

E-Commerce Law of the People's Republic of China

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Chapter I General Principles

Article 1 This Law is formulated with a view to safeguarding the legitimate rights and interests of e-commerce entities, regulating e-commerce conduct, maintaining market order, and promoting the continuous and sound development of e-commerce.

Article 2 This Law applies to e-commerce activities within the territory of the People's Republic of China.

For purposes of this Law, "e-commerce" means the business activities of sale of goods or provision of services through the Internet or other information networks.

Where other laws or administrative regulations contain specific provisions on sale of goods or provision of service, those laws or administrative regulations shall prevail. This Law shall not apply to financial products and services, or services of providing news and information, audio and video program, publication and cultural products through information network.



Article 3 The State encourages activities that develop new forms of ecommerce, innovate business models, promote technological R&D and application of e-commerce, facilitate credibility system construction of e-commerce, create a market environment favorable for the innovative development of e-commerce, and give full play to the important role of e-commerce in boosting quality development, satisfying the ever growing desire of the people for good life and building an open economy.

Article 4 The State shall accord equal treatment of online and offline commercial activities and promote their integrated development. People's governments of various levels and relevant authorities shall not adopt discriminatory policies or measures, or abuse their administrative power to eliminate or restrict market competition.

Article 5 E-commerce operators shall, in their business activities, abide by the principles of voluntariness, equality, impartiality and integrity, and adhere to laws and business ethics, fairly take part in market competition, perform such obligations as protection of consumers' interests, environmental protection, intellectual property protection, network safety and personal information protection, assume liability for product and service quality and accept supervision by governments and society.

Article 6 Competent departments of the State Council shall be responsible for the development and promotion, supervision and administration of e-commerce per their respective duties. People's governments above county level may determine the division of duties among departments over the ecommerce within their own administrative regions based on their actual conditions.

Article 7 The State shall build up a coordination administration system tailored to the characteristics of e-commerce, and promote the formation of a governance system of e-commerce market with the joint participation of relevant authorities, e-commerce industrial organization, e-commerce operators and consumers.

Article 8 E-commerce industrial organizations shall conduct self-regulation, establish and improve industrial standards, promote credibility construction of the industry and supervise and guide operators of the industry to fairly participate in market competition according to this articles of association.

Chapter II E-commerce Operators

Section 1 General Provisions

Article 9 For the purpose of this Law, "e-commerce operators" mean the natural persons, legal persons or unincorporated organizations that engage in the operational activities of selling goods or providing service through Internet and other information network, including e-commerce platform operators, operators on platform and e-commerce operators selling goods or providing service via their self-built websites or other web service.

For the purpose of this Law, "e-commerce platform operators" mean legal persons or



other unincorporated organizations that provide online business premises, transaction matching, information distribution and other services to two or more parties to an e-commerce transaction so that the parties may engage in independent transactions.

For the purpose of this Law, “operators on platform” mean e-commerce operators that sell goods or provide services through an e-commerce platform.

Article 10 E-commerce operators shall go through market entity registration according to laws. However, the preceding sentence shall not apply to the sale of self-produced agricultural products and/or cottage craft by individuals, labor services using his skills that require no license under the laws and odd and petty transaction activities of an individual, or those not subject to industrial and commercial registration as provided by laws and administrative regulations.

Article 11 E-commerce operators shall perform their obligation to pay tax and enjoy the right to tax benefits in accordance with laws..

E-commerce operators that need not go through market entity registration per the previous paragraph shall, upon the occurrence of the first tax obligation, apply for taxation registration and make accurate tax declaration in accordance with the laws and administrative regulations on taxation administration.

Article 12 Where a relevant administrative license is required by laws for e-commerce operators to engage in the operating activities, such license shall be obtained in compliance with the laws.

Article 13 Goods sold or services provided by e-commerce operators shall be in compliance with the requirements for safeguarding personal and property safety and for environmental protection. E-commerce operators shall not sell goods or provide services that are prohibited by laws or administrative regulations.

Article 14 E-commerce operators shall issue proof of purchase or service voucher such as paper invoices or e-invoices for goods sold or services provided by it according to laws. An e-invoice shall have the same legal force as a paper invoice.

Article 15 An e-commerce operator shall publicize its business license , administrative license information related to its business operation, and information that it is not required to go through market entity registration per Article 10 herein, or link flags for the above information, on a continuous basis at a conspicuous position of its homepage.

