



## model terms for internet retailers

produced by LACORS and endorsed by IMRG (the  
leading industry body for global e-Retailing)

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## **Selling Goods over the Internet: Model Terms**

This guidance provides a set of model terms to help internet retailers comply with consumer protection laws. Additional terms may be required, for example to comply with data protection laws.

The guidance applies to businesses selling goods to consumers in the UK.

### **Format and Presentation**

For your terms to take effect, you will need to make sure that they form part of your contract with the consumer. If you only provide terms after a contract is made (e.g. on the back of a delivery note), then they will have no effect. All of your terms should therefore be easily accessible to prospective customers through your website. In addition, you may want to draw the terms to your customers' attention during the ordering process.

Some information is compulsory and should appear as part of your standard terms and conditions. Where recommended terms are given in bold type in this guidance, they reflect one of these compulsory requirements.

In addition to standard terms which apply to all products, you are required to provide product-specific information, i.e. a description of each product, and an indication of its price including all taxes.

There is no requirement for your terms of business to appear all together on a single page. A more user-friendly approach could be to present your current terms on separate pages, with headings such as 'About Us', 'Privacy Policy', 'Delivery Costs', 'Your Right to Cancel', 'Terms of Business'.

Your terms must be made available so that they can be stored and reproduced. Some information must be provided to the consumer in a durable form, and there are a number of ways of doing this (e.g. providing a copy of the order details and your standard terms in an order confirmation e-mail or delivery note, or e-mailing the customer a link to a web page where there is a permanent copy of the terms which apply to their order).

### **Additional terms**

In addition to consumer protection laws, you may have to comply with other rules, and you may have to reflect these in your standard terms too. Examples might include:

- data protection and privacy (further information available from the Information Commissioner at [www.informationcommissioner.gov.uk](http://www.informationcommissioner.gov.uk));
- payment card scheme rules, such as rules about the time of payment processing;
- customs rules and taxes, for customers outside the EU;
- details of any alternative dispute resolution scheme you belong to.

Depending on the nature of your business, and the type of customers you deal with, you may wish to incorporate additional terms and provide additional information. Any additional terms will have to be fair and reasonable.

### **Consumers in the EU but outside the UK**

Consumers in other EU countries are entitled to rely on the protection of their own laws, and they can take disputes to their own courts, where a retailer's website is aimed at that country (for example by stating that the retailer is prepared to deliver goods to that country).

Within the EU, consumers all enjoy at least the same minimum level of protection, as set out in Directives on distance selling and consumer guarantees. However, some EU countries have provided their consumers with additional protection which will apply even when they buy from a UK website. For example, the cooling-off period is longer than 7 working days in some cases, not all of the exemptions apply in all countries, and information requirements are sometimes more stringent.

If you intend to sell goods to EU consumers outside the UK, you will probably need to take specialist legal advice so that you can comply with the law of every country you deliver to.

### **Business customers, and customers outside the EU**

Business customers and customers outside the EU do not automatically enjoy the same level of legal protection as consumers in the EU. It is therefore possible to provide different levels of protection by having different sets of terms for different types of customer. However, it can be difficult to identify whether a buyer is a consumer or a business, and many retailers will find it simpler to apply the same terms and conditions to all purchases.

If you do decide to apply different terms to different customers, you will probably need to take specialist legal advice.

### **Further information**

Detailed guidance about the legal requirements is available from the DTI website ([www.dti.gov.uk](http://www.dti.gov.uk)) or your local trading standards service.

Recommended Term	Comments
<p>Please read these terms carefully, and print and keep a copy of them for your reference.</p>	<p>You may wish to draw the terms to the buyer's attention as part of the order process. If you do this, then you can be reasonably confident that the terms will form part of the contract. If you rely on the buyer finding the terms for themselves, and the buyer misses them, the terms might have no effect.</p> <p>You should not rely solely on a declaration that the buyer has read and understood the terms (for example by checking a tick-box).</p>
<p><b>About Us</b></p> <p>This website is owned and operated by <i>[Name, Address]</i>.</p> <p>If you need to contact us, please e-mail us at <i>[e-mail address]</i> or call customer services on <i>[telephone number]</i>.</p> <p>VAT number: <i>[insert number]</i>  Company registration number: <i>[insert number]</i></p>	<p><b>If you are a limited company, you must state the full corporate name. If you are a sole trader or partnership, you must state the name(s) of the proprietor(s).</b></p> <p><b>You must give the geographic address at which the business is established. A PO Box will not be sufficient.</b></p> <p><b>You must provide a means for website users to contact you by e-mail. A telephone number is optional.</b></p> <p><b>You must give your VAT and company registration numbers, if you have them, and you must also give provide details where you are entered in any other public register (e.g. membership of a trade association, licences).</b></p>

