

Directive (EU) 2020/1828 of the European Parliament and of the Council of 25 November 2020 on representative actions for the protection of the collective interests of consumers and repealing Directive 2009/22/EC (Text with EEA relevance)

CHAPTER 2

**REPRESENTATIVE ACTIONS**

*Article 11*

**Redress settlements**

1 For the purpose of approving settlements, Member States shall ensure that in a representative action for redress measures:

- a the qualified entity and the trader may jointly propose to the court or administrative authority a settlement regarding redress for the consumers concerned; or
- b the court or administrative authority, after having consulted the qualified entity and the trader, may invite the qualified entity and the trader to reach a settlement regarding redress within a reasonable time limit.

2 Settlements referred to in paragraph 1 shall be subject to the scrutiny of the court or administrative authority. The court or administrative authority shall assess whether it has to refuse to approve a settlement that is contrary to mandatory provisions of national law, or includes conditions which cannot be enforced, taking into consideration the rights and interests of all parties, and in particular those of the consumers concerned. Member States may lay down rules to allow the court or administrative authority to refuse to approve a settlement on the grounds that the settlement is unfair.

3 If the court or administrative authority does not approve the settlement, it shall continue to hear the representative action concerned.

4 Approved settlements shall be binding upon the qualified entity, the trader and the individual consumers concerned.

Member States may lay down rules that give the individual consumers concerned by a representative action and by the subsequent settlement the possibility of accepting or refusing to be bound by settlements referred to in paragraph 1.

5 Redress obtained through an approved settlement in accordance with paragraph 2 shall be without prejudice to any additional remedies available to consumers under Union or national law which were not the subject of that settlement.