Consumer Contract Act (Tentative translation)

(Act No. 61 of May 12, 2000)

Table of Contents

Chapter I General Provisions (Articles 1 to 3)

Chapter II Consumer Contracts

Section 1 Rescinding the Manifestation of an Intention to Be Bound by the Offer of a Consumer Contract or by the Acceptance of an Offer for Such a Contract (Articles 4 to 7)

Section 2 Nullity of Consumer Contract Clauses (Articles 8 to 10)

Section 3 Auxiliary Provisions (Article 11)

Chapter III Demand for Injunction

Section 1 Rights to Demand Injunctions, etc. (Articles 12 to 12-5)

Section 2 Qualified Consumer Organizations

Subsection 1 Certification of Qualified Consumer Organizations (Articles 13 to 22)

Subsection 2 Services Related to the Right to Demand an Injunction (Articles 23 to 29)

Subsection 3 Supervision (Articles 30 to 35)

Subsection 4 Auxiliary Provisions (Articles 36 to 40)

Section 3 Special Provisions on Court Proceedings (Articles 41 to 47)

Chapter IV Miscellaneous Provisions (Articles 48 and 48-2)

Chapter V Penal Provisions (Articles 49 to 53)

Supplementary Provisions

Chapter I General Provisions

(Purpose)

Article 1 The purpose of this Act is to protect the interests of consumers and thereby contribute to the stabilization and improvement of the general welfare and lives of the people and to the sound development of the national economy, in consideration of the disparity in the quality and quantity of information and negotiating power between consumers and traders, by permitting a consumer to rescind the manifestation of an intention to be bound by the offer of a contract or by the acceptance of an offer for such a contract in situations such as when the consumer has misunderstood or was distressed by certain actions by the trader, and by fully or partially nullifying any clauses that exempt a trader from liability for damages or otherwise unfairly harm the interests of consumers, beyond providing qualified consumer organizations with the ability to demand an injunction against a trader, entrusted party, or agent for the purpose of preventing the occurrence of, or the spreading of damage to, other consumers.

(Definitions)

Article 2 (1) The term "consumer" as used in this Act means an individual (excluding one who becomes a party to a contract as a business or for business purposes).

(2) The term "trader" as used in this Act (excluding Article 43, paragraph (2), item (ii)) means a corporation or association, or an individual who becomes a party to a contract as a business or for business purposes.

(3) The term "consumer contract" as used in this Act means a contract entered into between a consumer and a trader.

(4) The term "qualified consumer organization" as used in this Act means a corporation certified by the Prime Minister pursuant to Article 13 as a consumer organization (meaning a consumer organization as referred to in Article 8 of the Basic Consumer Act (Act No. 78 of 1968); the same applies hereinafter), which has the qualifications necessary to exercise the right to demand an injunction as governed by this Act in the interest of a large, non-exclusive group of consumers.

(Efforts of Traders and Consumers)

Article 3 (1) Traders must endeavor to take the following measures.

(i) When drafting the clauses of consumer contracts, traders are to give consideration so that consumers' rights and obligations and other content in their contracts are clear and plain for the consumers, and that leaves no doubt about their interpretation;

(ii) When soliciting consumers to enter into a consumer contract, in order to deepen the consumer's understanding of the contract, traders provide necessary information regarding consumer rights and obligations while also comprehensively taking account what the trader knows regarding the age, physical and mental conditions, knowledge and experience of each individual consumer in accordance with the nature of the goods, rights, services and any other things for the purpose of the consumer contract.

(iii) When soliciting consumers to enter into a consumer contract that is subject to an agreement on standard transaction as set forth in Article 548, paragraph (1) of the Civil Code (Act No. 89 of 1896), excluding cases in which measures are taken to ensure that the content of the standard terms of contract set forth in the same paragraph is readily accessible to the consumer, traders provide information necessary for the consumer to make a demand as set forth in Article 548-3, paragraph (1) of the same Act.

(iv) in response to a consumer's request, traders provide necessary information related to exercising the right to cancel held by the consumer specified in the consumer contract.

(2) When entering into a consumer contract, a consumer is to endeavor to make use of the information provided by the trader and to understand the consumer rights and obligations and other contents of the contract.

Chapter II Consumer Contracts

Section 1 Rescinding the Manifestation of an Intention to Be Bound by the Offer of a Consumer Contract or by the Acceptance of Such an Offer

(Rescinding the Manifestation of an Intention to Be Bound by the Offer of a Consumer Contract or by the Acceptance of Such an Offer)

Article 4 (1) A consumer may rescind the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if either of the acts set forth in the following items taken by the trader in soliciting the consumer to enter into the consumer contract caused the consumer to be under the mistaken belief prescribed in the items, and manifested the intention to be bound by the offer of that consumer contract or by the acceptance of such an offer:

(i) conveying something that diverges from the truth with regard to an important matter: a mistaken belief that what has been conveyed is true;

(ii) providing a conclusive assessment of future prices, amount of money that a consumer will receive in the future, or any other matters whose changes in the future is uncertain, in connection with goods, rights, services or other things for the purpose of a consumer contract: a mistaken belief that the content of the conclusive assessment provided is certain.

(2) A consumer may rescind the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if a trader in soliciting the consumer to enter into the contract, conveys to the consumer that an important matter or matters related to the important matter would be advantageous to the consumer, and also fails to convey a fact regarding that important matter that would be disadvantageous to the consumer intentionally or with gross negligence, (limited to a fact that a consumer would normally think to be non-existent based on what has been conveyed), causing the consumer to mistakenly believe that the fact in question does not exist, and therefore the consumer has manifested the intention to be bound by the offer of the consumer contract or by the acceptance of the offer; provided, however, that this does not apply if the trader has attempted to convey the relevant fact to the consumer and the consumer has rejected the attempt.

(3) A consumer may rescind the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if the consumer manifested that intention as a result of being overwhelmed by any of the following acts taken by the trader in soliciting the consumer to enter into the consumer contract:

(i) failing to leave the consumer's residence or place of business, in spite of the consumer's request that the trader leave that place;

(ii) preventing a consumer from leaving the place where the trader is soliciting the consumer to enter into the consumer contract, in spite of the consumer's request to leave.

(iii) moving to a place together with the consumer and soliciting to enter into the consumer contract in that place while knowing that it is difficult for the consumer to voluntarily leave that place without informing the consumer that they are soliciting to enter into the consumer contract;

(iv) in spite of the consumer expressing an intent to contact a person other than the trader by telephone or other means specified by Cabinet Office Order in order to have a consultation on whether or not to enter into the contract, using intimidating words and deeds and preventing the consumer from making said contact in a place where the consumer is being solicited to enter into the consumer contract;

(v) while knowing that a consumer who has little social life experience is overly worried about fulfilling the aspirations regarding the following matters, the trader prompts fears of the consumers and conveys that the goods, rights, services and any other things for the purpose of the consumer contracts are necessary to fulfill the consumer's aspirations although there are no reasonable grounds or rational basis supporting that necessity, in matters such as:

(a) education, employment, marriage, livelihood and other important matters of social life;

(b) physical appearance, body type and other important matters related to physical characteristics or conditions;

(vi) a consumer who has little social life experience develops romantic feelings or other favorable feelings toward a trader who solicits consumer contracts and knowing that the consumer may mistakenly believe that the trader has romantic or favorable feelings toward the consumer, the trader takes advantage of this situation, conveys to the consumer that the relationship between them will break down unless the consumer enters into the contract;

(vii) while knowing that a consumer is overly worried about maintaining their current life with respect to livelihoods, health and other matters because their decision-making capacity is extremely low due to aging or mental and physical disorders, the trader takes advantage of the situation, prompts their fears and although there are no reasonable grounds for supporting solicitation nor any other rational basis, the trader states that it will be difficult for the consumer to maintain their current life unless the consumer enters into the contract;

(viii) the trader indicates to the consumer, in order to fuel their fear, that supernatural senses or other special abilities that are difficult to reasonably verify have shown that it would be impossible to avoid a serious and disadvantage that could happen in the present or future to the life, person, property, or other important matter of the consumer or a relative of the consumer unless the consumer takes certain measures, or takes advantage of the fact that the consumer holds such fear, and informs the consumer that entering into the consumer contract is indispensable for avoiding those serious disadvantages;

(ix) before a consumer makes a manifestation of intention of an offer for a consumer contract or acceptance of such an offer, the trader implements, in whole or in part, the obligations that are supposed to be fulfilled when the consumer enters into the contract, or changes the state of the subject matter of the consumer contract, thus making it extremely difficult to restore the situation to the original status before the implementation or change;

(x) in addition to what is provided for in the preceding item, when the trader performs investigations, provides information, procures goods, or performs other business activities aiming at concluding a consumer contract before the consumer makes a manifestation of intention of an offer for a consumer contract or acceptance of such an offer, tells the consumer that the business activities have been performed in particular for the consumer, and also requests compensation for losses caused by the implementation of those business activities despite the fact that there was no special request from the consumer for those business activities, nor any reasonable grounds in light of other business social norms.

(4) A consumer may rescind the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if the trader knew in soliciting the consumer to enter into the consumer contract, that the quantity, the frequency, or the duration (hereinafter referred to in this paragraph as a "quantity, frequency, or duration") of the goods, rights, services or other things for the purpose of the consumer contract greatly exceeded the normal quantity, frequency, or duration for a consumer (meaning the quantity, frequency, or duration that would normally be presumed to be that of the purpose of such a consumer contract in light of the transaction conditions and the content of the purpose of the contract, the consumer's situation in life at the time of the trader's solicitation to enter into the contract, and the consumer's awareness of this; hereinafter the same applies in this paragraph), and if the consumer manifested the intention to be bound based on that solicitation. The same applies if a trader knew in soliciting a consumer to enter into a consumer contract, that the consumer had already entered into another consumer contract whose purpose was of the same type as the purpose of the consumer contract the trader was soliciting (hereinafter referred to in this paragraph as the "contract of the same type") and the total quantity, frequency, or duration of the purpose of the contract of the same type and that of the consumer contract in question greatly exceeds the normal quantity, frequency, or duration for a consumer, and the consumer manifested the intention to be bound based on that solicitation.

(5) The term "important matter" as used in paragraph (1), item (i) and paragraph (2) means the following matters (excluding the matters set forth in item (iii) below, in the case provided for in paragraph (2)) regarding a consumer contract:

(i) the quality, purpose of use, and other details of the goods, rights, services, or other things for the purpose of the consumer contract which would normally influence a consumer's decision as to whether to enter into that contract;

(ii) the price and other conditions of a transaction involving the goods, rights, services, or other things for the purpose of the consumer contract which would normally influence a consumer's decision as to whether to enter into that contract;

(iii) circumstances beyond what are provided for in the preceding two items, in which the goods, rights, services, or other things for the purpose of the consumer contract is generally determined to be necessary in order to avoid damage or risk to the consumer's life, person, property, or other important benefits.

(6) The rescission of the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer as provided under paragraphs (1) through (4) may not be asserted against a third party in good faith and without negligence.

