Applicable law	or
Regulation	

The guidance below is extracted from www.checksrc.nl and www.checkdereclamecode.nl, which is based on articles 2 & 8 of the Dutch Advertising Code and Book 3 of the Civil Code

Title of relevant section

COLUMN 3. The third column applies to digital ads/ offers, such as online shops, where one can order the product offered via the internet or by phone

Introduction

In addition to the general statutory information requirements, an invitation to purchase in advertising that allows a product or service to be purchased over the Internet or by telephone (Distance Contracts) is subject to various additional information requirements. In summary, it concerns the following obligations:

- 1. The main characteristics of the advertised goods/ services, and if applicable, the subscription.
- 2. The total price and charges/ costs.
- 3. Payment, delivery, and complaint handling policy
- 4. The advertiser's details
- 5. The right to termination of the contract

The headings below provide an explanation of each obligation listed above.

Key Tip: The consumer cannot accept the offer until it has been made explicitly clear that the order implies an obligation to pay. Immediately before placing the order, the main features of the offered goods/ services and the total price must be stated, as well as, if applicable, the minimum duration of the subscription. Therefore, make sure that the consumer sees this information on an order/ purchase page where he/ she can place the order by means of a button containing the words «Order with obligation to pay» (bestelling met betalingsverplichting)

1. Main Characteristics

Main characteristics of the product/ service: Give the consumer a good idea about what he or she can expect from the product or service. Describe the product or service as clearly as possible and state, if applicable, model and / or model number and other specifications. Point out to the consumer in a clear and prominent manner exactly what he orders immediately before placing it.

Separate comment from SRC: If it concerns essential information that the consumer needs to make an informed transactional decision, and there is an offer on advertiser's website, the main characteristics of the product/ service should be stated on the website

Main characteristics of subscription: In addition, state the minimum duration of the subscription. If the subscription is tacitly renewable (i.e. whereby they renew automatically), then this must be indicated. If you cannot specify a duration/ term, such with an indefinite subscription, then provide the consumer with clear information about how to cancel. Are there any conditions for cancellation? If so, then indicate this to the consumer and state where he/she can find these terms/ conditions, for example by referring to the website. Make use of one of the following text suggestions:

- This offer is an indefinite agreement that can be terminated in accordance with the terms on [link to website]. Deze aanbieding betreft een overeenkomst voor onbepaalde tijd die kan worden opgezegd volgens de voorwaarden op [link naar website]
- > This offer is a 1 year agreement that is tacitly renewable and can be terminated under the terms of [link to website] Deze aanbieding betreft een overeenkomst voor 1 jaar die stilzwijgend kan worden verlengd en die kan worden opgezegd volgens de voorwaarden op [link naar website] verplichting

2. Total Price and Cost

<u>Total Price</u>: Give the consumer the best possible idea of what he/ she has to pay. Always state the "Total Price" – meaning the price including all known and unavoidable costs at the time of publication that must be paid in a transaction. It is therefore not permitted to separately state additional costs that can be calculated in advance (see Case 2017/00281 / <u>In English</u>

https://www.reclamecode.nl/webuitspraak.asp?ID=189059&acCode

Which concerned an advertising brochure in which the advertiser offered various scooters with accompanying prices under the entry "Excl. delivery, license plate and registration costs". Such costs must be included within the total/ final price.

For items that go by volume (cases involving quantity), the price per official unit of measurement (i.e. unit price) must be stated (i.e. per litre or per kilo).

<u>Delivery Costs (freight/ postage)</u>: Delivery costs in principle should be included in the price. However, these costs are often dependent on the size of the order and the mode of dispatch/ method of shipment. In that case, the costs cannot be included in the delivery price but may be explained on the website. In which case, place an asterisk at the price where the consumer can find more information about the delivery costs.

Agreement for indefinite duration or subscription: Enter the total cost per billing period. Has the agreement or subscription been entered into indefinitely? Please include the monthly costs in the advertised price if there is a fixed/ flat rate. If the total costs cannot reasonably be included in the price, for example, because they are not yet known, the website should explain how these costs are calculated.

<u>Important</u>: If you charge a fee for the use of a particular payment method, its amount may not exceed the cost incurred in connection with that method of payment (Article 6: 230k paragraph 1 BW Burgerlijk Wetboek – Civil Code). In this case, state the actual costs in the advertisement or on the website.

<u>Communication Costs</u>: If distinct costs are charged if the consumer calls for more information about the offer; the consumer must be informed about the level of such costs – this relates to costs which are higher than the basic rate for calling (i.e. premium rate calls). This also applies to other types of communication costs.

<u>Good to know</u>: Please note, according to the law, the fee you charge for telephone contact after the conclusion of the agreement may not exceed the base rate (Article 6: 230k paragraph 2 of the Dutch Civil Code). This differs from the advertising phase, which allows a higher fee.

3. Payment, delivery, and complaint handling

(The method of payment, delivery, performance, the time by which the trader undertakes to deliver the goods or to provide the services and, where applicable, the complaint handling policy of the trader – Art. 230m(1g) Dutch Civil Code – Book 6)

<u>Payment Method</u>: Be clear about the payment methods that are possible if they contain certain restrictions. For example, if you only accept credit card payment, that should be mentioned in the advertisement. If you charge a fee for the use of a particular payment method, the amount must not exceed the costs that you incur in connection with that method of payment (Book 6: Art 230k(1) Dutch Civil Code). This should be stated in advert or website.

Restrictions and Delivery Times: Indicate clearly and legibly at the beginning of the ordering process whether there are specific restrictions on the delivery of the products or services. Be careful with the slogan: "Ordered today, delivered tomorrow" (Vandaag besteld, morgen in huis) – only use it if you can guarantee it. Instead say: "ordered today, probably delivered tomorrow" (Vandaag besteld, waarschijnlijk morgen al in huis). (File/ Case: 2013/00531A)

<u>Complaint Handling Policy</u>: Refer to the website for details of the policy.

4. Advertiser's Details

<u>Identity</u>: The consumer needs to know who the advertiser is. Therefore, information about the advertiser's identity must be included. Does the advertiser use a business/ trade name? If yes – then using this name in the advertisement will usually suffice. On the website, include the advertiser's Chamber of Commerce trade register entry number and VAT number.

<u>Contact Details</u>: The consumer must be able to communicate quickly and efficiently with the advertiser. In this respect, a post office box number alone is not sufficient. Also state the official registered address and / or physical address.

Intermediary: is there an intermediary? The intermediary must state his own name and

address as well as the name and address of the company for whom he acts.

5. Right to terminate the contract

<u>Information to be provided to the consumer:</u>

Inform the consumer in the advertisement briefly about:

- The fact that there is a withdrawal (i.e. cooling-off) period of 14 days, at which point the consumer can withdraw from the contract and the details of when this term applies.
- The terms and conditions for withdrawal during this period. Also advise the consumer of the circumstances under which he/ she waives their right to withdraw, i.e. in the case of opening sealed packaging of a CD case or hygiene products. This information must also be clearly stated under the terms and conditions on the website.

<u>Standard Forms</u>: In the advertisement, reference must be made to an <u>instruction form</u>¹ and the statutory <u>model form</u>² for termination. This can be in the form of a link to these forms on the website.

 $^{{\}color{blue} {}^{1}} \underline{\text{http://www.checksrc.nl/StippWebDLL/Resources/Handlers/DownloadBestand.ashx?ID=1000000072}}\\$

² http://www.checksrc.nl/StippWebDLL/Resources/Handlers/DownloadBestand.ashx?ID=1000000073