

## **Written consumer agreements**

### **Scope**

Section 50 of the Act refers to three main points.

- The Minister may prescribe certain categories of contracts to be in writing.
- Rights and obligations of the consumer and supplier with regard to written contracts.
- Supplier obligations with respect to agreements not in writing.

### **Who does it apply to?**

This section applies to all suppliers and consumers as defined by the Act.

### **How does it apply?**

A written agreement between a consumer and a supplier is applicable whether the consumer has signed it or not. However, the supplier must make available to the consumer a free (hard or electronic) copy of the agreement that meets specific conditions as prescribed by the Act.

If an agreement between a consumer and a supplier is not in writing, the supplier must keep a record of the transaction as entered into over the telephone or other recordable format as prescribed.

### **So what?**

In case of any dispute between the consumer and the supplier with regard to any terms of the contract, businesses must ensure that they have a record (telephonic recording or hard/electronic copy) of the transaction terms as agreed to by the consumer. Businesses will also have to ensure that their terms and conditions are comprehensive and understandable (plain and simple language) to the consumer as that could be grounds for a dispute. Any business that enters into transactions telephonically will have to make certain that their operators are well trained and knowledgeable enough to enter into the transactions properly so as not to jeopardise the validity of the contract.

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