about revised contract</b> | The typeface was difficult to read and we reserved the Director General's position in the light of any future evidence that consumers were unable to read the terms. The company said that darker print would be used when forms were reprinted. |
| <b>Undertakings given</b>                           | 23 April and 1 June 1998   |

## 86 Securicor Cellular Services Ltd

|                        |                                       |                            |                    |
|------------------------|---------------------------------------|----------------------------|--------------------|
| <b>Name of Company</b> | Securicor Cellular Services Ltd (SCS) | <b>Lead TSD</b>            | Surrey             |
| <b>Trading Sector</b>  | Mobile phones                         | <b>Contract identifier</b> | Cellular agreement |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 3                    | 1(l): price variation  | Revised            |                 |
| 8                    | 1(b): exclusion of liability   | Revised            |                 |
| 9                    | 1(h): 90 day notice requirement  | Reduced to 30      |                 |
| 10                   | 1(o): Disconnection does not alter duty to pay                               | Revised            |                 |
| 14                   | 1(n): no liability for statements  | Revised            |                 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Revisions are not described since SCS were acquired by Cellnet which expected to replace their standard contract terms with its own. A news release was issued by the Office on 27 February to announce the reduction in the notice requirement. |
| <b>Undertakings given</b> | 27 February 1998   |

## 87 Service Corporation International plc

|                        |   |                            |   |
|------------------------|---|----------------------------|---|
| <b>Name of Company</b> | Service Corporation International plc t/a Francis Chappell & Sons | <b>Lead TSD</b>            | City of Westminster                       |
| <b>Trading Sector</b>  | Funeral Director  | <b>Contract identifier</b> | Confirmation of Funeral Arrangements 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                                  | <b>New term</b> |
|----------------------|--|---|-----------------|
| Interest             | 1(e): penalty clause   | Revised to reduce interest rate on unpaid sums      | 7               |
| Valuables            | 1(b): exclusion of liability   | Revised so as not to exclude supplier's negligence. | 5               |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | All the terms and conditions of the original contract were reviewed and revised and further provisions introduced. |
| <b>Undertakings given</b> | 27 July 1998   |

## 88 Sirdar plc (Cedar Court Leisure Club)

|                        |   |                            |                 |
|------------------------|---|----------------------------|-----------------|
| <b>Name of Company</b> | Sirdar plc t/a Acropolis Hotels Ltd at Cedar Court Leisure Club | <b>Lead TSD</b>            | West Yorkshire  |
| <b>Trading Sector</b>  | Leisure Club  | <b>Contract identifier</b> | Membership 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 3                    | 1(e): penalty clause   | Deleted            |                 |

|    |   |   |         |
|----|---|---|---------|
| 4  | 1(f): supplier's right to cancel without refund | Revised to explain circumstances of termination | 1.4/1.5 |
| 7  | 1(b): restricting liability for loss            | Revised to require members to use lockers       | 4.4     |
| 18 | 1(m): supplier's right to interpret terms       | Deleted   |         |

|  |  |
|--|--|
| <b>Other information</b>                     | The trader added a term giving a clear basis for calculating refunds   |
| <b>Specific reservations on Revised Term</b> | Retention of the subscription fee where the membership is terminated by the club when the consumer is at fault |
| <b>Intelligibility</b>                       | Generally improved   |
| <b>Undertakings given</b>                    | 17 February 1998   |

## 89 South Bank University

|                        |                       |                            |                       |
|------------------------|-----------------------|----------------------------|-----------------------|
| <b>Name of Company</b> | South Bank University | <b>Lead TSD</b>            | Southwark             |
| <b>Trading Sector</b>  | Higher Education      | <b>Contract identifier</b> | Enrolment Declaration |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 4                    | 1(j): right to change the regulations  | Changes may only occur at beginning of the next academic year and only for benefit of students | 3               |
| 7                    | 1(i): hidden administration fees   | Details of amount and date of charge given   | 7               |
| 14                   | 1(b): exclusion of liability for breach of contract                          | Student indemnity to only cover matters within own control                                     | 15              |
| 17                   | 1(b): exclusion of liability for poor services                               | Deleted  |                 |

|  |  |
|--|--|
| <b>Specific reservations on Revised Term</b> | Term 7: the fee for late payment might be high and could effectively be a penalty, but we acknowledged SBU's reasons for the charge. |
| <b>Undertakings given</b>                    | 27 November 1998   |

**90 South West Holiday Cottages**

|                        |                             |                            |                    |
|------------------------|-----------------------------|----------------------------|--------------------|
| <b>Name of Company</b> | South West Holiday Cottages | <b>Lead TSD</b>            | Essex              |
| <b>Trading Sector</b>  | Holiday Accommodation       | <b>Contract identifier</b> | Booking Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                                      | <b>How changed</b>   | <b>New term</b> |
|----------------------|---|--|-----------------|
| 6                    | 1(a): excluding liability for death or personal injury  | Deleted  |                 |
| 9                    | 1(b): unreasonable time limit on claims   | Revised: the consumer's failure to follow the trader's complaints procedure did not unfairly limit his right to redress                                    | 9               |
| 11                   | Allowing a supplier to impose an unfair financial burden by making a charge to investigate a consumer's grievance | Deleted  |                 |
| 13                   | 1(n): denies employees authority to vary contract   | Deleted  |                 |
| 15                   | 1(b): restricting liability for misdescription  | Revised: where a fundamental change is made to the accommodation, the consumer's remedy is not limited to accepting the change, or cancellation and refund | 15              |

|                           |  |
|---------------------------|--|
| <b>Undertakings given</b> | Revisions to terms 6, 9, 11 and 13 were made in '97/98 booking conditions. Revision to term 15 agreed for '98/99 booking conditions. |
|---------------------------|--|

## 91 Springs Health & Leisure

|                        |                             |                            |                      |
|------------------------|-----------------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Springs Health & Leisure    | <b>Lead TSD</b>            | Gateshead            |
| <b>Trading Sector</b>  | Fitness and Leisure Centres | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 4c, 4d               | 1(a): no liability for death or injury                                       | Company now accepts liability for own negligence.                | 6c              |
| 4a                   | 1(b): limitation of liability by transferring responsibility to consumers    | Company now accepts liability for own negligence                 | 6a              |
| 4b                   | 1(j): variation clause   | Member may terminate without penalty if variations unacceptable. | 6b              |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 19 June 1998 |
|---------------------------|--------------|

## 92 Staybrite Windows

|                        |  |                            |                      |
|------------------------|--|----------------------------|----------------------|
| <b>Name of Company</b> | Bowater Windows Ltd t/a Staybrite Windows and Staybrite Conservatories | <b>Lead TSD</b>            | Coventry             |
| <b>Trading Sector</b>  | Double glazing and conservatories                                      | <b>Contract identifier</b> | Terms and conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                                    | <b>How changed</b>   | <b>New term</b> |
|----------------------|---|--|-----------------|
| 1(a)                 | 1(f): cancellation following survey   | Reasons for cancellation will be given in writing                            | 1(a)            |
| 1(c)                 | 1(e): financial penalty allowing company to claim all expenses and anticipated gross profit if consumer cancels | Deleted  |                 |
| 7(a)                 | 1(b): excluding right of set-off  | Consumers no longer obliged to pay full contract sum if installation delayed | 7(a)            |

|  |  |
|--|--|
| <b>Other information</b>                     | The company is a subsidiary of Rexam plc. Formal undertakings in lieu of court action were accepted by the Director General in respect of the terms listed above (see OFT News Release dated 8 April 1998). Most of the other terms were also revised. |
| <b>Specific reservations on Revised Term</b> | Term 1(b): Limits the consumer to a seven-day cooling-off period without compensation while the company has longer to cancel<br>Term 4: Potentially allows the company to disclaim statements made in promotional leaflets                             |
| <b>Undertakings given</b>                    | 2 April 1998   |