In case that there is any change in the information set forth in the previous paragraph, an e-commerce operator shall promptly update the publicized information.

Article 16 Where an e-commerce operator intends to terminate its e-commerce business, it shall announce the relevant information on a continuous basis at a conspicuous position of its homepage 30 days in advance.



Article 17 E-commerce operators shall comprehensively, truly, accurately and timely disclose the information of goods or services, protect information rights and selection rights of consumers. E-commerce operators shall not deceive or mislead consumers through false or misleading commercial promotion by means of fictitious sale, making up users' appraisal, etc.

Article 18 Where e-commerce operators provide the search result of the goods or service to a consumer based on his interests, hobbies, consumption habits or other characteristics, options not targeting his personal characteristics shall also be provided to such consumer, so as to respect and equally protect the legitimate rights and interests of consumers.

In case of sending advertisements to consumers, e-commerce operators shall comply with the relevant provisions of the Advertisement Law of the People's Republic of China.

Article 19 In case of tie-in sale of goods or service, e-commerce operators shall call consumers' attention to that in a conspicuous way, and shall not make the tied goods or services as an option of default consent.

Article 20 E-commerce operators shall deliver goods or services to consumers per its promise or per the mode or time as agreed with consumers, and assume the risks and liabilities during the transportation of goods, unless consumers select other logistic service provider.

Article 21 E-commerce operators shall expressly specify the method and procedure of deposit refund if they collect deposit from consumers according to agreement, without setting unreasonable conditions for deposit refund. Where consumers apply for deposit refund and such application meets the conditions for deposit refund, e-commerce operators shall timely refund the same.

Article 22 E-commerce operators with market dominant position due to their technical advantage, number of users, controlling capacity of relevant industry or the dependence of other operators upon such e-commerce operators in transactions or the like shall not abuse their market dominant position to exclude or restrict competition.

Article 23 E-commerce operators shall abide by the laws and administrative regulations on personal information protection when collecting and using the personal information of their users.

Article 24 E-commerce operators shall expressly publicize the manner and procedure for search, correction, deletion of user information and user deregistration, and shall not set unreasonable conditions for search, correction, deletion of user information or user deregistration.

E-commerce operators shall, upon receipt of any application for search, correction or deletion of user information, timely provide such search, correction or deletion of user



information upon identity verification. In case of user deregistration, e-commerce operators shall immediately delete the information of such user; provided that where laws, administrative regulations or the parties' agreement require retention, such laws, regulations or agreement shall prevail.

Article 25 Where relevant competent authority requires an e-commerce operator to provide e-commerce data information according to laws and administrative regulations, such e-commerce operator shall provide. The relevant competent authority shall take necessary measures to protect the security of the data information provided by the e-commerce operator, and keep the personal information, privacy and trade secret therein in strict confidence, without divulging, selling or illegally providing to others.

Article 26 When engaging in cross-border e-commerce, e-commerce operators shall comply with the laws, administrative regulations and relevant rules of the State on import and export supervision and administration.

Section 2 E-commerce Platform Operators

Article 27 An e-commerce platform operator shall require an operator that applies for entering the platform to sell goods or provide services to provide its identity, address, contact information, administrative license and other real information, and verify and register the same, establish a registration file, and make regularly verification and update thereto.

An e-commerce platform operator shall comply with the relevant provisions in this Section if it provides service to non-operating users that sell goods or provide service on its platform.

Article 28 E-commerce platform operators shall submit the identity information of the operators on platform to market regulation authorities according to regulations and remind those operators without market entity registration to legally make such registration, and cooperate with market regulation authorities and provide convenience of market entity registration for those operators which shall go through such registration by taking the characteristics of e-commerce into account.

E-commerce platform operators shall submit the identity information and taxation-related information of the operators on platform to taxation bureaus according to laws and regulations on taxation administration and remind those e-commerce operators without the need of market entity registration per Article 11 herein to make taxation registration according to Paragraph 2, Article 11 hereof.

Article 29 An e-commerce platform operator shall legally take necessary handling measures and report to relevant competent authorities, in case that it detects any breach of Article 12 or Article 13 herein by any goods or service information within its platform.

Article 30 An e-commerce platform operator shall take technical measures and other necessary measures to ensure its network security and stable operation, prevent



online illegal acts or crimes, effectively deal with online security events and safeguard e-commerce transaction security.

