

# *E-commerce Law* of the People's Republic of China

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## Chapter I General Provisions

**Article 1** This *Law* is enacted for the purposes of safeguarding the legitimate rights and interests of all parties to e-commerce, regulating e-commerce conducts, maintaining the market order, and promoting the sustainable and sound development of e-commerce.

**Article 2** This *Law* shall apply to all e-commerce activities within the territory of the People's Republic of China.

The 'e-commerce' mentioned herein refers to business activities of selling commodities or providing services via the Internet or any other information network.

Where any other law or administrative regulation provides rules for the sale of commodities or provision of services, such other law or administrative regulation shall apply. This *Law* shall not apply to financial products and services, as well as news information, audio and video programs, publications, cultural products, and other content services provided via information networks.

**Article 3** The State shall encourage the development of new business types in e-commerce and the innovation in business models, promote the research, development, promotion and application of e-commerce technologies, advance the construction of the e-commerce credit system, create a market environment favourable for the innovative development of e-commerce, and give full play to the role of e-commerce in promoting quality development, satisfying people's ever-growing demands for a better life and building an open economy.

**Article 4** The State shall treat online and offline business activities on an equal footing and promote the integrated development of online and offline businesses. The people's governments at all levels and relevant authorities shall neither adopt discriminatory policies or measures nor abuse administrative power to eliminate or restrict market competition.

**Article 5** E-commerce business operators shall, in business operations, abide by the principles of voluntariness, equality, fairness and honesty, observe the law and business ethics, engage in fair market competition, perform obligations in aspects including the protection of consumers' rights and interests, environment protection, intellectual property rights protection, cyber-security protection and personal information protection, assume responsibility for the quality of products and services, and accept the supervision by the government and the public.

**Article 6** The relevant departments of the State Council shall, in accordance with the division of duties, be responsible for the development, promotion, supervision, and administration of and other work on e-commerce. Local people's governments at or above the county level may, based on actual local situations, determine the division of duties for departments with respect to e-commerce in their respective administrative regions.

**Article 7** The State shall establish a collaborative administration system in line with the characteristics of e-commerce, and promote the formation of an e-commerce market governance system jointly participated in by relevant authorities, e-commerce industry associations, e-commerce business operators, and consumers, among others.

**Article 8** E-commerce industry associations shall, in accordance with their own bylaws, conduct industry self-discipline, establish and improve industry standards, promote the credit system in the industry, and supervise and guide e-commerce business operators' participation in fair market competition.



## Chapter II E-commerce Business Operators

### Section 1 General Rules

**Article 9** The ‘e-commerce business operators’ mentioned herein refer to natural persons, legal persons or unincorporated organisations that engage in the business activities of selling commodities or providing services via the Internet or any other information network, including e-commerce platform business operators, on-platform business operators and e-commerce business operators that sell commodities or provide services via a self-built website or any other network service.

The ‘e-commerce platform business operators’ mentioned herein refer to legal persons or unincorporated organisations which, in e-commerce context, provide both or multiple parties to transactions with services such as offering online business premises, deal making, and releasing information, for them to independently conduct trading activities.

The ‘on-platform business operators’ mentioned herein refer to e-commerce business operators that sell commodities or provide services via an e-commerce platform.

**Article 10** E-commerce business operators shall make market entity registrations in accordance with the law, unless they, as individuals, sell agricultural and sideline products or household handicraft products produced by themselves, or use their own skills to engage in public convenience services or occasional and low-value transactions for which no licence is required by the law, or unless no registration is required by laws or administrative regulations.

**Article 11** E-commerce business operators shall, in accordance with the law, perform the obligation of tax payment and enjoy tax incentives.

E-commerce business operators not required to make market entity registrations under the provisions of the preceding Article shall, upon the occurrence of the obligation of tax payment for the first time, in accordance with the laws and administrative regulations with respect to tax collection administration, apply for tax registration and faithfully file tax returns.

**Article 12** Where an e-commerce business operator, in its business operations, is required by law to obtain relevant administrative licensing, it shall obtain such licensing according to the law.