(Third Parties and Agents Entrusted as Intermediaries)

Article 5 (1) The provisions of the preceding Article apply mutatis mutandis if a trader entrusts a third party to act as an intermediary in concluding a consumer contract between the trader and a consumer (referred to simply as "entrustment" for purposes of this paragraph), and the third party (including a person entrusted by a third party (including further entrustment at the second or higher degree of separation from the original entrustment); hereinafter referred to as a "directly or indirectly entrusted party") conducts acts in any of the ways provided for in paragraphs (1) through (4) of the preceding Article toward the consumer. In this case, the term "trader" in the proviso to paragraph (2) of the preceding Article is deemed to be replaced with the "trader or a directly or indirectly entrusted party provided for in paragraph (1) of the following Article."

(2) An agent of the consumer (including a subagent (including any person appointed as a subagent at the second or higher degree of separation from the original agent); the same applies hereinafter), trader, or directly or indirectly entrusted party involved in the conclusion of a consumer contract is deemed to be the consumer, trader, or directly or indirectly entrusted party in relation to the application of paragraphs (1) through (4) of the preceding Article (including as applied mutatis mutandis pursuant to the preceding paragraph; the same applies to Articles from the following Article to Article 7).

(Interpretative Provisions)

Article 6 The provisions of Article 4, paragraphs (1) through (4) must not be interpreted as precluding the application of Article 96 of the Civil Codeto the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer falling under these paragraphs.

(Refund Obligation of a Consumer Exercising the Rescission Right)

Article 6-2 Notwithstanding the provisions of Article 121-2, paragraph (1) of the Civil Code, a consumer who has received payment in performance of an obligation under a consumer contract is obliged to refund the payment to the extent actually enriched by the consumer contract, if the consumer has rescinded the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer pursuant to the provisions of Article 4, paragraphs (1) through (4), and if, at the time of receiving the payment, the consumer did not know that the manifestation of the intention to be bound was rescindable.

(Period for Exercising the Rescission Right)

Article 7 (1) The rescission right under Article 4, paragraphs (1) through (4) lapses by prescription if it is not exercised within one year (for the rescission right set forth in paragraph (3), item (viii) of the same article, three years) from the time that ratification becomes possible. The same applies when five years (for the rescission right set forth in the same item, ten years) have elapsed since the conclusion of a consumer contract.

(2) If a subscription for shares or equity or a contribution of funds that the Companies Act (Act No. 86 of 2005) or any other law establishes may not be rescinded on the grounds of fraud or duress is undertaken as a consumer contract, the consumer may not rescind the manifestation of an intention to be bound by the subscription for shares or equity or by the contribution of funds, pursuant to Article 4, paragraphs (1) through (4).

Section 2 Nullity of Consumer Contract Clauses

(Nullity of Clauses Exempting a Trader from Liability for Damages)

Article 8 (1) The following consumer contract clauses are void:

(i) clauses completely exempting a trader from liability to compensate a consumer for damages arising from default by the trader, or granting authority to the trader to determine whether or not the trader is responsible;

(ii) clauses partially exempting a trader from liability to compensate for damages arising from default by the trader, or granting authority to the trader to determine to what extent the trader is responsible (limited to default which arises due to an intentional act or gross negligence on the part of the trader, the trader's representative, or employees);

(iii) clauses completely exempting a trader from liability to compensate for damages to a consumer arising from a tort committed by the trader during the trader's performance of the consumer contract, or granting authority to the trader to determine whether or not the trader is responsible therefor;

(iv) clauses partially exempting a trader from liability to compensate for damages to a consumer arising from a tort committed by the trader (limited to cases in which this arises due to an intentional act or gross negligence on the part of the trader, the trader's representative, or employees) during the trader's performance of the consumer contract, or granting authority to the trader to determine to what extent the trader is responsible.

(2) Regarding the clauses set forth in item (i) or item (ii) of the preceding paragraph, when the consumer contract is a contract for value and the delivered subject matter does not conform to the content in the contract with respect to type or quality, (in the case that the consumer contract is a service contract, and the contractor delivers subject matters that do not conform to the content in the contract with respect to type or quality to the party that ordered the work (if the work does not require delivery, when the subject matter does not conform to the content in the contract with respect to type or quality when the work is completed); hereinafter the same applies in this paragraph) in the event that the clauses exempt the liability of the trader for compensating damages caused to the consumer by this, or grant the authority to determine the presence of liability or limit the liability to the trader, and when they fall under the following cases, the provisions of the preceding paragraph do not apply:

(i) if the delivered subject matter does not conform to the content in the contract with respect to type or quality prescribed in the consumer contract, when it is stated in the contract that the trader is responsible for subsequent completion, or for reducing its price or offering remuneration depending on the level of nonconformity,

(ii) a previously or simultaneously concluded contract between the contracting consumer and another trader entrusted by the contracting trader, or a previously or simultaneously concluded contract made between the contracting trader and another trader for the benefit of the consumer stipulates that when the delivered subject matter does not conform to the contents of the contract with respect to type or quality, the other trader bears full or partial responsibilities for compensation for damage caused to the consumer due to the subject matter not conforming to the contents of the contract with respect to type or quality, or has responsibility for subsequent completion of the subject matter.

(3) A consumer contract clause is void if it partially exempts a trader from liability to compensate for damages to a consumer arising from the default of the trader (excluding those that arise due to an intentional act or gross negligence on the part of the trader, the trader's representative, or employees) or a tort committed by the trader (excluding those that arise due to an intentional act or gross negligence on the part of the trader, the trader's representative, or employees) during the trader's performance of the consumer contract and does not clarify that only actions that arise due to a default excluding defaults that arise due to an intentional act or gross negligence on the part of the trader, the trader's representative, or employees are applicable.

(Nullity of Clauses That Force Consumers to Waive Their Cancellation Right)

Article 8-2 A consumer contract clause is void if it forces the consumer to waive the cancellation right that arises due to the trader's default or grants authority to the trader to determine the existence of the cancellation right.

(Nullity of Clauses for Granting the Cancellation Right to a Trader due to a Ruling for Commencement of Guardianship)

Article 8-3 The clauses in a consumer contract that grant a trader the cancellation right solely because the consumer has received a decision for the commencement of guardianship, curatorship, or assistance are void (excluding those in which the consumer is obliged to provide goods, rights, services, or any other things for the purpose of the consumer contract).

(Nullity, etc. of Clauses Stipulating the Amount of Damages to Be Paid by a Consumer)

Article 9 (1) The following consumer contract clauses are void to the extent provided for in each item:

(i) clauses stipulating liquidated damages or a fixed penalty for contract cancellation in a total amount that exceeds the average amount of damages that the trader would incur from the cancellation of a consumer contract of the same type, as a function of the categories of circumstances established in those clauses such as the reason for or timing of the cancellation: the part of the stipulated damages or penalty that exceeds the average amount that would be incurred;

(ii) clauses stipulating liquidated damages or a fixed penalty if the customer fails to pay all or part of an amount of money under the contract by the due date for payment (or by each due date for payment, if there are two or more payments; hereinafter the same applies in this item), in a total amount that exceeds the amount arrived at when the amount owing on the due date with the part of the amount that has actually been paid deducted as of the due date is multiplied by 14.6% per annum, based on the number of days in the period from the day after the due date for payment until the day on which the money is paid: the part of the stipulated damages or penalty exceeding the amount so calculated.

(2) In the case that a trader claims damages for compensation or demands the payment of a penalty for breach of contract from a consumer based on a clause stipulating damages or fixed penalties for contract cancellation, if the consumer requests an explanation, the trader must endeavor to explain an outline of the grounds the estimation of the amount of damages or the calculation of the penalty.

(Nullity of Clauses Unilaterally Prejudicial to Consumers' Interests)

Article 10 A consumer contract clause is void if it deems a consumer's nonfeasance to manifest an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer, or if it otherwise restricts a consumer's rights or expands a consumer's obligations as compared to when legal or regulatory provisions unrelated to public order are applied, unilaterally prejudicing the interests of the consumer in violation of the fundamental principle provided in Article 1, paragraph (2) of the Civil Code.

Section 3 Auxiliary Provisions

(Application of Other Laws)

Article 11 (1) Beyond what is provided for in this Act, the rescission of the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer and the validity of the clauses in a consumer contract are governed by the Civil Code and the Commercial Code (Act No. 48 of 1899).

(2) If a law or regulation other than the Civil Code and the Commercial Code specifically provides for the rescission of the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer and the validity of the clauses in a consumer contract, that law or regulation supersedes this Act.

Chapter III Demand for Injunction

Section 1 Right to Demand an Injunction, Etc.

(Right to Demand an Injunction)

Article 12 (1) If, in soliciting consumers to conclude consumer contracts, a trader, a directly or indirectly entrusted party, or the agent of a trader or directly or indirectly entrusted party (hereinafter referred to as a "trader, entrusted party, or agent" in this paragraph and Article 43, paragraph (2), item (i)) has been taking or is likely to take an act provided for in Article 4, paragraphs (1) through (4) (other than in the case falling under the proviso to paragraph (2) of that Article for acts prescribed in paragraph (2); the same applies in the following paragraph) against a large, non-exclusive group of consumers, a qualified consumer organization may demand that the trader, entrusted party, or agent to cease or prevent the act, or dispose of or remove materials used, or otherwise take necessary measures to stop or prevent the act; provided, however, that this does not apply if laws other than the Civil Code and the Commercial Code do not permit the consumer contract to be rescinded on the grounds of that act.

(2) If, in soliciting consumers to conclude consumer contracts, a person set forth in one of the following items has been taking or is likely to take an act provided for in Article 4, paragraphs (1) through (4) against a large, non-exclusive group of consumers, a qualified consumer organization may demand that the person provided for in the items instruct the person set forth in that item to rectify this or stop the person set forth in that item from inducing customers into consumer contracts, or otherwise take necessary measures to stop or prevent that act. In this case, the provisions of the proviso to the preceding paragraph apply mutatis mutandis:

(i) a directly or indirectly entrusted party: the trader or the other directly or indirectly entrusted party that entrusted the relevant directly or indirectly entrusted party (including entrustment at the second or higher degree of separation from the original entrustment);

(ii) the agent of a trader or of a directly or indirectly entrusted party: the trader or directly or indirectly entrusted party that appointed the relevant agent as its own agent, or any other agent of the trader or directly or indirectly entrusted party.

(3) If, when entering into consumer contracts, a trader or its agent has been manifesting or is likely to manifest the intention to be bound by the offer of a consumer contract that includes any clause as referred to in Articles 8 through 10 (excluding a consumer contract clause under Article 8, paragraph (1), item (i) or (ii) that falls under paragraph (2) of that Article; the same applies to the following paragraph and Article 12-3, paragraph (1)) or to be bound by the acceptance of such an offer with a large, non-exclusive group of consumers, a qualified consumer organization may demand that the trader or its agent cease or prevent that act or dispose of or remove materials used, or otherwise take necessary measures to stop or prevent that act; provided, however, that this does not apply if the relevant clauses are not nullified based on laws other than the Civil Code and the Commercial Code.

