

DIRECTORATE GENERAL FOR INTERNAL POLICIES



LEGAL AFFAIRS

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Workshop on New rules for contracts in the digital environment

The new proposal for harmonised rules for certain aspects concerning contracts for the supply of digital content, termination, modification of the digital content and right to terminate long term contracts

Key findings (COM(2015)634)

- Article 13 is titled « **Termination** » but only envisages termination as a remedy for the lack of conformity with the contract.
- Article 16 is titled « Right to terminate long term contracts » but is only applicable to termination where there is neither a lack of conformity nor a modification wich adversely affects the consumer.

The scope of application of Articles 13, 15 and 16 should appear more clearly, in the title of the articles.

Key findings (COM(2015)634)

- Article 11, titled « Remedy for the failure to supply », grants an immediate right for termination.
- Article 13, titled « Termination for the lack of conformity », makes termination a « second step » remedy. There is a hierarchy of remedies

The supply of digital content, which does not conform at all, should not deprive the consumer from claiming « immediate » termination under Article 11.

- The right to terminate should be subject to a time limit.
- A consumer should give notice within a « reasonable time ».
- Provisions on how to give notice should be introduced.

Article 16, COM 2015/634
 Right to terminate long term contracts.

- ⇒ What are « long term contracts »: contracts with an indefinite duration.
- ⇒ 12 months period before termination may operate : is this appropriate ?

Article 15: Modification of the digital content.

Article 15 sets the conditions under wich a supplier may modify the contract and those under wich the consumer has a right to terminate the contract due to the modification.

- ⇒ Too much power to the industry to modify unilaterally the content of the contract.
- Does Art. 15 apply if the consumer is offered the choice of an upgrade (particularly dangerous without a warning of its potential effects)? It is not clear enough.

Notions that will create uncertainty:

- What are « the main performance features of the digital content »?
- When does the modification « adversely affect access to or use of the digital content by the consumer » ?

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