### 93 Stonell Ltd

|                        |                            |                            |  |
|------------------------|----------------------------|----------------------------|--|
| <b>Name of Company</b> | Stonell Ltd                | <b>Lead TSD</b>            | Kent                                     |
| <b>Trading Sector</b>  | Supplier of stone flooring | <b>Contract identifier</b> | Terms and Conditions of Sale August 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 2                    | 1(n): all variations to be in writing  | Revised to indicate trader's intention that terms of agreement are in the contract | 2               |
| 8                    | 1(b): exclusion of liability for defective goods                             | No restrictions on consumer's statutory rights                                     | 8               |
| 12                   | 1(q): compulsory arbitration clause  | Partially deleted and revised - non exclusive jurisdiction                         | 9               |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The whole contract was generally unsuitable for consumer use and was rewritten with a number of terms deleted. |
| <b>Intelligibility</b>    | Generally improved. The 'you' and 'we' style assists legibility  |
| <b>Undertakings given</b> | 27 July 1998   |

94 **Supaglazing**

|                        |                 |                            |                      |
|------------------------|-----------------|----------------------------|----------------------|
| <b>Name of Company</b> | Supaglazing Ltd | <b>Lead TSD</b>            | Kent                 |
| <b>Trading Sector</b>  | Double glazing  | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 1, 2                 | 1(n): no variation or addition unless in writing                             | Term no longer excludes liability for representations   | 1               |
| 4                    | Transferring unfair risks to consumers                                       | Consumers warned to check that they are insured against damage or loss to units   | 4               |
| 5, 10                | 1(b): excluding liability for delay  | Company now committed to installing goods as quickly as possible  | 5, 7            |
| 6                    | 1(m): supplier's right to decide whether he is in default                    | Company's decision on whether the installation is complete, and payment is due, no longer binding on consumers  | 8               |
| 7                    | 1(k): right to change what is supplied                                       | Units modified only in exceptional circumstances or to comply with health and safety regulations  | 5               |
| 9, 12, 17            | 1(b): excluding liability for poor workmanship                               | Consumers' right to reject faulty goods or workmanship no longer limited  | 6, 7            |
| 12, 17               | 1(b): time limit on claims   | Consumers no longer required to complain within seven days, or to put complaints in writing   | 7               |
| 13                   | 1(e): financial penalties  | Removal of automatic penalty of 10% of contract price if consumers cancel before survey; company no longer claims full contract value on post-survey cancelling | 10              |
| 13, 15               | 1(f): unequal cancellation rights  | Both parties able to cancel after survey  | 2               |
| 16                   | Onerous enforcement clause   | Company cannot enter consumers' premises to seize goods not paid for  |                 |
| 18                   | 1(d): non-return of prepayments  | Deposit returned if consumer cancels after survey   | 2               |

|  |   |
|--|---|
| <b>Specific reservations on Revised Term</b> | Term 5: Potentially excludes liability for damage to customers' paint and wallpaper when caused by company's negligence |
| <b>Undertakings given</b>                    | 26 January 1998   |

## 95 Superfit Covers

|                        |  |                            |                         |
|------------------------|--|----------------------------|-------------------------|
| <b>Name of Company</b> | Superfit Covers using terms supplied by Furnishing Options Ltd | <b>Lead TSD</b>            | Derby<br>Rotherham      |
| <b>Trading Sector</b>  | Made to measure furniture and furnishings                      | <b>Contract identifier</b> | Conditions of Sale 1997 |

| Original term   | Application of the Regulations (Schedule 3 paragraph or as indicated)            | How changed  | New term        |
|-----------------|--|--|-----------------|
| Made to Measure | 1(b): excluding liability for defective or misdescribed goods - could not reject | Revised to allow trader time for further fitting           | Made to Measure |
| First Fitting   | 1(b): excluding liability for defective or misdescribed goods - could not reject | Deleted  |                 |
| Cancellation    | 1(f): excluding liability for defective or misdescribed goods - could not cancel | Revised, equal cancellation rights                         | Cancellation    |
| Deposits        | 1(e): penalty  | Revised to allow trader to charge only for losses suffered | Deposits        |
| Complaints      | 1(b): time limit on claims   | Consumer has reasonable period to claim                    | Complaints      |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | The manufacturer uses the terms through a number of outlets |
| <b>Undertakings given</b> | 20 May 1988   |

## 96 Susan's of Gosport

|                        |                            |                            |           |
|------------------------|----------------------------|----------------------------|-----------|
| <b>Name of Company</b> | Susan's of Gosport         | <b>Lead TSD</b>            | Hampshire |
| <b>Trading Sector</b>  | Bridal wear: Sale and Hire | <b>Contract identifier</b> | Hire 1995 |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed   | New term |
|---------------|---|---|----------|
| 3             | 1(e): penalty   | Revised to allow refund for early consumer cancellation | 10       |
| Additional 2  | 1(e): penalty   | Revised to clarify statutory rights                     | S. 7     |

|              |               |                                    |     |
|--------------|---------------|------------------------------------|-----|
| Additional 3 | 1(e): penalty | Revised to clarify payment periods | S.2 |
|--------------|---------------|------------------------------------|-----|

|  |  |
|--|--|
| <b>Other information</b>                     | Both the sale and the hire agreement terms were revised.   |
| <b>Specific reservations on Revised Term</b> | We reserved the Director General's position as to whether the right to cancel without penalty should not be a longer duration. |
| <b>Intelligibility</b>                       | Generally improved   |
| <b>Undertakings given</b>                    | 26 November 1996   |

## 97 SyQuest Technology Ltd

|                        |                                |                            |                                     |
|------------------------|--------------------------------|----------------------------|-------------------------------------|
| <b>Name of Company</b> | SyQuest Technology Ltd         | <b>Lead TSD</b>            | Edinburgh                           |
| <b>Trading Sector</b>  | Computer software and hardware | <b>Contract identifier</b> | Warranty Software License Agreement |

| Original term   | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed | New term |
|---|---|-------------|----------|
| <b>Warranty:</b> The Purchaser's sole ....            | 1(m): giving the supplier the right of final decision                 | See below   | Same     |
| SyQuest's dealers...                                  | 1(n): denies employees authority to vary contracts                    | See below   | Same     |
| Except as expressly provided herein...                | 1(b): restriction of liability for defective goods                    | See below   | Same     |
| The software is provided...                           | 1(b): restriction of liability for defective goods                    | See below   | Same     |
| SyQuest shall not be liable...                        | 1(b): exclusion of liability for defective goods                      | See below   | Same     |
| SyQuest shall not in any case...                      | 1(a): restriction of liability for death or injury                    | See below   | Same     |
| <b>License:</b> Warranty: SyQuest expressly..         | 1(b): limitations on liability for breaches of contract               | See below   | Same     |
| SyQuest's sole and exclusive liability...             | 1(b): exclusion of liability for breaches of contract                 | See below   | Same     |
| This software license agreement will be terminated... | 1(g): suppliers' right to cancel without notice                       | See below   | Same     |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | While the terms were unchanged they were expressly disapplied from consumer transactions |
| <b>Undertakings given</b> | 26 January 1998  |

