





## How does this guide help me?

*SOGA explained* is information for retailers and their staff on the Sale of Goods Act (SOGA). It gives detailed information to help you understand your customers' rights and to deal with customer complaints, refunds and returns.

The Sale of Goods Act covers a wide range of retailers and goods. We have provided as much information as possible so you can be fully aware of your customers' rights and how to deal with them.

The *Glossary* section provides definitions for all of the words underlined in red throughout the hub.

There is also information on what happens when a dispute with a customer cannot be resolved and a list of useful organisations for further help and advice.

To ensure this information is easy to read and use, some matters are simplified. For this reason, neither the general information nor the examples that are used should be taken as legally authoritative.

This guide is intended for **retail businesses** that sell goods to **consumers**; it is not intended for businesses selling goods to other businesses

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# Why you need to know about the law on the sale of goods

The Sale of Goods Act (and other legislation) gives your customers certain legal rights when they buy goods from you. As a responsible retailer, you need to know how the Act affects you and your customers – so that your customers stay happy and you stay on the right side of the law.



# When can a customer claim a refund, repair or replacement – what the law says

Customers return goods to retailers every day and many of them ask for refunds.

## Circumstances when customers do not have a legal right to a refund, repair or replacement

Customers do not have a legal right to a refund, repair or replacement from you if they

- accidentally damaged the item
- misused it and caused a fault
- tried to repair it themselves or had someone else try to repair it, which damaged the item\*
- if they knew it was faulty before they bought it
- if they decide they no longer want the item (for example it's the wrong size or colour, or does not suit them).

There are a few exceptions to this rule, including goods sold by mail order or over the internet – see the section *Your customers' rights when they buy goods online, by telephone or by mail order* – and some goods sold to a customer during a visit to their home.



## Circumstances when customers do have a legal right to a refund, repair or replacement

Customers do have a legal right to a refund, repair or replacement if an item they purchased

- does not match the description
- is not of satisfactory quality
- is not fit for purpose.

Each of these circumstances would mean that the item does not conform to contract and therefore it can be described as faulty. The next section of this guide, *Your responsibilities as a retailer*, provides a full explanation.

If you point out a fault to a customer and they are able to inspect that fault before they make a purchase, their purchase means they have accepted the fault and they cannot claim their legal right (outlined above) in relation to that particular fault.

\* The customer does not have a legal right to a refund, repair or replacement as a result of the damage their repair attempt has caused to the item. But, they may still have a right to a remedy because of the original fault with the item, such as a price reduction or a partial refund. Or, if appropriate, the customer may request a repair of the original fault if this makes the item usable despite the damage they have caused. See *Faulty goods that have been accepted* for more information about these remedies.



## Customers' rights last for six years

The law says that a customer can approach you with a claim about an item they purchased from you for up to six years from the date of sale (five years after discovery of the problem in Scotland).

This does not mean that everything you sell has to last six years from the date of purchase! It is the time limit for the customer to make a claim about an item. During this period, you are legally required to deal with a customer who claims that their item does not conform to contract (is faulty) and you must decide what would be the reasonable amount of time to expect the goods to last. A customer cannot hold you responsible for fair wear and tear.

The six year period is not the same as a guarantee, but it does mean that even where the guarantee or warranty supplied with the product has ended, your customer may still have legal rights.

## Complying with the law

You cannot remove a customer's legal rights, for example by displaying a notice saying 'we do not give refunds under any circumstances' or 'credit notes only in the case of faulty items'.

It is also against the law to mislead consumers about their legal rights – this could lead to a criminal prosecution under the Consumer Protection from Unfair Trading Regulations 2008.

**YOU CANNOT  
REMOVE A  
CUSTOMER'S  
LEGAL RIGHTS**

# Your responsibilities as a retailer

## Your contract with the customer

Under the Sale of Goods Act, when you sell something to a customer you have an agreement or contract with them.

A customer has legal rights if the goods they purchased do not conform to contract (are faulty). The Act says that to conform to contract goods should

- **match their description**

by law everything that is said about the product must not be misleading – whether this is said by a sales assistant, or written on the packaging, in-store, on advertising materials or in a catalogue

- **be of satisfactory quality**

quality of goods includes

- appearance and finish
- freedom from minor defects (such as marks or holes)
- safe to use
- in good working order
- durability

- **be fit for purpose**

if a customer says – or when it should be obvious to the retailer – that an item is wanted for a particular purpose, even if it is a purpose the item is not usually supplied for, and the retailer agrees the item is suitable, or does not say it is not fit for that purpose, then it has to be reasonably fit.

