

Chapter 1

The Unfair Contract Terms and Consumer Notices Regulatory Guide

1.2 Introduction

- 1.2.1

G

This Guide explains the *FCA's* formal powers under the *CRA* in relation to unfair terms and consumer notices. It does not contain comprehensive *guidance* on the *CRA* itself, and you should refer to the *CRA* for further details.
- 1.2.2

G

This Guide also provides *guidance* on the approach we take before considering whether to exercise our formal powers under the *CRA* in relation to unfair terms and notices.
- 1.2.3

G

The *FCA* has powers as a regulator and an unfair contract terms enforcer under the *CRA*. Under the *CRA* our functions are treated as functions under the *Act*. This:

(1)

makes the *statutory objectives* relevant to forming policy that governs the discharge of our functions under the *CRA*;

(2)

means that any complaints about the *FCA's* activities under the *CRA* can be referred to the *Complaints Commissioner*;

(3)

allows the *FCA* to make full use of its information disclosure powers;

(4)

allows the *FCA* to use its power to give *guidance*;

(5)

protects the *FCA* against liability in damages in respect of its activities under the *CRA*; and

(6)

allows the *FCA* to raise fees to fund its activities under the *CRA*.
- 1.2.4

G

(1)

As such, we may publish on our website details of cases that result in a change in the terms and notices used by the firm. This may happen through either an undertaking by a firm or injunction obtained from the courts.

(2)

Under paragraphs 4(1) and 6(3) of Schedule 3 to the *CRA*, the *FCA* has a duty to pass details of these cases to the *CMA*.

(3)

The *CMA* also publishes details of cases that it, and other regulators, have dealt with in accordance with the *CMA's* duties under paragraph 7 of Schedule 3 to the *CRA*.