**Article 13** E-commerce business operators shall sell commodities or provide services that meet the requirements for guaranteeing personal and property safety and for environmental protection, and shall not sell any commodity or provide any service of which the trading is prohibited by laws or administrative regulations.

**Article 14** E-commerce business operators shall, when selling commodities or providing services, issue paper or electronic invoices or other documents for commodities sold or services provided by them, according to the law. An electronic invoice shall have the same legal effect as a paper invoice.

**Article 15** E-commerce business operators shall, in a conspicuous position on their homepages, continuously display the information of their business licences, the information of the administrative licensing related to the business operated by them, the information of the circumstances where they are not required to make market entity registrations as provided in Article 10 of this *Law*, and other information, or the mark of links to such information.

Where any modification occurs to the information specified in the preceding paragraph, e-commerce business operators shall promptly update and publish the information.



**Article 16** Where an e-commerce business operator is to voluntarily terminate its e-commerce business operators, it shall continuously display relevant information at a conspicuous place of its homepage 30 days in advance.

**Article 17** E-commerce business operators shall disclose the information concerning commodities or services in an all-round, truthful, accurate and timely manner, to safeguard consumers' right to know and right to choose. E-commerce business operators must not conduct false or misleading commercial publicity by fabricating transactions, making up user reviews or any other means, to cheat or mislead consumers.

**Article 18** Where an e-commerce business operator provides a consumer with search results of commodities or services based on the consumer's hobby, consumption habit, or any other traits, it shall provide the consumer with options not targeting his or her personal traits at the same time, to respect and equally protect the legitimate rights and interests of consumers.

Where an e-commerce business operator sends advertisements to consumers, it shall follow relevant provisions of the *Advertising Law of the People's Republic of China*.

**Article 19** E-commerce business operators shall, when conducting tie-in sale of commodities or services, request consumers in a conspicuous manner to pay attention, and shall not set the tie-in sale as a default option.

**Article 20** E-commerce business operators shall deliver commodities or services to consumers in the manner and time provided in their commitments or as agreed upon with consumers, and assume the risk and responsibility during the shipment of the commodities, unless consumers choose another logistics service provider for themselves.

**Article 21** Where an e-commerce business operator collects deposits from consumers as agreed, it shall expressly State the manner and procedure for the refund of the deposits, and shall not set unreasonable requirements for the refund. Where a consumer applies for the refund of his or her deposit and meets the requirements thereof, the e-commerce business operator shall make a refund in a timely manner.

**Article 22** Where an e-commerce business operator has a dominant market position due to its technological advantage, number of users, and control of relevant industries, other business operators' reliance on it in trading, or any other factor, the e-commerce business operator shall not abuse its dominant market position to eliminate or restrict competition.

**Article 23** E-commerce business operators shall, when collecting or using the personal information of their users, observe the provisions on personal information protection stipulated in laws and administrative regulations.

**Article 24** E-commerce business operators shall expressly State the ways of and procedures for the inquiry, correction or deletion of user information as well as user deregistration, and shall not set unreasonable requirements for the inquiry, correction or deletion of user information as well as user deregistration.

Where an e-commerce business operator receives an application for the inquiry, correction or deletion of user information, it shall, upon verification of identity, permit the inquiry, correction or deletion of user information in a timely manner. In the case of user deregistration, an e-commerce business operator shall immediately delete the information of the user; if any law or administrative regulation stipulates, or the parties hereto agree upon, the retention of the user information, the law, administrative regulation, or agreement shall prevail.

**Article 25** Where the relevant authorities require, in accordance with any law or administrative regulation, an e-commerce business operator to provide relevant e-commerce



data and information, the e-commerce business operator shall do so. The relevant authorities shall take necessary measures to protect the security of the data and information provided by e-commerce business operators and strictly keep confidential the personal information, privacy, and trade secrets therein, and shall not divulge or sell them or illegally provide them for any other person.

**Article 26** E-commerce business operators shall engage in cross-border e-commerce in accordance with the laws, administrative regulations, and other relevant stipulations of the State concerning the supervision and administration of import and export.