If you disagree with the customer about a particular purpose, you should make this clear, perhaps on the sales receipt, to protect yourself against future claims.



## Your responsibilities for the goods you sell

You are responsible for the goods you sell and if a customer returns an item they purchased from you that is faulty (it does not conform to contract) because it

- does not match the description
- is not of satisfactory quality
- is not fit for purpose,

you (not the manufacturer or supplier) are legally obliged to resolve the matter with the customer at any time for up to six years from the date of purchase, or in Scotland for up to five years from the discovery of the problem.

Any refund, repair or replacement you arrange with your customer relating to faulty goods must not cause them too much inconvenience and you will have to pay for other costs, for example, collection or delivery.

If you disagree with a customer's claim, you can ask if they are willing for you to send the item to a third party or the manufacturer for inspection. If the customer agrees you can do this, it is important to remember that the goods must not be damaged during this process.



Customers' rights remain the same whether the retailer is acting as an agent or principal.

Your customer also has a responsibility to make sure that they service the item they buy from you correctly and follow any user instructions provided.



# Faulty goods – your customers' rights

## Statements about the goods you sell

Anything that is stated about the items you sell – by you, manufacturers, importers or producers – for example, in advertising or labelling, should be factually correct.

It is important that you know what is being said about the goods you sell because these statements form part of your contract with your customer. For example, if an advert says that a pair of shoes is waterproof and a customer wears the shoes and finds they are not waterproof, then the item does not match the description.

There are occasional exceptions to this, for example, if the advert was published and then corrected in public before the item was sold. Other examples are if, for good reason, you are not aware of the statement that has been made, or that the consumer could not have been influenced by the statement.

## Acceptance

Customers are entitled to reject goods if they are faulty (do not match the description, are not of satisfactory quality, or are not fit for purpose) and receive a full refund if they have not yet accepted the goods.

Before a customer is believed to have accepted the goods they have purchased, the law allows customers a reasonable opportunity to inspect or examine the goods and this should take place within a reasonable time.

For items sold in a shop, it is important for retailers to know that inspecting them in a shop is often not considered a reasonable opportunity. This is due to the restrictions of packaging and in-store display in allowing a customer to identify a problem or a fault.

For items being delivered, it is important for retailers to know that signing a delivery note is not acceptance as it does not allow the customer a reasonable opportunity to inspect the goods and identify any problems or faults.

The law does not give a time limit for acceptance. When trying to decide if a customer has had a reasonable opportunity to inspect their goods, consider what an impartial person in a court would think reasonable for that product in the circumstances.

### Faulty goods, no acceptance

If the item does not conform to contract (is faulty) for any of the reasons mentioned previously, and the customer has not accepted the goods, the law says the customer is entitled to

- reject the goods and claim a full refund, or
- request a repair or replacement if that is the customer's preferred option.

As the retailer, you can offer a repair, a replacement or a credit note, but you cannot insist on any one of these. It is the customer's right to receive a full refund in these circumstances.

Where a customer is entitled to a full refund because they have not accepted the goods but have agreed that you may repair or replace the goods, they can still claim a full refund if the repair or replacement is

- taking an unreasonable time, or
- causing an unreasonable inconvenience, or
- if the repair or replacement is not satisfactory when they receive it.

### Faulty goods that have been accepted

If the item does not conform to contract (is faulty) for any of the reasons outlined and the customer has accepted the goods, the law says the customer is entitled to claim a repair or replacement of the goods in the first instance.

If either a repair or replacement is not possible, or the cost is greater than the value of the item (disproportionately costly), or the customer claims either option is taking an unreasonable amount of time or is causing unreasonable inconvenience, the customer is then entitled to

- keep the goods and claim a price reduction from the retailer to compensate them for the fault in the goods – this would be the difference between the value of the product in perfect condition and the value of the product in the faulty condition, or
- return the goods and rescind the contract. This would mean that the customer returns the goods and you provide a partial refund, calculated to reflect the benefit the customer has received from the product.



Where a customer is entitled to repair or replacement because they have accepted the goods, they can claim price reduction or partial refund if the repair or replacement is

- taking an unreasonable time, or
- causing an unreasonable inconvenience, or
- if the repair or replacement is not satisfactory when they receive it.