An e-commerce platform operator shall develop a contingency plan for online security events. In the event of an online security event, it shall immediately launch the contingency plan, take remedial measures and report to the relevant competent authorities.

Article 31 An e-commerce platform operator shall record and preserve the information on goods, services and transaction that is released on the platform, and ensure the completeness, confidentiality and availability of such information. The information on goods, services and transactions shall be preserved for no less than three years from the date of completion of the transaction. Where laws or administrative regulations make other provisions with respect to such information, such provisions shall prevail.

Article 32 E-commerce platform operators shall develop the service agreement and transaction rules of the platform under the principles of openness, fairness and impartiality, which shall provide for the rights and obligations in terms of entry into and exit from the platform, goods and service quality protection, consumers' interests protection and personal information protection.

Article 33 An e-commerce operator shall publicize the information of the platform service agreement and transaction rules or the link flags for the above information on a continuous basis at a conspicuous position of its homepage, and ensure operators and consumers may read and download the same in full easily.

Article 34 Where an e-commerce platform operator intends to amend the platform service agreement and transaction rules, it shall solicit public opinions at a conspicuous position of its homepage, and take reasonable measures to ensure various parties concerned able to timely and fully express their opinions. The amended content thereof shall be publicized at least seven days before the implementation.

An e-commerce platform operator shall not prevent an operator on platform which refuses to accept the amended content and requires exit from the platform from exiting, and shall assume relevant liabilities according to the service agreement and transaction rules before amendment.

Article 35 E-commerce platform operators shall not take advantage of the service agreement, transaction rules, technology or other means to impose unreasonable restrictions or conditions on the transactions of operators on platform within the platform, the price of such transactions and the transactions with other operators, or collect unreasonable fees against operators on platform.

Article 36 E-commerce platform operators shall timely make announcement if they take such measures as warning, suspension of business or termination of service against the violation of laws or regulations by operators on platform in accordance with the



service agreement and the transaction rules.

Article 37 Should an e-commerce platform operator carry out any self-operated business on its own platform, it shall distinguish its own business from the business carried out by operators on platform in a remarkable way, and shall not mislead consumers.

The e-commerce platform operator shall assume civil liability of a goods seller or service provider as stipulated in the laws for any business marked by it as self-operated.

Article 38 An e-commerce platform operator that knows or should know that the goods sold or services provided by operators on platform are not in compliance with the requirements for safeguarding personal and property safety or otherwise infringe upon the legitimate rights and interests of consumers, but fails to take necessary measures shall be jointly and severally liable with such operators on platform in accordance with laws.

For goods or services relating to life or health of consumers, an e-commerce platform operator that fails to examine the qualification of the operators on platform or fails to fulfill the obligation to safeguard safety of consumers, which causes damage to consumers, shall be liable in accordance with laws.

Article 39 E-commerce platform operators shall establish and improve their credit assessment systems, make public their credit assessment rules, and provide consumers with means to assess and comment on the goods sold or services provided on their platforms.

E-commerce platform operators shall not delete comments given by consumers on the goods sold or services provided on their platforms.

Article 40 E-commerce platform operators shall display the search results of goods or services by the price, sales volume, credit of the goods or services or otherwise. Goods or services under a paid listing shall be clearly marked as "advertisement".

Article 41 E-commerce platform operators shall establish their intellectual property rights ("IPRs") protection rules, strengthen cooperation with IPR holders and legally protect the IPRs.

Article 42 An IPR holder shall be entitled to notify the e-commerce platform operator to take such necessary measures as deletion, blocking, disabling the link, termination of transaction and service if the IPR holder believes that there is any infringement upon its or his IPR or IPRs. Such notice shall include prima facie evidence on the constitution of infringement.

The e-commerce platform operator shall timely take necessary measures and forward such notice to operators on platform upon receipt of the same. Failure to timely take necessary measures shall result in the joint and several liability of the e-commerce



platform operator for the enlargement of damage, together with the operators on platform.

Anyone who causes loss of operators on platform due to its wrong notice shall assume civil liability in accordance with the laws. Anyone who causes loss of operators on platform due to its maliciously wrong notice shall assume double liability for compensation.

Article 43 Upon receipt of the forwarded notice, operators on platform may submit a statement of no infringement to the e-commerce platform operator. Such statement shall include prima facie evidence on no act of infringement.

