

Ministry of commerce

Protection of customer's and producer's rights Organization

Customer's right protection law

Bureau of economical analysis

Group of customer's right research and analysis

Aban 1388

Islamic republic of iran

In the name of god

No. 13/36965

Islamic parliament

Date: 02/08/1388

Director

Enclosure :

Dr Mahmoud AHMADI NEJAD

Honourable president of Islamic republic of Iran

Regarding to letter number 4732 dated on 24/3/72 in execution of 123d principle of the constitutional law of Islamic republic of Iran concerning customer's rights protection law which was dedicated to the parliament as a bill, is enclosed herewith, approved in the public session Wednesday 15/7/88 and confirmed by honorable Guardian Council.

Ali Larijani

Central secretariat of presidential house , No . 152772 , Date : 2/8/88

Islamic republic of iran No. 13/36965

Customer's rights protection law

Islamic republic of Iran

52772

President

9/8/1388

In the name of god

Ministry of commerce

Ministry of justice

Customer's rights protection law which has been approved at public session of Islamic parliament dated on Wednesday fifteenth of Mehr 1388 and confirmed on 13/7/188 by Guardian Council, has been sent to Islamic parliament through letter no.13/36965 dated on 2/8/1388. Enclosed herewith is sending for execution.

Mahmoud AHMADI NEJAD

President

Transcript:

Bureau of honorable supreme leader, all ministries, organizations, public offices, Islamic revolution societies and province governors of all countries, bureau of president, expediency discernment council of the system, director bureau of juridical branch, director bureau of Islamic parliament, bureau of first assistant of president, court of reckonings of country, legal assistant of parliament affaires of president, bureau of cabinet, secretariat of information council of cabinet, general office administration of pursue of plans and bills, general office administration of laws of Islamic parliament, general office administration of assembling laws and rules of country, official journal of Islamic republic of Iran (for publication in newspaper)

Ministry of commerce, 9/8/1388, 22529

Rubrics

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1.Customer's rights protection law

Chapter one: definitions

Article 1 – definitions

1-1. Customer: each real or legal person who purchases a goods or a service.

1-2. Goods and services suppliers: all producers, importers, distributors, sellers, presenters of services concerning technical and professional services and all organizations, foundations and companies which are mentioned clearly by their exact name and present, directly or either indirectly, goods or services

1-3. Guaranty of goods or services: this is a document that a producer, importer, presenter or repairman of any kind of technical machine gives to a purchaser or somebody who place an order for goods or services, to be informed in case of any defect or technical deficiency within an appointed time in order to repair or exchange, a damaged piece or pieces or a whole machine, without any charge or reimburse the damage.

1-4. Damage: it means an excess, defect or transformation which reduces the economical value of goods or a service.

1-5. Collusion : any kind of settlement and exchange between presenters of goods and services in order to increase the cost or reduce the quality or restrict the producing or presenting goods and services or modulation of unfair situations according to common law of transaction.

1-6. Sale bill: this is a document in which the characteristics of a goods or a service with specification of cost, date and scale of case of the transaction is written.

Note: concerning those services which present in form of a ticket or a receipt, the ticket or the receipt is sentenced as a sale bill in which the information of use and quality and quantity characteristics and cost calculation method should be written clearly.

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Chapter two: duties of goods and service presenters in front of customer's rights

Article 2 – all goods and service presenters, individually or in common, are responsible for health and safety of presented goods and services conforming of criteria and situations inserted in arrangement or conforming of common law in transactions.

If the subject of transaction includes a great package, in case of observing a deficiency or disconformities of goods with distinct situations, customer is entitled the right of claiming an intact exchange and the seller must ensure that. If the subject of transaction includes a slight package, customer can annul the transaction or reclaim an intact goods or its cost and the seller has to pay that. In case of annulling the transaction from customer, presenter is exempt of paying any compensation.

Note: in the event that incoming damage is caused by a deficiency or low quality and the presenter is informed by that since the beginning, in addition to compensation of damage, they will be sentenced to a punishment according to law. If their action is initiator of other criminal titles, they are subjected to the same law.

Article 3- goods and services presenters and producers have to:

1-3- present a guaranty with term and kind accompanying a sale bill in which the cost of goods and fees of services and date of sale is written.

2-3- all necessary information concerning the kind, the quality, the quantity, the preconsuming information, the date of issue and expire should be dedicated to customers.

3-3- a model of goods should be expose to exhibition of customers. If there is not any possibility of exhibition in selling place, complete information of goods should be given to customers.

Note 1- forcing sale of goods or a service accompanying other goods and services is forbidden.

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Note 2- standard sign, for goods and those services which should have standards, is exigent.

Note 3-a list of all types of goods and services, all types of information, the manner of announcing that, estimated top value of goods and services which necessitate the emission of guaranty and sale bill, will be set and announced within 4 months by the ministry of commerce with association of all involved ministries and organizations.

Note 4- the ministry of commerce has to prepare and announce a list of all medicines and medical equipments of any kind of medical center including diagnosing or therapeutic centers with help of the ministry of health and medical educations.

Article 4- all presenters including producers and importers of capital goods such as machineries (passenger car or vehicles cargo), industrial and agricultural vehicles, road construction machines, house furniture's and equipments, electric and electronic artifacts sonic and visual and communication tools should have an official delegate and allowed repair shop, ensure spare parts and after sell services.

Article 5- all goods and service presenters have to attach labels on goods or install a board at sale or profession local which indicates clearly the cost of goods or the fee of services in a viewable way for everyone.

