

## 2005–07–28 Law of the Republic of Azerbaijan on electronic trade

This law determines the legal bases of the arrangement and implementation of the electronic trade, rights and obligations of its parties, and responsibility for a violation of the legislation on the electronic trade.

### Chapter I

#### General provisions

##### Article 1. The main definitions

1.0. The following definitions are used in this law:

1.0.1. The activity on goods purchase and sale, rendering services and doing works, which is conducted via using the information systems;

1.0.2. Electronic trade participant – The juridical and physical persons who participate as sellers (suppliers), purchasers (customers) and electronic documents turnover intermediary when the electronic trade is conducted;

1.0.3. Seller (supplier) – the electronic trade participant who sells goods (who renders services, does works);

1.0.4. Purchaser (customer) – the electronic trade participant who purchases goods (who orders services and works);

1.0.5. Electronic documents turnover intermediary (mediator after this) – the physical or juridical person who renders the services of electronic documents turnover between the persons who send and receive the electronic documents;

1.0.6. Commercial notification – The information, which directly or indirectly serves for the spreading of goods, rendering services, and doing works or the formation of its image, by the purchaser.

##### Article 2. The application sphere of the Law

2.1. This Law refers to the electronic trade conducted in all other sectors in the Azerbaijan Republic, excluding the financial market and insurance and securities market.

2.2. The electronic trade relations in the financial market and insurance and securities market are regulated by the other legislative acts of the Azerbaijan Republic.

2.3. This Law does not refer to the contracts, which are to be certified by notary or must pass the state registration.

Article 3. Legislation of the Republic of Azerbaijan on the electronic trade

3.1. The legislation of the Republic of Azerbaijan on the electronic trade is consisted of the Constitution and Civil Code of the Republic of Azerbaijan, the Law of the Republic of Azerbaijan "On the electronic signature and electronic document", other normative legal acts, and the international contracts that the Republic of Azerbaijan is party to.

3.2. The issues related with the electronic conclusion of bargains are regulated by this Law and the legislation on the electronic documents turnover, and the issues related with the content and execution of the duties derived from bargains are regulated by the Civil Code, excluding the issues in the Article 10.

## Chapter II

### Arrangement of the electronic trade

Article 4. The main principles of the electronic trade

4.1. The legal regulation of the electronic trade in the Republic of Azerbaijan is based on the following principles:

4.1.1. equality of participants;

4.1.2. free will of participants;

4.1.3. property independence of participants;

4.1.4. immunity of property;

4.1.5. freedom of contract;

4.1.6. free conduct of entrepreneurial activities;

4.1.7. free and fair competition;

4.1.8. free movement of goods, services and financial resources;

4.1.9. guarantee on the court protection of rights.

4.2. Only in compliance with the legislation of the Azerbaijan Republic, the restrictions can be imposed on the acquisition and fulfillment of rights and duties of the physical and juridical persons in the sphere of electronic trade.

4.3. A special agreement (licence) in the conduct of the electronic trade is not required. In case of the electronic trade conduct in the activity spheres, which require a special agreement (licence), the saler (supplier) must have a special agreement (licence) to that activity, in accordance with the rule.

4.4. The physical and juridical acquire and fulfill rights and duties in the electronic trade sphere, in compliance with the legislation, and contracts they conclude.

Article 5. Requirements to the electronic trade participants

5.1. Excluding the cases for which, in accordance with the legislation of the

Azerbaijan Republic, a special agreement (licence) is required for an activity, the juridical person shall commence to operate as a saler (supplier) from the time he/she passes the state registration, and the physical person engaged in the entrepreneurial activity without forming a juridical person shall commence to operate as a saler (supplier) from the time he/she acquires the right to entrepreneurship activity.

5.2. All the information presented by the saler (supplier) to purchaser (customer) shall be in the Azerbaijani language or the other language agreed by the parties, shall be stated in form, which would be understood lucidly and unequivocally by the purchaser who does not possess a special knowledge.

5.3. The saler shall provide the purchasers (customers) and authorized state bodies with the following necessary information about himself/herself:

5.3.1. juridical person's name, state registration, organizational–legal form, address or physical person's surname, name and patronymic, address;

5.3.2. contact information (telephone, fax, Internet and electron mail addresses);

5.3.3. The name, registration section of the register, or the other identification information, in case the saler is in the registration of the trade or another register (and if the saler (supplier) operates on the profession, then an information on the name of the relevant registration state body or another establishment, professional degree on the profession, professional rules and possibility of acquaintance with these rules);

5.3.4. A special agreement (licence), when required for the entrepreneurship activity, and information on the state body that issued the licence;

5.3.5. Taxpayers identification number (TIN);

5.3.6. Information on whether the price of goods, services and works include the tax and goods delivery fee, and their sum.

5.4. The purchaser (customer) possesses the rights and duties stated in this Law, civil legislation, legislation on the protection of the rights of consumers, and contracts concluded between the electronic trade participants.