Upon receipt of such statement, the e-commerce platform operator shall forward such statement to the IPR holder who issues the notice and inform the IPR holder of the right to file a complaint to relevant competent authority or bring a lawsuit before a people's court. If the e-commerce platform operator has not received any notice within fifteen days as of the arrival of the forwarded statement at the IPR holder that the right holder has filed a complaint or lawsuit, it shall immediately stop the measures it has taken.

Article 44 E-commerce platform operators shall timely make announcement of the received notice, statement and handling results under Articles 42 and 43 herein.

Article 45 Where an e-commerce platform operator knows or should know any infringement upon IPR by operators on platform, the e-commerce platform operator shall take such necessary measures as deletion, blocking, disabling the link, termination of transaction and service, and shall assume joint and several liability with the infringer if it fails to take such necessary measures.

Article 46 An e-commerce platform operator may, in addition to the services set forth in Paragraph 2, Article 9 herein, provide services such as warehousing, logistics, payment settlement and delivery for the e-commerce between operators according to the platform service agreement and the transaction rules. The e-commerce platform operator shall comply with laws, administrative regulations and relevant regulations of the State when providing service for the e-commerce between operators, and neither transaction through centralized trading such as centralized competitive bidding or market maker, nor standardized contract transaction is allowed.

Chapter III Conclusion and Performance of E-commerce Contract

Article 47 This Chapter and the General Principles of Civil Law of the People's Republic of China, the Contract Law of the People's Republic of China and the Electronic Signature Law of the People's Republic of China shall apply to the conclusion and performance of contracts by e-commerce parties.

Article 48 Establishment or performance of the contract by a party to the e-commerce activities using an automatic transaction information system shall be legally binding upon the party that uses such automatic transaction information system.



In e-commerce activities, a party is presumed to possess the necessary capacity for civil conduct, unless there is sufficient evidence to rebut this presumption.

Article 49 Where the goods or services information released by an e-commerce operator satisfies the conditions for an offer, a contract is formed when a user chooses the goods or services and successfully submits the order. Where the parties agree otherwise, such agreement shall prevail.

E-commerce operators shall not provide that a contract can be unformed according to standard terms or otherwise despite the payment by a consumer; and in case of such content in the standard terms, such content shall be invalid.

Article 50 E-commerce operators shall clearly, fully and expressly inform users of the steps, important cautions, download methods and other matters of the conclusion of contract, and ensure convenient and complete view, reading and download for users.

E-commerce operators shall ensure that users may correct any input error before submitting their orders.

Article 51 Where the subject matter of the contract is delivery of goods and the delivery is to be made by express logistics, the time of sign-off by the consignee shall be the delivery time. Where the subject matter of the contract is provision of services, the time indicated on the electronic voucher or physical voucher so generated shall be the delivery time; if the above voucher indicates no time or the indicated time is inconsistent with the actual service provision time, the actual service provision time shall be the delivery time.

Where the subject matter of the contract is delivered through online transmission, the time when the subject matter of the contract arrives at the specific system designated by the other party and can be searched and identified shall be the delivery time.

Where the parties to the contract have separate agreement on the method and time of delivery, such agreement shall prevail.

Article 52 E-commerce parties may deliver goods by means of express logistics.

The express logistics service provider shall comply with laws and administrative regulations as well as the committed scope and time of service when providing express logistics service. The express logistics service provider shall remind the consignee to inspect and check on spot, and shall obtain the consent of the consignee in case of collection by others on the former's behalf, when delivering the goods.

The express logistics service provider shall use environmental friendly packing materials according to rules and realize minimization and recycling of packing materials.

The express logistics service provider may provide collection agency service under entrustment of the e-commerce operator, when providing express logistics services.



Article 53 E-commerce parties may agree to adopt electronic payment to pay the price.

Electronic payment service providers shall comply with national regulations and inform users of the functions, use methods, important cautions, risks, charging standards and other matters in relation to the electronic payment services, and shall not impose any unreasonable transaction condition. The electronic payment service provider shall ensure the completeness, consistency, traceability and tamper resistance of electronic payment instructions.

The electronic payment service provider shall provide users with account statements and transaction records of the recent three years free of charge.

Article 54 Where the electronic payment services provided by an electronic payment service provider fail to conform with administrative requirements of the State on payment security and cause losses to users, it shall assume compensation liabilities.

Article 55 Before issuance of a payment instruction, users shall check the amount, payee and other information contained in the payment instruction.