(4) If, when entering into consumer contracts, a trader's agent has been manifesting or is likely to manifest the intention to be bound by the offer of a consumer contract that includes any clause as referred to in Articles 8 through 10 or by the acceptance of such an offer with a large, non-exclusive group of consumers, a qualified consumer organization may demand that the trader or the other agent whose agent it is, instruct the agent to rectify this or stop that agent from inducing consumers into consumer contracts, or otherwise take necessary measures to stop or prevent that act. In this case, the provisions of the proviso to the preceding paragraph apply mutatis mutandis.

(Restrictions on Demand for Injunction)

Article 12-2 (1) It is not permissible to file a demand based on the preceding Article, Article 30, paragraph 1 of the Act against Unjustifiable Premiums and Misleading Representations (Act No. 134 of 1962), Article 58-18 through 58-24 of the Act on Specified Commercial Transactions (Act No. 57 of 1976), or Article 11 of the Food Labeling Act (Act No. 70 of 2013) (hereinafter referred to as a "demand for injunction") in the following cases:

(i) when the filing is done with the intention of obtaining an unjustifiable profit for the qualified consumer organization or a third party, or to cause damage to the other party of the demand;

(ii) when the details of the demand and the other party are the same as those for which a final judgment or equally binding disposition (meaning a final and binding judgment or anything with the same effect; this excludes what is set forth in (a) through (c) below; the same applies hereinafter) already exists from previous legal proceedings (meaning litigation, proceedings regarding petitions for settlement, conciliation, and arbitration; the same applies hereinafter) to which another qualified consumer organization was party and in which a demand for injunction was filed; provided, however, that this does not apply if that other qualified consumer organization has had its certification as referred to in Article 13, paragraph (1) rescinded in relation to the legal proceedings leading to the final and binding judgment on the grounds set forth in Article 34, paragraph (1), item (iv), nor does it apply if, pursuant to paragraph (3) of that Article, there was a finding that grounds as set forth in that item as regards that other organization exist, in relation to those proceedings:

(a) a final and binding judgment dismissing the action without prejudice;

(b) a final and binding judgment or an arbitration award dismissing the demand for injunction only on the grounds provided for in the preceding item;

(c) a final and binding judgment or any other judgment with an equivalent effect that dismisses a demand for a declaratory judgment confirming that there is no right to file a demand for injunction (hereinafter referred to as a "right to demand an injunction") or that no obligation exists in connection with a person's right to demand an injunction (referred to as a "demand for a judgment declaring the non-existence of a right to demand an injunction or a related obligation" in Article 24).

(2) The main clause of item (ii) of the preceding paragraph does not preclude a person from filing a demand for an injunction in the case as set forth in the main clause of that item based on grounds arising after the conclusion of oral arguments in the litigation subject to the final and binding judgment in question, or based on grounds arising after the establishment of anything with the same effect as a final and binding judgment.

(Requests to Disclose the Clauses of Consumer Contracts)

Article 12-3 (1) If, when entering into consumer contracts, there are reasonable grounds to suspect that a trader or its agent has been manifesting or is likely to manifest the intention to be bound by the offer of a consumer contract that includes any clause as referred to in Articles 8 through 10 or to be bound by the acceptance of such an offer with a large, non-exclusive group of consumers, a qualified consumer organization may, after indicating the reason, demand that the trader or its agent disclose said clause, pursuant to the provisions of Cabinet Office Order; provided, however, that this does not apply if the trader or its agent has published the clauses of the consumer contract including said clause through the Internet or through other appropriate methods.

(2) The trader or its agent must endeavor to respond to the requests under the provisions of the preceding paragraph.

(Requests, Etc. for Explanations Related to Clauses, Etc. Stipulating the Amount of Damages to Be Paid by a Consumer)

Article 12-4 (1) If there are grounds to suspect that the total amounts of damages or fixed penalties pertaining to the cancellation of a consumer contract in a clause stipulating said damages or fixed penalties exceed the average amount of damages provided for Article 9, paragraph (1), item (i), a qualified consumer organization may, after indicating the reason, demand that the trader specifying said clause explain the grounds for calculations pertaining to the clause, pursuant to the provisions of Cabinet Office Order.

(2) The trader must endeavor to respond to the requests under the provisions of the preceding paragraph, excluding cases where trade secrets (meaning trade secrets as prescribed in Article 2, paragraph (6) of the Unfair Competition Prevention Act (Act No. 47 of 1993) )are included in the grounds for calculations in the previous paragraph and cases with other justifiable grounds.

(Requests to Disclose the Measures Taken Related to Injunction Demands)

Article 12-5 (1) If the trader or its agent is obliged upon a demand pursuant to Article 12, paragraph (3) or paragraph (4) to discontinue, prevent, or take necessary measures for discontinuing or preventing the conduct prescribed in these provisions, the qualified consumer organization that made the demand may demand that the trader or its agent disclose the content of the measures they have taken to perform said obligations, pursuant to the provisions of Cabinet Office Order.

(2) The trader or its agent must endeavor to respond to the requests under the provisions of the preceding paragraph.

Section 2 Qualified Consumer Organizations

Subsection 1 Certification of Qualified Consumer Organizations

(Certification of Qualified Consumer Organizations)

Article 13 (1) A person seeking to provide services related to the right to demand an injunction (meaning the service of exercising the right to demand an injunction to protect the interests of a large, non-exclusive group of consumers; the collection of the necessary information on damage to consumers in order to perform that service; and services involved in collecting and providing information on the results of its exercise of the right to demand an injunction which contributes to prevention and remedy of harm to consumers; the same applies hereinafter) must be certified to do so by the Prime Minister.

(2) A person seeking to be certified as referred to in the preceding paragraph must file an application for certification with the Prime Minister.

(3) The Prime Minister may grant certification as referred to in paragraph (1) to a person applying for certification as referred to in the preceding paragraph only if that person meets all of the following requirements:

(i) it is a specified non-profit corporation as provided for in Article 2, paragraph (2) of the Act on Promotion of Specified Non-profit Activities (Act No. 7 of 1998), a general incorporated association or general incorporated foundation;

(ii) it engages in activities such as collecting and providing information on consumer affairs, preventing and remedying harm to consumers, and other activities to protect the interests of a large, non-exclusive group of consumers as its main objective, and it is found to have been properly carrying out those activities for a reasonable period of time;

(iii) it has in place the proper systems and methods for implementing services related to the right to demand an injunction, the proper methods for managing and maintaining the confidentiality of information obtained in the course of those services, and other organizational frameworks and operational rules to appropriately carry out those services;

(iv) it meets the following requirements with regard to its directors:

(a) it has in place a council consisting of directors to perform the decision-making functions for providing services related to the right to demand an injunction, and the decision-making process is established in the articles of incorporation in conformity with the following requirements:

1. council resolutions are reached by a simple majority of the directors or by a majority vote exceeding this percentage;

2. decisions related to demand for injunction as provided under Article 41, paragraph (1), the filing of lawsuits involving demand for injunction, and other important matters related to the provision of services related to the right to demand an injunction are not delegated to specific directors or other persons.

(b) the composition of the directors does not fall under either 1 or 2 below; in this case, a person meeting the requirements as set forth in item (ii) is deemed not to be a trader falling under 1 or 2 below:

1. more than one third of the total number of directors are the affiliates of a specific trader (including any person whose affiliation with the relevant trader involves half or more of the total number of either of their issued shares being held by the other, and also includes any other person affiliated with the relevant trader through a special relationship prescribed by Cabinet Office Order) (an "affiliate" means the trader itself, its officer or employees, or any other person prescribed by Cabinet Office Order; the same applies in 2 below);

2. more than half of the total number of the directors are the affiliates of traders that engage in the same type of business (according to the classifications provided by Cabinet Office Order).

(v) it is found to have the expert knowledge and experience necessary to properly provide services related to the right to demand an injunction, in light of the fact that it has in place a framework under which the persons set forth in (a) and (b) as follows (hereinafter collectively referred to as "expert advisors") are able to jointly provide necessary advice and opinions, based on their expert knowledge and experience, in the department that reviews the necessity of demanding an injunction and the contents thereof, or in light of any other human resources system that the person has for performing services related to the right to demand an injunction:

(a) persons meeting the requirements prescribed by Cabinet Office Order as persons with expert knowledge and experience in providing consultations regarding complaints arising between consumers and traders (referred to as "consumer affairs consultations" in Article 40, paragraph (1)) and other consumer affairs matters;

(b) attorneys-at-law, judicial scriveners, and other persons meeting the requirements prescribed by Cabinet Office Order as persons with expert knowledge and experience regarding laws.

(vi) it has a sufficient financial basis to properly provide services related to the right to demand an injunction;

(vii) if it also provides services other than services related to the right to demand an injunction, it is unlikely that those services will interfere with its provision of services related to the right to demand an injunction.

(4) The operational rules mentioned in item (iii) of the preceding paragraph must set forth the way of implementing services related to the right to demand an injunction, the way of managing and maintaining the confidentiality of information obtained in the course of providing those services, and other matters prescribed by Cabinet Office Order. In this case, the way of implementing services related to the right to demand an injunction set forth in the operational rules must include measures for obtaining advice from and hearing the opinions of an expert advisor in the department responsible for the reviews provided for in item (v) of the preceding paragraph; measures for when an officer, employee, or expert advisor and the other party of the demand for an injunction have special interests, and other measures for ensuring that services are implemented fairly.

(5) A person falling under any of the following items may not be certified pursuant to paragraph (1):

(i) a corporation that has been sentenced to a fine for violating this Act, the Act on Special Measures Concerning Civil Court Proceedings for the Collective Redress for Property Damage, Etc. Incurred by Consumers (Act No. 96 of 2013, hereinafter referred to as the "Act on Special Measures for Court Proceedings for Consumers"), any other consumer protection law prescribed by Cabinet Order, an Order based on this Act or other laws, or measures based on the Order, if it has not been three years since the day on which the corporation completed the sentence or ceased to be subject to its enforcement;

(ii) a corporation that has had its certification pursuant to paragraph (1) rescinded on the grounds set forth in the items of Article 34, paragraph (1) , or in the items of Article 92, paragraph (2) of Act on Special Measures for Court Proceedings for Consumers with respect to which it was found, pursuant to Article 34, paragraph (3), that grounds as set forth in item (iv) of that paragraph exist, and three years have not yet passed since the date of the rescission or the date grounds were found;

(iii) a corporation whose business activities are controlled by a member of an organized crime group as provided for in Article 2, item (vi) of the Act on Prevention of Unjust Acts by Organized Crime Group Members (Act No. 77 of 1991) or by a person for whom five years have not yet passed since leaving an organized crime group as provided for in the same item (referred to as "current or former member of an organized crime group" in the following item and item (vi)(c));

(iv) a corporation likely to have a current or former member of an organized crime group engage in its business activities or use such a person as an assistant in the activities;

(v) a political organization (meaning a political organization as provided under Article 3, paragraph (1) of the Political Funds Control Act (Act No. 194 of 1948));

(vi) a corporation with an officer falling under any of the following items from (a) to (c):

(a) a person sentenced to imprisonment without work or a heavier punishment, or a person sentenced to a fine for violating this Act, Act on Special Measures for Court Proceedings for Consumers, or any other consumer protection law prescribed by Cabinet Order, an Order based on this Act or on such a law, or measures based on such an Order, if it has not yet been three years since the day on which the person completed the sentence or ceased to be subject to its enforcement;

(b) a person, during the six months prior to the rescission or finding in question, who was the officer of a qualified consumer organization that has had its certification as referred to in paragraph (1) rescinded on the grounds set forth in one of the items of Article 34, paragraph (1)of this Act, or in one of the items of Article 92, paragraph (2) of Act on Special Measures for Court Proceedings for Consumers for which there was a finding, pursuant to paragraph (3) of Article 34, that grounds as set forth in item (iv) of that paragraph exist, if three years have not yet passed since the day of the rescission or the finding;

(c) a current or former member of an organized crime group.