When you calculate price reductions or partial refunds, think about what an impartial person in a court would think is a reasonable amount.

### Proving a problem

Included in the law is a section on burden of proof. This outlines whether you are entitled to ask a customer to prove that an item was faulty when they bought it from you.

The details of the law are explained opposite. If you are considering asking a customer to prove that an item was faulty when they bought it from you, it is important to consider what proof an impartial person in a court might feel was required. For example, someone in a court might accept that a simple customer statement saying that their item did not work correctly would be sufficient proof.

### Requesting a refund

If a customer wishes to reject or not accept faulty goods, you are entitled to ask the customer to prove the goods were faulty when they bought them from you. If they are able to do this, they are entitled to a full refund.

### Requesting a repair or replacement

If a customer has accepted the goods and is requesting a repair or replacement because the goods are faulty, the onus on who is required to prove the problem depends on how long ago they purchased the item.

Under six months – the customer does not have to prove the item was faulty when they bought it from you. If you disagree it is up to you, the retailer, to prove the item did conform to contract (or that the fault did not exist) at the time of sale.

Over six months – you are entitled to ask the customer to prove the item was faulty when they bought it from you. If they are able to do this they are entitled to a repair or replacement.

### Proving the item was purchased from you

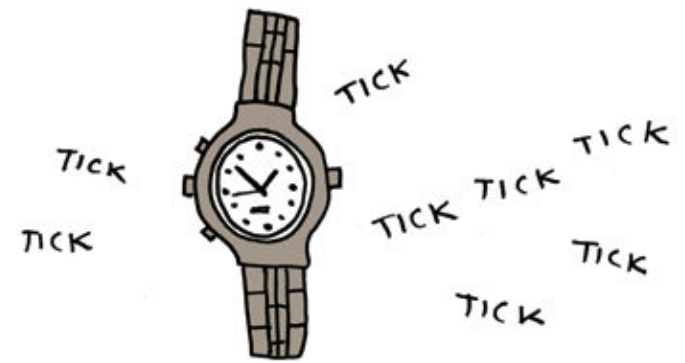
If a customer returns an item and complains, you are entitled to check that the item was bought from you and on the date claimed. It is the customer's responsibility to prove that the item was purchased from you.

A sales receipt is a good way of checking; if the customer has lost their receipt but is able to offer other evidence, for example, a bank or credit card statement, packaging etc, then you must accept this if it demonstrates the goods were purchased from you.

Although sales receipts are not legally required, you should ensure you provide them for customers as a safeguard for both sides, should there be a complaint.



If a customer  
returns an item and  
**COMPLAINS**  
**YOU** ARE ENTITLED TO  
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## Consequential loss

If a customer suffers personally because of a problem with an item, they may be able to claim damages (money to make up for it). This is called consequential loss. One example would be if a customer had to pay out more money (perhaps to hire another item) because of a faulty item that you sold them.

A more serious example would be if they suffered injury or damage because of a faulty item.

A customer who claimed damages for consequential loss would be expected to have tried to resolve the issue with the retailer first.

Claims for consequential loss do not normally cover distress, inconvenience or disappointment.

## Delays in deliveries

If you provide a customer with a date for delivery and you cannot deliver the goods by that date, then the customer may be entitled to ask for compensation.

If you did not give a customer a date for delivery, then they cannot claim compensation for costs (financial losses) arising as a result of a late delivery. If the customer believes they have

waited a reasonable time and the goods have not arrived, they can write to you giving you a firm date for delivery.

When the customer has made clear that the delivery date is an important term of the contract, or it is clear from the nature of the contract that it is, (sometimes described as time is of the essence) and the goods do not arrive by the delivery date, the customer is entitled to cancel their order and receive a full refund.

The customer may also be entitled to compensation for any wasted expenditure or other financial losses arising from a late delivery. For example, if the customer pays a professional to be available to install an item on the agreed day of delivery and the item does not arrive, the customer may be entitled to receive financial compensation from you for the cost of paying the professional to be available on that day. Or, if the customer is self-employed and has turned down paid work to be available to receive a delivery on a certain day, they may be entitled to receive financial compensation from you for their lost earnings on that day if the delivery did not arrive.

For goods purchased online, by telephone or by mail order customers are entitled to a full refund if the goods or services they have ordered are not provided within 30 days.

