

Unfair contract terms

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This guidance is for England, Scotland and Wales

If you wish to rely on the terms of the contracts that you have with consumers, it is essential that those terms are 'fair'. An unfair term is not legally binding on consumers, and enforcers can also take action to stop you using it.

The Consumer Rights Act 2015 covers the use of unfair terms in consumer contracts. Consumer contracts are those between traders and consumers (although this does not include employment contracts). As well as terms in consumer contracts, the Act applies to certain consumer notices, whether they are in writing or not.

The Competition and Markets Authority (CMA) has produced various types of guidance on the subject.

Unfair contract terms

The CMA has produced [consumer protection and unfair contract terms guidance](#) documents for businesses, including a series of shorter guides on how to write fair contracts, which can be found on the GOV.UK website.

The CMA has also produced a series of short, [animated videos](#) to help businesses understand more about the law on using unfair terms and conditions with consumers.

Coronavirus (COVID-19)

The CMA carried out various pieces of work on [consumer law](#) and coronavirus, particularly related to refunds.

Trading Standards

For more information on the work of Trading Standards services - and the possible consequences of not abiding by the law - please see '[Trading Standards: powers, enforcement and penalties](#)'.

In this update

No major changes.

Last reviewed / updated: May 2024

Key legislation

- [Consumer Rights Act 2015](#)

Please note

This information is intended for guidance; only the courts can give an authoritative interpretation of the law.

The guide's 'Key legislation' links may only show the original version of the legislation, although some amending legislation is linked to separately where it is directly related to the content of a guide. Information on changes to legislation can be found by following the above links and clicking on the 'More Resources' tab.

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