## **Section 2 E-commerce Platform Business Operators**

**Article 27** E-commerce platform business operators shall request any business operator applying for access to the platforms to sell commodities or provide services to submit truthful information including his or her identity, address, contact information, and administrative licensing, make verification and registration, establish a registration file, and conduct regular verification and updates.

E-commerce platform business operators, when providing services for a non-business user selling commodities or providing services via their platforms, shall observe relevant provisions in this Section.

**Article 28** E-commerce platform business operators shall submit the identity information of on-platform business operators to the market supervision and administration authorities as required, remind a business operator that has not made market entity registration to make registration by law, and cooperate with the market supervision and administration authorities in, based on the characteristics of e-commerce, facilitating completion of registrations of business operators required to make market entity registration.

E-commerce platform business operators shall, in accordance with the laws and administrative regulations concerning tax collection administration, submit to the taxation authorities the identity information and the information related to tax payment of on-platform business operators, and remind the e-commerce business operators that are not required to make market entity registration under Article 10 of this *Law* to make tax registration under paragraph 2, Article 11 of this *Law*.

**Article 29** Where an e-commerce platform business operator discovers that any information of commodities or services on its platform violates any provision in Article 12 and 13 of this *Law*, it shall take necessary disposition measures in accordance with the law and report to relevant competent authorities.

**Article 30** E-commerce platform business operators shall take technological measures and other necessary measures to ensure its cyber-security and stable operation, prevent illegal and criminal online activities, effectively tackle cyber-security incidents, and guarantee the security of e-commerce trading.

E-commerce platform business operators shall make a contingency plan for cyber-security incidents, and when a cyber-security incident occurs, it shall immediately launch the contingency plan, take corresponding remedial measures, and report to relevant competent authorities.

**Article 31** E-commerce platform business operators shall record and retain the information of commodities, services and transactions released on the platform, and ensure the integrity, confidentiality and availability of such information. The information of commodities, services,



and transactions shall be retained for at least three years from the day of completion of the transaction, unless otherwise stipulated by any law or administrative regulation.

**Article 32** E-commerce platform business operators shall, on the basis of the principles of openness, fairness and justice, formulate platform service agreements and trading rules clearly stating their rights and obligations in entry into and withdrawal from the platform, quality assurance for commodities and services, consumer rights protection, personal information protection, and in other aspects.

**Article 33** E-commerce platform business operators shall continuously display their platform service agreements, trading rules, or links to such information in a conspicuous position on their homepages, and ensure that business operators and consumers can conveniently read and download the information intact.

**Article 34** In the event of revising platform service agreements and trading rules, e-commerce platform business operators shall solicit public comments in a conspicuous position on their homepages, and take reasonable measures to ensure that relevant parties can promptly and adequately express their opinions. The revised content shall be publicised at least seven days before it is implemented.

Where on-platform businesses do not accept the revised content and request to withdraw from the platform, e-commerce platform business operators must not obstruct them and shall take on relevant responsibilities in accordance with the previous service agreements and trading rules.

**Article 35** E-commerce platform business operators must not use platform service agreements, trading rules, technologies or other methods to impose unreasonable restrictions or requirements on on-platform businesses' transactions, trading prices, or transactions with other businesses, or collect unreasonable fees from on-platform businesses.

**Article 36** Where e-commerce platform business operators take measures against on-platform businesses that violate laws or regulations, such as issuing warnings and suspending or terminating services, in accordance with platform service agreements and trading rules, such information shall be publicised in time.

**Article 37** Where e-commerce platform business operators launch self-operated business on the platform, they shall label their own business operations and those of on-platform businesses in a conspicuous manner, and must not mislead consumers.

E-commerce platform business operators shall assume civil liability in accordance with the law for the sale of commodities or provision of self-operated services.

**Article 38** Where e-commerce platform business operators know or should know that commodities or services sold or provided by on-platform businesses do not comply with requirements for personal or property security, or otherwise violate consumers' legitimate rights and interests, and do not take necessary measures, they shall jointly and severally be liable together with such businesses in accordance with the law.

