Other terms that may be unfair include:

**Terms that bind your customer to hidden terms**
Your customer should have a real opportunity to see and understand all your contract terms before they sign up to them. If a term requires your customers to accept wording that they have not seen, the term could be challenged as unfair.

**Example:** ...all orders are subject to our standard terms, which will be supplied with the goods.

**Terms that give you the ‘right of final decision’**
Your customers could be at a disadvantage when a term gives you the right to decide how the contract is interpreted or whether or not there has been a breach of it. These types of terms effectively allow you to change the way the contract works to suit yourself. They may also mean that your customer does not get the redress (eg compensation) to which they are entitled.

**Example:** Any dispute or difference which may arise in regard to the interpretation of the Rules shall be determined by the Management, whose decision shall be final.

**Terms that restrict or prevent your customers from taking legal action**
Your customer should be able to seek redress (eg compensation), ultimately in the courts, when you are at fault. These types of terms may also be ‘blacklisted’ by legislation as unsuitable for use with consumers in any circumstances.

**Example:** Any dispute that cannot be resolved will be referred to arbitration.

**Terms that exclude or undermine special rights**
For example, rights relating to the confidentiality of a customer’s personal information or their rights when they enter ‘distance contracts’ such as buying online.

**Example:** I hereby waive my rights under the Data Protection Act...

**Terms denying liability for statements made by agents or employees** *(entire agreement clauses)*
There is scope for abuse if a business can argue that it isn’t bound by oral promises made by its employees or sales agents. In some cases, a term that has this effect may also be ‘blacklisted’ by legislation.

**Example:** The company accepts no responsibility for any verbal claims or offers made by its distributors or agents in conjunction with this offer.
Terms that reserve your right to transfer an agreement to someone else
Without getting permission from the customer first. This is particularly true if
the third party could provide a poorer quality product or service.

**Example:** We may at any time transfer this agreement to a third party.

Terms that unduly restrict a customer from transferring their rights under the contract.

**Example:** This guarantee is personal to the customer and may not be transferred to anyone else.

Terms that try to make your customer bear inappropriate risks
Particularly when you can insure against these and your customer cannot
(or at least not cheaply and easily).

**Example:** The customer will pay for any damage caused to the
company’s equipment caused by adverse weather conditions...

Requiring a customer to make disadvantageous declarations
Such as asking them to confirm they have ‘fully read and understood’ your T’s & C’s. The purpose
behind this is to bind customers to the ‘terms’ of a contract regardless of whether they have any
real awareness of them or not.

**Example:** I confirm that I have read and understood the conditions of sale overleaf.

Terms that allow you to impose excessive burdens or requirements on your customers
Especially wording that could allow excessive and unexpected financial burdens.

**Example:** We may at any time require payment of such security deposit as is deemed necessary.

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**FOR FURTHER INFORMATION ON THESE TYPES OF TERMS PLEASE SEARCH THE CMA FULL GUIDANCE**

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**HAVING CLEAR AND FAIR TERMS IN YOUR CONTRACT WILL**

- **SAVE YOU TIME**
- **HELP PREVENT DISPUTES AND REPUTATIONAL DAMAGE**
- **PROTECT YOUR BUSINESS IF SOMETHING GOES WRONG**

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**WANT TO KNOW MORE**

*Introductory guide* – click here for an overview of some of the key things you need to know about unfair terms.

*Individual guides* – see our other guides on contract terms that may be unfair.