## 98 Taltrees Stoves

|                        |                       |                            |                    |
|------------------------|-----------------------|----------------------------|--------------------|
| <b>Name of Company</b> | Taltrees Stoves       | <b>Lead TSD</b>            | Worcestershire     |
| <b>Trading Sector</b>  | Stoves and Fireplaces | <b>Contract identifier</b> | Conditions of Sale |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed  | New term |
|---------------|---|--|----------|
| 4             | 1(b): excluding liability for delay                                   | Exclusion removed.                                   | 4        |
| 5             | 1(b): unreasonable time limit on claims                               | Damage now to be reported as soon as is practicable. | 5        |
| 10            | 1(b): transferring responsibility to consumers                        | Company now accepts liability for own negligence.    | 11       |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 5 March 1998 |
|---------------------------|--------------|

## 99 Telecom Security Ltd

|                        |                      |                            |                        |
|------------------------|----------------------|----------------------------|------------------------|
| <b>Name of Company</b> | Telecom Security Ltd | <b>Lead TSD</b>            | Hertfordshire          |
| <b>Trading Sector</b>  | Security             | <b>Contract identifier</b> | Conditions of Business |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated) | How changed  | New term  |
|---------------|---|--|-----------|
| 13.8, 13.9    | 1(l): right to increase prices  | Right for consumer to cancel if increase is too high                         | See below |
| 16.3          | 1(n): denying employees authority to vary contracts                   | Revised to state that it is the intention that all terms are in the document | “         |
| 2 and 6       | Reg 6: general unintelligible language                                | Revised  | “         |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Contract was completely revised to remove these potentially unfair terms. New contract identifier - 'Terms and Conditions - Purchase, Installation and Service - Consumer Agreement' |
| <b>Intelligibility</b>    | Generally Improved   |
| <b>Undertakings given</b> | 5 January 1998   |

## 100 Telewest Communications plc

|                        |   |                            |  |
|------------------------|---|----------------------------|--|
| <b>Name of Company</b> | Telewest Communications plc                         | <b>Lead TSD</b>            | Surrey   |
| <b>Trading Sector</b>  | Residential cable telephone and television services | <b>Contract identifier</b> | Agreement for residential telephone/cable tv service - standard terms and conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                         | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 4.7                  | 1(k): right to vary programming, programme services, channel allocations and channels without notice | Will give reasonable notice of variations where possible - see note below | B8              |
| 5.2                  | 1(b): excluding consumers' right of set-off  | Deleted   |                 |
| 13.1                 | 1(n): denies employees authority to vary contracts   | No longer specifically excludes liability for statements made by staff    |                 |
| 14.1                 | 1(l): right to vary charges  | See note below  |                 |
| 14.1                 | 1(j): right to vary terms and charges  | See note below  | H2              |
| 4.10                 | Reg 6: unintelligible indemnity clause   | Redrafted in plain language   | D3              |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The variation clauses are also balanced by a provision in term J4 that subscribers can cancel during the minimum period of their contract if significant changes are made to the service or to the terms of the agreement, or if prices go up by more than 10% |
| <b>Undertakings given</b> | 30 March 1998  |

## 101 Tesco plc

|                        |                                |                            |                              |
|------------------------|--------------------------------|----------------------------|------------------------------|
| <b>Name of Company</b> | Tesco plc t/a Tesco Stores Ltd | <b>Lead TSD</b>            | Hertfordshire                |
| <b>Trading Sector</b>  | Retail (Car park)              | <b>Contract identifier</b> | Parking Ticket December 1997 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| Liability            | 1(a),1(b): exclusions of liability   | Withdrawn          |                 |

|                           |   |
|---------------------------|---|
| <b>Other information</b>  | The trader had given an assurance in March 1997 that this term would be withdrawn. Following the new complaint the trader gave an absolute assurance that the wording would be removed. |
| <b>Undertakings given</b> | 4 February 1998   |

## 102 Texaco and Calor Gas Ltd (Calortex)

|                        |                                       |                            |                            |
|------------------------|---------------------------------------|----------------------------|----------------------------|
| <b>Name of Company</b> | Texaco and Calor Gas Ltd t/a Calortex | <b>Lead TSD</b>            | Swindon                    |
| <b>Trading Sector</b>  | Supply of domestic gas                | <b>Contract identifier</b> | Mains Gas Supply Agreement |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 4                    | Capable of imposing undue financial burden                                   | Estimate of gas supplied where no meter reading available must be reasonable | 3.4             |
| 24                   | 1(b): restricting amount of liability  | Extent of company's and consumers' liability clarified                       | 9               |
| 25                   | 1(n): denies employees authority to vary contracts                           | No longer excludes liability for statements by employees                     | 8               |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | This was one of several contracts offered by gas supply companies which OFGAS asked the Office to review |
| <b>Undertakings given</b> | 29 April 1998  |

### 103 Tot Shots

|                        |             |                            |               |
|------------------------|-------------|----------------------------|---------------|
| <b>Name of Company</b> | Tot Shots   | <b>Lead TSD</b>            | Barnsley      |
| <b>Trading Sector</b>  | Photography | <b>Contract identifier</b> | Sales Receipt |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| Sales receipt        | 1(b): exclusion of liability for poor work or materials                      | Revised to accept liability for implied terms                             | Sales receipt   |
| Sales receipt        | 1(d): retention of pre-payments  | Revised so deposits will be returned if goods not of satisfactory quality | Sales receipt   |
| Sales receipt        | 1(f): consumer's cancellation right too limited                              | Deleted   |                 |

|                           |                 |
|---------------------------|-----------------|
| <b>Undertakings given</b> | 4 February 1999 |
|---------------------------|-----------------|

### 104 University of Sussex Centre for Continuing Education

|                        |  |                            |                      |
|------------------------|--|----------------------------|----------------------|
| <b>Name of Company</b> | University of Sussex Centre for Continuing Education | <b>Lead TSD</b>            | Brighton and Hove    |
| <b>Trading Sector</b>  | Adult Learning                                       | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b>                   | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b>                        |
|--|--|---|--|
| Withdrawal or Variation of Courses     | 1(k): right of supplier to vary what is to be supplied                       | Revised to provide for a right to cancel and a refund of course fee in the event of a variation                               | Withdrawal or Variation of Courses     |
| Third Parties, Facilities and Services | 1(b): excluding liability for breaches of contract                           | Revised so that facilities and equipment can only be withdrawn if the quality of the course is still of a reasonable standard | Third Parties, Facilities and Services |

|                    |  |  |                    |
|--------------------|--|--|--------------------|
| Field Trips        | 1(a): excluding liability for death or personal injury | Revised so that liability is only excluded where not caused by University's negligence | Field Trips        |
| Students' Property | 1(b): restricting liability for breaches of contract   | Revised so that liability is only excluded where not caused by University's negligence | Students' Property |

|                           |                  |
|---------------------------|------------------|
| <b>Undertakings given</b> | 10 February 1998 |
|---------------------------|------------------|

