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Judgment of the Court in Case C-400/22 | Conny

Online orders: the order button, or a similar function, must clearly indicate that, by clicking on it, the consumer assumes an obligation to pay

This applies even where the obligation to pay is also dependent on the satisfaction of a subsequent condition

In Germany, the tenant of an apartment – the monthly rent of which was higher than the maximum ceiling permitted under national law – asked a debt recovery undertaking to request his landlords to repay rent overpayments. He placed that order through that service provider's website. Before clicking on the order button, he ticked a box to accept the general terms and conditions. According to those terms and conditions, tenants must pay the service provider a third of the annual rent saved where that provider's attempts to assert their rights were successful.

In the ensuing dispute between the service provider and the landlords, the latter argue that the tenant did not give the service provider proper authorisation to act on his behalf. Indeed, the order button was not labelled with the words "order with obligation to pay" (or a corresponding formulation), as required by the directive on consumer rights ¹. In that context, the question arose as to whether that requirement applies also where the tenant's obligation to pay does not arise solely from the order ², but in addition requires the successful enforcement of his or her rights. The German court seised of the dispute referred a question to the Court of Justice in that regard.

The Court holds that **the trader must inform**, in accordance with the requirements of the Directive, **the consumer before he or she places the order through the internet that he or she, by that order, assumes an obligation to pay. That obligation** on the part of the trader **applies irrespective of whether the consumer's obligation to pay is unconditional or whether the consumer is required to pay** the trader **only after a subsequent condition has been satisfied**.

If the trader has not complied with his obligation to provide information, the consumer is not bound by the order. However, there is nothing to prevent the consumer from confirming his or her order.

NOTE: A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of EU law or the validity of an EU act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

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The <u>full text and, as the case may be, an abstract</u> of the judgment is published on the CURIA website on the day of delivery.

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Images of the delivery of the judgment are available on '<u>Europe by Satellite</u>' @ (+32) 2 2964106.

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¹ Directive 2011/83/EU of the European Parliament and of the Council of 25 October 2011 on consumer rights. The trader must ensure that the consumer, when placing his or her order, explicitly acknowledges that the order implies an obligation to pay. Where a button or similar function must be activated in order for the order to be placed, the button or similar function must be labelled in an easily legible manner only with the words 'order with obligation to pay' or a corresponding unambiguous formulation indicating that the placing of the order entails an obligation for the consumer to pay the trader. Otherwise, the consumer is not bound by the contract or order.

² See in that context judgment of 7 April 2022, Fuhrmann-2, <u>C-249/21</u> (see also press release <u>No 60/22</u>).