5.5. In accordance with the court decision or the appeal of the authorized state body identified in the legislation, the mediator ceases rendering services, and deletes the information or restricts access to this information, if renders the information storage service, to prevent the violations of law.

## Chapter III

## Implementation of the electronic trade

### Article 6. Commercial notification

6.1. The saler may use the commercial notification to stimulate the electronic trade. The commercial notification shall meet the following requirements:

6.1.1. it shall be precisely informed that the notification is commercial;

6.1.2. the name and address of the sender who dispatches the commercial notification shall be clearly stated;

6.1.3. such conditions as discount in price, bonuses and gifts should be precisely shown, and requirements to meet these conditions should be simple, clear and unequivocal, and it must be provided to easily get familiar with these conditions, to stimulate the sale.

6.1.4. The information on the contests, games allowed by the legislation shall be precisely shown, participation requirements in them shall be precisely and unequivocally stated, and easy acquaintance with these offers shall be provided, to stimulate the sale.

6.2. The commercial notification does not include the information that provides the saler (supplier) to directly resort to, and internet and electron mail addresses, goods and free, especially the free of charge information on their saler (supplier).

6.3. The initiative commercial notifications via the electron mail may be sent by the saler (supplier), without the consent of the purchaser (customer). The saler (supplier) shall provide the registration of the persons who do not wish to receive the initiative commercial notifications, and obey this registration. Silence to the initiative commercial notifications is not considered as acceptance.

### Article 7. Conclusion of contracts

7.1. Contracts between the saler (supplier) and purchaser (customer) in the electronic trade are concluded in the form of electronic documents.

7.2. Offer to conclude a contract, and offer addressed to unspecified circle of persons can be sent by the offerer itself, by the person authorized to act (conduct businesses) on the behalf of the offerer or information system acting automatically, which is programmed by them.

7.3. The contract provisions should be published in a way that would be exactly and unequivocally understood by the purchaser (customer) who does not possess a special knowledge, and the contract shall be prepared

in the form, which provides to get familiar with and keep it.

7.4. Certain provisions of the contract may be given as a referral to another electronic document, the contract can not be considered as invalid with this reason. In this case, the saler (supplier) should provide should provide unrestricted access to the referred electronic document during the period the contract is in force.

7.5. The contract is considered as concluded from the time of acceptance. If the other cases are not agreed between the parties, the confirmation of the receipt of the electronic document is not considered as its acceptance.

## Article 8. Requirements on the conclusion of contracts

8.1. The purchaser (customer) shall be provided with the following information by the saler (supplier) before ordering:

8.1.1. name and address of the supplier;

8.1.2. key information on the features of goods (services, works);

8.1.3. goods prices, including the taxes;

8.1.4. the cost and other provisions of the delivery, if a delivery is taken into consideration;

8.1.5. execution provisions of the payment and order;

8.1.6. the possibility to use the right to repudation, stipulated in this Law.

8.1.7. period for which the contract conclusion offer or price remain in force;

8.1.8. the minimal period of the permanent or regular supplying of goods, services, works, if needed;

8.1.9. the conclusion method, and stages of the contract;

8.1.10. registration of the contract by the saler, and access possibility to that;

8.1.11. the existent technical possibilities for the determination and correction of errors made at the time of ordering.

8.2. The saler (supplier) shall immediately inform the purchaser (customer) on the acceptance of the order, when it is ordered. The order is considered as accepted, in case, the purchaser (customer) attains an information on the certifying of the order.

8.3. The information stipulated in the Article 8.1 of this Law shall be delivered to the purchaser (customer) in the form of certifying, in the written form, till the contract is concluded, with the exception of the cases stipulated in the Article 9.3 of this Law. If this duty is not fulfilled until the conclusion of contract, it shall be fulfilled until the start of its execution.

8.4. The information on the following shall also be given in certifying:

8.4.1. provisions and procedure of repudiation from the execution of the contract;

8.4.2. an address where the purchaser (customer) can lodge a complaint;

8.4.3. post-sale services and guarantees;

8.4.4. the provisions of cancellation of contract, in case, contract is concluded for the period of over one year or unspecified term.

8.5. The article 8.4 of this Law does not apply to the services rendered for once. In this case, the purchaser should only be informed about the address where he/she can lodge a complaint.

Article 9. Not depending on the payment order of the good (work, service), the purchaser may repudiate the concluded contract, during 7 working days, without a fine and indicating a reason.

9.2. If the duty stipulated in the article 8.3 of this Law has been fulfilled, repudiation period from the contract execution is calculated from the day of the conclusion of contract.

9.3. In case, the saler (supplier) can not completely fulfil the duty stipulated in the article 8.3 of this Law, he/she shall do during 3 months after the conclusion of contract. If this duty is fulfilled, the 7-day repudiation period is calculated from that day.