Article 6- all public and governmental organizations, companies, banks, maries and all other organizations which have to be mentioned by their exact name in order to be included in the law, should give all necessary information about the execution of work or presentation of services to all customers.

Note- executive manual of this article will be prepared by Planning and Management Organization of country with cooperation of concerning

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governmental offices and will be approved by cabinet within 6 months.

Article 7- advertisements which are contrary to truth or wrong information which may mislead or lead customers astray by media or publicities are forbidden.

Note – the executive manual of this article will be prepared by the Ministry of Commerce with cooperation of the Ministry of Culture and Islamic Guidance and will be approved by the cabinet within 6 months.

Article 8- any kind of collusion and imposition by the presenter of goods or services which reduce goods quality as well as quantity or may cause an increase in cost will be considered as a crime.

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Chapter three- establishment of protection council

Article 9- in order to settle people participation in plans and policies executing of customer's rights protection, according to this law, customer's rights protection associations will be set up and they will be called "association".

Note 1- association is a nongovernmental formation and has an independent legal entity and will be formalized after being registered at ministry of commerce.

Note 2- in province capitals and townships, provincial association and in Tehran in addition to provincial association, a national association of customer's rights protection law will be formed.

Note 3- activity domain of provincial associations follows assigned geographical domain in country division law.

Article 10- members mentioned below have been selected as public council founder of national association of customer's rights protection law for 2 years:

- Minister of commerce : president of council
- Minister of justice or his vice-president
- Minister of interior or his vice-president
- 2 Islamic parliament deputies (one from social commission and one from economical commission chosen by the Islamic parliament as supervisor.
- President of customer's and producers' right protection as council secretary.
- President of standard and industrial research institute.
- President of medical system organization
- A reliable person familiar to producing, services, presenting, demands and cost introduced by the assembly of production affaires.
- A person familiar to producing, services, presenting, demands and cost introduced by the assembly of distribution affaires.
- Three members of the city council choose by the minister of interior.

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- A person choose by chief of juridical branch of government
- Chief of the lawyers institute

General council of association founder has to approve the constitution of the association and to arrange a plan for public partnership and creation of national and provincial associations.

Article 11- any kind of political, economical and profit making by this association is forbidden.

Article 12- duties and authorities of associations are as below:

12-1- informing customers by media, journals, interviews, congress and creating of general and professional educating courses.

12-2- consulting and cooperating with relevant organizations in order to better executing rules of affaires regarding to customer's rights.

12-3- considering complaints and presenting consultation and legal services for customers.

12-4- referring the cases to relevant organizations in case of demand.

Article 13- financial sources of associations are as below:

13-1- collecting commissions for compensation of undertaken cost after vindication of customer's rights from condemned part.

Note- services commissions anyway should not exceed 5% of condemned penalty.

13-2- helps of international and public associations of customer's rights protection which are parallel to association's goals.

Note- at least 10% of association financial sources should be spending for publicities, publication of booklets and journals in order to informing the customers.

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Chapter four- manner of administrating and supporting a case

Article 14- in order to facilitating and accelerating the administration of disturbance for sake of vindication of customer's rights, the customer's rights protection associations can examine obtained complaints from real or legal entities within their jurisdiction mentioned in paragraphs 2,3 and 4 of article 12 of this law.

In case disagreement with laws (suer or second part) or legal administrating they can send it to governmental organization of Loyal Punishments.

Mentioned organization has to administrate all complaints, which are covered by law of professional system and are not initiated by any criminal titles, according to law and pass a verdict.

Article 15- in order to execute the rules of this law and other rules and laws which are subjected to customer's rights protection, distinctly or implicitly, the ministry of commerce has to supervise and inspect by its relevant organization inspectors, all activities of legal and real entities subjected to this law. In case of any observed disturbance they should report the case to the governmental organization of Loyal Punishments.

Article 16- the responsibility of income damage to customers, by recognition of administrant referee, should be undertake by legal or real entities that cause the income damage to customers. In case of foreign companies, in addition to main company, its branch or delegacy in Iran is responsible either.

Note- in all case that disturbance is caused by a legal entity, the compensation should be paid by legal entity's property, and however penal responsibility is directed toward the managing director or responsible of legal entity.

Article 17- professional unions have to examine personal complaints of professional companies included in law and try to solve it or send it to the governmental organization of Loyal Punishments. They have to inform the

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Inspectors of loyal supervising commissions subjected of article 52 of professional system law.

Chapter five-fines and punishments

Article 18- if presented goods or services are defective which may cause damage to customers, offender should compensate the damages and pay the fines up to four times the value of damage.

Article 19- presenters of goods and services and producers that offend subjects of article 3 to 8 of this law, in case of income damage cause by use of same goods or services have to compensate the damage and pay the fines up to two times the value of damage.

Note- in case of presenters abstention from commitments in front of purchaser or any delayed or lack in commitment performance, they have to terminate the commitments and compensate the damage.

Article 20- advisable referees can fulfill the legal punishments and force the producers and sellers to withdraw goods in order to repair and correct the sold goods or presented services.

Article 21- executive manual of this law will be prepared within 3 month by ministries of commerce and justice and will be approved by cabinet.

Article 22- from the time of execution of this law, verification of irregularity of professionals will be done by the governmental organization of Loyal Punishments according to punishments sentenced in professional system law approved by Islamic parliament and other rules. All contrary rules are abolished. All open cases in primary courts and revision courts will be sent to the governmental organization of Loyal Punishments since the beginning of execution of this law.

The above law consisting of 22 articles and 15 notes has been approved in the public session of Islamic parliament dated on Wednesday 15th of Mehr 1388 and has been confirmed by the Guardian Council.