## 105 Voltglen Ltd

|                        |                                   |                            |                         |
|------------------------|-----------------------------------|----------------------------|-------------------------|
| <b>Name of Company</b> | Voltglen Ltd t/ae Omega Furniture | <b>Lead TSD</b>            | Enfield                 |
| <b>Trading Sector</b>  | Furniture                         | <b>Contract identifier</b> | Conditions of Sale 1996 |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b> | <b>New term</b> |
|----------------------|--|--------------------|-----------------|
| 2                    | 1(l): right to vary price  | Deleted            |                 |
| 3                    | 1(e): penalty clause   | Deleted            |                 |
| 8                    | 1(b): exclusion of liability   | Deleted            |                 |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The trader gave an assurance that he was no longer relying on the original terms. The trader was warned not to use similar terms in any future contract. |
| <b>Undertakings given</b> | 29 December 1998   |

## 106 Wallguard Ltd

|                        |                  |                            |                    |
|------------------------|------------------|----------------------------|--------------------|
| <b>Name of Company</b> | Wallguard Ltd    | <b>Lead TSD</b>            | Trafford           |
| <b>Trading Sector</b>  | Home Maintenance | <b>Contract identifier</b> | Wallguard Contract |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 1                    | 1(b): no liability for delay   | Consumer may cancel if delay is excessive.  | 1, 2            |
| 6j                   | 1(b): restrictions on liability  | Deleted   |                 |
| 2, 3                 | 1(f): unequal cancellation rights  | Deleted   |                 |
| 13a(i)<br>13a(ii)    | 1(d): retention of pre-payments  | Deleted   |                 |
| 15                   | 1 (n): all variations to be in writing                                       | Term now states that it is company's intention that the written terms are contained in the agreement. | 9               |

|                           |               |
|---------------------------|---------------|
| <b>Undertakings given</b> | 31 March 1998 |
|---------------------------|---------------|

## 107 Wanstead Leisure Centre

|                        |                           |                            |  |
|------------------------|---------------------------|----------------------------|--|
| <b>Name of Company</b> | Wanstead Leisure Centre   | <b>Lead TSD</b>            | London Borough of Redbridge                  |
| <b>Trading Sector</b>  | Fitness & Leisure Centres | <b>Contract identifier</b> | Junior Course Application form (Easter 1998) |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                             | <b>New term</b> |
|----------------------|--|--|-----------------|
| Sole term            | 1(a): excluding liability for death or injury                                | Revised to accept liability for own negligence | Sole term       |

|                           |             |
|---------------------------|-------------|
| <b>Undertakings given</b> | 9 July 1998 |
|---------------------------|-------------|

## 108 Warranty Holdings

|                        |                     |                            |  |
|------------------------|---------------------|----------------------------|--|
| <b>Name of Company</b> | Warranty Holdings   | <b>Lead TSD</b>            | Newcastle  |
| <b>Trading Sector</b>  | Breakdown Insurance | <b>Contract identifier</b> | CAC Motorcover Mechanical Breakdown Insurance Policy |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| 5                    | 1(b): time limit for claims  | Notification period for warranty claims extended from 7 to 14 days | 5               |

|                           |               |
|---------------------------|---------------|
| <b>Undertakings given</b> | 24 April 1998 |
|---------------------------|---------------|

## 109 Wates Leisure Ltd

|                        |                             |                            |  |
|------------------------|-----------------------------|----------------------------|--|
| <b>Name of Company</b> | Wates Leisure Ltd           | <b>Lead TSD</b>            | Surrey   |
| <b>Trading Sector</b>  | Fitness and Leisure Centres | <b>Contract identifier</b> | (I) Membership Agreement<br>(ii) Club Rules<br>(iii) Membership Rules and Regulations. |

| <b>Original term</b>     | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>                                     | <b>New term</b>  |
|--------------------------|--|--|------------------|
| Rules 8,11, 12,          | 1(a): no liability for death or injury                                       | Club now accepts liability for its own negligence      | 22 (iii) for all |
| Membership agreement - 8 | 1(b): limitation of liability  | Club now accepts liability for its own negligence      | 22(iii)          |
| Membership Rules - 3     | 1(e): penalty clause   | Term no longer demands fee payment as penalty.         | 3(i)             |
| Membership agreement - 5 | 1(l): right to increase the price  | Members may cancel if unwilling to pay increased fees. | (iii) 3          |

|  |  |
|--|--|
| <b>Other information</b>                     | Originally 3 forms - see contract identifier above. Now reduced to 2.  |
| <b>Specific reservations on Revised Term</b> | Term 13 of new Rules allows the club to set aside facilities for tournaments etc; Term 19 stated that any items left overnight on the premises would be disposed of. |
| <b>Undertakings given</b>                    | 31 March 1998  |

## 110 West Dorset General Hospital NHS Trust

|                        |  |                            |                 |
|------------------------|--|----------------------------|-----------------|
| <b>Name of Company</b> | West Dorset General Hospital NHS Trust | <b>Lead TSD</b>            | Dorset          |
| <b>Trading Sector</b>  | Car Parks                              | <b>Contract identifier</b> | Car park notice |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b>                   | <b>How changed</b>   | <b>New term</b> |
|----------------------|--|--|-----------------|
| Statement            | 1(a): no liability for death or personal injury<br>1(b): no liability for breaches of contract | No longer excludes liability. Replaced by warning that consumers should take care when using car park. | Statement       |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | Statement also void under section 2(1) of the Unfair Contract Terms Act 1977 |
| <b>Undertakings given</b> | 28 October 1998  |

## 111 Windsor Hotel

|                        |                       |                            |                        |
|------------------------|-----------------------|----------------------------|------------------------|
| <b>Name of Company</b> | Windsor Hotel         | <b>TSD Area</b>            | Cornwall               |
| <b>Trading Sector</b>  | Holiday Accommodation | <b>Contract identifier</b> | Tariff and information |

| Original term           | Application of the Regulations (Schedule 3 paragraph or as indicated)  | How changed  | New term                |
|-------------------------|--|--|-------------------------|
| Cancellation of Booking | 1(d): retention of pre-payments on consumer cancellation. The term required the consumer to take the hotel's cancellation insurance. However, if the consumer cancelled for reasons not covered by the insurance, the term permitted the retention of the whole deposit, even if the trader was able to relet the room | Revised to allow for the return to the consumer of the whole of the prepayment less a £20 admin charge if the trader relet the room. | Cancellation of Booking |

|                           |              |
|---------------------------|--------------|
| <b>Undertakings given</b> | 3 March 1998 |
|---------------------------|--------------|

