

New rules regarding the enforcement of consumer guarantee rights effective as from mid-May

The decree of the Minister for National Economy on the procedural rules for administering guarantee and warranty claims on movable properties (products) sold to consumers enters into force in mid-May, and businesses may not depart from it to the disadvantage of consumers - Origo was informed by Dr. Lóránd Kovács, an expert at Kovács Réti Szegheő Law Firm. Dr. Kovács draws the attention to the fact that in case a business fails to comply with the provisions of the decree, then consumers should apply to the consumer protection authority.

Act V of 2013 on the Civil Code came into effect on 15 March 2014 updating the rules governing the legal consequences regarding defective performance. The new Civil Code rendered the system of guarantee rights less complicated and more transparent, facilitating more favourable enforcement of consumers' rights.

Although the expert of Kovács Réti Szegheő Law Firm reported on the opportunities provided by the new Civil Code in a previous article, new changes in legislation have been made concerning the guarantee rights of consumers since the new Civil Code entered into force.

Don't let yourself be deceived!

The procedural rules for administering guarantee and warranty claims on movable properties (products) sold to consumers are specified in Decree No 19/2014. (IV.29.) NGM. The decree of the Minister for National Economy enters into force in mid-May, and businesses may not depart from its provisions to the disadvantage of consumers.

Provisions applied by businesses, departing from those contained in the decree to the disadvantage of consumers, will be null and void. Dr. Lóránd Kovács draws the attention to the fact that the rules set out below are binding on businesses and provisions that are even more beneficial to consumers may be applied at the most. In case you have noticed that a business fails to comply with the rules set out below, then its actions are in violation of the law, and so you should apply to the consumer protection authority.

Retaining a copy of the invoice can be important upon assertion of warranty claims

According to the decree of the Minister for National Economy, consumers must be able to prove that the contract has been made, namely that consumers have purchased the product or used the service stated in the guarantee or warranty claim (which in most cases is aimed at repairing or replacing the defective product or the faulty performance of service, or possibly at reducing the price) from that particular business.

In case of any dispute arising in connection with the conclusion of the contract, it suffices if the consumer produces a proof of payment of the consideration, that is, a receipt to the business.

Obligation of businesses to take the minutes and deadline for repair and replacement

If consumers submit their warranty claims to a business and produce the receipt, the business is obliged to take the minutes on the submission of the warranty claim, recording certain data (name and



address of the consumer, description and price of the product, date of the report of defect, description of the defect etc.) - the expert of Kovács Réti Szegheő Law Firm emphasizes.

In addition to the minutes, if the defective product is also taken over, the business is also required to issue an acknowledgement of receipt that is suitable to certify the type of product taken over by the business, the time of receipt and the person who accepted the delivery, as well as the time when the consumer can take over the product after its being repaired.

Lastly, once a product was handed over, the business must endeavour to either replace or repair the product within a maximum of 15 days. By failing to do so within 15 days after the receipt of the product, we suggest that consumers should send a notice to the business reminding it to forthwith fulfil its obligations under warranty - Dr. Lőránd Kovács finally says.