(Applying for Certification)

Article 14 (1) To apply for certification as referred to in paragraph (2) of the preceding Article, a person must submit a written application stating the following information to the Prime Minister:

(i) the person's name and address, and the name of its representative;

(ii) the location of the office at which it seeks to provide the services related to the right to demand an injunction;

(iii) matters specified by Cabinet Office Order, beyond what are provided for in the preceding two items.

(2) The following documents must accompany the application form as referred to in the preceding paragraph:

(i) articles of incorporation;

(ii) a document proving that the applicant has properly taken activities aimed at protecting the interests of a large, non-exclusive group of consumers for a considerable period of time;

(iii) a written business plan for services related to the right to demand an injunction;

(iv) a document proving that the applicant has in place a framework for properly providing services related to the right to demand an injunction;

(v) operational rules;

(vi) documents set forth in the following items concerning the applicant's officers, employees, and expert advisors:

(a) a document stating their names, positions, and occupations;

(b) a document stating their addresses, brief histories, and other matters specified by Cabinet Office Order.

(vii) a document stating the number of members of the corporation referred to in paragraph (3), item (i) of the preceding Article and whether they are individuals, corporations, or other bodies (including the number of members if the members are corporations or other bodies);

(viii) recent years' inventories of property and balance sheets or the documents specified in (a) and (b) below according to the classification of corporations set forth in the respective item (hereinafter referred to as "inventory of property, etc." in Article 31, paragraph(2))and other financial records proving the applicant's financial basis;

(a) approved corporation engaging in specified non-profit activities as prescribed in Article 2, paragraph (2) of the Act on Promotion of Specified Non-profit Activities: an activity statement as prescribed in Article 27, item (iii) of the same Act;

(b) general incorporated association or general incorporated foundation: a profit and loss statement (in cases where a public interest corporation authorization as prescribed in Article 5 of the Act on Authorization of Public Interest Incorporated Associations and Public Interest Incorporated Foundations (Act No. 49 of 2006) has been received, documents specified by Cabinet Office Order) as prescribed in Article 123, paragraph (2) of the Act on General Incorporated Associations and General Incorporated Foundations (Act No. 48 of 2006) (including cases where it is applied mutatis mutandis pursuant to Article 199 of the same Act);

(ix) a document in which the applicant pledges that it does not fall under any of the items of Article 13, paragraph (5);

(x) if the applicant provides any services other than services related to the right to demand an injunction, a document stating the type of services and a brief description of those services;

(xi) other documents specified by Cabinet Office Order.

(Public Notice and Inspection of Applications for Certification)

Article 15 (1) When a person has applied for certification under the preceding Article, the Prime Minister must issue public notice of this and the particulars set forth in paragraph (1), items (i) and (ii) of the same Article, as well as make the documents set forth in the items of paragraph (2) (excluding item (vi)(b), item (ix), and item (xi)) of that Article available for public inspection for two weeks after the public notice.

(2) Before granting a certification as referred to in Article 13, paragraph (1), the Prime Minister is to hear the opinion of the Minister of Economy, Trade and Industry regarding whether grounds as provided for in Article 13, paragraph (3), item (ii) exist.

(3) If the Prime Minister suspects a person applying for certification under the preceding Article to fall under Article 13, paragraph (5), item (iii) or (iv) or item (vi)(c), the Prime Minister is to seek the opinion of the Commissioner General of the National Police Agency.

(Public Notice of Certification)

Article 16 (1) Pursuant to the provisions of Cabinet Office Order, once the Prime Minister has certified a qualified consumer organization as referred to in Article 13, paragraph (1), the Prime Minister is to issue public notice of its name and address, the office address at which it will provide services related to the right to demand an injunction, and the date of the certification, as well as notify the qualified consumer organization in writing to that effect.

(2) A qualified consumer organization must post an easily visible indication that it is a qualified consumer organization in the office at which it provides the services related to the right to demand an injunction, pursuant to the provisions of Cabinet Office Order.

(3) A person that is not a qualified consumer organization must not use any letters or characters in its name that is likely to mislead the public to believe that it is a qualified consumer organization, and must not give any indication regarding its operations that is likely mislead the public to believe that it is a qualified consumer organization.

(Valid Term of Certification)

Article 17 (1) The certification referred to in Article 13, paragraph (1) is valid for six years from the date of the certification.

(2) A qualified consumer organization seeking to continue to provide services related to the right to demand an injunction after the end of the term of validity referred to in the preceding paragraph must have the term of validity extended.

(3) A qualified consumer organization seeking to have the term of validity referred to in the preceding paragraph extended, must apply to the Prime Minister for renewal of this term of validity referred to in paragraph (1) during the period from 60 to 90 days prior to the day on which it expires (hereinafter referred to as "renewal application period"); provided, however, that this does not apply if the person cannot apply for a renewal during the renewal application period due to a disaster or other compelling reasons.

(4) If a person has applied for a renewal as referred to in the preceding paragraph but the application is not processed by the day on which the term of validity referred to in paragraph (1) expires, the prior certification remains valid even after the term of validity expires, until the application is processed.

(5) In the case referred to in the preceding paragraph, when the term of validity is renewed as referred to in paragraph (2), the term of validity of that certification is to start from the day following the date on which the term of validity for the prior certification expires.

(6) The provisions of Article 13 (excluding paragraph (1) and paragraph (5), item (ii)), Article 14, Article 15, and paragraph (1) of the preceding Article apply mutatis mutandis to the renewal of a term of validity as referred to in paragraph (2); provided, however, that documents as set forth in the items of Article 14, paragraph (2) need not be attached to the renewal application if the content of the documents that have already been submitted to the Prime Minister has not changed.

(Filing Notification of a Change)

Article 18 If the matters as set forth in one of the items of Article 14, paragraph (1) or the matters stated in the document as set forth in one of the items of paragraph (2) of that Article (excluding items (ii) and (xi)) has changed, a qualified consumer organization must notify the Prime Minister of this without delay and pursuant to the provisions of Cabinet Office Order; provided, however, that this does not apply if the change is prescribed by Cabinet Office Order as being minor.

(Filing Notification of a Merger and Approval of a Merger)

Article 19 (1) If a corporation that is a qualified consumer organization merges with another corporation that is a qualified consumer organization, the corporation remaining in existence after the merger or the corporation incorporated in the merger succeeds to the status that the corporation disappearing in the merger held as a qualified consumer organization under this Act.

(2) A corporation, pursuant to the provisions of the preceding paragraph, which has succeeded to the status that the corporation disappearing in a merger held as a qualified consumer organization under this Act, must notify the Prime Minister to that effect without delay.

(3) If a corporation that is a qualified consumer organization merges (except when the corporation that is a qualified consumer organization continues to exist; the same applies in this Article and Article 22, item (ii)) with a corporation that is not a qualified consumer organization, the corporation remaining in existence after the merger or the corporation incorporated in the merger succeeds to the status that the corporation disappearing in the merger held as a qualified consumer organization under this Act, only if the Prime Minister has approved the merger.

(4) A corporation that is a qualified consumer organization and a corporation that is not a qualified consumer organization that are both seeking the approval referred to in the preceding paragraph must jointly apply to the Prime Minister for the approval during the period from 60 to 90 days before the date on which the merger is to take effect (hereinafter referred to in this paragraph as "approval application period"); provided, however, that this does not apply if the organization cannot apply for approval during the approval application period due to a disaster or other compelling reasons.

(5) If an organization has applied for approval as referred to in the preceding paragraph but the application is not processed by the date on which the merger takes effect, the corporation remaining in existence after the merger or the corporation incorporated in the merger is deemed to succeed to the status that the corporation disappearing in the merger held as a qualified consumer organization under this Act, until the application is processed.

(6) The provisions of Article 13 (excluding paragraph (1)), Article 14, Article 15, and Article 16, paragraph (1) apply mutatis mutandis to the approval referred to in paragraph (3).

(7) If a corporation that is a qualified consumer organization merges with a corporation that is not a qualified consumer organization but does not apply for the approval referred to in paragraph (4), it must file a notification to that effect with the Prime Minister by the day on which the merger takes effect.

(8) If a person has filed a notification as provided under paragraph (2) or the preceding paragraph, the Prime Minister is to issue public notice to that effect pursuant to the provisions of Cabinet Office Order.

(Filing Notification of a Business Transfer and Approval of a Business Transfer)

Article 20 (1) If a corporation that is a qualified consumer organization transfers the entirety of its business involving services related to the right to demand an injunction to another corporation that is a qualified consumer organization, the transferee succeeds to the status that the transferor held as a qualified consumer organization under this Act.

(2) A corporation, pursuant to the provisions of the preceding paragraph, which has succeeded to the status that the transferor held as a qualified consumer organization under this Act, must notify the Prime Minister to that effect without delay.

(3) If a corporation that is a qualified consumer organization transfers the entirety of its business involving services related to the right to demand an injunction to another corporation that is not a qualified consumer organization, the transferee succeeds to the status that the transferor held as a qualified consumer organization under this Act, only if the Prime Minister has approved the transfer.

(4) A corporation that is a qualified consumer organization and a corporation that is not a qualified consumer organization that are both seeking the approval referred to in the preceding paragraph must jointly apply to the Prime Minister for the approval during the period from 60 to 90 days before the date of the transfer (hereinafter referred to in this paragraph as the "approval application period"); provided, however, that this does not apply if the organization cannot apply for the approval during the approval application period due to a disaster or other compelling reasons.

(5) If a person has applied for the approval as referred to in the preceding paragraph but the application is not processed by the date of the transfer, the transferee is deemed to succeed to the status that the transferor held as a qualified consumer organization under this Act, until the application is processed.

(6) The provisions of Article 13 (excluding paragraph (1)), Article 14, Article 15, and Article 16, paragraph (1) apply mutatis mutandis to the approval referred to in paragraph (3).

