

LAW OF MONGOLIA
ON ELECTRONIC SIGNATURE

CHAPTER ONE
General provisions

Article 1. Purpose of the Law

1.1 The purpose of this Law is to regulate relations related to the use of electronic signature.

Article 2. Legislation of electronic signature

2.1 The legislation of electronic signature consists of Civil code, General law on Information technology, this Law and other acts enacted in consistent with them.

2.2 If the international treaties to which Mongolia is a party stipulate other than this Law, the priority is given to the international treaties.

Article 3. Legal definitions in this Law

3.1 In this law, the following terms shall have the meanings described below:

3.1.1 “digital signature” is a set of electronic documents and electronic signatures that are converted with a private key and designated algorithms.

3.1.2 “private key of the digital signature /hereinafter referred as “public key ”/ “ is a character’s unique orderliness to create a digital signature.

3.1.3 “digital signature public key /hereinafter referred as “ public key”/ is a character’s orderliness that has mathematic correlation with the private key and for proving the digital signature.

3.1.4 “to prove digital signature” is to determine a digital signature with a private key that stated in the digital signature certificate or completeness of the electronic document after its creation with electronic document and public key.

3.1.5 “digital signature certificate /hereinafter named as “certificate”/ is a set of private key and authorization of digital signature that are granted by a certification agency to a subscriber.

3.1.6 “certification agency” is a legal person that has a digital signature issuance license granted by the Communications regulatory commission;

3.1.7 “subscriber” is a person that holds a private key defined in the digital signature certificate;

3.1.8 “digital signature database” is a database that created and stored at a certifying agency in order to identify the person that holds the digital signature certificate or to certify the certificate validity;

3.1.9 “signatory” is a person that holds signature creation data and acts either on its own behalf or on behalf of the person it represents

3.1.10 “digital signature holder” is a citizen or legal person that holds a private key issued in the certificate granted by the certifying agency.

CHAPTER TWO ELECTRONIC SIGNATURE EFFECTIVENESS

Article 4. Electronic signature

4.1 Electronic signatures shall be treated as equivalent to normal handwritten signatures.

4.2 Electronic signatures shall be given legal effects.

The number and forms of electronic signatures to be hold by the subscriber shall not be limited.

Article 5. Reliable electronic signature

5.1 Electronic signature shall be treated as a reliable signature if it is unique to the person using it, capable of identifying such person and using process is under the sole control of that person.

5.2 Possibilities to prove the electronic signature’s reliabilities are not restricted.

Article 6. Scope of the electronic signature’s effects

6.1 Electronic signatures shall be used in all socio-economic relations.

CHAPTER THREE OBLIGATIONS BY INVOLVING PARTIES

Article 7. Obligations by the certificate holder

7.1 A certificate holder shall have the following obligations:

7.1.1 to prevent illegal uses of digital signature creation data and private key by the other person;

7.1.2 to immediately notify correlated person, service providers or certifying agencies if it is found that the other person has known digital signature creation data and the private key or there is a ground to be disclosed.

Article 8. Obligations by the digital signature receiver:

8.1 A digital signature receiver shall be responsible for:

8.1.1 proving the digital signature reliability;

8.1.2 proving the certificate validity.

CHAPTER FOUR CERTIFICATION AGENCY

Article 9. Grant of a license

9.1 The Communications regulatory commission shall grant a license to a certification agency in accordance with the provision of 8.1.5 of the General Law on Information technology.

9.2 An applicant for the license shall compile the following additional documents apart from materials stated in the Article 11 of the Licensing Law:

9.2.1 a rule or procedure /hereinafter referred as “procedure”/ to run certifying activities;

9.2.2 statement and information on financial and technical capabilities plus personal potentials;

9.2.3 proposals on service coverage, technology and service fee of the certification agency

Article 10. Responsibilities of a certification agency

10.1 Certification agency shall take responsibilities for:

10.1.1 ensuring reliable service provision within the framework of its basic mission and certifying procedure;

10.1.2 proof of the truth and completeness of information related to subscriber’s certificate holding process;

10.1.3 notifying factors that may seriously impact the truth and completeness of certificate information to the certificate holder;

10.1.4 developing database of issued digital signatures

10.1.5 allowing the third party to prove a digital signature;

10.1.6 privacy and security of all information related to signatures.

Article 11. Restrictions to responsibilities taken by a certification agency

11.1 A certification agency shall not take responsibilities in the following cases:

11.1.1 damages caused by the use of signatures that are issued by unauthorized persons;

11.1.2 damages caused as a result of violation of obligations stated in 7.1.1 of this Law by a digital signature holder.

Article 12. Suspension and cancellation of licenses

12.1 Relations to suspension and cancellation of licenses granted to certification agencies shall be subject to provisions of the Utility licensing Law.

Article 13. Open information

13.1 Certification agencies shall keep open the following information:

13.1.1 certifying procedure;

13.1.2 information on suspended and cancelled certificates

13.1.3 notifications on certificate suspension and cancellation

CHAPTER FIVE CERTIFYING ACTIVITIES

Article 14. Issuance of certificates

14.1 A certification agency shall issue a certificate to a person that applied for in a written or electronic form in accordance with 9.2.1 of this Law.

Article 15. Suspension of certificates

15.1 Unless a certification agency and subscriber otherwise agreed, the certificate shall be suspended as soon as a request is made by the subscriber stated in the certificate or by his or her authorized person.

Article 16. Cancellation of certificates

16.1 A certification agency shall cancel the certificate on the following grounds:

16.1.1 disclosure of a private key or creation of such a possibility have been notified by a subscriber to a certification agency;

16.1.2 a subscriber made a request to cancel the certificate and it is proved that the request is made such subscriber;

16.1.3 it is proven that a subscriber is died or a subscribing legal person is dissolved.

Article 17. Notification on suspension and cancellation

17.1 In case that a certification agency cancelled or suspended the certificate, a certificate holder shall be notified and the related information shall be recorded in the digital signature database.

CHAPTER SIX RECOGNITION OF FOREIGN CERTIFICATES AND SIGNATURES

Article 18. Recognition of certificates and signatures that are issued by foreign authorities

18.1 A digital signature certificate that is issued in accordance with the foreign jurisdiction shall be recognized in Mongolia.

18.2 Unless the legislation of the selected country treats invalid, the parties shall agree on the other forms and means of an electronic signature and certificate.

CHAPTER SEVEN LIABILITIES FOR DISOBEYERS OF LEGISLATION

Article 19. Liabilities to be imposed on certification agencies

19.1.1 If damages to certificate holders or receivers caused by a certification agency due to its in compliance of the obligation are not subject to criminal liabilities, then the damages shall be reimbursed and an authorized body shall fine it up to 500 000 tug.

Article 20. Publicize of certificates for the purposes of fraudulent or illegal actions

20.1 If a service provided to public by creating a certificate for the fraudulent or illegal purposes , or allowed such conditions are not subject to criminal liabilities then an individual shall be fined with up to 100 000tug and a legal person shall be fined with 500 000tug.

Article 21. False request

21.1 If a false request for a certificate application, suspension or cancellation is not subject to criminal liabilities then a fine of up to 100 000 tug shall be imposed.

Article 22. Entry into force

22.1 This law enters into forcesof 2004.