For commodities and services which are related to consumers' health, where e-commerce platform business operators do not act on their obligations to review and verify the credentials or qualifications of on-platform businesses, or do not act on their obligations to ensure consumers' safety and thus cause harm to consumers, they shall assume corresponding responsibilities in accordance with the law.



**Article 39** E-commerce platform business operators shall establish and improve credit evaluating systems, publicise credit rating rules, and provide consumers with a channel through which they can evaluate the commodities sold or services provided on the platform.

E-commerce platform business operators must not delete consumers' ratings of commodities sold or services provided on the platform.

**Article 40** E-commerce platform business operators shall present the research results of products and services to consumers in multiple ways, such as based on their prices, sales volumes, and credit ratings; and paid placements of products and services shall be conspicuously labeled as 'advertisements'.

**Article 41** E-commerce platform business operators shall establish rules for intellectual property rights protection and enhance cooperation with intellectual property rights holders to protect intellectual property rights in accordance with the law.

**Article 42** Where intellectual property rights holders perceive infringement of their intellectual property rights, they have right to notify e-commerce platform business operators to take necessary measures such as deleting, blocking or disconnecting links and terminating transactions or services. The notices shall include preliminary evidence that the infringement is constituted.

Upon receiving such notices, e-commerce platform business operators shall promptly take necessary measures and forward the notices to on-platform business operator; and where necessary measures are not taken promptly, e-commerce platform business operators shall be jointly and severally liable together with such businesses for any increase in damages.

Where any error in a notice causes harm to on-platform businesses, e-commerce platform business operators shall assume civil liability in accordance with the law. Where any erroneous notice is issued maliciously and causes harm to on-platform businesses afterwards, e-commerce platform business operators shall assume liabilities that are doubly incumbent on them.

**Article 43** Upon receiving the forwarded notices, on-platform business operator can submit declarations of non-infringement of any intellectual property right to e-commerce platform business operators. The declarations shall include preliminary evidence of non-infringement.

Upon receiving the declarations, e-commerce platform business operators shall forward them to intellectual property rights holders who have issued the notices and notify them that they may complain to the competent authorities concerned or institute legal proceedings in the People's Courts. Where e-commerce platform business operators have not received notices that intellectual property rights holders have made complaints or instituted legal proceedings, within 15 days of receipt of the declarations by such rights holders, they shall promptly terminate all measures they have taken.

**Article 44** E-commerce platform business operators shall promptly publicise receipt of the notices and declarations provided for in Articles 42 and 43 of this *Law*, as well as their outcomes.

**Article 45** Where E-commerce platform business operators know or should know that on-platform business operator infringe any intellectual property right, they shall take necessary measures such as deleting, blocking or disconnecting links and terminating transactions or services; and where necessary measures are not taken, e-commerce platform business operators shall be jointly and severally liable together with infringers in such cases.



**Article 46** Except as provided in the second paragraph of Article 9 of this law, e-commerce platform business operators can, in accordance with platform service agreements and trading rules, offer services such as warehousing, logistics, and payment clearance and settlement to facilitate e-commerce activities between business operators. In serving e-commerce activities between business operators, e-commerce platform business operators shall comply with laws, administrative regulations, and relevant State provisions, and must not conduct transactions by means of centralised trading such as centralised bidding and market makers or carry out standardised contract transactions.

### Chapter III Formation and Performance of E-commerce Contracts

**Article 47** The provisions of this Chapter and of laws such as the *General Principles of the Civil Law of the People's Republic of China*, the *Contract Law of the People's Republic of China*, and the *Electronic Signatures Law of the People's Republic of China* apply to the conclusion and fulfillment of contracts by parties to e-commerce contracts.

**Article 48** Where parties to e-commerce contracts use an automatic information system to conclude or fulfill contracts, such behaviours are legally binding on the party using the system.

The presumption in e-commerce context is that the parties have the corresponding capacity for civil conduct, except where there is sufficient evidence to overturn it.

**Article 49** Where the information of commodities or services published by e-commerce business operators meets the requirements for an offer, a contract is formed when users select those commodities or services and successfully submit their orders. Where the parties agree otherwise, such agreement shall prevail.