(7) If a corporation that is a qualified consumer organization transfers the entirety of its business involving services related to the right to demand an injunction to another corporation that is not a qualified consumer organization, but does not apply for the approval referred to in paragraph (4), it must file a notification to that effect with the Prime Minister by the date of the transfer.

(8) If a person has filed a notification as provided under paragraph (2) or the preceding paragraph, the Prime Minister is to issue public notice to that effect pursuant to the provisions of Cabinet Office Order.

(Filing Notification of a Dissolution)

Article 21 (1) If a qualified consumer organization comes to fall under any of the following items, the person set forth in that item must file a notification to that effect with the Prime Minister without delay:

(i) it undergoes a dissolution due to an order commencing bankruptcy proceedings: the bankruptcy trustee;

(ii) it undergoes a dissolution for any reason other than a merger or a bankruptcy commencement ruling: the liquidator;

(iii) it discontinues its services related to the right to demand an injunction: the representative of the corporation.

(2) If a person has filed a notification as provided under the preceding paragraph, the Prime Minister is to issue public notice to that effect pursuant to the provisions of Cabinet Office Order.

(Lapse of Certification)

Article 22 If any of the following grounds arises with regard to a qualified consumer organization, the certification referred to in Article 13, paragraph (1) ceases to be effective:

(i) the term of validity of its certification as referred to in Article 13, paragraph (1) has passed (or its certification has become subject to a disposition denying renewal of the term of validity, in the case provided under Article 17, paragraph (4));

(ii) the corporation that is a qualified consumer organization merges with a corporation that is not a qualified consumer organization, and the merger takes effect without going through the approval process referred to in Article 19, paragraph (3) (or takes effect after the issuance of a disposition denying approval for the merger, in the case provided under paragraph (5) of that Article);

(iii) the corporation that is a qualified consumer organization transfers the entirety of its business involving services related to the right to demand an injunction to another corporation that is not a qualified consumer organization, and the transfer is made without going through the approval process referred to in Article 20, paragraph (3) (or is made after the issuance of a disposition denying approval for the transfer, in the case provided under paragraph (5) of that Article);

(iv) the qualified consumer organization has come to fall under any of the items set forth in paragraph (1) of the preceding Article.

Subsection 2 Services Related to the Right to Demand an Injunction

(Exercising the Right to Demand an Injunction)

Article 23 (1) A qualified consumer organization must appropriately exercise its right to demand an injunction in the interest of a large, non-exclusive group of consumers.

(2) A qualified consumer organization must not abuse its right to demand an injunction.

(3) A qualified consumer organization, in addition to exercising its right to demand an injunction jointly with other qualified consumer organizations in accordance with the nature of the cases, must endeavor to cooperate and coordinate with those organizations in providing services related to the right to demand an injunction.

(4) In the following cases, a qualified consumer organization must notify that fact to other qualified consumer organizations pursuant to the provisions of Cabinet Office Order as well as report the fact, its details and other matters prescribed by Cabinet Office Order to the Prime Minister without delay. In this case, if the qualified consumer organization in lieu of the notification or report takes measures that enables all of the qualified consumer organizations and the Prime Minister to access the same information by electronic or magnetic means (meaning through the use of an electronic data processing system or any other application of information and communications technology; the same applies hereinafter) which are prescribed by Cabinet Office Order, the qualified consumer organization is deemed to have made a notification to those organizations and have made a report to the Prime Minister:

(i) if a qualified consumer organization files a demand for an injunction under Article 41, paragraph (1) (including as applied mutatis mutandis pursuant to paragraph (3) of that Article);

(ii) if it files a demand for an injunction outside of court, beyond what is provided for in the preceding item;

(iii) if an action (including a petition for settlement or conciliation or an arbitration agreement) has been filed involving a demand for an injunction, or a petition has been filed for a provisional disposition order;

(iv) when a judgment is rendered in relation to a demand for injunction (including settlement by conciliation, notification of a decision in lieu of conciliation, or an arbitration award) or upon notification of a decision on a petition for a provisional disposition order pertaining to a demand for injunction;

(v) upon filing an appeal against the judgment referred to in the preceding item (including filing of an objection to a decision in lieu of conciliation or filing of a request for rescission of an arbitration award) or upon filing an appeal against the decision referred to in the preceding item;

(vi) when the judgment referred to in item (iv) (including a decision in lieu of conciliation or an arbitration award) or the decision referred to in that item becomes final and binding;

(vii) when a judicial settlement is reached pertaining to a demand for injunction;

(viii) when a litigation involving a demand for injunction (including proceedings involving a petition for settlement, conciliation proceedings, or arbitration proceedings) or proceedings involving a provisional disposition order pertaining to a demand for injunction have ended, beyond what are provided for in items (vi) and (vii);

(ix) when an extra-judicial settlement has been reached involving a demand for injunction, or when any other agreement has been reached or failed to be reached with the other party of the demand for injunction;

(x) when the qualified consumer organization intends to engage in an act pertaining to the waiver of the demand, settlement, withdrawal of an appeal, or any other proceedings prescribed by Cabinet Office Order with regard to a demand for injunction, which would result in a final and binding judgment or an act with the same effect;

(xi) if the qualified consumer organization has taken any other acts pertaining to proceedings prescribed by Cabinet Office Order with regard to a demand for injunction.

(5) Having received a report under the preceding paragraph, the Prime Minister is to communicate the date and time of the report, an outline thereof, and any other matters specified by Cabinet Office Order to other qualified consumer organizations and to the Ministry of Economy, Trade and Industry, by taking measures that enable all of the qualified consumer organizations as well as the Prime Minister and the Minister of Economy, Trade and Industry to access the same information by using electronic or magnetic means, or in any other ways prescribed by Cabinet Office Order.

(6) If there is a matter for which compulsory execution may be carried out in the final judgment or equally binding disposition as referred to in the main clause of Article 12-2, paragraph (1), item (ii), a qualified consumer organization may not waive the right to demand an injunction pertaining to the final judgment.

(Handling of Information on Harm to Consumers)

Article 24 In exercising the right to demand an injunction (including a litigation involving a request to confirm the absence of a right to demand an injunction or a related obligation; the same applies in Article 28), a qualified consumer organization must obtain consent from the consumer in advance, in using information that it has collected from a consumer on damage suffered by that consumer, if it will use the information in such a way that the other party or third parties can identify the consumer suffering the damage.

(Duty of Confidentiality)

Article 25 It is prohibited for the past or present officer, employee, or expert advisor of a qualified consumer organization to disclose confidential information learned while providing services related to the right to demand an injunction, without legitimate grounds for doing so.

(Disclosure of Names)

Article 26 A person engaged in providing services related to the right to demand an injunction at a qualified consumer organization must disclose the name of the organization, one's own name and title or position at the organization, and other matters specified by Cabinet Office Order to the other party upon its request, when providing those services.

(Provision of Information Related to Judgments)

Article 27 A qualified consumer organization must endeavor to inform consumers of the content of the judgments involving demand for injunction (including anything with the same effect as a final and binding judgment, and also including decisions on petitions for provisional disposition orders) or of extra-judicial settlements, and other necessary information in order to contribute to preventing and remedying consumer damage.

(Prohibition on Receiving Financial Benefits)

Article 28 (1) Except in the following cases, it is prohibited for a qualified consumer organization to receive money or any other financial benefit from the other party of the demand for injunction, in the form of a contribution or donation or under any other name, in relation to its exercise of the right to demand an injunction:

(i) receiving a financial benefit as reimbursement in an amount equivalent to its court costs from the other party that has been ordered to bear the court costs (or the costs of settlement, conciliation, or arbitration proceedings) in a judgment on a demand for an injunction (including anything with the same effect as a final and binding judgment or a decision on a petition for a provisional disposition order; hereinafter the same applies in this paragraph) or in a decision referred to in Article 73, paragraph (1) of the Code of Civil Procedure (Act No. 109 of 1996);

(ii) receiving a financial benefit in the form of a monetary payment ordered pursuant to Article 172, paragraph (1) of the Civil Execution Act (Act No. 4 of 1979) based on a judgment on a demand for injunction;

(iii) receiving a financial benefit in the form of a reimbursement of the costs for compulsory execution based on a judgment on a demand for injunction;

(iv) receiving a financial benefit as the payment of a penalty agreed upon to ensure the performance of the obligations of the other party of the demand for injunction.

(2) It is prohibited for the officer, employee, or expert advisor of a qualified consumer organization to receive money or any other financial benefit from the other party of the demand for injunction filed by the qualified consumer organization, in the form of a contribution or donation or under any other name, related to the organization's exercise of the right to demand an injunction.

(3) It is prohibited for a qualified consumer organization or its officer, employees, or expert advisor to have a third party receive money or any other financial benefit from the other party of the demand for injunction filed by the qualified consumer organization, in the form of a contribution or donation or under any other name, related to the organization's exercise of the right to demand an injunction.

(4) A financial benefit that a qualified consumer organization is prohibited from receiving or from having a third party receive from the other party of the demand for injunction as provided for in the preceding three paragraphs does not include a financial benefit that the organization has received or had a third party receive as compensation for damage caused by a tort committed by the other party with respect to the exercise of the right to demand an injunction.

(5) If a qualified consumer organization receives a financial benefit as provided for in one of the items of paragraph (1), it must set aside an equivalent amount of money to cover the costs required for the services related to the right to demand an injunction.

(6) A qualified consumer organization must establish in its articles of incorporation that if it discontinues its services related to the right to demand an injunction or stops providing those services due to the expiration (excluding those due to discontinuation of services related to the right to demand an injunction) or rescission of the certification referred to in Article 13, paragraph (1) while a surplus to the reserve fund (meaning an amount set aside pursuant to the preceding paragraph) remains, that the surplus is to belong to another qualified consumer organization (if a qualified consumer organization has succeeded to the right to demand an injunction pursuant to Article 35, that qualified consumer organization) if there is one, and if not, the surplus is to belong to a consumer organization that conforms to the requirements set forth in Article 13, paragraph (3), item (ii) and specified by the Prime Minister or is to be vested in the State.

(Scope of Services and Separate Accounting)

Article 29 (1) A qualified consumer organization may engage in services other than services related to the right to demand an injunction as provided by the articles of incorporation, to the extent that it does not adversely affect services related to the right to demand an injunction.

(2) A qualified consumer organization must separate the accounting for each of the services set forth below:

(i) services related to the right to demand an injunction;

(ii) services involved in its activities to protect the interests of a large, non-exclusive group of consumers (excluding the services set forth in the preceding item);

(iii) services other than those set forth in the preceding items (i) and (ii).

Subsection 3 Supervision

(Preparation and Retention of Books and Documents)

Article 30 A qualified consumer organization must prepare and retain books and documents related to its services and accounting pursuant to the provisions of Cabinet Office Order.

(Preparation, Keeping, Inspection, and Submission of Financial Statements)

Article 31 (1) A qualified consumer organization must prepare an inventory of its property, etc. and a business report for the business year (including electronic or magnetic records (meaning records used in computerized data processing which are prepared in electronic form, magnetic form, or any other form that cannot be perceived by the human senses; hereinafter the same applies in this Article), if these are prepared in lieu of written documents; hereinafter referred to as "financial statements" in item (v) of the following paragraph and Article 53, item (vi)), within three months from the last day of each business year.

