

## Revision Summary Chapter 9

### Unfair terms

- The Unfair Contract Terms Act 1977 principally regulates exclusion clauses in business-to-business contracts and consumer-to-consumer contracts, whereas the Consumer Rights Act 2015 applies to contracts between consumers and traders.
- UCTA 1977 absolutely prohibits the exclusion or limitation of liability for death or personal injury caused by negligence. For other types of loss, an exclusion clause will only be effective in so far as it satisfies the requirement of reasonableness.
- Under UCTA 1977, where standard terms exclude or restrict liability against a consumer for breach of contract, such terms will only be effective in so far as they satisfy the requirement of reasonableness.
- The Consumer Rights Act 2015 applies to any type of term that could potentially be unfair, provided that the term is contained in a consumer contract or consumer notice.
- Terms deemed unfair under the 2015 Act will be ineffective. A term will be unfair if, contrary to the requirement of good faith, it causes a significant imbalance in the parties' rights and obligations arising under the contract, to the detriment of the consumer.