## Methods of payment when a customer is entitled to a refund

The following points provide a brief overview of the law relating to how refunds can be given.

If a customer who is entitled to a refund as a result of faulty goods

- paid by credit card - you can insist that the refund is to the credit card used for the payment. This is because the credit card company paid you originally, and therefore you are entitled to refund them, not the customer directly
- paid by debit card – it is our view that you can offer to make the refund to the debit card used to make the purchase. Alternative methods of refund, for example cheque or cash, can be offered and may be requested by the customer
- paid by cash – methods of refund can be cheque or cash.

## When someone wishes to return an item they did not buy originally

You may find in the case of faulty items the person wishing to return the item is not the person who bought the item from you originally. This is because they may have received the item as a gift, or they may be returning the item on behalf of a member of their family or a friend.

When you sell an item, a contract is formed between you and the person who buys the goods and the contractual rights under the Sale of Goods Act are given to that person (the customer).

This means that someone who receives an item as a gift does not legally have the same rights as the customer, except in limited circumstances. However, most retailers will deal with someone returning faulty goods they received as a gift as an act of goodwill.

The situation may be different if you issue a gift receipt or if you tell a customer that the person they are buying the gift for can return the item. This is because

- you may have impliedly accepted that the person who receives the gift item purchased from you obtains rights under the contract, or
- the promise that the person who receives the item can exchange it or have a credit note, if the item is unsuitable, may be a term of the contract.

Contractual rights can be extended to third parties in other ways by your conduct. Often retailers who issue gift receipts state that such receipts only entitle the person who receives the gift to an exchange or to receive a credit note. This does not affect the original purchaser's rights to a refund if the goods are faulty.



## Your customers' rights on sale items

Customers have exactly the same rights when they buy items that are reduced in a sale as when they buy them at full price.

See the section *Your customers' rights explained* for full details of customer rights.



## Your customers' rights on goods that need to be installed

In the case of an item installed by the retailer (or their agent) the customer has the right to reject the goods and claim a full refund if the goods are faulty. This right lasts until after the fault is apparent. The customer also has these rights if the installation of goods is not satisfactory.

On discovery of a fault, the customer should reject the goods within a reasonable time to claim a full refund.

If a reasonable time to reject the installed goods has passed, the customer may then be entitled to a repair or replacement.

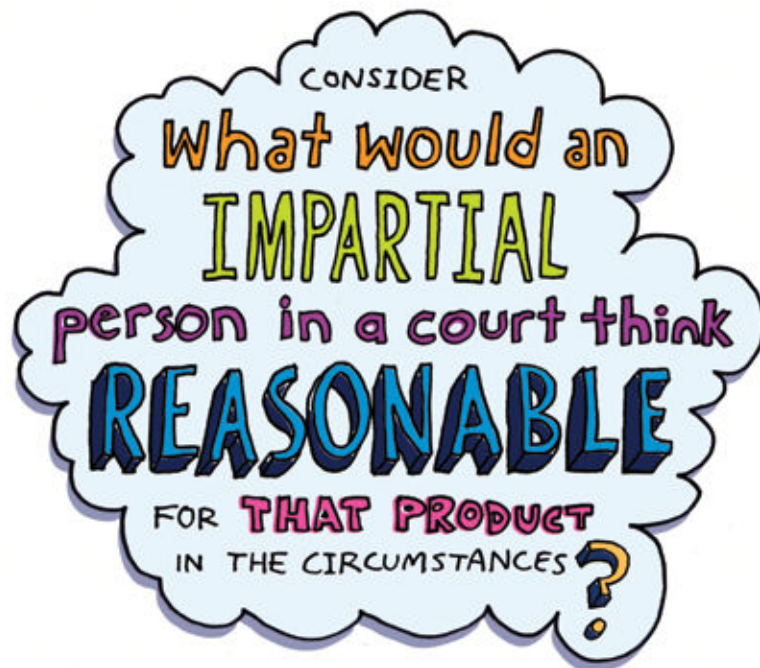
The customer is entitled to make a claim within six years of the item being purchased, or for goods purchased in Scotland, within five years of discovery of the fault.

Retailers must use reasonable skill and care in performing services, for example installation, and if no time limit is agreed between the retailer and the customer the retailer should ensure the services are completed within a reasonable time.

If a customer arranges for the item to be installed themselves, then the agent they appoint is responsible for any problems from the installation, not the retailer. However, the customer may be able to claim against the retailer that the item was not fit for purpose if the installation instructions had serious shortcomings. The customer then has the same rights as outlined above.