(2) The following documents must be kept in the office of a qualified consumer organization pursuant to the provisions of Cabinet Office Order:

(i) articles of incorporation;

(ii) operational rules;

(iii) a roster of officers and employees (including the names, titles and professions of officers, employees, and expert advisors, and other matters prescribed by Cabinet Office Order);

(iv) a document stating the number of members of the qualified consumer organization and whether they are individuals, corporations, or other organizations (including the number of constituent members if members are corporations or other organizations);

(v) financial statements;

(vi) documents stating the particulars of the revenue and information on other funds, matters regarding contributions, and other accounting matters specified by Cabinet Office Order;

(vii) if the qualified consumer organization engages in services other than services related to the right to demand an injunction, documents stating the type of the services and their brief description;

(3) Any person may make one of the following requests at any time during the business hours of a qualified consumer organization; provided, however, that when making a request as set forth in item (ii) or (iv), the person must pay the fees set forth by the qualified consumer organization:

(i) a request to inspect or copy a document set forth in one of the items of the preceding paragraph, if these have been prepared in writing;

(ii) a request for the issue of a certified copy or an extract of the document referred to in the preceding item;

(iii) when the document as set forth in one of the items of the preceding paragraph was prepared in the form of an electronic or magnetic record, a request to inspect or reproduce the content displaying the matters recorded on the electronic or magnetic record by means prescribed by Cabinet Office Order;

(iv) a request to be provided by electronic or magnetic means prescribed by Cabinet Office Order, the matters recorded on an electronic or magnetic record referred to in the preceding item, or a request to be issued a written document stating those matters.

(4) A qualified consumer organization may not refuse a request set forth in one of the items of the preceding paragraph except when there are reasonable grounds to do so.

(5) A qualified consumer organization must submit the documents provided for in paragraph (2), items (iii) through (vi) to the Prime Minister within three months from the last day of each business year.

(Reporting and On-site Inspections)

Article 32 (1) The Prime Minister may have a qualified consumer organization report on its operational and accounting conditions, and may have relevant officials enter its offices, inspect its operational conditions or books, documents, and other objects, and question the persons concerned, to the extent necessary for the implementation of this Act.

(2) When entering a qualified consumer organization's office pursuant to the provisions of the preceding paragraph, an official must carry an identification card and show it to the persons concerned.

(3) The authority for on-site inspection provided for in paragraph (1) must not be construed as being approved for the purposes of criminal investigation.

(Compliance Orders and Improvement Orders)

Article 33 (1) On finding that a qualified consumer organization has ceased to meet any of the requirements as set forth in Article 13, paragraph (3), items (ii) through (vii), the Prime Minister may order the qualified consumer organization to take necessary measures to meet the requirements.

(2) In addition to what is provided for in the preceding paragraph, when the Prime Minister finds that a qualified consumer organization has come to fall under any of the provisions of Article 13, paragraph (5), items (iii) through (vi), that a qualified consumer organization or its officer, employees, or expert advisor has violated the provisions of this Act in performing services related to the right to demand an injunction, or that it is otherwise necessary to do so in order to ensure that a qualified consumer organization provides the services properly, the Prime Minister may order the qualified consumer organization to improve its personnel system, cease the violation, modify its operational rules, or take other measures necessary to improve its operations.

(Rescinding the Certification)

Article 34 (1) The Prime Minister may rescind the certification of a qualified consumer organization as referred to in Article 13, paragraph (1) if any of the grounds in the following items exists:

(i) if the qualified consumer organization has been certified as referred to in Article 13, paragraph (1), has renewed the term of validity referred to in Article 17, paragraph (2), or has been approved as referred to in Article 19, paragraph (3) or Article 20, paragraph (3), through deception or other wrongful means;

(ii) if the qualified consumer organization ceases to meet a requirement set forth in any of the items of Article 13, paragraph (3);

(iii) if the qualified consumer organization has come to fall under any of the items of Article 13, paragraph (5) (excluding item (ii));

(iv) if the qualified consumer organization that is a party to a litigation in which there has been a final judgment or equally binding disposition as referred to in the main clause of Article 12-2, paragraph (1), item (ii), in taking legal proceedings for the lawsuit, is found to have conspired with the other party of the demand for an injunction to waive the demand or establish a settlement that harms the interests of a large, non-exclusive group of consumers, or has otherwise pursued a litigation that is materially detrimental to the interests of a large, non-exclusive group of consumers;

(v) if the qualified consumer organization that is a party to a litigation in which there is a final judgment or equally binding disposition as referred to in the main clause of Article 12-2, paragraph (1), item (ii), has neglected the necessary procedures for carrying out the compulsory execution pertaining to that judgment or disposition, and this is found to be materially detrimental to the interests of a large, non-exclusive group of consumers;

(vi) if the qualified consumer organization has violated this Act, an Order based on this Act, or a disposition based on this Act or such an Order, in addition to what are provided in the preceding items;

(vii) if an officer, employee, or expert advisor of the qualified consumer organization has violated the provisions of Article 28, paragraph (2) or (3).

(2) If a qualified consumer organization in violation of the provisions of Article 23, paragraph (4) does not make a notification or report prescribed in the paragraph and commits an act prescribed in Article 23, paragraph (4), item (x) with regard to a demand for an injunction, the Prime Minister may deem that grounds as provided in paragraph (1), item (iv) exist for that qualified consumer organization.

(3) In the case set forth in the main clause of Article 12-2, paragraph (1), item (ii), when the other qualified consumer organization's certification pursuant to Article 13, paragraph (1) has already expired due to the grounds set forth in the items of Article 22, or has already been rescinded due to the grounds set forth in the items of Article 22, paragraph (1) (excluding the grounds set forth in item (iv) of paragraph (1) with regard to the proceedings for the litigation in which there was a final judgment or equally binding disposition) or the items of Article 92, paragraph (2) of Act on Special Measures for Court Proceedings for Consumers, and the Prime Minister finds that grounds set forth in Article 22, paragraph (1), item (iv) as regards that other qualified consumer organization exist for the legal proceedings for which there was a final judgment or equally binding disposition (including the cases in which those grounds may be deemed to exist pursuant to the preceding paragraph), the Prime Minister may certify that this is the case for the corporation that used to be the other qualified consumer organization.

(4) The corporation that used to be the other qualified consumer organization provided for in the preceding paragraph is deemed to continue to exist after the conclusion of its liquidation as regards the application of that paragraph.

(5) Having rescinded a certification as referred to in Article 13, paragraph (1) due to reasons set forth in the items of paragraph (1), or having found, pursuant to paragraph (3), that the grounds as set forth in paragraph (1), item (iv) exist, the Prime Minister is to issue public notice of this and of the date of the rescission or finding, pursuant to the provisions of Cabinet Office Order, and notify the qualified consumer organization or the corporation that used to be the other qualified consumer organization of this in writing.

(Designation Pertaining to Succession to the Right to Demand an Injunction)

Article 35 (1) When there is a matter compulsory execution may be carried out in the final judgment or equally binding disposition as referred to in the main clause of Article 12-2, paragraph (1), item (ii), if a qualified consumer organization's certification pursuant to Article 13, paragraph (1) expires due to reasons set forth in one of the items of Article 22, or is to be rescinded due to reasons set forth in the items of paragraph (1) of the preceding Article or one of the items of Article 92, paragraph (2) of Act on Special Measures for Court Proceedings for Consumers, or has already expired or has been rescinded due to those reasons, the Prime Minister is to designate another qualified consumer organization to succeed to the right to seek an injunction held by the qualified consumer organization.

(2) When a designation under the preceding paragraph has been made, the qualified consumer organization that has been designated succeeds to the right to seek an injunction referred to in that paragraph at the time of the designation (if the designation is made after the expiration or rescission of the certification, retroactively from the time of its expiration or rescission).

(3) In the case referred to in the preceding paragraph, if a qualified consumer organization that succeeded to the right to seek an injunction pursuant to that paragraph files a demand for injunction based on that right, the main clause of Article 12-2, paragraph (1), item (ii) does not apply to that demand.

(4) The Prime Minister must rescind the designation of a qualified consumer organization that has been designated pursuant to the provisions of paragraph (1), paragraph (6), or paragraph (7) (hereinafter referred to as a "designated qualified consumer organization" from this paragraph to paragraph (7)), if any of the grounds in the following items arises:

(i) the designated qualified consumer organization's certification pursuant to Article 13, paragraph (1) expires or has already expired due to reasons set forth in the items of Article 22, or its certification is to be rescinded due to reasons set forth in the items of Article 34, paragraph (1) or any of the items of Article 92, paragraph (2) of the Act on Special Measures for Court Proceedings for Consumers;

(ii) a disposition rescinding a certification pursuant to Article 13, paragraph (1), a disposition denying renewal of the term of validity of the certification referred to in that paragraph, or a disposition denying approval for a merger or for the transfer of all the business (hereinafter referred to as "disposition rescinding certification" in this Article) is rescinded, or a judgment rescinding, invalidating, or declaring the non-existence of a disposition rescinding certification (hereinafter referred to as a "cancellation judgement, etc." in item (ii) of the following paragraph) becomes final and binding as regards the party to the relevant final judgment or equally binding disposition that held the right to demand an injunction before the designated qualified consumer organization that succeeded to that right was designated (hereinafter referred to as the "former qualified consumer organization" in this Article).

(5) The Prime Minister may rescind the designation of a designated qualified consumer organization if any of the grounds in the following items arises:

(i) the designated qualified consumer organization has neglected the necessary procedures for carrying out the compulsory execution pertaining to the right to demand an injunction which it has succeeded, and this is found to be materially detrimental to the interests of a large, non-exclusive group of consumers;

(ii) as regards a former qualified consumer organization that was a designated qualified consumer organization (excluding an organization that was a party to the relevant final judgment or equally binding disposition), when the disposition rescinding certification that served as the grounds for the rescission of its designation under item (i) of the preceding paragraph is rescinded; a cancellation judgment, etc. of the disposition rescinding the certification becomes final and binding; a disposition rescinding its designation under the preceding item is itself rescinded; or a cancellation judgment, etc. of the disposition rescinding the certification becomes final and binding.

(6) If the Prime Minister rescinds or has already rescinded the designation of a designated qualified consumer organization due to reasons set forth in paragraph (4), item (i) or in item (i) of the preceding paragraph, the Prime Minister is to newly designate another qualified consumer organization as a qualified consumer organization that should succeed to the right to demand an injunction that the designated qualified consumer organization has succeeded to.

(7) In rescinding designation of a designated qualified consumer organization due to reasons set forth in paragraph (4), item (ii) or paragraph (5), item (ii), the Prime Minister is to newly designate the former qualified consumer organization as a qualified consumer organization that should succeed to the right to demand an injunction that the qualified consumer organization has succeeded to.

