## CMA secures refund rights for McAfee customers

Press release

Following CMA action, McAfee, a leading supplier of anti-virus software, has extended its refund rights for all customers whose contracts have auto-renewed.



The changes secured by the Competition and Markets Authority (CMA) as part of its <u>investigation into the anti-virus software sector</u> include:

- McAfee ensuring that customers whose contract auto-renews for another year will be able to end their contract and seek a refund for the remaining months. In addition, this new refund right will be backdated for people who were previously refused a refund in 2020.
- The process for turning off auto-renewal will be made more straightforward for customers in the future.
- Providing clearer information upfront on pricing, for example by making clear that the auto-renewal price in the second year is higher than the price paid when the anti-virus product was first purchased.
- Locating important information about how to turn off automatic renewal and obtain a refund more prominently on its website and in emails sent to customers.

The investigation into the sector was launched in response to the loyalty penalty <u>'super-complaint'</u> from Citizens Advice about long term customers overpaying for key services. This raised concerns that some anti-virus software companies' terms and practices may be unfair and could result in UK customers paying for services they no longer want or need.

Andrea Coscelli, CMA Chief Executive, said:

"People should not be tied into auto-renewing contracts for products they no longer want or need. Because of our investigation, it will be easier for McAfee's customers to get money back if a contract renews when they didn't want it to.

"Subscriptions should be clearly described, easy to exit and customers should not be tied into ongoing auto-renewals without adequate refund rights. Companies who use auto-renewals unfairly risk action from the CMA."

## Notes to Editors:

- 1. The CMA opened its investigation into the anti-virus software sector in November 2018. The CMA's investigation was conducted under the Enterprise Act 2002.
- 2. In relation to McAfee, the CMA's investigation has been concluded with the CMA accepting undertakings from McAfee Ireland Limited. These undertakings have been provided to the CMA voluntarily and without any admission of wrongdoing or liability.
- 3. McAfee Ireland Limited is the first company to agree undertakings with the CMA as part of its wider programme of work looking into subscription contracts in the <a href="mailto:anti-virus software">anti-virus software</a> and <a href="mailto:online video gaming">online video gaming</a> sectors.
- 4. McAfee's existing refund policy covers customers whose contracts have already been auto-renewed by allowing them to request a full refund of the auto-renewal fee for a period of 60 days from the date the fee is taken. Following the CMA's action, after this full refund window, consumers can seek a partial refund of the auto-renewal fee in proportion to the amount of the contract that is outstanding at the point at which the refund is requested. This will be calculated on a monthly basis. The request for a partial refund can be made until the end of the penultimate month of the contract period covered by the fee. This new right for consumers is available now.
- 5. McAfee have agreed to make further changes to their website and communications with customers to improve clarity, which will be made within the coming months. McAfee will provide regular reports to the CMA as to their customers' experience of ending auto-renewal and seeking refunds.
- 6. Whilst the CMA can raise concerns around a breach of consumer protection law, ultimately, only a court can rule that a particular practice infringes the law and no such ruling has been made in this matter.
- 7. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk.

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