## Your customers' rights on hiring goods and hire purchase

When trying to decide if a customer has rejected a faulty item that has been installed within a reasonable time of discovering the fault, consider what an impartial person in a court would think reasonable for that product in the circumstances.



When a customer hires an item, the item must

- match the description
- be of satisfactory quality
- be fit for purpose.

In the case of hired goods or hire-purchase items, the customer has the right to reject the goods if they are faulty until after the fault is discovered.

It is less clear if they should get a full refund or if a deduction should be made for the benefit of use of the goods. This will depend on what is reasonable based upon the facts and the level of inconvenience suffered as a result of the fault.

On discovery of a fault, the customer should reject the goods within a reasonable time to claim a refund.

When trying to decide if a customer has rejected a faulty item that has been hired or taken on hire purchase within a reasonable time, consider what an impartial person in a court would think reasonable for that product in the circumstances.

The customer does not have the right to a repair or replacement, partial refund or price reduction in the event of a fault with hired goods or hire purchase items.

For hire-purchase agreements, the customer's rights are against the finance company, not the retailer, as their contract is with the finance company until the final payment is made.

## Your customers' rights on second-hand goods

Customers have exactly the same rights with second-hand goods as they do with new. See *Your customer's rights explained*.

However, because the items are second-hand the quality of items is judged less rigorously than when items are new, where reasonable.



## Your customers' rights on sale by sample

If a customer buys an item from a sample (for example, curtains from a fabric swatch or a carpet from a sample square) then the item must match the sample (that is, be made of the same material, same colour, finish etc). If the item is also sold by description, then it must match the description as well as the sample.

For example, a customer chooses a rug from samples described as 100% wool. When supplying the rug it is not good enough to match the sample in colour and weight with a fabric that is only 50% wool – the rug must also comply with the description and be made of 100% wool as described.

# Your customers' rights when they buy goods online, by telephone or by mail order

The law also applies to goods sold online, by telephone or by mail order. This includes goods sold by television, text message and fax or through a newspaper or magazine order form.

The goods must

- match their description
- be of satisfactory quality
- be fit for purpose.

## Additional rights

Customers who buy goods online, by telephone or by mail order have important additional rights. Customers can cancel their order

- any time from the moment they place it, up to seven working days from the day after they receive the goods – even if the goods are not faulty\*
- any time from the moment they place it, up to seven working days from the day after they agree the contract with you for services bought online
- and claim a full refund if the goods or services that they ordered are not delivered or provided within 30 days.



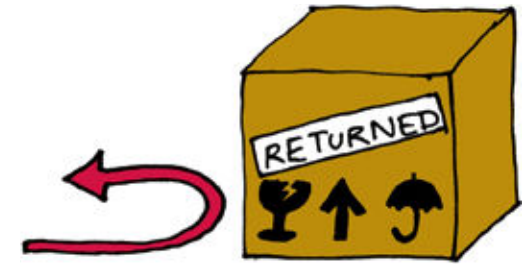
However, some items bought online or by mail order cannot be returned simply because the customer changes their mind. Examples include

- CDs, DVDs or software if the seal is broken on the wrapping
- perishable items such as food and flowers
- tailor-made or personalised goods
- newspapers, periodicals, magazines
- betting, gaming, lottery services.

\* It is important for retailers to know that the seven-day cancellation period may be extended if the retailer has not given the customer information about the right to cancel.







### Return of goods ordered online, by telephone or by mail order

The retailer's terms and conditions should say who pays for returning goods. If they don't, then the retailer has to pay, not the customer.

Retailers may also set out the way they want goods to be returned, but this cannot be unreasonably expensive or difficult.

In the case of faulty goods being returned because they are not fit for purpose, do not match their description, or are not of a satisfactory quality, the customer is entitled to claim the cost of postage from you or to request that you arrange collection of the item.

The additional customer rights that apply to online and mail order customers are in the Consumer Protection Distance Selling Regulations 2000, the Financial Services (Direct Marketing) Regulations and the Electronic Commerce Regulations. These are summarised in the OFT business guide, *Home shopping: distance selling regulations*, available from [www.offt.gov.uk](http://www.offt.gov.uk)

# Guarantees/warranties, retailer policies and credit notes

## Guarantees/warranties

Many retailers offer a free guarantee (or warranty) to customers. Sometimes these are provided by the manufacturer and sometimes by the retailer. The Sale and Supply of Goods to Consumers Regulations 2002 set out rules that apply when you give a customer a free guarantee.