## 112 Worldwide Furniture Sales Direct

|                        |                                  |                            |                           |
|------------------------|----------------------------------|----------------------------|---------------------------|
| <b>Name of Company</b> | Worldwide Furniture Sales Direct | <b>Lead TSD</b>            | Bedfordshire              |
| <b>Trading Sector</b>  | Furniture                        | <b>Contract identifier</b> | Conditions of Sale (1996) |

| Original term | Application of the Regulations (Schedule 3 paragraph or as indicated)                              | How changed | New term |
|---------------|--|-------------|----------|
| 3             | 1(b): excluding liability for delay  | Deleted     |          |
| 5             | 1(b): excluding liability for defective goods  | Deleted     |          |
| 2(a),6        | 1(n): requires all variations to be in writing and denies liability for employee's representations | Deleted     |          |
| 4(a),(b)      | Transfer of unfair risks to consumers  | Deleted     |          |
| 8(d),12       | 1(e): penalty clauses  | Deleted     |          |

|                           |  |
|---------------------------|--|
| <b>Other information</b>  | The trader decided to discontinue using any terms and conditions |
| <b>Undertakings given</b> | 28 March 1998  |

## 113 Zenith Windows

|                        |                   |                            |                      |
|------------------------|-------------------|----------------------------|----------------------|
| <b>Name of Company</b> | Zenith Windows    | <b>Lead TSD</b>            | Kensington & Chelsea |
| <b>Trading Sector</b>  | Windows and doors | <b>Contract identifier</b> | Terms and Conditions |

| <b>Original term</b> | <b>Application of the Regulations (Schedule 3 paragraph or as indicated)</b> | <b>How changed</b>  | <b>New term</b> |
|----------------------|--|---|-----------------|
| 1(b)                 | 1(n): formality Clause   | Requirement that written notices be sent by recorded delivery deleted                               |                 |
| 4(a)                 | 1(n): all variations to be in writing  | Variation of contract must be agreed by both parties  | 5               |
| 5(a), (c)            | 1(f): cancellation following survey  | Survey must take place within reasonable time and reasons will be given in writing for cancellation | 4               |
| 5(b),6               | 1(k): right to change what is supplied                                       | Changes will be minor, or agreed with consumer  | 5(b), (c)       |
| 8(a), (c)            | 1(b): excluding or restricting liability for delay                           | Liability limited to matters beyond company's control   | 7(d)            |
| 11(b)                | 1(b): subjecting right of set-off to penalty                                 | Consumers no longer denied right to retain part of contract sum if work defective                   | 10(b)           |

|   |  |
|---|--|
| <b>Other information</b>                            | Like Staybrite a subsidiary of Rexam plc, but trading with different terms   |
| <b>Specific reservations about revised contract</b> | Term 11(b) in the revised contract allows the company to make a charge if consumers reassign the guarantee. The current charge is reasonable, but we were concerned that there was no commitment for it to remain so |
| <b>Undertakings given</b>                           | 28 April 1998  |

### 3 STATISTICAL BREAKDOWN OF ACTION ON CASES

|   | To end 1997 | To end 1998 |
|---|-------------|-------------|
| Total complaints considered                                 | 2263        | 3431        |
| <i>Cases not proceeded with under the Regulations</i>       |             |             |
| Defective complaints  | 49          | 88          |
| Duplicate complaints  | 446         | 597         |
| More appropriate for other legislation                      | 115         | 159         |
| <i>Cases opened for consideration under the Regulations</i> |             |             |
| Not about a contract term                                   | 69          | 98          |
| About an excluded term                                      | 154         | 194         |
| About a 'core' term   | 96          | 164         |
| Term not considered unfair                                  | 221         | 315         |
| Closed for other reasons                                    | 130         | 238         |
| Dealt with by advice or warning                             | 309         | 513         |
| <i>Cases involving an approach under Regulation 8</i>       |             |             |
| Still in hand   | 431         | 708         |
| 'Formal' undertakings given                                 | 5           | 8           |
| Informal undertakings given                                 | 236         | 349         |

#### Notes

|  |  |
|--|--|
| 'Complaints considered'                  | are any communications received by the Office about contract terms which are not frivolous or vexatious. This category includes general enquiries about the Regulations which are dealt with as complaints if they indicate that specific terms have a real possibility of harming the consumer. |
| 'Duplicate complaints'                   | are those which relate to terms already being dealt with.  |
| 'More appropriate for other legislation' | are complaints where action under another of the statutes administered by the Office is more likely to be effective.   |
| 'Excluded terms'                         | are those not between consumers and businesses, or covered by Schedule 1.  |
| 'Core' terms                             | set the price or define the main subject matter of the contract, and are not subject to the test of fairness provided they are in plain and intelligible language - see Regulation 3(2).   |
| 'Closed for other reasons'               | are cases where, for instance, the supplier has gone (or goes) out of business, or is no longer using the terms complained of.   |
| 'Dealt with by advice or warning'        | includes cases where another regulator (for example, a trading standards department) is able, on the basis of OFT advice, to deal with the matter in exercising its own powers, or where the seriousness of the problem does not warrant a full approach.  |



#### **4 ALPHABETICAL INDEX OF BUSINESSES APPROACHED - INDICATING TRADING SECTORS**

|    |   |   |
|----|---|---|
| 1  | Acorn Mobility Services Ltd   | stairlift maintenance                                     |
| 2  | Adjustamatic Beds Ltd   | furniture   |
| 3  | Anglo-Welsh Group plc   | canal boat holidays                                       |
| 4  | The Babies Paradise Nursery   | baby goods  |
| 5  | Bannocks (Tigre) Marble Company Ltd                                 | monumental masons   |
| 6  | The Belgravia Trichological Group Ltd<br>(t/a The Belgravia Centre) | clinic  |
| 7  | Belmont Finance (UK) Ltd  | financial management for leisure services                 |
| 8  | Brides of Southampton   | bridal wear; sale and hire                                |
| 9  | Britannia Rescue Ltd  | motoring organisation                                     |
| 10 | British Association of Balloon Operators                            | balloon flights   |
| 11 | British Telecommunications plc                                      | cable television  |
| 12 | British Vehicle Rental<br>and Leasing Association                   | car rental  |
| 13 | C & C Removals & Storage  | removals  |
| 14 | Camelot Interior Design<br>& Development Ltd                        | interior design   |
| 15 | Caradon Everest Ltd (t/a Everest)                                   | double glazing  |
| 16 | Carlisle Fine Furniture Ltd (t/a Fishers)                           | furniture   |
| 17 | CavityTech Systems Ltd  | home improvements   |
| 18 | Cellcom Ltd   | mobile telephones   |
| 19 | Century 21 Harris & Martin  | letting agency  |
| 20 | Cherry Craft  | canal boat hire   |
| 21 | Christies Panel Products Ltd  | fitted bedroom, kitchen, lounge and<br>bathroom furniture |
| 22 | Churchill's Stairlifts plc  | mobility aids   |
| 23 | City Mortgage Corporation   | mortgage lender   |
| 24 | Club Toyota   | new car sales   |
| 25 | Coastal Cottages of Pembrokeshire Ltd                               | holiday accommodation                                     |
| 26 | Consolidated Financial Insurance                                    | insurance   |
| 27 | Cosyhome 2000 Ltd   | home improvements   |
| 28 | Craftmatic UK Ltd   | adjustable beds   |
| 29 | Credit Acceptance Corporation Ltd                                   | consumer credit   |
| 30 | Cromwell Crown Hotel  | hotel accommodation                                       |
| 31 | Dampco (UK) Ltd   | home maintenance  |
| 32 | Direct Plumbing and Heating Supplies Ltd                            | home maintenance  |
| 33 | Door Store (Wirral) Ltd   | home improvements   |
| 34 | Driving Instructor Training Centre Ltd                              | training  |
| 35 | Dunraven Manufacturing Ltd<br>(t/a Dunraven Windows)                | windows, doors and conservatories                         |
| 36 | Dyno-Rod plc  | home maintenance  |
| 37 | Elliott-Medway Fineline   | double glazing  |

