Protection of consumers: timeshare, protection of purchasers

1992/0419(COD) - 07/10/1993 - Modified legislative proposal

Without calling into question the two fundamental aspects of the Directive (the obligation upon the vendor to provide an information document and the withdrawal period following signature of the contract), the Commission made certain changes to its initial proposal in the light of the opinion of the European Parliament. The main changes relate to the following points: - the new text specifies the definitions of the terms 'contract', 'immovable property', 'purchaser' and 'vendor'; - the purchaser enjoys increased protection in the event that the vendor fails to comply with the deadlines agreed or fails to perform the services incumbent upon him; - the question of the charges incumbent upon the purchaser is clarified, and it is specified that charges for rights not sold shall be borne by the vendor; - the minimum information that the contract must contain appears in an annex to the modified proposal; - information document: this must be available to any person on request. The information contained in this document forms an integral part of the contract. Unless the parties expressly agree otherwise, only changes resulting from circumstances beyond the vendor's control may be made to this information. Any advertising must indicate not only the possibility of obtaining the document but also the address from which it can be obtained; - right of withdrawal and withdrawal period: a single cooling-off period of 28 days with effect from the time of signature has been prescribed; with regard to the exercise of the right of cancellation, the registered letter requirement has been replaced by one requiring a written communication sent in a manner capable of being substantively proved; the vendor may not require advance payments before the end of the cooling-off period; finally, the period for repayment of the purchaser is set at a maximum of one month with effect from the date of notification of cancellation; - a new article prescribes that the purchaser must be able to cancel a loan agreement associated with a contract to purchase a right to use one or more immovable properties on a timeshare basis; - the Member States are required to comply with the Directive no later than 31 December 1995.