(8) Once a new designation under the preceding two paragraphs is made, the right to demand an injunction referred to in the preceding two paragraphs is succeeded to by the newly designated qualified consumer organization at the time of the new designation (if the new designation has been made after the rescission of a former designation, the succession is retroactive to the time that the former designation was rescinded (if a former designation was rescinded and a new designation was made after the expiration of a former qualified consumer organization's certification pursuant to Article 13, paragraph (1), the succession is retroactive to the time that the certification expired)).

(9) The provisions of paragraph (3) apply mutatis mutandis to the case referred to in the preceding paragraph, when the qualified consumer organization succeeding to the right to demand an injunction pursuant to the preceding paragraph files a demand for injunction based on that right.

(10) Having made a designation under paragraph (1), (6), or (7), the Prime Minister, pursuant to the provisions of Cabinet Office Order, is to issue public notice of this and of the date of the designation, and notify the designated qualified consumer organization of this in writing. The same applies if the Prime Minister rescinds the designation pursuant to the provisions of paragraph (4) or (5).

Subsection 4 Auxiliary Provisions

(Discipline)

Article 36 A qualified consumer organization may not be utilized for the benefit of a political party or for a political purpose.

(Requests for the Cooperation of Public Offices)

Article 37 On finding it to be necessary to do so in order to implement this Act, the Prime Minister may make inquiries to government agencies, other public entities, and other persons or request their cooperation.

(Expressing an Opinion to the Prime Minister)

Article 38 If the persons listed in the following items find that, because there is sufficient reason to suspect that there are grounds as prescribed in the following items with regard to a qualified consumer organization, it is necessary for the Prime Minister to take proper measures against the qualified consumer organization, the person may express an opinion to that effect to the Prime Minister:

(i) the Minister of Economy, Trade and Industry: the grounds that do not meet the requirements set forth in Article 13, paragraph (3), item (ii) or the grounds set forth in Article 34, paragraph (1), item (iv);

(ii) the Commissioner General of the National Police Agency: the grounds that fall under Article 13, paragraph (5), item (iii), item (iv), or item (vi)(c).

(Disclosure of Information on Judgments)

Article 39 (1) In order to contribute to preventing and remedying harm to consumers, upon receipt of a report under Article 23, paragraph (4), items (iv) through (ix) and item (xi) from a qualified consumer organization, the Prime Minister is to immediately make public using the Internet or by other appropriate means, any judgment on a demand for an injunction (including anything with the same effect as a final and binding judgment and any decision on a petition for a provisional disposition order), a summary of any extra-judicial settlement, the name of the qualified consumer organization in question, the name of the other party to the demand for injunction, and other matters specified by Cabinet Office Order.

(2) In addition to the particulars provided for in the preceding paragraph, the Prime Minister may make public using the Internet or by other appropriate means, the name and the address of the qualified consumer organization, the location of the office at which it provides services connected with the right to demand an injunction, or any other necessary information specified by Cabinet Office Order in order to disseminate information about services related to the right to demand an injunction to the citizens.

(3) The Prime Minister may have the National Consumer Affairs Center of Japan provide services related to disclosure of the information prescribed in the preceding two paragraphs.

(Cooperation to Qualified Consumer Organizations)

Article 40 (1) At the request of a qualified consumer organization and pursuant to the provisions of Cabinet Office Order, the National Consumer Affairs Center of Japan and local public entities may provide the qualified consumer organization with the information related to consumer affairs consultations and consumer disputes (meaning consumer disputes as prescribed in Article 1-2, paragraph (1) of the Act on National Consumer Affairs Center of Japan (Act. No. 123 of 2002)) specified by Cabinet Office Order, to the extent necessary to enable the qualified consumer organization to properly exercise its right to demand an injunction.

(2) A qualified consumer organization that receives information prescribed in the preceding paragraph may not use or offer that information for any purposes other than to properly exercise its right to demand an injunction.

Section 3 Special Provisions on Court Proceedings

(Prior Written Demand)

Article 41 (1) Before filing a lawsuit regarding demand for injunction, a qualified consumer organization first makes a written demand for injunction detailing the substance of the demand, the points of the dispute, and any other matters specified by Cabinet Office Order to the person that would become the defendant of the lawsuit, and may not institute a lawsuit until after one week has passed from the time that the written demand has been received; provided, however, that this does not apply if the would-be defendant refuses to accept the demand for injunction.

(2) The demand as referred to in the preceding paragraph is deemed to have arrived at the time that it ordinarily would arrive.

(3) The provisions of the preceding two paragraphs apply mutatis mutandis to a petition for a provisional disposition order related to a demand for injunction.

(Value of the Subject Matter of Litigation)

Article 42 For the purpose of calculating the value of the subject matter of litigation, a lawsuit regarding demand for injunction is deemed not to be an action involving property rights.

(Jurisdiction)

Article 43 (1) The provisions of Article 5 of the Code of Civil Procedure (excluding the part pertaining to item (v)) do not apply to a lawsuit regarding demand for injunction.

(2) A lawsuit regarding demand for injunction pursuant to the provisions set forth in the following items may also be filed with the court with jurisdiction over the locality in which the acts prescribed in the items are conducted:

(i) a demand for injunction under Article 12: the acts of a trader, entrusted party, or agent as prescribed in that Article;

(ii) a demand for injunction under Article 30, paragraph (1) of the Act against Unjustifiable Premiums and Misleading Representations: the acts of a trader as prescribed in that paragraph;

(iii) a demand for injunction under Articles 58-18 through 58-24 of the Act on Specified Commercial Transactions: the acts of a seller, service provider, supervisor, solicitor, general multi-level marketing distributor, seller of related goods, or person or commercial purchaser engaging in business opportunity sales (or solicitor, in the case of a lawsuit regarding a demand for injunction under Article 58-21, paragraph (2) of the Act on Specified Commercial Transactions) that is the other party to the demand for injunction prescribed in the relevant Articles;

(iv) acts of people engaged in food-related business provided for in Article 11 of the Food Labeling Act.

(Transfer)

Article 44 If a lawsuit regarding a demand for injunction has been filed in one court, but a lawsuit regarding a demand for injunction against the same or a similar act is pending before another court, the court, upon finding it to be reasonable to do so, may transfer the lawsuit in whole or in part to that other court or to another competent court having jurisdiction, in consideration of the addresses or locations of the relevant parties, the addresses of witnesses to be examined, the similarity of points at dispute or evidence, or other circumstances, upon petition or by its own authority.

(Consolidation of Oral Arguments)

Article 45 (1) If multiple lawsuits regarding demand for injunction are pending concurrently in the same court of the first or second instance with the same demand and against the same other party, the oral arguments and judicial decisions must be consolidated; provided, however, that this does not apply if consolidating oral arguments and judicial decisions is found to be extremely unreasonable in light of the progress of the proceedings or other circumstances.

(2) In the case as prescribed in the main text of the preceding paragraph, a party must file a petition with the court to that effect.

(Suspension of Court Proceedings)

Article 46 (1) If, in connection with a pending lawsuit involving a demand for injunction, there has already been a final judgment or equally binding disposition as provided under the main clause of Article 12-2, paragraph (1), item (ii) to which another qualified consumer organization was a party, and there is sufficient reason to suspect that grounds as set forth in Article 34, paragraph (1), item (iv) exist as regards the other qualified consumer organization in connection with the legal proceedings that are subject to that final judgment or equally binding disposition (including if grounds as set forth in Article 34, paragraph (1), item (iv) may be deemed to exist pursuant to Article 34, paragraph (2)), and the Prime Minister finds that a considerable period of time will be required to determine whether to rescind a certification under Article 13, paragraph (1) pursuant to Article 34, paragraph (1) or to determine whether to make a certification under Article 34, paragraph (3) (hereinafter referred to as "rescinding a certification, etc." in the following paragraph), the Prime Minister is to notify the court with which the lawsuit involving the demand for injunction is pending (hereinafter referred to as "the court in charge of the case" in this Article) of this and of the period of time expected to be required to determine this, pursuant to Cabinet Office Order.

(2) Having made the notification pursuant to the provisions of the preceding paragraph, the Prime Minister is to determine whether to rescind the certification within the period stated in the notification, and is to notify the court in charge of the case of the results.

(3) Upon receipt of a notification pursuant to the provisions of paragraph (1), the court in charge of the case may suspend the court proceedings until the period stated in the notification has passed (or until it is notified as prescribed in the preceding paragraph, if this occurs before the end of that period), if it finds this to be necessary.

(Calculating Amount of Money for Indirect Compulsory Execution)

Article 47 If compulsory execution is carried out in relation to the right to demand an injunction by the means prescribed in Article 172, paragraph (1) of the Civil Execution Act, in determining the amount of money that an obligor should pay an obligee pursuant to the provisions of Article 172, paragraph (1) or (2) of that Article, the execution court must particularly take into account the disadvantage that the large, non-exclusive group of consumers would incur in the event of default on financial obligations.

Chapter IV Miscellaneous Provisions

(Exclusion from Application)

Article 48 This Act does not apply to labor contracts.

(Delegation of Authority)

Article 48-2 The Prime Minister delegates the authority pursuant to the preceding Chapter (excluding the authority prescribed by Cabinet Order) to the Commissioner of the Consumer Affairs Agency.

Chapter V Penal Provisions

Article 49 (1) If a qualified consumer organization's officer, employee, or expert advisor receives or has a third party (including the qualified consumer organization) receive money or any other financial benefit, in the form of a contribution or donation or under any other name, from a person against which a demand for injunction has been filed by the qualified consumer organization in consideration of not exercising or not having exercised the right to demand an injunction, of waiving or having waived the right to demand an injunction, of entering or having entered into a settlement with the other party in connection with a demand for injunction, or of terminating or having terminated the lawsuit or other proceedings involving a demand for injunction on other grounds, that officer, employee, or expert advisor is subject to imprisonment for not more than 3 years or to a fine of not more than three million yen.

(2) The preceding paragraph also applies to a person providing the benefit referred to in that paragraph.

(3) In the case as referred to in paragraph (1), the financial benefit received by the offender or by a third party with knowledge of the circumstances is confiscated. If all or part of the financial benefit may not be confiscated, an equivalent value is collected.

(4) Provisions on the crimes referred to in paragraph (1) also apply to a person committing a crime as referred to in that paragraph outside Japan.

(5) The crime referred to in paragraph (2) is governed by Article 2 of the Penal Code (Act No. 45 of 1907).

Article 50 (1) If the certification under Article 13, paragraph (1), the renewal of the validity period under Article 17, paragraph (2), or the authorization under Article 19, paragraph (3) or Article 20, paragraph (3) is obtained through deception or other wrongful means, the person who committed the violation is subject to a fine of not more than one million yen.

(2) A person that has disclosed confidential information obtained during the course of providing services related to the right to demand an injunction, in violation of Article 25 is subject to a fine of not more than one million yen.

