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Recent Ruling by the Mexican Supreme Court Regarding Jurisdiction Clauses in Terms and Conditions

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Mexico's Supreme Court has set a new precedent concerning the validity of clauses submitting disputes to foreign jurisdictions when such clauses are included in Terms and Conditions or Adhesion Contracts. Although this ruling was specifically issued in the context of Terms and Conditions accepted through websites, the reasoning behind it may be extended in the future to other situations, such as the implied acceptance of Terms and Conditions through the execution of purchase orders.

Among other points, this new precedent equates Terms and Conditions accepted online with Adhesion Contracts. As such, if these Terms and Conditions include a clause submitting disputes to a foreign jurisdiction, the clause may be deemed invalid on the grounds that it limits one party's right to access justice. This is due to the imbalance created when one party is forced to litigate in a jurisdiction where the service was not performed and/or the product was not delivered, and where the other party may have ties that favor its position and facilitate access, while disadvantaging the opposing party.

Although there is currently no specific ruling regarding the acceptance of Terms and Conditions through the execution of purchase orders, we recommend reviewing any foreign jurisdiction clauses included in the terms and conditions governing the provision of goods and services. This will allow for case-by-case adjustments to reduce the risk of such clauses being found invalid, which could in turn jeopardize the enforceability of obligations between the parties.

You can contact us if you have any questions regarding this judgment.