



April 2016

Duty to amend the general terms and conditions in relation to the Act on Consumer Protection amendment

In the end of 2015, the Chamber of Deputies adopted Act No. 378/2015 Coll., which i.a. amends Act No. 634/1992 Coll., on consumer protection, as amended.

The new legal regulation aims to establish an informal, quick and inexpensive procedure that would enable an effective protection of the consumers' rights. These procedures are – based on the provided product or service – conducted before the Czech Trade Inspection, Czech Telecommunication Office, Energy Regulatory Office or the Financial Arbitrator, namely on the basis of the consumer's motion.¹ The Act further regulates the conduct of the proceedings and sets a deadline for the resolution of the dispute, which is 90 days.

In connection therewith, the legislator imposed an obligation on the entrepreneurs to inform the consumers - as from February 1, 2016 - in a clear, understandable and easily accessible way about the body, which is competent for resolution of an eventual dispute. In the event that the entrepreneur runs a website, this information must be stated there as well. Likewise, the information regarding the alternative resolution of the consumer disputes must be included in the general terms and conditions, if the contract with consumer makes a reference to them. However, the legislator was more benevolent in the case of general terms and conditions as it determined a period for their change, which expires on April 30, 2016. Failure to comply with the aforementioned obligations can be punished with a fine of up to CZK 1,000,000.

¹ The form concerning the motion for the commencement of the extra-judicial resolution of the consumer dispute before the Czech Trade Inspection is available at the Czech Trade Inspection's website: <https://adr.coi.cz/en>