If you give a guarantee, you should remember it is legally binding on you. It must

- be written in English and easy to understand
- be clear on the content and duration of the guarantee
- be available to look at, at the customer's request
- state that it does not affect the customer's legal rights
- include the guarantor's name and address
- state how to make a claim and what will happen when a claim is made.

It is up to the guarantor to decide how long the guarantee lasts.

It is important to remember that a guarantee does not replace or limit a customer's rights. Customers are entitled to raise a problem with you regarding a product for up to six years from the date of purchase (five years from the discovery of a problem in Scotland) regardless of the terms of any guarantee. Customers are entitled to rely on the remedies available to them under law (outlined in this guide) rather than their rights under a guarantee, if they wish.

This means that if a customer complains to you about an item that is not fit for purpose, does not match the description, or is not of satisfactory quality, you must deal with their complaint – you cannot force them to use their guarantee.





## Your own returns policy

Some retailers decide that it makes good business sense to have their own returns policy that offers customers more rights than they have under the law – for example, promising them a full refund for undamaged goods, up to a certain number of weeks.

If you chose to offer the customer more rights than the law required, you could impose conditions on the customer, for example

- a requirement to produce the original till receipt
- a requirement to return the goods unused and in unopened packaging
- a deadline for returns
- an offer to exchange or offer a credit note, but not to refund.

These conditions only apply to the additional rights you are offering. You cannot impose these conditions where a customer has a legal right to return goods. This is why the words 'this does not affect your statutory rights' are often included at the end of store returns policies.

The terms and conditions of the returns policy should spell out exactly how it works, for example

*'If you wish to return an item to us please return it in a saleable condition within 21 days with your receipt for an exchange or refund. This does not affect your statutory rights.'*

## Credit notes

Customers do not have to accept a credit note instead of a full refund, repair or replacement if the item is faulty; see *Your customers' rights on faulty goods*. Where a customer is entitled to a full refund, repair or replacement you should not mislead them into thinking that a credit note is their only option.

You can offer credit notes as a gesture of goodwill, for example if an item is not faulty but the customer changes their mind about keeping it. In this situation your customer does not have a legal right to a refund, compensation, repair or replacement, but you may want to offer a credit note to keep them happy.

