

**On June 13, 2014, extensive legal changes for online shops will become effective in Germany due to the implementation of the EU Consumer Rights Directive. The EU Consumer Rights Directive is intended to standardize consumer rights throughout Europe.**

Enterprises must fulfill various additional duties but are also granted relief in some areas. The mandatory changes to be implemented must go live on June 13, 2014, otherwise there is a risk of receiving warnings from consumer associations, centers for protection against unfair competition and competitors.

## What Will Change?

### Revised Instructions

The changes primarily concern the right of withdrawal so that the instructions on this right must be revised by June 13, 2014. The right to return, which has been partly granted in the retail industry up to now, will no longer exist.

### A Sample Form for Exercising the Right of Withdrawal

The enterprise is obligated to provide a sample form for exercising the right of withdrawal. In this regard, the legislator has provided a sample withdrawal form.<sup>1</sup> Consumers can use this form in order to exercise their right of withdrawal but are not obliged to use it. The withdrawal can also be declared without using any specific form, e.g., by telephone.

### Formless Declaration Possible

If the consumer does not use the provided withdrawal form, they must still express that they would like to withdraw from the contract. The use of the term "withdrawal" is, however, not necessary. It is also not obligatory to justify the withdrawal according to the amended law.

### Withdrawal Period

The withdrawal period will be standardized at 14 days. The period begins on the date of concluding the contract, however, not before receipt of the goods in the case of the sale of consumer goods.

Independent of whether or not proper instructions on the right of withdrawal have been provided, the right of withdrawal will expire after 12 months and 14 days at the latest. The various differentiations of the previously applicable law will be cancelled.

### Short Period for Returning Services

If a withdrawal from the contract takes place, the received services must be returned within 14 days.

### Shipping Costs

In the case of withdrawal, the enterprise must reimburse the consumer for the initial shipping costs in the amount of the cheapest standard shipping option.

The consumer must bear the return shipping costs independent of the price of the goods if the enterprise has informed the consumer in this regard in advance. The "€40 rule" will be cancelled. However, it is already common practice today for the enterprise to voluntarily declare its willingness to assume the return shipping costs, and this option will continue to exist.

The consumer must also arrange for the return shipment of goods, which cannot be sent as a package, and bear the associated costs. The enterprise must also instruct the consumer in this regard and specify the estimated costs if necessary.

### Reimbursement of Payments

Any reimbursement of payment must take place by way of the same means of payment originally used for paying for the services. The enterprise can withhold the reimbursement until it has received the goods or the consumer has provided verification of the return shipment.

### Compensation for Lost Value

The consumer must provide compensation for any lost value of the goods if the lost value is attributed to the handling of the goods which was not necessary for assessing the functionality and condition or characteristics of the goods, and the enterprise has properly informed the consumer of the existing right of withdrawal.

<sup>1</sup> [http://www.bmju.de/SharedDocs/Downloads/DE/pdfs/Muster\\_fuer\\_die\\_Widerrufsbelehrung\\_bei\\_auC3%9Ferhalb\\_von\\_Geschaeftsraeumen\\_ge-schlossenen\\_Vertraegen\\_und\\_bei\\_Fernabsatzvertraegen\\_mit\\_Ausnahme\\_von\\_Vertraegen\\_ueber\\_Finanzdienstleistungen\\_Anlage\\_1.pdf;jsessionid=190B28A6EC5665B3FABDDC13F7CB1517.1\\_cid324?\\_blob=publicationFile](http://www.bmju.de/SharedDocs/Downloads/DE/pdfs/Muster_fuer_die_Widerrufsbelehrung_bei_auC3%9Ferhalb_von_Geschaeftsraeumen_ge-schlossenen_Vertraegen_und_bei_Fernabsatzvertraegen_mit_Ausnahme_von_Vertraegen_ueber_Finanzdienstleistungen_Anlage_1.pdf;jsessionid=190B28A6EC5665B3FABDDC13F7CB1517.1_cid324?_blob=publicationFile)

## Exceptions to the Right of Withdrawal

Exceptions to the right of withdrawal apply, for example, for contracts under which goods have been separately manufactured according to the individual requests of the consumer, for quickly perishable goods and in the case of unsealing certain toiletries or sound storage mediums. The principle also applies here that the enterprise must comprehensively inform the consumer.

## Duties to Inform

Enterprises must comprehensively inform consumers. In addition to information for identifying the company (name, address as well as telephone number), the enterprise must also inform the consumer if it is selling on behalf of a different enterprise. It is impermissible to specify value-added service numbers for customer contacts for which a fee must be paid, which is higher than the normal fee.

Additionally, information must be provided on the services as well as the payment conditions. Together with the information on the delivery, it must be specified when the delivery will take place, whether it will be an express or standard delivery and which transport company will be commissioned.

Additionally, the enterprise must inform the consumer of any existing warranty rights as well as of the existence and detailed conditions of guarantees or customer service when presenting the goods including the information that the statutory warranty rights will not be limited by any guarantees.

The enterprise must provide the consumer with the information in such a way that they are able to save this information.

## Additional Costs for Special Types of Payment

The consumer must be offered the customary methods of payment that are free of charge. If further fees are additionally charged for certain methods of payment, these fees are not allowed to exceed the costs, which the enterprise incurs for using the method of payment, such as, for example, fees for Paypal.

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