E-commerce business operators must not use standard terms or other means to stipulate that a contract is not formed after consumers make payments; and where standard terms contain such content, the content is deemed invalid.

**Article 50** E-commerce business operators shall clearly, comprehensively, and explicitly inform users of the steps to form a contract, issues to be considered, download methods, and other such matters, and ensure that users can conveniently read and download it intact.

E-commerce business operators shall ensure that users can correct input errors before submitting an order.

**Article 51** Where a contract is for delivery of commodities and the delivery is made by courier service, the time of delivery shall be the time when the recipient signs for receipt. Where a contract is for the provision of services, the time of delivery shall be the time when an electronic receipt is produced or the time indicated on a physical receipt; and where there is no time indicated on the receipts described above or where the indicated time is inconsistent with the actual time at which services are provided, the actual time when services are provided shall be deemed as the time of delivery.

Where a contract is for delivery through online transmission, the time of delivery shall be the time when the subject matter of the contract enters the other party's designated systems and can be retrieved and identified.

Where parties to a contract have otherwise agreed on the means and time of delivery, such agreement shall prevail.



**Article 52** Parties to e-commerce contracts can agree on delivery of commodities by courier service.

In providing courier services for e-commerce activities, courier service providers shall obey laws and administrative regulations and comply with the promised service norms and time limits. In the course of commodities delivery, courier service providers shall remind the recipient to examine the commodities in their presence; and where the commodities are received by collector on behalf of the recipient, it shall be done with the recipient's consent.

Courier service providers shall use environmentally friendly packing materials in accordance with relevant regulations, and facilitate the reduction and reuse of packing materials.

Courier service providers can be entrusted by e-commerce business operators to offer collection of payment for commodities on delivery service while providing courier services.

**Article 53** Parties to e-commerce contracts can agree on payment through electronic method.

In providing electronic payment services for e-commerce activities, electronic payment service providers shall comply with State regulations to inform users of matters such as the functions, methods of use, issues to be considered, relevant risks, and fees concerning electronic payment, and must not impose any unreasonable trading requirements. Electronic payment service providers shall ensure that electronic payment orders are complete, coherent, traceable, verifiable, and unalterable.

Electronic payment service providers shall provide users with account reconciliation service and transaction records of the recent three years free of charge.

**Article 54** Where electronic payment service providers provide electronic payment services that do not meet relevant State requirements for payment security and thus cause harm to users, they shall be liable for compensation of losses.

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

Where errors occur in payment orders, electronic payment service providers shall promptly investigate the reasons and take measures to make corrections. Where any harm is caused to users, electronic payment service providers shall be liable for compensation of losses, unless it can be proven that the errors are not attributed to them.

**Article 56** Upon completion of any electronic payment, electronic payment service providers shall promptly and accurately provide payment confirmation information for users in the manner agreed upon.

**Article 57** Users shall properly keep transaction passwords, electronic signatures and other security tools. Users shall promptly inform electronic payment service providers of any loss or misappropriation of security tools or other unauthorised payments.

Electronic payment service providers shall be liable for losses caused by unauthorised payments; however, electronic payment service providers do not bear liabilities where they can prove that any unauthorised payment is caused by the users' fault.

Where electronic payment service providers discover that payment orders are not authorised or receive notice from a user that a payment order is not authorised, they shall immediately take measures to prevent further losses. Where further losses are caused by the



failure of electronic payment service providers to promptly take measures, they shall bear liabilities for the increase in losses.

## Chapter IV E-commerce Dispute Settlement

**Article 58** The State encourages e-commerce platform business operators to establish mechanisms for guaranteeing the quality of commodities and services that are conducive to the development of e-commerce and the protection of consumers' rights and interests.

Where e-commerce platform business operators conclude an agreement with on-platform business operator to set up consumer rights deposits, both parties shall specify matters such as the amount collected, management, use and refund of such deposits.

Where consumers request that e-commerce platform business operators bear liabilities for compensation beforehand and e-commerce platform business operators request repayment from on-platform business operator thereafter, relevant provisions of the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests* apply to these requests.