## Dealing with a dispute with a customer

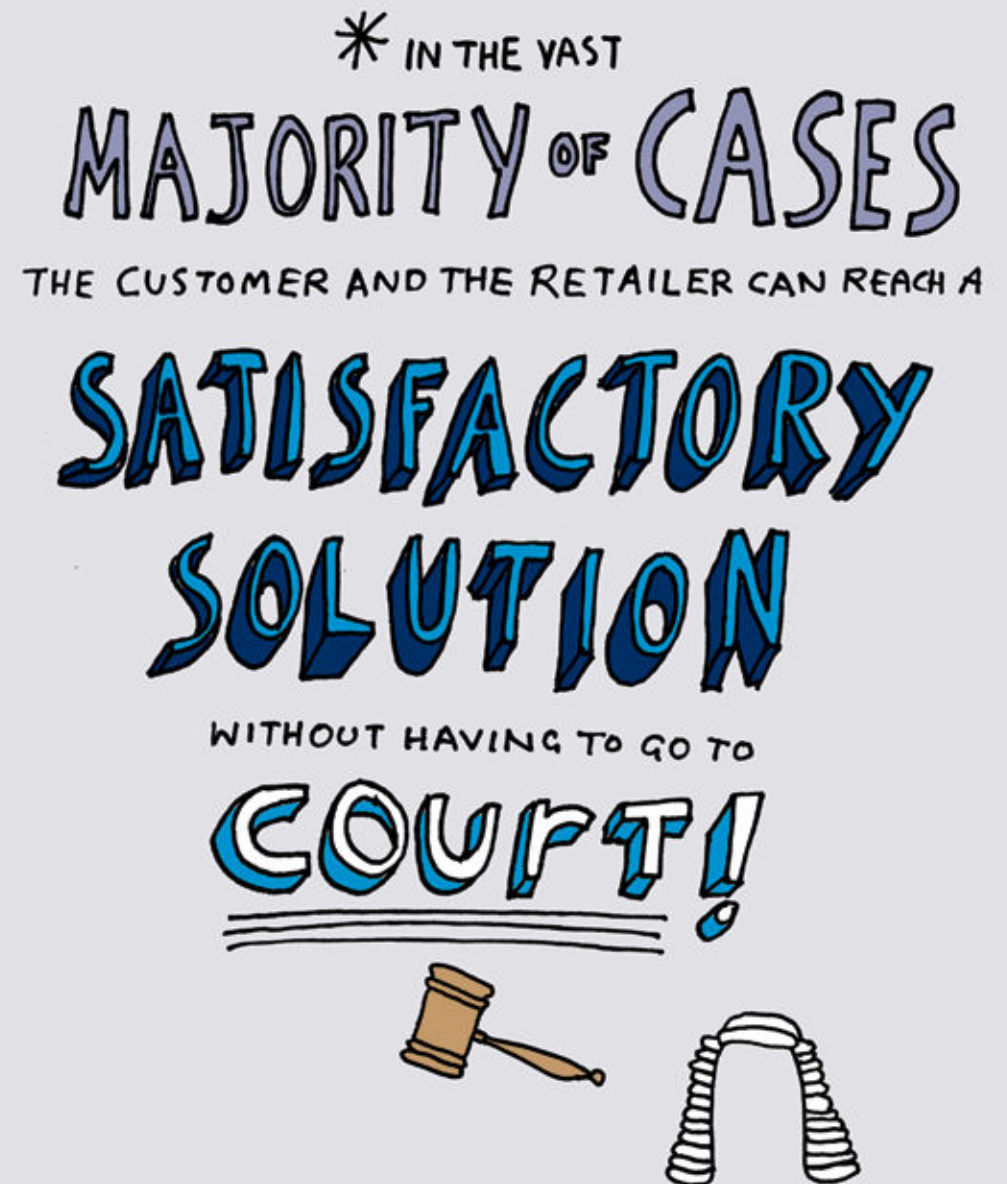
Although some customers take court action, this is rare. In the vast majority of cases, the customer and retailer can reach a satisfactory solution without having to go to court.

If you cannot reach a solution with a customer and you feel you need to seek advice, you may want to contact your local Trading Standards Office or your trade association (if you are a member).

Where this is not possible, you may wish to consider using an alternative dispute resolution procedure, or a scheme run by your trade association.

If the dispute reaches this stage, it may be worth advising your customer that they can obtain details from the Community Legal Service or a Citizens Advice Bureau – or from yourself, in the case of a trade association scheme.

If a customer does decide they want to proceed with their claim in court, it is likely they would take civil action in the county court. It is likely they would use the small claims procedure, which applies for goods with a value of up to £5,000.



# Additional information sources

You can obtain the full legal wording of UK laws, including the Sale of Goods Act 1979; the Supply of Goods (Implied Terms) Act 1973; the Unfair Contract Terms Act 1977; and the Supply of Goods and Services Act 1982 on [www.opsi.gov.uk](http://www.opsi.gov.uk)

A detailed training module on best practice for retailers – the TSI Fair Trading Award – is on [www.tradingstandards.gov.uk](http://www.tradingstandards.gov.uk)

If you sell goods online, by mail order or by telephone you can access guidance on the Consumer Protection (Distance Selling) Regulations 2000 and the E Commerce Regulations (Electronic Commerce Regulations) 2002 at [www.oft.gov.uk](http://www.oft.gov.uk) and [www.legislation.gov.uk](http://www.legislation.gov.uk)

If you sell goods by auction, it is important to note that The Unfair Contract Terms Act 1977 allows some goods sold at auction to be exempted from the requirements of the Sale of Goods Act. For further information see A Trader's Guide: The Law Relating to the Supply of Goods and Services, available from [www.bis.gov.uk](http://www.bis.gov.uk)

If you sell services to customers, it is important to note that they also have rights under The Supply of Goods and Services Act 1982. For further information see [www.businesslink.gov.uk](http://www.businesslink.gov.uk)

If you sell goods or services in what is described as doorstep or face to face selling other than at your business premises, you should also be aware of The Cancellation of Contracts Made in a Person's Home or Place of Work Regulations 2008. For further information see [www.oft.gov.uk](http://www.oft.gov.uk)

If you sell financial services, including extended warranty services by telephone or online, you should also be aware of the Financial Services Distance Marketing Regulations 2004, The Supply of Extended Warranties on Domestic Electrical Goods Order 2005, and the Insurance Conduct of Business Regulations 2005. For further information see [www.legislation.gov.uk](http://www.legislation.gov.uk)

The Office of Fair Trading is not able to intervene in individual disputes.