Where an erroneous payment instruction occurs, the electronic payment service provider shall promptly investigate the reason and take corrective measures. The electronic payment service provider shall be liable for compensation of losses suffered by users, unless there is proof to prove that the erroneous payment is not attributable to it.

Article 56 Upon completion of the electronic payment, the electronic payment service provider shall, promptly and accurately, provide payment confirmation to the user in the agreed manner.

Article 57 Users shall properly keep payment passwords, electronic signature data and other security tools. Users shall promptly inform the electronic payment service provider of any loss or false use of security tools, or unauthorized payments.

An electronic payment service provider shall be liable for losses caused by unauthorized payment, except that it can prove that the unauthorized payment is caused by the fault of the user.

An electronic payment service provider shall, upon detection of any unauthorized payment instructions, or receipt of a user's notice of unauthorized payment instructions, take immediate measures to prevent further losses. Where further losses are caused by the failure of the electronic payment service provider to promptly take measures, it shall be liable for further losses.

Chapter IV E-commerce Dispute Resolution



Article 58 The State encourages e-commerce platform operators to set up goods and service quality guarantee mechanism conducive to the e-commerce development and protection of rights and interests of consumers.

Where an e-commerce platform operator and an operator on platform enter into an agreement to set up the margin for the protection of consumers' rights and interests, both parties shall specify such matters as the withdrawal amount, management, use and refund method of margin for the protection of consumers' rights and interests.

Where consumers request the e-commerce platform operator to first assume the compensation liability, and the e-commerce platform operator recovers the same from the operator on platform upon compensation, relevant provisions of the Law of the People's Republic of China on Protection of Rights and Interests of Consumers shall apply.

Article 59 E-commerce operators shall set up convenient and effective complaint and reporting mechanism, disclose the complaint and reporting channels and other information, and timely accept and handle any complaint and reporting.

Article 60 E-commerce disputes may be resolved through negotiation, mediation by consumer organizations, industry association, or other legally established mediation organization, filing complaints to relevant authorities, filing request for arbitration or litigation.

Article 61 Where there is any dispute between an operator on platform and a consumer who purchases goods or accepts services on the e-commerce platform, the e-commerce platform operator shall proactively assist the consumer in protecting his legal rights and interests.

Article 62 E-commerce operators shall provide the original contracts and transaction records for the resolution of e-commerce disputes. Should the ecommerce operators lose, forge, tamper, destroy, conceal or refuse to provide such materials, which lead to the failure of the people's court, arbitral tribunal or relevant authority to ascertain the facts, the e-commerce operators shall bear the corresponding legal liability.

Article 63 E-commerce platform operators may set up online dispute resolution mechanism, formulate and publish dispute resolution rules, and fairly and impartially resolve the disputes between the parties on the principle of willingness.

Chapter V E-commerce Promotion

Article 64 The State Council and people's governments of all provinces, autonomous regions and municipalities directly under central government shall include e-commerce development into the national economy and social development plan, formulate scientific and reasonable industry policies, and promote e-commerce innovation and development.

Article 65 The State Council and the people's governments above county level and



their relevant departments shall take measures to support and promote green packing, warehousing and transport, so as to facilitate green development of e-commerce.

Article 66 The State promotes the construction of e-commerce infrastructures and logistics network, improve the e-commerce statistics system and strengthen the construction of e-commerce standards system.

Article 67 The State promotes the application of e-commerce in every field of national economy and supports the convergence and common development between e-commerce and all industries.

Article 68 The State promotes the application of Internet technologies in agricultural production, processing, circulation and other related links, and encourages all kinds of social resources to strengthen cooperation, facilitate the rural e-commerce development, and give play to the role of e-commerce in targeted poverty alleviation.

Article 69 The State maintains the e-commerce transaction safety, protects information of e-commerce users, encourages e-commerce data development and application, and safeguards the legal, orderly and free flow of e-commerce data.

The State takes measures to promote the establishment of public data sharing mechanism and facilitate e-commerce operators to legally use the public data.

Article 70 The State supports credit rating agencies legally established to carry out e-commerce credit rating and provide e-commerce credit rating service to society.

Article 71 The State promotes cross-border e-commerce development, establishes and improves customs, taxation, entry and exit inspection and quarantine, payment and settlement and other management systems tailored to characteristics of cross-border e-commerce activities, enhances the level of convenience in all links relating to cross-border e-commerce, and supports cross-border e-commerce platform operators to provide warehousing, logistics, customs declaration, inspection declaration and other related services for cross-border e-commerce activities.

