



Digital Markets, Competition and Consumers Act 2024

2024 CHAPTER 13

PART 4

CONSUMER RIGHTS AND DISPUTES

CHAPTER 2

SUBSCRIPTION CONTRACTS

Introduction

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—

Status: This is the original version (as it was originally enacted).

- (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.