# Glossary

**consequential loss** – the damages that a customer can claim from you if a faulty item has caused damage or injury.

**disproportionately costly** – the retailer can refuse to repair or replace an item if the cost of this would be much (disproportionately) more than value of the perfect goods, except in exceptional circumstances.

**durability** – the durability requirement is that the item should work or last for a reasonable time but it does not have to remain of satisfactory quality. For example, a pair of wellington boots should stay waterproof but does not have to keep its brand new appearance.

**fair wear and tear** – goods cannot be expected to work fault-free forever. They can break down or become worn through normal use. This is called fair wear and tear, and a customer cannot hold the retailer responsible for it.

**faulty** – failing to work as it should, therefore it does not match its description, or is not satisfactory quality, or not fit for purpose. We use 'faulty' throughout *SOGA explained* and all documents in *SOGA hub* to describe any or all of these three problems.

**fit for purpose** – the item should be fit for the purpose it is sold for. For example a three-seater sofa should be able to hold the weight of three adults without breaking. An oven-proof dish should not crack if it is placed in the oven at a high temperature.

**impartial** - used to describe someone who does not favour any side in an argument or discussion. A good example of someone who is impartial is a judge in a court – they must listen to both sides and make a decision based purely on what is said in court and any evidence provided.

**match the/their description** – when someone buys an item and relies on the description given of it (on a label or any other written material, or orally) the item must be as described. For example, a car described as a 2003 registered 1200cc car must have been registered in that year and be of that engine size.

**particular purpose** – if a customer says that an item is wanted for a particular purpose, even if it is not the usual purpose for which it is sold, it has to be fit for that purpose if the retailer agrees, or does not disagree and sells it on that basis. For example, if a customer tells you they want an outdoor jacket for mountaineering in extreme weather conditions, and you sell them a showerproof jacket, then it is clearly not fit for that particular purpose.

**reasonable time** – this depends on the item and the circumstances. What is reasonable is determined by taking everything into account and considering what an impartial person would think is reasonable.

**rescind the contract** – when someone decides to return a faulty item that they have accepted, and accept a partial refund that reflects the use they have had from the goods. Rescission is discharge of a contract by agreement. In certain circumstances, the law allows consumers to treat the contract as at an end, return the goods and obtain a partial refund. The partial refund is the purchase price minus an amount to reflect the use or benefit that the customer has had from the item. If the item has never worked, no deduction should be made.

**satisfactory quality** – meeting the standard a reasonable person would think of as satisfactory, taking account of the goods' description, price and so on.

**serious shortcomings** – if installation instructions are written with shortcomings that result in the customer not being able to use them adequately, then they could argue the goods were not fit for purpose, and make a claim.

**six years** – under the Limitation Act 1980, you can only take legal action over breaches of contract for up to six years after the event. In the case of faulty goods, the event is the date the goods were purchased. For goods purchased in Scotland this is five years after discovering a fault.

**statements** – any public statements by the manufacturer, importer, producer or retailer about goods, especially in advertising or labelling, have to be factually correct – and are part of your contract with the customer.

**the Sale of Goods Act (and other legislation)** – consumers' and retailers' rights and responsibilities are covered by a number of different Acts of Parliament and regulations. These include the Sale of Goods Act 1979; the Supply of Goods (Implied Terms) Act 1973; the Unfair Contract Terms Act 1977; the Supply of Goods and Services Act 1982; Sale and Supply of Goods to Consumers Regulations 2002; the Unfair Terms in Consumer Contracts Regulations 1997, and the Consumer Protection From Unfair Trading Regulations 2008.

Online, they are covered by the Consumer Protection (Distance Selling) Regulations 2000, the E Commerce Regulations (Electronic Commerce Regulations) 2002 and The Financial Services (Distance Marketing) Regulations 2004.

**time is of the essence** – used to describe a delivery time when the customer has made clear that the delivery date is an important term of the contract, or this is clear from the nature of the contract.

**working days** – Monday, Tuesday, Wednesday, Thursday, Friday (not Saturday and Sunday or public holidays, for example, Christmas Day, May Bank Holiday).

