

INTERNET SELLING – ESSENTIAL LEGAL ISSUES

Vital Information your site must contain

Under the **E Commerce Regulations 2002** if you are selling goods or services via your website the site must contain:

- * Your full address and contact details.
- * Your VAT Number
- * If you are a member of a Trade Association full details of the Association and your membership number.

There are a number of other issues you must cover on your website. If your site does not comply you might face prosecution by the Trading Standards Department or Office of Fair Trading. They can issue 'Stop Now' Orders which mean your site can be taken down and you can be fined.

How is your Online Contract made?

It is essential that you explain how the contract with your online customer will be made. This is achieved by Internet legal Terms & Conditions. They will cover a number of issues including details of the precise point the contract is accepted by you. For example, under the E Commerce Regulations you must acknowledge online orders by electronic means almost immediately. Be careful. It is important that you do not formally accept an offer until you know you can fulfil the order. There may also be other reasons why you should not accept until you are satisfied it is safe to do so. Unless you explain fully in your Terms when Acceptance occurs you might be in breach of contract with your online customer.

Other things your Internet legal Terms and Conditions will cover include, which country's law applies to your online sale? There are laws which give online consumers the right to sue in the country of delivery of the goods or services if they live in the EU. There are certain things you might wish to exclude as legal liability. For example, you will not want to be liable for computer viruses which your online user alleges they contracted by visiting your website.

Your Online customers right to withdraw

If you are selling goods or services anywhere within the European Union then you must make clear that your online customer has rights to withdraw from the contract under the **Consumer Protection (Contracts Concluded by Means of Distance Communications) Regulations 2000**. It is necessary for you to make express reference to these Regulations in your website Terms. Certain types of contract are excluded such as flight and Hotel bookings and also online grocery shopping.

Privacy Law requirements

When you are dealing online you may well be collecting personal information from your customers. This might include names, addresses, and credit card details. If so, make sure you are registered under the **Data Protection Act 1998**. Remember, it is not only websites which process orders online which are caught by this law. Even if your site simply collects such information but does not sell online you may still be caught.

If you are thinking of sending personal information such as a customer database outside the EU, you can only do this by following a special procedure to ensure privacy law standards are met.

It is necessary to include a Privacy Statement on your website, usually on your homepage. This will alert your customers that you are registered under the Data Protection Act and that you will handle their personal information in accordance with the Act. You should use the official Information Commissioner Padlock symbol on your website which should accompany your Privacy Statement.

Sending Unsolicited Emails

Under new laws to be introduced in December this year you cannot send unsolicited emails to potential customers unless you have their consent to receive such messages. **The Privacy and Electronic Communications Regulations 2003** are designed to stamp out 'spam'. There are certain exceptions but take advice if considering sending business promotion messages.

Other Issues

Remember, anything you do with regard to selling online will almost certainly have a legal consequence. The Internet is a fantastic medium but it has legal pitfalls. It is important you take full advice before starting your online business.

For more information on any of the matters above or other internet legal issues please contact:

Andrew Sparrow Principal Solicitor Lecote Solicitors 1 Victoria Square Birmingham B1 1BD Tel 0121 632 2285 Email: Law@Lecote.com	David Harrison Managing Director Severn Internet 50 High Street Church Stretton Shropshire SY6 6BX Tel 01694 724899 Email: dkharrison@severninternet.co.uk
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The information in this note is for guidance only. It is not to be treated as a substitute for full legal advice on your internet sales activity.