

Chapter 6

Post contractual requirements

6.5 Assignment of rights

Application

6.5.1 R This section applies to a *firm* with respect to *consumer credit lending*.

Notice of assignment

6.5.2 R (1) Where rights of a *lender* under a *regulated credit agreement* are assigned to a *firm*, that *firm* must arrange for notice of the assignment to be given to the *customer*:

- (a) as soon as reasonably possible; or
- (b) if, after the assignment, the arrangements for servicing the *credit* under the agreement do not change as far as the *customer* is concerned, on or before the first occasion they do.

[Note: section 82A of CCA]

(2) Paragraph (1) does not apply to an agreement secured on *land*.

(3) A *firm* may assign the rights of a *lender* under a *regulated credit agreement* to a third party only if:

- (a) the third party is a *firm*; or
- (b) where the third party does not require *authorisation*, the *firm* has an agreement with the third party which requires the third party to arrange for a notice of assignment in accordance with (1).

[Note: article 17 of the *Consumer Credit Directive*]