



Distance Selling Regulations

According to the Office for National Statistics, the average weekly amount spent online in May 2013 was Â£583million. With such a large amount of money being spent online, the law relating to goods sold on the internet has changed a lot in the last 15 years with the Distance Selling Regulations (DSRs) being one of the most important pieces of legislation.

The DSRs apply to all consumer distance contracts (i.e. contracts made by mail order, phone, email, via a website etc.) except for the following:

- Contracts for the sale of land;
- Contracts for the construction of a building where the contract also provides for a sale or other disposition of an interest in land on which the building is constructed, except for a rental agreement;
- Contracts relating to the financial services to consumers;
- Contracts for a conditional sale;
- Hire purchase contracts;
- Products bought from vending machines;
- Contracts concluded with a telecommunications operator through the use of a public pay-phone; and
- Contracts concluded at auction.

If you sell goods or services under a distance contract, this article will help explain the additional obligations of which you will need to be aware.

Supply of Information to the Consumer

Before a consumer buys goods or services from you, the following information must be given:

- Your identity;
- A description of the main characteristics and the price (including taxes) of the goods or services you are offering;
- Details of any delivery costs;
- Details of how payments can be made;
- If payment is required in advance, your full geographic address;
- The existence of a right of cancellation; and
- The period the offer/price remains valid.

After a consumer buys your good/service, the following additional information must be given:

- Details of the consumers right to cancel including whether the goods are to be returned and if so, who will pay for their return;

Details of any guarantees or after-sales services;

The geographic address of the business to which the customer can address any complaints; and

If the contract lasts for more than one-year or is open ended, the conditions for terminating it.

Delivery of the Goods

Unless your terms and conditions or you and the consumer agree otherwise, the goods or service must be delivered within 30 days of the order being placed. A service is usually said to have started when you start supplying that service.

If you are unable to deliver the good or provide the service within 30 days or the agreed time period and have been unable to re-negotiate a different deadline or supply a substitute product or service of equivalent quality and price, you must inform the consumer that the contract will not be completed and reimburse any sums paid by the consumer.

The Consumers Right to Cancel

The point at which you provide the consumer with the information above will determine when their cancellation period begins.

If you are selling goods:

The cancellation period is seven days from receiving the good if the consumer is given the information before delivery.

If the goods have been delivered before the information above has been given, you have three months to give the information to the consumer and the consumer will have seven working days from the receipt of the information to cancel the contract if they so wish.

If you do not give the information above at all, the consumers cancellation rights will end three months and seven working days after delivery of the goods.

If you are selling services:

If the information is given on or before the contract is concluded, the cancellation period shall be seven working days from the date the contract is concluded.

If the contract has concluded, you will have three months to give the information above and if done, the consumer will have seven working days from receiving the information to cancel the contract.

Refunds and Returns

If a consumer cancels a contract with you within the cancellation period, you must reimburse, free of charge, any sum paid by or on behalf of a consumer in relation to the contract within 30 days of the cancellation. This includes the full price of the goods, and deposit or pre-payment and the cost of delivery.

Upon the cancellation of the distance selling contract the consumer is under a duty to make the goods available for collection or, if expressly stated in the contract, return the goods to you.

Where the consumer decides to terminate the contract and return the goods to you, the consumer has a duty to only take reasonable care of the goods whilst they are in their possession so you will not be able to

ask the consumer to return the goods as new or in their original packaging.

You must not charge the consumer anything in relation to a refund except where the contract states that the consumer is to pay for the direct costs of returning the good although if the consumer has the right to terminate the contract because, for example, the goods are faulty, you will not be able to charge for the costs of returning the goods.

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