|    |  |  |
|----|--|--|
| 38 | Essex Furniture (t/a Furniture Workshop)   | furniture  |
| 39 | Field & Trek plc   | mail order climbing equipment                    |
| 40 | G & S Properties   | estate agency                                    |
| 41 | Gorse Hill Caravans Ltd  | holiday accommodation                            |
| 42 | Greentree Caravans   | caravan sales                                    |
| 43 | Guild of Removers and Storers  | removals   |
| 44 | Harringtons Caravans Ltd   | caravan sales                                    |
| 45 | Heritage Covers Ltd (t/a Plumbs)   | made-to-measure furnishings                      |
| 46 | Hidden Hearing   | medical supplies                                 |
| 47 | Homeloft Ltd   | home improvements                                |
| 48 | Hosiery Corporation International  | mail order hosiery                               |
| 49 | Howard Gordon & Co Ltd   | letting agency                                   |
| 50 | HSS Hire Service Group plc   | equipment hire                                   |
| 51 | Hy-Style Furnishing Centres<br>(Farnwood) Ltd  | furniture and hand made furniture                |
| 52 | ISL Renosystems Ltd  | home improvements                                |
| 53 | Jarvis Windowcraft   | double glazing                                   |
| 54 | Joe Graham & Son Ltd   | equipment hire                                   |
| 55 | Kingdom of Leather   | furniture retailer                               |
| 56 | Kingfisher plc   | retail   |
| 57 | Kingsway Scotland Ltd<br>(t/a The Suite Centre)  | furniture retailer                               |
| 58 | Laport Garage Doors  | home improvements                                |
| 59 | Larkswood Ltd  | furniture retailer                               |
| 60 | Lawrence Eden Design Studio  | fitted kitchens and bedrooms                     |
| 61 | Limelight Group plc (t/a Dolphin<br>Showers Ltd, Moben Kitchens,<br>Portland Conservatories Ltd) | fitted bathrooms, kitchens and<br>conservatories |
| 62 | London Total Energy Company Ltd<br>(t/a London Electricity)                                      | gas supply                                       |
| 63 | Machine Mart Ltd   | tools and equipment                              |
| 64 | MDM The Crown Collections Ltd  | mail order collectibles                          |
| 65 | Mercedes Benz (UK) Ltd   | motor vehicle sales                              |
| 66 | Metro-Rod  | home maintenance                                 |
| 67 | Midland Bank plc   | telephone banking                                |
| 68 | Modern Security Systems Ltd  | burglar alarms                                   |
| 69 | Mobile Lock and Safe Co  | security   |
| 70 | Nappy Tales  | nappy laundry service                            |
| 71 | Norman Court Trust Ltd<br>(t/a Norman Court School)  | independent school                               |
| 72 | Northern Rock plc  | deposit taking                                   |
| 73 | Norwich Union Life & Pensions Ltd  | car parks  |
| 74 | Orange Personal Communications plc<br>(t/a Orange)   | mobile telephones                                |
| 75 | Parex Commercials Ltd (t/a Kitchen Base)   | fitted kitchens                                  |

|     |  |   |
|-----|--|---|
| 76  | Pembrokeshire Coast & Country Cottages   | holiday accommodation                                 |
| 77  | Perth and Kinross Council  | car parks   |
| 78  | Phoenix Timber Group plc<br>(t/a Protim Services Ltd)  | home improvements, damp proofing                      |
| 79  | Plas y Brenin  | residential outdoor activity courses                  |
| 80  | Pobjoy Mint Ltd  | mail order collectibles                               |
| 81  | Portway Motor Centre   | car auction   |
| 82  | P P Supplies Ltd   | personal goods: mail order                            |
| 83  | Pukka Palace Ltd   | home furnishings: mail order                          |
| 84  | R & H A Fletcher (t/a LST Clinics)   | cosmetic surgery and dermatology clinics              |
| 85  | Scenic Ltd   | windows, doors and conservatories                     |
| 86  | Securicor Cellular Services Ltd  | mobile telephones                                     |
| 87  | Service Corporation International plc<br>(t/a Francis Chappell & Sons)                           | funeral director                                      |
| 88  | Sirdar plc (t/a Acropolis Hotels Ltd<br>at Cedar Court Leisure Club)                             | leisure club  |
| 89  | South Bank University  | higher education                                      |
| 90  | South West Holiday Cottages  | holiday accommodation                                 |
| 91  | Springs Health & Leisure   | fitness and leisure centres                           |
| 92  | Staybrite Windows (Bowater<br>Windows Ltd t/a Staybrite Windows<br>and Staybrite Conservatories) | double glazing and conservatories                     |
| 93  | Stonell Ltd  | stone flooring  |
| 94  | Supaglazing Ltd  | double glazing  |
| 95  | Superfit Covers  | made-to-measure furniture and furnishings             |
| 96  | Susan's of Gosport   | bridal wear: sale and hire                            |
| 97  | SyQuest Technology Ltd   | computer software and hardware                        |
| 98  | Taltrees Stoves  | stoves and fireplaces                                 |
| 99  | Telecom Security Ltd   | burglar alarms  |
| 100 | Telewest Communications plc  | residential cable telephone<br>and television service |
| 101 | Tesco plc (t/a Tesco Stores Ltd)   | car parks   |
| 102 | Texaco and Calor Gas Ltd (t/a Calortex)  | domestic gas  |
| 103 | Tot Shots  | photography   |
| 104 | University of Sussex Centre<br>for Continuing Education  | higher education                                      |
| 105 | Voltglen Ltd (t/a Omega Furniture)   | furniture   |
| 106 | Wallguard Ltd  | home maintenance                                      |
| 107 | Wanstead Leisure Centre  | fitness and leisure centres                           |
| 108 | Warranty Holdings  | breakdown insurance                                   |
| 109 | Wates Leisure Ltd  | fitness and leisure centres                           |
| 110 | West Dorset Hospital NHS Trust   | car parks   |
| 111 | Windsor Hotel  | holiday accommodation                                 |
| 112 | Worldwide Furniture Sales Direct   | furniture   |
| 113 | Zenith Windows   | windows and doors                                     |

