

**TITLE 20 – BUSINESS REGULATION AND PRACTICE**  
**CHAPTER 4 - CONSUMER PROTECTION**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

## CONSUMER PROTECTION ACT

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**CONSUMER PROTECTION ACT**

**AN ACT** to provide for consumer protection legislation and for matters connected therewith.

<i>Commencement:</i>	<i>Not Specified</i>
<i>Source:</i>	33 TTC 1970
<i>Amended By:</i>	33 TTC 1980   P.L. 1991-131   P.L. 1997-46 P.L. 1997-48

**§401. Short title.**

This Chapter may be cited as the “Consumer Protection Act”. [33 TTC 1970, §351; 33 TTC 1980, §351, modified]

**§402. Interpretation.**

In this Chapter:

- (a) “**person**” means natural persons, corporations, trusts, partnerships, incorporated or unincorporated associations, and any other legal entity;
- (b) “**trade**” and “**commerce**” mean the advertising, offering for sale, sale, or distribution of any services and any property, tangible or intangible, real, personal or mixed, and any other article, commodity, or thing of value wherever situated, and shall include any trade of commerce directly or indirectly affecting the people of the Republic;
- (c) this Chapter applies to all civil causes of action which accrued before the effective date of this Chapter upon which any suit is

filed after such effective date, and to all civil causes of action which accrue on or after such effective date of this Chapter. [33 TTC 1970, §352; 33 TTC 1980, §352, modified; amended by P.L. 1991-131, §2; amended by P.L. 199 7-46, §2.]

#### **§403. Unlawful acts or practices.**

The following unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade of commerce are hereby declared to be unlawful:

- (a) passing off goods or services as those of another;
- (b) causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, uses, benefits, quantities, characteristics or certification of goods or services;
- (c) causing likelihood of confusion or misunderstanding as to affiliation, connection, or association with, or certification by another;
- (d) using deceptive representations or designations of geographic origin in connection with goods or services;
- (e) representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that he does not have;
- (f) representing that goods are original or new if they are deteriorated, altered, reconditioned, reclaimed, used, or secondhand;
- (g) representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;
- (h) disparaging the goods, services, or business of another by false or misleading representation of fact;
- (i) advertising goods or services with intent not to sell them as advertised;
- (j) advertising goods or services with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity;

- (k) making false or misleading statements of fact concerning the reasons for, existence of or amounts of price reductions;
- (l) engaging in any other conduct which similarly creates a likelihood of confusion of or misunderstanding;
- (m) engaging in any act or practice which is unfair or deceptive to the consumer;
- (n) causing likelihood of mistake, misunderstanding or confusion as to the safety or danger in the use or consumption of goods, products or consumables;
- (o) causing likelihood of mistake, misunderstanding or confusion as to the habit forming qualities of goods, products or consumables;
- (p) causing likelihood of mistake, misunderstanding or confusion as to unhealthful effects of the use of goods, products or consumables;
- (q) engaging in any act or practice which to the consumer's detriment, takes advantage of the lack of knowledge, ability, experience or capacity of the consumer to an unreasonable degree; or
- (r) breach of an express or implied warranty. [33 TTC 1970, §353; 33 TTC 1980, §353, modified; amended by P.L 1997-46, §2]

#### **§404. Exemptions.**

Nothing in this Chapter shall apply to:

- (a) actions or transactions carried out by the Government of the Marshall Islands, any branch thereof or any other governmental agency; or
- (b) acts done by the publisher, owner, agent, or employee of a newspaper, periodical or radio or television station in the publication or dissemination of an advertisement, when the owner, agent, or employee who did not have knowledge of the false, misleading or deceptive character of the advertisement, did not prepare the advertisement, and did not have a direct financial interest in the sale or distribution of the advertised product or service. [33 TTC 1970, §354; 33 TTC 1980, §354, modified]