

# ELECTRONIC TRADE LAW

## Chapter I. GENERAL PROVISIONS

The object of this Law consists in defining rules to conclude contracts by using electronic documents on the territory of Azerbaijan Republic.

### Article 1. Main definitions

The following terms and definitions are used in this Law:

- 1.1 *Electronic trade* - entrepreneurial activities in selling goods, doing works (businesses) and providing services when interchange of electronic documents is involved;
- 1.2 *Electronic trade participant* - person or client (customer) conducting electronic trade;
- 1.3 *Person conducting electronic trade* - natural or legal person carrying entrepreneurial activities in selling goods, doing works (businesses) and providing services by using electronic documents;
- 1.4 *Customer* - natural or legal person having on the basis of contract (signed) with the person conducting electronic trade the right to obtain goods, works and services, and also other rights;

### Article 2. Principles of electronic trade

- 2.1 Electronic trade's legal regulation is based on the principles of equality of participants, free will, freedom of contract, free conduct of entrepreneurial activities, also on the free movement of goods, services and financial resources on the territory of Azerbaijan Republic, also on the guarantee of the court protection of rights of the electronic trade's participants.
- 2.2 With the exception of cases stipulated by the legislation, restrictions cannot be imposed on the acquisition and fulfillment of rights and duties of the natural and legal persons in the sphere of electronic trade.

### Article 3. Legislation on electronic trade

The legislation of Azerbaijan Republic on electronic trade consists of the Constitution of Azerbaijan Republic, this Law, other legislative acts (decrees) of Azerbaijan Republic and international treaties that Azerbaijan Republic is party to.

## **CHAPTER 2. CONCLUSION OF CONTRACTS IN ELECTRONIC TRADE**

### **Article 4. Conclusion of contracts by interchange of electronic documents**

- 4.1 Contract in electronic trade is concluded by exchange of electronic documents, allowing to identify that (electronic) document has come (has been originated) from the party to the contract.
- 4.2 With the exception of cases stipulated by the legislation, contracts concluded in electronic trade cannot be considered invalid only because they were concluded and (or) executed by interchange of the electronic documents.
- 4.3 If by agreement of parties (sides) the contract is signed by using electronic documents, conditions of this contract and obligations emanating from it cannot be contested (disputed) only because it was concluded by interchange of the electronic documents.
- 4.4 In accordance with the legislation of Azerbaijan Republic contracts which should be certified by notary (rules) or should pass the state registration, cannot be concluded by interchange of the electronic documents.

### **Article 5. Written form of contracts concluded by interchange of the electronic documents**

If in accordance with the legislation of Azerbaijan Republic or by agreement of sides requirement was identified to conclude the contract in the simple written form, the contract concluded by interchange of electronic documents is considered as meeting this requirement.

### **Article 6. Rule to conclude contract in electronic trade**

- 6.1 When contract is concluded in electronic trade, proposal (offer) of the one side and consent (acceptance) of the other is in the form of the electronic documents.
- 6.2 Offer can be made (sent) by the offerer itself, by the person authorized to act (conduct businesses) on the behalf of the offerer or information system acting automatically on behalf of the offerer.
- 6.3 If other cases are not stipulated by the legislation of Azerbaijan Republic, the contract is considered as concluded from the time when accept is received by the person that made the offer.

- 6.4 If other cases are not originating from the legislation or previous business relations among sides, silence is not considered as acceptance.
- 6.5 If other cases are not agreed between the sender and the receiver of the electronic document, the confirmation of the receipt of the electronic document is not considered as its accept.

#### **Article 7. Conditions of the contract in electronic trade.**

- 7.1 Contracts concluded in electronic trade should meet the requirements of Azerbaijan Republic's legislation.
- 7.2 It may be anticipated that certain provisions of the contract concluded in electronic trade may be included into that contract by the referral to the electronic information put (contained) in the open information system. In that case the side, which put the electronic information (into the system), should provide unrestricted access to this information during the contract's execution period, and after that period should guarantee its storage in accordance with the rule envisioned by this Law.
- 7.3 Offer made with the aim to conclude a contract in electronic trade, including offer made to the unspecified circle of persons reflects all provisions stipulated by the legislation, including important conditions listed below.
- 7.3.1 rule to conclude contract by using electronic information;
- 7.3.2 possibility and rule to make changes when negotiating conditions of the contract;
- 7.3.3 sending and revoking of the accept made (delivered) by the electronic mean;
- 7.3.4 conditions put into the contract by the referral to the electronic information in open information system;
- 7.4 Invitation to the offer made by the participant of electronic trade, should contain all conditions, that the offer itself should contain, or should contain referral to electronic data (information).

### **CHAPTER 3. PERSONS CONDUCTING ELECTRONIC TRADE**

#### **Article 8. Legal status of persons conducting electronic trade**

- 8.1 Electronic trade in Azerbaijan Republic shall be (may be) conducted by legal persons or natural persons eligible to perform entrepreneurial activities without creating legal personality.

- 8.2 With the exception of the cases shown in the legislation about licensing certain business activities, the right to conduct electronic trade is present (from the time) when legal persons pass the state registration or from the time when natural persons are registered as individual entrepreneurs.

#### **Article 9. Duties to provide information by persons conducting electronic trade**

- 9.1 Persons conducting electronic trade should provide information about their legal status and activities to the customers and authorized state bodies, also provide access to this information,
- 9.2 Persons conducting electronic trade should provide the following information about their legal status:
- 9.2.1 name of the legal person or the first, the last and the middle name of the individual entrepreneur;
- 9.2.2 address (location) of the legal person or location, post and e-mail address of the individual entrepreneur;
- 9.2.3 register information of the legal person and the number of the certificate to conduct entrepreneurial activities of the individual entrepreneur;
- 9.2.4 when required by the legislation, the number, duration period and the name of the state body that issued the license;
- 9.3 Information sent to the customers by the persons conducting electronic trade about their activities, also proposal containing the offer should meet the following requirements:
- 9.3.1 allow (make possible) customers without especial knowledge to find out that the sent information is related to the electronic trade;
- 9.3.2 legal person or individual entrepreneur on which behalf information is sent, should be precisely identified;
- 9.3.3 information presented by the persons conducting electronic trade about goods and services, their prices and purchasing conditions;
- 9.3.4 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;
- 9.3.5 conditions of the games organized to attract customers should be simple and clear.

### **CHAPTER 4. CONCLUDING PROVISIONS**

#### **Article 10. International treaties (contracts)**

If rules identified in the international treaties that Azerbaijan Republic is party to, are different from the rules envisioned in this Law, the rules of the international treaties shall be applied.

**Article 11. Coming into effect**

This Law is effective from the date of its publication.