**Article 59** E-commerce business operators shall establish convenient and effective systems for complaints and reports, make public the information concerning how to submit complaints and reports, and promptly accept and handle complaints and reports.

**Article 60** E-commerce disputes can be settled by negotiations, requesting mediation by consumer organisations, industry associations, or other legally established mediating organisations, filing complaints to relevant authorities, filing for arbitration, or instituting legal proceedings.

**Article 61** When a consumer purchases commodities or accepts services on the e-commerce platform and has disputes with the on-platform business operators, the e-commerce platform business operators shall actively assist the consumer in protecting his or her legitimate rights and interests.

**Article 62** In the handling of e-commerce disputes, e-commerce operators shall provide original contracts and transaction records. If the people's court, arbitration institution or relevant organs cannot ascertain the facts because the e-commerce operators lose, forge, alter, destruct, conceal or refuse to provide the aforementioned information, the e-commerce operators shall bear the corresponding legal liability.

**Article 63** E-commerce platform business operators may establish online dispute resolution mechanisms, formulate and display dispute resolution rules, and settle disputes fairly and justly according to the principle of voluntariness.

## Chapter V E-commerce Promotion

**Article 64** The State Council and the people's governments of provinces, autonomous regions and municipalities shall incorporate the development of e-commerce into the national economic and social development plans, and formulate scientific and rational industrial policies to promote the innovative development of e-commerce.

**Article 65** The State Council, people's governments at or above the county level and their relevant departments shall take measures to support and promote green packaging, storage and transportation, to promote the green development of e-commerce.



**Article 66** The State shall promote the construction of e-commerce infrastructure and logistics network, improve the statistical system of e-commerce, and strengthen the system of e-commerce standards.

**Article 67** The State shall promote the application of e-commerce in various fields of the national economy and support the integrated development of e-commerce with other industries.

**Article 68** The State shall promote the application of Internet technologies in agricultural production, processing and circulation, and encourage the cooperation among all kinds of social resources, to promote the e-commerce development in rural areas, and give full play to the role of e-commerce in taking targeted measures for poverty alleviation.

**Article 69** The State shall safeguard the security of e-commerce transactions, protect the information of e-commerce users, and encourage the development and application of e-commerce data, to ensure the orderly and free flow of e-commerce data according to law.

The State shall take measures to promote the establishment of public data sharing mechanism and promote the legal use of public data by e-commerce operators.

**Article 70** The State shall support the legally established credit evaluation institutions to carry out e-commerce credit evaluation and provide the society with e-commerce credit evaluation services.

**Article 71** The State shall promote the development of cross-border e-commerce, establish and improve the management system of customs, taxation, entry-exit inspection and quarantine, payment and settlement in line with the characteristics of cross-border e-commerce, to improve the facilitation in all links of cross-border e-commerce, and support operators of cross-border e-commerce platforms in providing warehousing, logistics, customs declarations and inspection services for cross-border e-commerce.

The State shall support small and micro enterprises in engaging in cross-border e-commerce.

**Article 72** The State import and export administration departments shall promote the construction of the comprehensive service and supervision system in cross-border e-commerce customs declaration, tax payment, inspection and quarantine, and other links, optimise the supervision process and promote information sharing, mutual recognition of supervision, and mutual assistance in law enforcement, to improve cross-border e-commerce services and supervision efficiency. Cross-border e-commerce operators may take the electronic documents to the State import and export administration departments to fulfill the relevant formalities.

**Article 73** The State shall promote cross-border e-commerce exchanges and cooperation with different countries and regions, participate in the formulation of international e-commerce rules, and promote international mutual recognition of e-signatures and e-identities.

The State shall promote the establishment of cross-border e-commerce dispute resolution mechanisms between itself and other countries and regions.

## Chapter VI Legal Liability

**Article 74** If an e-commerce operator sells commodities or provides services but refuses to fulfill his or her contractual obligations, or fails to fulfill his obligations according to the contract, or causes damage to others, he or she shall bear civil liability according to law.