## **5 GEOGRAPHICAL COMPANY INDEX BY LOCAL AUTHORITY**

### **BARNSLEY**

- Tot Shots

### **BEDFORDSHIRE COUNTY COUNCIL**

- Joe Graham & Son Ltd
- Larkwood Ltd
- Worldwide Furniture Sales Direct

### **BRIDGEND COUNTY BOROUGH COUNCIL**

- Dunraven Manufacturing Ltd (t/a Dunraven Windows)

### **BRIGHTON & HOVE COUNCIL**

- University of Sussex Centre for Continuing Education

### **BRISTOL CITY COUNCIL**

- Anglo-Welsh Group plc
- Orange Personal Communications plc (t/a Orange)

### **BUCKINGHAMSHIRE COUNTY COUNCIL**

- The British Vehicle Rental and Leasing Association
- Guild of Removers and Storers

### **CARDIFF, CITY & COUNTY OF**

- Hidden Hearing

### **CHESHIRE COUNTY COUNCIL**

- Churchill's Stairlifts plc
- Harringtons Caravans Ltd
- Mercedes Benz (UK) Ltd
- Metro-Rod

### **CONWY COUNTY BOROUGH COUNCIL**

- Gorse Hill Caravans Ltd
- Plas y Brenin

### **CORNWALL COUNTY COUNCIL**

- Windsor Hotel

### **CORPORATION OF LONDON**

- British Telecommunications plc
- Midland Bank plc

### **COVENTRY, CITY OF**

- Dampco (UK) Ltd
- Staybrite Windows

### **CUMBRIA COUNTY COUNCIL**

- Carlisle Fine Furniture Ltd (t/a Fishers)
- Lawrence Eden Design Studio

### **DERBYSHIRE COUNTY COUNCIL**

- The Babies Paradise Nursery
- Laport Garage Doors
- Superfit Covers

### **DORSET COUNTY COUNCIL**

- Cherry Craft
- Norman Court Trust Ltd (t/a Norman Court School)
- West Dorset Hospital NHS Trust

### **EAST DUMBARTONSHIRE COUNCIL**

- G & S Properties

### **EAST SUSSEX COUNTY COUNCIL**

- CavityTech Systems Ltd
- P P Supplies Ltd

**EDINBURGH COUNCIL, CITY OF**

- SyQuest Technology Ltd

**ESSEX COUNTY COUNCIL**

- Field & Trek plc
- Kingdom of Leather
- South West Holiday Cottages

**FIFE COUNCIL**

- Kingsway Scotland Ltd (t/a The Suite Centre)

**GATESHEAD METROPOLITAN BOROUGH COUNCIL**

- Phoenix Timber Group plc (t/a Protim Services Ltd)
- Springs Health & Leisure

**HAMPSHIRE COUNTY COUNCIL**

- Susan's of Gosport

**HERTFORDSHIRE COUNTY COUNCIL**

- Caradon Everest Ltd (t/a Everest)
- Modern Security Systems Ltd
- Scenic Ltd
- Telecom Security Ltd
- Tesco plc

**KENT COUNTY COUNCIL**

- Elliott-Medway Fineline
- MDM The Crown Collections Ltd
- Stonell Ltd
- Supaglazing Ltd

**KINGSTON UPON THAMES, ROYAL BOROUGH OF**

- Belmont Finance (UK) Ltd
- Dyno-Rod plc

**LANCASHIRE COUNTY COUNCIL**

- Heritage Covers Ltd (t/a Plumbs)

**LEICESTERSHIRE COUNTY COUNCIL**

- Cosyhome 2000 Ltd
- Homeloft Ltd
- Jarvis Windowcraft

**LIVERPOOL, CITY OF**

- Hy-Style Furnishing Centres (Farnwood) Ltd

**LONDON BOROUGH OF BARNET**

- Norwich Union Life & Pensions Ltd

**LONDON BOROUGH OF BRENT & HARROW**

- Cellcom Ltd
- City Mortgage Corporation

**LONDON BOROUGH OF CAMDEN**

- London Total Energy Company Ltd (T/a London Electricity)

**LONDON BOROUGH OF ENFIELD**

- Voltglen Ltd (t/a Omega Furniture)

**LONDON BOROUGH OF HARINGEY**

- Parex Commercials Ltd (t/a Kitchen Base)

**LONDON BOROUGH OF HOUNSLOW**

- Consolidated Financial Insurance

**LONDON BOROUGH OF KENSINGTON & CHELSEA**

- Cromwell Crown Hotel
- Zenith Windows

**LONDON BOROUGH OF REDBRIDGE**

- Wanstead Leisure Centre

**LONDON BOROUGH OF SOUTHWARK**

- C & C Removals and Storage
- South Bank University

**LONDON BOROUGH OF WALTHAM FOREST**

- Century 21 Harris & Martin

**LONDON BOROUGH OF WANDSWORTH**

- Mobile Lock and Safe Co

**NEWCASTLE-UPON-TYNE, CITY OF**

- Northern Rock plc
- Warranty Holdings

**NORFOLK COUNTY COUNCIL**

- Credit Acceptance Corporation Ltd
- Greentree Caravans

**NORTH SOMERSET COUNCIL**

- Christies Panel Productions Ltd

**NORTHERN IRELAND**

- Craftmatic UK Ltd

**NOTTINGHAM CITY COUNCIL**

- Direct Plumbing and Heating Supplies Ltd
- Machine Mart Ltd

**OXFORDSHIRE COUNTY COUNCIL**

- Hosiery Corporation International
- Nappy Tales

**PEMBROKESHIRE COUNTY COUNCIL**

- Coastal Cottages of Pembrokeshire Ltd
- Pembrokeshire Coast & Country Cottages

**PERTH & KINROSS COUNCIL**

- Perth & Kinross Council

**SHEFFIELD, CITY OF**

- Howard Gordon & Co Ltd

**SHROPSHIRE COUNTY COUNCIL**

- Pukka Palace Ltd

**SOUTHAMPTON CITY COUNCIL**

- Brides of Southampton

**SOUTHEND ON SEA BOROUGH COUNCIL**

- Essex Furniture (t/a Furniture Workshop)

**SURREY COUNTY COUNCIL**

- Adjustamatic Beds Ltd
- Club Toyota
- Driving Instructor Training Centre Ltd
- HSS Hire Service Group plc
- Pobjoy Mint Ltd
- Securicor Cellular Services Ltd
- Telewest Communications plc
- Wates Leisure Ltd

**SWINDON BOROUGH COUNCIL**

- Texaco and Calor Gas Ltd (t/a Calortex)

**TRAFFORD METROPOLITAN BOROUGH COUNCIL**

- Wallguard Ltd

#### **WARWICKSHIRE COUNTY COUNCIL**

- Bannocks (Tigre) Marble Company Ltd
- British Association of Balloon Operators
- R & H A Fletcher (t/a LST Clinics)

#### **WESTMINSTER, CITY OF**

- The Belgravia Trichological Group Ltd (t/a The Belgravia Centre)
- Kingfisher plc
- Service Corporation International plc (t/a Francis Chappell & Sons)

#### **WEST SUSSEX COUNTY COUNCIL**

- ISL Renosystems Ltd

#### **WEST YORKSHIRE TRADING STANDARDS SERVICE**

- Acorn Mobility Services Ltd
- Britannia Rescue Ltd
- Camelot Interior Design & Development Ltd
- Sirdar plc (t/a Acropolis Hotels Ltd at Cedar Court Leisure Club)