Recommended Term	Comments
<p data-bbox="188 213 584 245"><b>Making a contract with us</b></p> <p data-bbox="188 288 1048 392">When you place an order with us, you are making an offer to buy goods. We will send you an e-mail to confirm that we have received your order.</p> <p data-bbox="188 435 1032 616">Once we have checked the price and availability of the goods, we will e-mail you again to confirm that we accept your order, and that a contract has been made between us. We will not take payment from you until we have accepted your order.</p> <p data-bbox="188 659 1066 799">In the unlikely event that the goods are no longer available, or that we have made a pricing mistake, we will advise you of this. You will not receive an e-mail confirming acceptance of your order, and there will be no contract between us.</p> <p data-bbox="188 1137 1055 1278"><b>If the goods are not available, we may supply you with substitute goods. If you decide not to accept the substitute goods, you will not have to pay to return them to us.</b></p>	<p data-bbox="1090 213 2022 432">If you accept orders at the wrong price or for goods which are not available, so that a contract has been formed, you cannot then cancel the order (unless the mistake would have been obvious to the buyer). You would have to supply the goods at the quoted price, or to compensate the buyer for the additional cost of buying equivalent goods elsewhere.</p> <p data-bbox="1090 475 2022 874">To minimise the risk to you, you can check price and availability before accepting an order. You will need to make it clear to the buyer when a contract is made. If you find a pricing error before the contract is made, you can invite the customer to buy at the correct price, but they do not have to take up your offer. Taking a payment is strong evidence that a contract has been formed, and you are therefore advised not to take payment until you are sure that the goods are available and the price is correct. The exact details of contract formation will vary between retailers and will depend on factors such as the technology available to you, and payment scheme rules.</p> <p data-bbox="1090 917 2045 1098">You should note that, under the Consumer Protection Act 1987, it is a criminal offence to give a misleading price indication. Even if you decline orders where there is a pricing error, or where your advertised prices have changed after the order was placed, you will not necessarily escape criminal liability.</p> <p data-bbox="1090 1141 2045 1321"><b>You can supply substitute goods if you run out of the original goods ordered. However, if you intend to do this, you must state that the buyer need not accept them, and that you will then bear the cost of returning them. This term is not required if you do not supply substitute goods.</b></p>

Recommended Term	Comments
<p data-bbox="188 213 483 245"><b>How to place order</b></p> <p data-bbox="188 288 1039 357"><i>[Include a description of the technical steps required of the customer, for them to place an order]</i></p> <p data-bbox="188 400 954 507"><i>[Include a description of the technical means for identifying and correcting input errors prior to the placing of the order]</i></p>	<p data-bbox="1090 213 2051 507"><b>You must provide instructions as to how to place an order, and on how to correct input errors. You must state which language(s) you offer for this process, and you must state whether the contract will be filed (for example in a central register of contracts held by a trade association or government body).</b> You may wish to include these instructions in your standard terms and conditions, and they could be combined with information about making a contract (see below).</p> <p data-bbox="1090 550 2051 619">It is good practice to make it clear whether you use secure payment methods.</p>

Recommended Term	Comments
<p data-bbox="188 213 315 245"><b>Delivery</b></p> <p data-bbox="188 288 1061 357"><i><b>[Include a schedule of delivery charges, or details of how you calculate delivery charges].</b></i></p> <p data-bbox="188 400 1061 469"><i><b>[Include details of when goods will be sent out, and when buyers can expect to receive their goods.]</b></i></p> <p data-bbox="188 512 1061 580">If the goods are lost or damaged in transit, please let us know promptly.</p>	<p data-bbox="1090 213 1973 320"><b>You must provide information about the arrangements for delivery.</b> This will include charges and timescales for all the locations where you deliver goods.</p> <p data-bbox="1090 363 2047 655">You should ensure that buyers can access full and accurate details of delivery costs (or how they are calculated) before they commence the ordering process. Buyers cannot make an informed decision until they know the full cost of the goods including delivery. If you find that a lot of customers are starting, but not finishing, the order process, it may be because your delivery costs are not stated clearly enough. Many retailers provide this information on a separate page on their website.</p> <p data-bbox="1090 699 2018 836">Specific delivery arrangements may be required where goods are perishable (e.g. fresh or frozen food) or valuable, or where timely delivery is essential (e.g. gifts for special occasions, items which require specialist installation).</p> <p data-bbox="1090 879 2029 979">You are responsible for the risk of loss or damage in transit where you arrange delivery. You may wish to request prompt notification of loss/damage, to help you claim against the carrier.</p>

