

Unofficial translation

Act No. 30/2002 on Electronic Commerce and other  
Electronic Services.

## CHAPTER I

### General Provisions

#### Article 1

##### Scope

This Act applies to electronic commerce and other  
electronic services

The Act does not apply to electronic services relating to  
taxation, protection of personal data, unlawful collusion or  
concerted practises, representation by legal counsel before  
the courts, gambling activities involving wagering money in  
games of chance and the activities of public notaries to the  
extent that such activities involve the exercise of public  
authority.

Issues under this Act are subject to the authority of the  
Minister for Commerce.

## Article 2

### Definitions

For the purposes of this Act the following terms shall have the following meanings:

1. Electronic service: A service normally provided in return for payment, from a distance, by electronic means, at the request of the recipient of the service.
2. Service provider: A natural or legal person providing electronic services.
3. Recipient of a service: A natural or legal person who, for professional ends or otherwise, uses electronic services.

## Chapter II

### Principle of the Country of Origin

## Article 3

### Principle

Electronic service provided by a service provider established in Iceland shall conform to Icelandic law on the establishment and operation of the service.

No restrictions shall be imposed on the freedom of service providers established in the European Economic Area to

provide services in Iceland as regards the legal requirements on the establishment and operation of the service.

A service provider is regarded as being established in a state if such provider pursues an active economic activity in that state through a fixed establishment for an indefinite period.

#### Article 4

##### General Derogations from the Principle

The provisions of Article 3 do not apply to the following:

1. the right of parties to negotiate what legislation shall govern their contracts,
2. contractual obligations relating to consumer contracts,
3. the formal effect of contracts establishing or transferring rights to real estate where such contracts are subject to mandatory formal requirements pursuant to the law of the state where the real estate is situated.
4. copyrights and related rights,
5. the extent to which unsolicited commercial communications are permitted.

6. issue of electronic money by institutions in respect of which derogation has been granted under the provisions of Article 8 of Directive 2000/46/EC.

7. marketing of UCITS securities pursuant to Article 44 of Directive 1985/611/EC, and

8. freedom of establishment to provide insurance services pursuant to Directive 92/49/EC, Directive 92/96/EC, Directive 88/357/EC and Directive 90/619/EC

Article 5

### Specific Derogations from the General Principle

Government authorities may, in specific cases, derogate from the provisions of Paragraph 3 of Article 3 by limiting the free flow of electronic services, provided that such limitation is necessary for the protection of:

1. public morality, public order, public safety
2. life and public health, or
3. consumers.

Restrictions pursuant to Paragraph 1 shall only be imposed on service providers if they violate the protective interests referred to therein or if there is substantial risk that the

service provider will violate such interests. The restrictions shall not be more extensive than necessary.

Special measures under Paragraph 1 shall not be taken against specific service providers unless the Member State where the service provider is established has, despite the request of Icelandic government authorities, neglected to take measures against violation or taken inadequate measures. The EFTA Surveillance Agency and the state where the service provider in question is established shall be notified of any proposed measures. However, this shall not apply to injunctions or investigations of criminal cases. In cases of urgency, government authorities may derogate from Paragraph 3. In such cases the measures shall be notified as promptly as possible to the EFTA Surveillance Authorities and to the Member State where the service provider is established. The notifications shall specify why the matter is regarded as urgent.

## CHAPTER III

### Disclosure

#### Article 6