9.4. The saler (supplier) must repay the sum paid by the purchaser (customer), if the purchaser (customer) repudiates the contract's execution in compliance with the article 9.1 of this Law.

9.5. The purchaser (customer) may not repudiate the execution of the following contracts, if another agreement between the sides does not exist:

9.5.1. If the contract execution is started by the consent of the purchaser (customer) during the 7-day period stipulated in the article 9.1 of this Law;

9.5.2. the contracts on the supply of goods, of which prices depend on the financial market changes that are not regulated by the saler (supplier);

9.5.3.; the contracts on the supply of goods, on the base of the purchaser's special demand, which can not be returned back with the production and adaptation reasons, and on goods that are easily spoiled and with the limited usage period;

9.5.4. If the package material of the audio, video, computer softwares and other goods are opened by the purchaser (customer) or disordered in another way;

9.5.5. If newspaper, magazine and the other periodic press is supplied.

## Article 10. Execution of contract

10.1. If other cases are not agreed between the sides, the order shall be fulfilled by the saler (supplier) during 30 days, beginning from the day that it is sent;

10.2 If the saler (supplier) can not provide the goods ordered because of their lack, shall inform the purchaser (customer) about this and repay the sum paid by the purchaser (customer) during 7 days.

10.3. If the goods and services delivery is with charge, its provision without the purchaser's (customer) order is prohibited.

10.4. If the saler (supplier) implements the goods and services delivery on his/her initiative on the base of a payment, the purchaser's silence towards this offer shall not be considered as allowance.

## Section IV

### Responsibility for the violation of legislation on the electronic trade

## Article 11. General bases of responsibility on the violation of the legislation on the electronic trade

11.1. The persons guilty of violating the electronic trade legislation, bear a responsibility as stipulated in the legislation of the Azerbaijan Republic.

11.2. The saler (supplier) bears a responsibility in the way determined by the legislation of the Azerbaijan Republic, for incorrectly informing the purchaser (customer) and authorized state body.

11.3. The electronic trade conducted with the violation of the intellectual property and other rights, is considered as illegal, and restoration of the rights violated is implemented in a way determined by the law.

11.4 The right to use the territory of another state may be restricted, in the cases, the legislation of the Azerbaijan Republic, authorship and other related rights, rights to the integral scheme topologies and information base, and also the rights on the folklore patterns and to the industrial property, are violated.

## Article 12. Responsibility of mediator

12.1. The mediator bears a responsibility for the provisions of the contract concluded between the other sides of the electronic trade are not fulfilled.

12.2. When the mediator renders the services of sending the information presented by the purchaser (customer) and saler (supplier), through the communication network, and of providing an access to the communication network, does not bear a responsibility in the following cases:

12.2.1. when he/she is not the initiator of sending;

12.2.2. when he/she does not select the information receiver;

12.2.3. When he/she does not change the content of the information sent and makes selections from it.

12.3. When the mediator renders the services of sending the information presented by the purchaser (customer) and saler (supplier), through the communication network, in the following cases, he/she does not bear a responsibility for automatical, temporary and short-term storage of the information sent, which is aimed to efficiently present the information on the base of the purchaser's (customer), saler's (supplier) inquiries:

12.3.1. when does not make amendments in the information;

12.3.2. when observes the provisions of access to the information;

12.3.3. when observes the provisions of renewing the information in the generally accepted order;

12.3.4. when does not interfere via the legal, generally accepted and widely used technologies, with the aim of attaining the information upon the usage of information;

12.3.5. when takes the same actions after gets an information upon the deletion of and restriction to the information in the preliminary information source, and also when implements these actions by the court decision or the demand of an authorized state body.

12.4. The mediator does not bear a responsibility on the following cases, if renders a service of the information storage:

12.4.1. when does not possess an actual information upon the illegal character of the activity and information, and when the facts and details upon the illegality of the activity and information from the viewpoint of the claims on the repayment of the loss;

12.4.2. when immediately takes the actions to prevent the deletion of or access to the stored information, if gets an information upon it.

12.5. The mediator can not be obliged to the actions on the active determination of the conduct of the general monitoring on the information he/she sends, stores or on proving the conduct of an illegal activity, and may not implement it in the order of the individual initiative.

12.6. The mediator shall inform the authorized state bodies about the illegal activity or information sending of the purchasers (customers), salers (suppliers) he/she serves for, and in accordance with these bodies' appeal, shall present the information that would provide to determine the purchasers (customers) and salers (suppliers) of the services.

## Section V



## Concluding provisions

### Article 13. Resolution of controversies

13.1. The arguments between the electronic trade participant may be resolved by out of court means, and using the electronic means, which do not contradict the legislation.

13.2. The courts view the claims related with the electronic trade, in the period stipulated in the legislation

### Maddə 14. Coming into force

This Law comes into force on the day of promulgation.

**İlham ALİYEV,**  
**President of the Republic of Azerbaijan**  
**Bakı city, May 10, 2005**