The State supports small- and micro- enterprises to engage in cross-border e-commerce.

Article 72 The import and export administration authority of the State shall push forward the construction of an integrated service and supervision system, optimize the supervision procedure, advance the realization of information sharing, mutual recognition of supervision, mutual assistance of enforcement in customs declaration, taxation, inspection and quarantine and other procedures for cross-border e-commerce, and enhance the efficiency of service for and supervision over cross-border e-commerce. Cross-border e-commerce operators may go through relevant formalities upon the strength of electronic documents.

Article 73 The State promotes the establishment of multi-national and cross-



regional communication and cooperation on cross-border e-commerce, participates in the development of international e-commerce rules, and facilitates the international mutual recognition of electronic signatures and electronic identity, etc.

The State promotes the establishment of multi-national and cross-regional dispute resolution mechanism on cross-border e-commerce.

Chapter VI Legal Liabilities

Article 74 If, in its sale of goods or provision of services, an e-commerce operator fails to perform any contractual obligation or its performance of contract fails the agreement, or causes damage to others, it shall legally assume civil liabilities.

Article 75 Where an e-commerce operator (i) engages in business without obtaining relevant administrative license or sells or provides any goods or service prohibited for trading under laws and administrative regulations in violation of the provisions of Article 12 or Article 13 hereof, or (ii) fails to fulfill the information provision obligation as provided in Article 25 herein, or (iii) conducts transaction through centralized trading or standardized contract transaction in violation of Article 46 herein, it shall be given punishment in accordance with relevant laws and administrative regulations.

Article 76 Where an e-commerce operator commits any of the following acts in violation of any provision hereof, it shall be ordered by the market regulation authorities to make rectification within a prescribed time limit, may be given a fine of no more than RMB10,000 Yuan, and if the e-commerce operator is also an e-commerce platform operator, it shall be given punishment in accordance with Paragraph 1 of Article 81 hereof:

- (1) Where it fails to publicize its business license, administrative license information, information that it is not required to go through market entity registration, or link flags for the above information, at a conspicuous position of its homepage;
- (2) Where it fails to publicize the information on termination of e-commerce services at a conspicuous position of its homepage on a continuous basis; and
- (3) Where it fails to expressly inform users of the manner and procedure for search, correction, deletion of user information and user deregistration, or imposes any unreasonable condition for search, correction, deletion of user information and user deregistration.

An e-commerce platform operator who fails to take necessary measures against any operator on platform that is in breach of any of the foregoing shall be ordered by market regulation authorities to make rectification within a prescribed time limit and may also be given a fine of ranging from RMB20,000 Yuan to RMB100,000 Yuan.

Article 77 Where an e-commerce operator provides the search result in violation of the provisions of Paragraph 1, Article 18 hereof or makes tie-in sale of goods or services in violation of the provisions of Article 19 hereof, it shall be ordered by the market



regulation authorities to make rectification within a prescribed time limit, confiscated of illegal gains, and may also be given a fine of ranging from RMB50,000 Yuan to RMB200,000 Yuan, or (in serious case) a fine of ranging from RMB200,000 Yuan to RMB500,000 Yuan.

Article 78 Where an e-commerce operator fails to expressly specify the method or procedure of deposit refund to consumers, or sets unreasonable conditions for deposit refund, or fails to timely refund any deposit, in violation of the provisions of Article 21 hereof, it shall be ordered by the market regulation authorities to make rectification within a prescribed time limit, and may be given a fine of ranging from RMB50,000 Yuan to RMB200,000 Yuan, or (in serious case) a fine of ranging from RMB200,000 Yuan to RMB500,000 Yuan.

Article 79 An e-commerce operator shall be punished in accordance with the laws and administrative regulations such as the Network Safety Law of the People's Republic of China if it violates the provisions of the laws or administrative regulations on personal information protection, or fails to fulfill the obligation to safeguard the network security as required by Article 30 hereof and the relevant laws and administrative regulations.