**Article 75** An e-commerce operator shall be punished in accordance with relevant laws and administrative regulations, in case he or she, in violation of the provisions of articles 12 and 13 of this *Law*, engages in business activities without obtaining relevant administrative permission, or sells or provides commodities or services the trade of which is prohibited by laws and administrative regulations, or fails to fulfill the obligation of providing information as stipulated in Article 25 of this *Law*, or adopts centralised trading or conducts standardised contract trading in violation of the Article 46 of this *Law*.

**Article 76** If an e-commerce business operator violates the provisions of this *Law* and commits one of the following acts, the market supervision and administration authorities shall order him or her to make corrections within a time limit, and may impose a fine of less than 10,000 yuan of RMB, and the e-commerce platform business operators involved shall be punished in accordance with the provisions under paragraph one, Article 81 of this *Law*.

(1) the e-commerce business operator fails to display, in a conspicuous position of the homepage, his or her business licence information, administrative licensing information, information of the circumstances where the operator is not required to make market participant registration, or the mark of the link to the aforementioned information;

(2) the e-commerce business operator fails to continuously display the relevant information of the termination of his or her e-commerce business operators at the prominent position of the home page;

(3) the e-commerce business operator fails to expressly state the methods of and procedures for the search, correction, or deletion of user information as well as user deregistration, or sets unreasonable conditions for the search, correction, or deletion of user information as well as user deregistration;

If an e-commerce platform business operator fails to take necessary measures against the on-platform business operators violating the provisions of the preceding paragraph, the market supervision and administration authorities shall order him to make corrections within a time limit and may impose a fine of more than 20,000 yuan but less than 100,000 yuan.

**Article 77** If an e-commerce operator provides search results in violation of the provisions under paragraph one, Article 18 of this *Law*, or conducts tie-in sale of commodities or services in violation of Article 19 of this *Law*, the market supervision and administration authorities shall order him or her to make corrections within a time limit, confiscate his or her illegal income, and may impose an additional fine of more than 50,000 yuan but less than 200,000 yuan; under severe circumstances, he or she shall be imposed an additional fine of more than 200,000 yuan but less than 500,000.

**Article 78** If an e-commerce operator, in violation of the provisions of Article 21 of this *Law*, fails to expressly state to consumers the methods of and procedures for the refund of the deposit, or sets unreasonable conditions for the refund, or fails to refund the deposit in time, the relevant competent authorities shall order him to make corrections within a time limit and may impose a fine of more than 50,000 yuan but less than 200,000 yuan; under severe circumstances, the competent authorities may impose a fine of more than 200,000 yuan but less than 500,000 yuan.

**Article 79** If an e-commerce operator violates the provisions of laws and administrative regulations on the protection of personal information, or fails to fulfill the obligations of guaranteeing network security as stipulated in Article 30 of this *Law* and in relevant laws and administrative regulations, he or she shall be punished in accordance with the provisions of the



*Law of the People's Republic of China on Network Security* and other laws and administrative regulations.

**Article 80** If an e-commerce platform business operator commits one of the following acts, the relevant competent authorities shall order him to make corrections within a time limit; if he or she fails to make corrections within the time limit, the operator shall be fined more than 20,000 yuan but less than 100,000 yuan; under severe circumstances, he or she shall be ordered to suspend business for rectification, and shall be imposed on with an additional fine of more than 100,000 yuan but less than 500,000 yuan:

(1) the e-commerce platform business operator fails to fulfill the obligations of verification and registration as stipulated in the Article 27 of this *Law*;

(2) the e-commerce platform business operator fails to submit relevant information to the market supervision and administration authorities or the taxation authorities in accordance with Article 28 of this *Law*;

(3) the e-commerce platform business operator fails to take necessary measures to deal with illegal situations in accordance with the provisions of Article 29 of this *Law*, or fails to report the illegal situations to the relevant competent authorities;

(4) the e-commerce platform business operator fails to fulfill the obligation of preserving information of commodities, services and transactions as stipulated in Article 31 of this *Law*.

Where a law or administrative regulation provides otherwise for the punishment of an illegal act specified in the preceding paragraph, the law or administrative regulation shall prevail.

