



Digital Markets, Competition and Consumers Act 2024

2024 CHAPTER 13

PART 4

CONSUMER RIGHTS AND DISPUTES

CHAPTER 2

SUBSCRIPTION CONTRACTS

Rights of consumers to cancel contract for breach

262 Terms implied into contracts

A trader's compliance with the following duties is an implied term in every subscription contract—

- (a) the duty set out in section 256(1)(a) (key pre-contract information);
- (b) the duty set out in section 256(1)(b) (full pre-contract information);
- (c) the duty set out in section 258 (reminder notices);
- (d) the duty set out in section 259(4) to specify in key pre-contract information a reasonable period for the giving of a reminder notice under section 259(3) (timing for the giving of reminder notices);
- (e) the duty set out in section 260(1) (arrangements for consumer to end contract);
- (f) the duties set out in section 261(2) (end or cancellation of subscription contract).

263 Right to cancel for breach of implied term

- (1) This section applies where a trader is in breach of the term implied into a subscription contract by section 262(a), (c), (d) or (e).

Status: This is the original version (as it was originally enacted).

- (2) The consumer has the right to cancel the contract.
- (3) The right is exercisable by the consumer notifying the trader in accordance with subsection (4) that the consumer is cancelling the contract.
- (4) A notification under subsection (3) may be given by the consumer making a clear statement setting out their decision to cancel the contract.
- (5) A subscription contract is cancelled from the time the notification is given.
- (6) Where a subscription contract is cancelled under this section—
 - (a) the cancellation ends both the trader's and the consumer's obligations to perform the contract in respect of any rights or liabilities that would arise (but for the cancellation) after the time at which the contract was cancelled,
 - (b) the consumer's liability for payments that have arisen under the contract is extinguished to any extent set out in regulations under section 267(1)(b) (and, accordingly, the consumer may be entitled to a refund), and
 - (c) any other provision made under those regulations in relation to the treatment of goods, services or digital content supplied under a cancelled subscription contract applies.
- (7) No penalty or charge may be imposed on a consumer for cancelling a subscription contract under subsection (2).
- (8) For further provision about the exercise of a right to cancel under this section, see section 267.