Article 80 Where an e-commerce platform operator commits any of the following acts, it shall be ordered by relevant competent authorities to make rectification within a prescribed time limit, and if it fails to do so, it shall be given a fine of ranging from RMB20,000 Yuan to RMB100,000 Yuan, or (in serious case), ordered to cease operation to make rectification with a fine of ranging from RMB100,000 Yuan to RMB500,000 Yuan:

- (1) Where it fails to fulfill the obligation to verify and register the identity as set forth in Article 27 hereof;
- (2) Where it fails to report relevant information to market regulation authorities or taxation bureaus as set forth in Article 28 hereof;
- (3) Where it fails to take necessary handling measures against the circumstance of breach or report to relevant competent authority, as set forth in Article 29 hereof; and
- (4) Where it fails to fulfill the obligation of preserving information on goods, services and transaction as set forth in Article 31.

Where laws or administrative regulations make other provisions with respect to the violation set forth in the previous paragraph, such provisions shall prevail.

Article 81 Where an e-commerce platform operator violates any provision hereof and commits any of the following acts, it shall be ordered by market regulation authorities to make rectification within a prescribed time limit, may be given a fine of ranging from RMB20,000 to RMB100,000 Yuan, or (in serious case) a fine of ranging from RMB100,000 Yuan to RMB500,000 Yuan:



- (1) Where it fails to publicize the information relating to platform service agreement or transaction rules or the link flags for the above information on a continuous basis at a conspicuous position of its homepage;
- (2) Where it amends the transaction rules without soliciting public opinions at a conspicuous position of its homepage or without publicizing the content of amendment in advance during the required period, or stops operators on platform from exiting;
- (3) Where it fails to distinguish its own business from the business carried out by operators on platform in a remarkable way; and
- (4) Where it fails to provide consumers with means to assess and comment on the goods sold or services provided on its platform, or deletes any comment made by the consumers without authorization.

An e-commerce platform operator shall be given punishment in accordance with the Advertisement Law of the People's Republic of China if it violates Article 40 hereof by failing to remarkably mark goods or services of a paid listing as "advertisement".

Article 82 Where an e-commerce platform operator imposes any unreasonable restrictions or transaction conditions on the transactions of operators on platform or the price of such transactions within the platform or transaction with other operators, or collect unreasonable fees against operators on platform in violation of Article 35 hereof, it shall be ordered by market regulation authorities to make rectification within a prescribed time limit, may be given a fine of ranging from RMB50,000 to RMB500,000 Yuan, or (in serious case) a fine of ranging from RMB500,000 Yuan to RMB2,000,000 Yuan.

Article 83 Where an e-commerce platform operator fails to take necessary measures against infringement by the operators on platform upon the legitimate rights and interests of consumers, or fails to examine the qualification of the operators on platform or fails to fulfill the obligation to safeguard safety of consumers, in violation of Article 38 hereof, it shall be ordered by market regulation authorities to make rectification within a prescribed time limit, may be given a fine of ranging from RMB50,000 to RMB500,000 Yuan, or (in serious case) ordered to cease operation to make rectification with a fine of ranging from RMB500,000 Yuan to RMB2,000,000 Yuan.

Article 84 Where an e-commerce platform operator fails to legally take necessary measures for any infringement upon IPRs by operators on platform in violation of Article 42 or 45, it shall be ordered by relevant IPR administrative authorities to make rectification within a prescribed time limit. If it fails to make rectification within such time limit, it shall be given a fine of ranging from RMB50,000 to RMB500,000 Yuan, or (in serious case) a fine of ranging from RMB500,000 Yuan to RMB2,000,000 Yuan.

Article 85 Where an e-commerce operator sells or provides any goods or service failing the requirements of safeguarding personal or property safety, or conducts any unfair competition act such as false or misleading commercial promotion, or abuses its



market dominant position, or commits any infringement upon IPRs, or harms the rights and interests of consumers in violation of any provision hereof, it shall be punished in accordance with relevant laws.

Article 86 Where an e-commerce operator commits any act in violation of this Law, its violation will be recorded in its credit file in accordance with relevant laws and administrative regulations, and made public.

Article 87 Where any official of any department which is legally responsible for supervision and administration of e-commerce activities has neglected his duty, abused his powers or played favoritism, or divulged, sold or illegally provided to others any personal information, privacy or trade secret acquired during fulfilling his duties, he shall be held liable according to the laws.

Article 88 Whoever violates this Law shall be given public security administration penalty according to laws if his act constitutes violation of public security administration, or be legally investigated and sought to hold accountable for criminal liabilities if his act constitutes a crime.

Chapter VII Supplementary Provisions

Article 89 This Law shall enter into force on January 1, 2019.