Recommended Term	Comments
<p><b>Cancellation and returns</b></p> <p>This policy does not apply to the following goods, which are exempt from the right to cancel:  <i>[List exempt items, if any]</i></p> <p><b>You can cancel your contract at any time up to 7 working days after the day of delivery. To do this, please e-mail us or write to us.</b></p> <p>You do not have to give any reason for cancellation. However, a brief explanation will help us to improve the service we offer to customers in the future.</p> <p><b>If you cancel, you must return the goods to us at your own expense.</b><sup>1</sup> You must ensure that the goods are packaged adequately to protect against damage.</p> <p>If you fail to return the goods, we will collect them, and we will charge you the direct cost of collection. If you fail to take reasonable care of the goods before they are returned to us, and this results in damage or deterioration, we will charge you for the reduction in value.</p> <p><b>This cancellation policy does not affect your legal rights — for example, if goods are faulty or misdescribed.</b></p>	<p><b>You must include information about the existence of the right to cancel, and how to exercise that right (unless the goods are exempt — see below). If you require the customer to return goods at their own expense, you must state this as a contract term. You must state that a return policy or warranty does not affect the consumer's legal rights.</b></p> <p>Consumers are generally entitled to cancel contracts for goods bought over the internet, without giving any reason. To cancel, they simply have to notify you in writing. They must do this within 7 working days, commencing the day after they receive the goods. Saturdays, Sundays and public holidays are not 'working' days. You can specify a longer returns period if you prefer.</p> <p>If the compulsory information is not provided before the contract is made, or if it is not also provided in a durable form before or at the time of delivery, then the consumer may have an extended cooling-off period of up to 3 months and 7 working days.</p> <p>On cancellation, you are required to refund all moneys paid, including outward postage charges, within 30 days.</p> <p>Some types of goods are exempt from the right to cancel, as are items which are genuinely sold by auction. If you sell any exempt items, you could list these in your terms and conditions. You may also wish to highlight the exemption in the description of the goods, so that the customer does not mistakenly assume that they can cancel. Alternatively, you may choose to accept cancellation for all items, even if they are exempt. For more information about exemptions, contact your local trading standards service.</p>

<sup>1</sup> A term to this effect is only compulsory if you choose to make the buyer responsible for the cost of returning the goods.

Recommended Term	Comments
<p><b>Faulty goods</b></p> <p>If there is a problem with the goods, please contact us. We will deal with the matter in accordance with your legal rights.</p>	<p>You do not need to state anything about the buyer's rights where there are problems with the goods, as these rights are set out in law. It is a criminal offence to make any statement which is inconsistent with a consumer's legal rights.</p> <p>Warranties must not be used to impose a time limit for claims. If you offer a time-limited warranty, you must make it clear that the consumer's legal rights may still apply after the warranty expires.</p> <p>It is good practice to set out, in general terms, how you will deal with complaints about faulty goods, and to provide a contact telephone number in addition to your postal and e-mail addresses.</p>
<p><b>Changes to these terms</b></p> <p>These terms were last changed on <i>[date]</i>. Previous versions of our standard terms and conditions can be viewed here. <i>[Provide a link to previous terms]</i>.</p> <p>These terms apply to your order. We may change our terms and conditions at any time, so please do not assume that the same terms will apply to future orders.</p>	<p>You cannot change the terms of a contract you have already made with the consumer. If you decide that you need to change your standard terms, those changes will only apply to new contracts.</p> <p>Regular customers will not read your full terms and conditions every time they place an order. Therefore, if you make significant changes, it would be good practice to notify customers (for example by a prominent notice on your home page or during the order process).</p> <p>You should ensure that customers are always able to access the terms which applied to their contract, even where your current standard terms are different.</p>