#### **WIRRAL METROPOLITAN BOROUGH COUNCIL**

- Door Store (Wirral) Ltd

#### **WORCESTERSHIRE COUNTY COUNCIL**

- Limelight Group Plc
- Portway Motor Centre
- Taltrees Stoves



## 6 CATEGORIES OF UNFAIR TERMS

|  |            |
|--|------------|
| Schedule 3: paragraph 1(a) - Excluding or restricting liability for death or injury      | 16         |
| Schedule 3: paragraph 1(b) - Excluding or restricting liability for breaches of contract |            |
| <i>a - Excluding liability for defective or misdescribed goods</i>                       | 35         |
| <i>b - Excluding liability for poor services, or work and materials</i>                  | 49         |
| <i>c - Restricting amount or type of liability</i>                                       | 22         |
| <i>d - Time limits on claims</i>   | 19         |
| <i>e - Excluding consumers' right of set-off</i>   | 16         |
| <i>f - Excluding or restricting liability for delay</i>                                  | 30         |
| <i>g - Excluding or restricting liability for a supplier's non-performance</i>           | 5          |
| <i>h - Excluding or restricting liability via guarantee</i>                              | 3          |
| Schedule 3: paragraph 1(c) -   |            |
| Binding consumers while allowing a supplier to opt out on a pretext                      | 2          |
| Schedule 3: paragraph 1(d) - Non-return of prepayments on consumer cancellation          | 19         |
| Schedule 3: paragraph 1(e) - Financial penalties   | 33         |
| Schedule 3: paragraph 1(f) - Cancellation clauses  | 27         |
| Schedule 3: paragraph 1(g) - Supplier's right to cancel without notice                   | 1          |
| Schedule 3: paragraph 1(h) - Excessive notice periods for consumer cancellation          | 4          |
| Schedule 3: paragraph 1(i) - Binding consumers to hidden terms                           | 6          |
| Schedule 3: paragraph 1(j) - General variation clause                                    | 9          |
| Schedule 3: paragraph 1(k) - Right to change what is supplied                            | 21         |
| Schedule 3: paragraph 1(l) - Right to increase the price                                 | 28         |
| Schedule 3: paragraph 1(m) - Supplier's right of final decision                          | 8          |
| Schedule 3: paragraph 1(n) - 'Entire agreement' and formality clauses                    |            |
| <i>a - Clauses disclaiming liability for employees' statements</i>                       | 48         |
| <i>b - Formality requirements</i>  | 1          |
| Schedule 3: paragraph 1(o) - Binding consumers where a supplier defaults                 | 4          |
| Schedule 3: paragraph 1(p) - Supplier's right to assign without consent                  | 1          |
| Schedule 3: paragraph 1(q) - Restricting the consumer's remedies                         | 6          |
| Other terms  |            |
| <i>a - Allowing a supplier to impose an unfair financial burden</i>                      | 8          |
| <i>b - Transferring unfair risks (eg: by indemnities) to consumers</i>                   | 5          |
| <i>c - Onerous enforcement clauses</i>   | 9          |
| <i>d - Excluding consumers' right to assign</i>  | 1          |
| <i>e - Consumer declarations about contractual circumstances</i>                         | 5          |
| <i>f - Excluding consumers' non-contractual rights</i>                                   | 5          |
| <i>g - Delivery at supplier's discretion</i>   | 1          |
| <i>h - Other</i>   | 1          |
| Regulation 6 - Plain and intelligible language   | <u>33</u>  |
|  | <u>481</u> |

### Notes

The above is a list of commonly occurring types of unfairness identified by the Office and an indication of the number of terms found during 1998 which can be placed under these headings. It is based on the 17 items in paragraph 1 of Schedule 3 to the Regulations ('the grey list'). However, two of these headings are sub-divided to reflect the range of terms covered by that heading. There are two additional groups of

terms in addition to the 17. One is a miscellaneous category for alleged types of unfairness not obviously covered by the 17 headings. The final group is of cases involving possible breaches of the plain and intelligible language requirement of Regulation 6.

The numbers of terms challenged are to be regarded as broadly indicative, not an exact account, for two reasons. First, in a number of cases unfairness was so extensive and interrelated, and revision of the contract was so comprehensive, that it would have been impracticable to list all the particular terms considered unfair and relate them to changes. Secondly, minor changes to wording, mainly designed to improve intelligibility, have been generally ignored.

Examples of the types of unfairness denoted by the headings below are to be found in previous Bulletins, and will be published in the specimen term supplement which will from now on be published separately.

**7 FORMAL UNDERTAKINGS GIVEN TO THE  
DIRECTOR GENERAL**

UNFAIR TERMS IN CONSUMER CONTRACTS REGULATIONS 1994  
(COUNCIL DIRECTIVE 93/13/EEC)  
("THE REGULATIONS")

---

UNDERTAKING

---

I, Keith Pelham Greentree, trading as Greentree Caravans, of Norwich Road, Dereham, Norfolk NR20 3PX, hereby give to the Director General of Fair Trading an undertaking under Regulation 8(3) of the Regulations. The undertaking is that I, in the course of any business, in any way, by myself, my servants or agents,

1. shall not use or recommend for use in contracts concluded with consumers for the supply of goods or services,
  - (a) any standard term whose potential for unfairness has been drawn to my attention in the attached letter of 3 October 1997.
  - (b) any term having the same or a similar effect to a term referred to above: and
2. will, in drawing up or recommending any term for general use in contracts concluded with consumers for the supply of goods or services in the course of any business, have regard to Regulation 4 and the indicative list of terms contained in Schedule 3 of the Regulations

|        |                                 |                    |       |
|--------|---------------------------------|--------------------|-------|
| Signed | .....<br>Keith Pelham Greentree | In the presence of | ..... |
|        |                                 | Name               | ..... |
|        |                                 | Address            | ..... |
|        |                                 |                    | ..... |
|        |                                 |                    | ..... |
|        |                                 | Dated              | ..... |

UNFAIR TERMS IN CONSUMER CONTRACTS REGULATIONS 1994  
(COUNCIL DIRECTIVE 93/13/EEC)  
("THE REGULATIONS")

---

UNDERTAKING

---

Harrington's Caravans Limited, company number 2890876, whose registered office is at Chester Road, Oakmere, Northwich, Cheshire CW8 2HB, hereby give to the Director General of Fair Trading an undertaking under Regulation 8(3) of the Regulations. The undertaking is that the company,

1. shall not use or recommend for use in contracts concluded with consumers for the supply of goods or services,
  - (a) any standard term whose potential for unfairness has been drawn to the company's attention in the attached letters of 1 and 6 October 1997.
  - (b) any term having the same or a similar effect to a term referred to above: and
2. will, in drawing up or recommending any term for general use in contracts concluded with consumers for the supply of goods or services in the course of any business, have regard to Regulation 4 and the indicative list of terms contained in Schedule 3 of the Regulations

Signed for and on behalf of Harrington's Caravans Limited by

.....  
Director

.....  
Director / Secretary

Dated .....