



Digital Markets, Competition and Consumers Act 2024

2024 CHAPTER 13

PART 4

CONSUMER RIGHTS AND DISPUTES

CHAPTER 2

SUBSCRIPTION CONTRACTS

Introduction

253 Overview

- (1) This Chapter—
 - (a) imposes duties on traders in relation to subscription contracts,
 - (b) provides rights for consumers if those duties are breached, and
 - (c) provides rights for consumers to cancel subscription contracts during cooling-off periods.
- (2) Sections 254 and 255 set out what is a “subscription contract” for the purposes of this Chapter.
- (3) Sections 256 to 261 impose duties on traders in relation to subscription contracts.
- (4) Sections 262 and 263 provide rights for consumers to cancel subscription contracts if traders breach those duties.
- (5) Sections 264 to 266 provide rights for consumers to cancel subscription contracts during cooling-off periods.

- (6) Section 267 confers powers to make further provision about the cancellation of subscription contracts under this Chapter.
- (7) Sections 268 to 271 make provision for the offence of failing to provide information about cooling-off rights.
- (8) Sections 272 to 281 contain miscellaneous provisions in relation to this Chapter.

254 Meaning of “subscription contract”

- (1) For the purposes of this Chapter, a subscription contract is a contract between a trader and a consumer—
 - (a) for the supply of goods, services or digital content by the trader to the consumer in exchange for payment by the consumer,
 - (b) to which either or both of subsections (2) and (3) apply, and
 - (c) which is not an excluded contract (see section 255).
- (2) This subsection applies to a contract if it contains terms which have the effect of providing—
 - (a) for an automatically recurring, or continuing, supply of goods, services or digital content to the consumer for an indefinite period or a fixed period,
 - (b) for the consumer to automatically incur liability for each supply, or recurring liabilities for the continuing supply, and
 - (c) a right for the consumer to bring the contract to an end.
- (3) This subsection applies to a contract if it contains terms which have the effect of providing—
 - (a) for a supply of goods, services or digital content to a consumer free of charge, or at a rate specified in the contract (the “original rate”), for a period specified in the contract,
 - (b) for the consumer to become automatically liable for payments, or payments at a rate higher than the original rate, for supplies after that period (including where the trader has an option to impose a charge or a higher charge after the end of the period), and
 - (c) a right for the consumer to bring the contract to an end before such liability is incurred.
- (4) In this Chapter, references to a consumer’s right to bring a subscription contract to an end are references to a right provided under the contract which—
 - (a) in the case of a contract for a fixed period, may be exercised to bring the contract to an end before the end of the fixed period;
 - (b) in any case, may be exercised without the consumer incurring any penalty which is more than nominal,

and include references to a right that is expressed in terms of a right to stop a subscription contract from automatically renewing or continuing or any other similar expression.

255 Excluded contracts

- (1) A contract is an excluded contract for the purposes of this Chapter if, and to the extent that, it is of a description set out in [Schedule 22](#).

- (2) The Secretary of State may by regulations amend [Schedule 22](#) so as to add, remove or modify a description of a contract.
- (3) The power under subsection (2) includes power to provide for a contract to be an excluded contract—
 - (a) generally for the purposes of this Chapter, or
 - (b) only for such purposes of this Chapter as are specified.
- (4) Regulations under subsection (2) are subject to the affirmative procedure.
- (5) See [section 275\(4\) to \(8\)](#) for how this Chapter applies in relation to a contract that—
 - (a) was an excluded contract at the time it was entered into, and
 - (b) on subsequently ceasing to be an excluded contract, becomes a subscription contract.