**Article 81** If an e-commerce platform business operator, in violation of the provisions of this *Law*, commits one of the following acts, he or she shall be ordered by the market supervision and administration authorities to make corrections within a time limit and may be fined more than 20,000 yuan but less than 100,000 yuan; under severe circumstances, he or she shall be fined more than 100,000 yuan but less than 500,000 yuan:

(1) the e-commerce platform business operator fails to continuously display the information of the service agreement and trading rules of the platform, or the mark of the link to the aforementioned information in a conspicuous position of the homepage;

(2) the e-commerce platform business operator fails to publicly solicit opinions for the revision of trading rules in a conspicuous position of the homepage, or fails to display the modified contents in advance according to the prescribed time limit, or prevents the on-platform business operators from exiting;

(3) the e-commerce platform business operator fails to distinguish between and mark the self-operated business and the business carried out by on-platform business operators in a significant manner;

(4) the e-commerce platform business operator fails to provide consumers with a way of evaluating commodities or services sold or provided on the platform, or deletes consumers' comments without permission.

Where an e-commerce platform business operator, in violation of the provisions of Article 40 of this *Law*, fails to mark 'advertisement' prominently on the commodities or services ranked by bidders, he or she shall be punished in accordance with the provisions of the *Advertising Law of the People's Republic of China*.

**Article 82** If an e-commerce platform business platform, in violation of the provisions of Article 35 of this *Law*, imposes unreasonable restrictions on or adds unreasonable conditions to



on-platform business operators in terms of on-platform trading, transaction prices or transactions with other operators, or collects unreasonable fees from on-platform business operators, the market supervision and administration authorities shall order him or her to make corrections within a time limit, and may impose a fine of more than 50,000 yuan but less than 500,000 yuan; under severe circumstances, the market supervision and administration authorities may impose a fine of more than 500,000 yuan but less than two million yuan.

**Article 83** If an e-commerce platform business operator, in violation of the provisions of Article 38 of this *Law*, fails to take necessary measures against the infringement of on-platform business operators upon the legitimate rights and interests of consumers, or fails to fulfill the obligation of verifying the qualifications of on-platform business operators, or fails to fulfill the obligation of ensuring the safety of consumers, the market supervision and administration authorities shall order him or her to make corrections within a time limit. A fine of more than 50,000 yuan but less than 500,000 yuan may be imposed; under severe circumstances, the offender shall be ordered to suspend business for rectification, and be additionally fined more than 500,000 yuan but less than two million yuan.

**Article 84** If an e-commerce platform business operator, in violation of the provisions of articles 42 and 45 of this *Law*, fails to take necessary measures in accordance with the law against the infringement of on-platform business operators upon intellectual property rights, he or she shall be ordered by the relevant intellectual property administrative authorities to make corrections within a time limit; if he or she fails to make corrections within a time limit, the e-commerce platform business operator shall be fined more than 50,000 yuan but less than 500,000 yuan; under severe circumstances, he or she shall be fined more than 500,000 yuan but less than two million yuan.

**Article 85** If an e-commerce operator, in violation of the provisions of this *Law*, sells commodities or provides services that do not meet the requirements of guaranteeing personal and property safety, commits acts of unfair competition such as conducting false or misleading commercial promotion, abuses his or her dominant market position, or commits acts of infringing on intellectual property rights or consumers' rights and interests, he or she shall be punished according to relevant laws.

**Article 86** If an e-commerce operator commits any illegal act as stipulated in this *Law*, the illegal act shall be recorded in his or her credit file in accordance with the provisions of relevant laws and administrative regulations and shall be displayed.

**Article 87** Where a staff member of departments responsible for supervision and administration of e-commerce in accordance with the law neglects his or her duties, abuses his or her powers, engages in malpractices for personal gains, or discloses, sells or illegally supplies personal information, privacy and business secrets they know to others when performing their duties, the staff shall be held accountable by law.

**Article 88** Whoever violates the provisions of this *Law* and commits an act in violation of public security administration shall be punished with public security administration penalties according to law; if the violation constitutes a crime, the offender shall be held criminally liable.

## Chapter VII Supplementary Provisions

**Article 89** This *Law* shall come into force on 1 January 2019.