Article 51 In any of the following cases, a person who has committed said violation is subject to a fine of not more than five hundred thousand yen:

(i) when false information was included in a written application as provided for in Article 14, paragraph (1) (including as applied mutatis mutandis pursuant to Article 17, paragraph (6), Article 19, paragraph (6), and Article 20, paragraph (6)), or a document set forth in the items under Article 14, paragraph (2) (including as applied mutatis mutandis pursuant to Article 17, paragraph (6), Article 19, paragraph (6), and Article 20, paragraph (6)) and the written application or the document was submitted;

(ii) when letters or characters were used in a person's name that are likely to cause it to be mistaken for a qualified consumer organization, or giving an indication in connection with its operations that is likely to cause it to be mistaken for a qualified consumer organization, in violation of Article 16, paragraph (3);

(iii) when a person fails to prepare or retain books and documents or prepares false books and documents, in violation of Article 30;

(iv) when a person fails to report or falsely makes a report under Article 32, paragraph (1); when a person refuses, hinders, or evades an inspection under that paragraph; or when a person fails to give a statement or gives a false statement in response to questions asked under that paragraph;

Article 52 (1) If the representative or administrator of a corporation (including an organization that is not a corporation but for which a representative or administrator has been established; hereinafter the same applies in this paragraph), or an agent, a worker, or other employee of a corporation or an individual violates an act prescribed in Article 49, paragraph (1) of Article 50, or the preceding Article in connection with the services of the corporation or individual, in addition to the violator being punished, the corporation or individual is subject to the fine prescribed in the relevant Article.

(2) If the preceding paragraph is applied to an organization that is not a corporation, its representative or administrator is to represent the organization that is not a corporation with respect to procedural acts, and the provisions of laws governing criminal proceedings that have a corporation as the defendant or the accused apply mutatis mutandis.

Article 53 A person falling under any of the following items is subject to a civil fine of no more than three hundred thousand yen:

(i) a person failing to post or falsely posting a notice under Article 16, paragraph (2);

(ii) a person failing to file or falsely filing a notification under Article 18, Article 19, paragraph (2) or (7), Article 20, paragraph (2) or (7), or Article 21, paragraph (1);

(iii) a person failing to make a notification, failing to make a report, falsely making a notification, or falsely making a report as provided for in Article 23, paragraph (4);

(iv) a person using information concerning the harm suffered by a consumer in violation of Article 24;

(v) a person refusing a request as referred to in Article 26 in violation of that Article;

(vi) a person, in violation of Article 31, paragraph (1), that fails to prepare financial statements, fails to state or record the required information in its financial statements, or states or records false information in its financial statements;

(vii) a person a person failing to keep documents, in violation of Article 31, paragraph (2) ;

(viii) a person refusing a request set forth in any of the items of Article 31, paragraph (3) without reasonable grounds for doing so, in violation of paragraph (4) of that Article;

(ix) a person failing to submit a document, or stating or recording false information in a document and submitting it, in violation of Article 31, paragraph (5);

(x) a person using or providing information for purposes other than the ones prescribed in Article 40, paragraph (2), in violation of that paragraph .

Supplementary Provisions

This Act comes into effect on April 1, 2001, and applies to consumer contracts concluded thereafter.

Supplementary Provisions [Act No. 129 of November 28, 2001] [Extract]

(Effective Date)

(1) This Act comes into effect on April 1, 2002.

Supplementary Provisions [Act No. 87 of July 26, 2005] [Extract]

This Act comes into effect on the date that the Companies Act comes into effect.

Supplementary Provisions [Act No. 50 of June 2, 2006] [Extract]

(Effective Date)

(1) This Act comes into effect on the date that the Act on General Incorporated Associations and General Incorporated Foundations comes into effect.

Supplementary Provisions [Act No. 56 of June 7, 2006]

(Effective Date)

(1) This Act comes into effect as from the day on which one year has elapsed from the date of promulgation.

(Review)

(2) The government is to review the extent to which the Consumer Contract Act as amended by this Act is in effect, taking into consideration of situation of consumer harm, the implementation status of the various measures taken to protect the interests of consumers, and other social and economic changes, and is to take the appropriate measures based on the results of its review, if it finds this to be necessary.

Supplementary Provisions [Act No. 29 of May 2, 2008]

(Effective Date)

(1) This Act comes into effect on April 1, 2009; provided, however, that the provisions of Articles 2 and 4 come into effect on the date on which the Act Partially Amending the Act on Specified Commercial Transactions and the Installment Sales Act (Act No. 74 of 2008) comes into effect.

(Transitional Measures)

(2) Notwithstanding the provisions of Articles 1 and 2 of the revised Consumer Contract Act, provisions then in force remain applicable to the processes involved in applications for certification as referred to in Article 13, paragraph (1) of the Consumer Contract Act that are filed prior to the enforcement of Articles 1 and 2 and the processes involved in certification and approval in connection with applications for approval as provided in Article 19, paragraph (3) and Article 20, paragraph (3) of that Act.

(3) Notwithstanding the provisions of Articles 1 and 2 of the revised Consumer Contract Act, as to the applicability of penal provisions to acts which a person has conducted before the provisions of Articles 1 and 2 come into effect, provisions then in force remain applicable.

Supplementary Provisions [Act No. 49 of June 5, 2009] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which the Act Establishing the Consumer Affairs Agency and the Consumer Commission (Act No. 48 of 2009) comes into effect; provided, however, that provisions set forth in the following items come into effect on the date prescribed in each item:

(i) the provisions of Article 9 of the Supplementary Provisions: the date of the promulgation of this Act;

(Transitional Measures for Dispositions)

Article 4 (1) Any license, permission, authorization, approval, designation or other dispositions given, or notification made, or other acts taken prior to the enforcement of this Act, pursuant to the provisions of the respective Acts prior to revision by this Act (including orders pursuant thereto; hereinafter referred to as the "Old Laws and Orders"), is deemed to be a license, permission, authorization, approval, designation or other dispositions given, or notification made, or other acts taken pursuant to the corresponding provisions of the respective Acts after revision by this Act (including orders pursuant thereto; hereinafter referred to as the "New Laws and Orders"), except as otherwise specified in laws and orders.

(2) Except as otherwise specified by laws and regulations, the filing of an application for licensing, the filing of a notification, or any comparable action that has been undertaken pursuant to a former Act or Order by the time this Act comes into effect, is deemed to constitute the filing of an application for licensing, the filing of a notification, or a comparable action that has been undertaken pursuant to the corresponding provisions of a new Act or Order.

(3) With respect to the particulars for which reports, notification, submission or other procedures must be made prior to the enforcement of this Act, pursuant to the provisions of the Old Laws and Orders, for which such procedures have not yet been taken prior to the Enforcement Date of this Act, the provisions of the New Laws and Orders apply after the enforcement of this Act, deeming that such procedures have not yet been taken pursuant to the corresponding provisions of the New Laws and Orders, except as otherwise specified in laws and orders.

(Transitional Measures Concerning the Effect of Orders)

Article 5 A Cabinet Order set forth in Article 7, paragraph (3) of the Act for Establishment of the Cabinet Office or a Ministerial Order set forth in Article 12, paragraph (1) of the National Government Organization Act issued pursuant to the provisions of the Old Laws and Orders is to remain in force as the corresponding Cabinet Order set forth in Article 7, paragraph (3) of the Act for Establishment of the Cabinet Office or the corresponding Ministerial Order set forth in Article 12, paragraph (1) of the National Government Organization Act issued pursuant to the corresponding provisions of the New Laws and Orders, except as otherwise specified in laws and orders.

(Transitional Measures Concerning the Applicability of Penal Provisions)

Article 8 As to the applicability of penal provisions to acts which a person conducts before this Act comes into effect, and the applicability of penal provisions to acts which a person conducts after this Act comes into effect in cases where the provisions then in force remain applicable pursuant to the Supplementary Provisions of this Act, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 9 Beyond what are provided for in Articles 2 through 8 of the Supplementary Provisions, Cabinet Order prescribes the necessary transitional measures in connection with the coming into effect of this Act (including transitional measures concerning penal provisions).

Supplementary Provisions [Act No. 74 of June 24, 2011] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which twenty days have passed since the date of promulgation;

Supplementary Provisions [Act No. 59 of August 22, 2012] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation;

Supplementary Provisions [Act No. 70 of June 28, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding two years from the day of promulgation; provided, however, that the provisions of the following Article and Article 18 of the Supplementary Provisions come into effect as of the date of promulgation.

(Transitional Measures Concerning Application of Penal Provisions)

Article 17 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act, the provisions in force at that time shall remain applicable.

(Delegation to Cabinet Order)

Article 18 In addition to what is provided for in these Supplementary Provisions, other transitional measures required for the enforcement of this Act shall be prescribed by Cabinet Order.

Supplementary Provisions [Act No. 96 of December 11, 2013] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding three years from the date of promulgation;

Supplementary Provisions [Act No. 71 of June 13, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding six months from the date of promulgation; provided, however, that provisions set forth in the following items come into effect on the date prescribed in each item:

(i) omitted;

(ii) The revising provisions of Article 10 of Act against Unjustifiable Premiums and Misleading Representations in Article 1, the revising provisions that add an Article in main provisions of the same Act, the provisions of Article 2 (excluding the revising provisions of the following paragraph) and the provisions of Article 3 and Article 7 through Article 11 of supplementary provisions: the date specified by Cabinet Order within a period not exceeding two years from the date of promulgation.

Supplementary Provisions [Act No. 118 of November 27, 2014] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation;

Supplementary Provisions [Act No. 61 of June 3, 2016] [Extract]

(Effective Date)

Article 1 This Act comes into effect as from the day on which one year has elapsed from the date of promulgation; provided, however, that the provisions set forth in the following items come into effect on the date prescribed in each item:

(i) the provisions of Article 4 of the Supplementary Provisions: the date of the promulgation of this Act;

(ii) the amending provisions of Article 5, paragraph (2) (limited to those amending "and Article 7" to read "through Article 7"), the amending provisions adding an Article immediately after Article 6, and Article 3 of the Supplementary Provisions: the date on which the Act on Partial Revision of the Civil Code (Act No. 44 of 2017) comes into effect;

(iii) the provisions of Article 6 of the Supplementary Provisions: the date of promulgation of the Act on Arrangement of Relevant Acts Incidental to the Act on Partial Revision of the Civil Code (Act No. 45 of 2017) or the date of promulgation of this Act, whichever comes later.

(Transitional Measures)

Article 2 (1) The provisions of Article 4, paragraphs (4) and (5) of the Consumer Contract Act as amended by this Act (hereinafter referred to as the "New Act") (limited to the part pertaining to item (iii)) (including as applied mutatis mutandis pursuant to Article 5, paragraph (1) of the New Act), do not apply to the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if that intention is manifested before this Act comes into effect.

(2) Notwithstanding the provisions of Article 7, paragraph (1) of the New Act, the provisions then in force remain applicable to the right to rescind the manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer if that intention is manifested before this Act comes into effect.

(3) Notwithstanding the provisions of Article 8, paragraph (1), items (iii) and (iv) of the New Act, the provisions then in force remain applicable to the clauses of consumer contracts that have been entered into before this Act comes into effect.

(4) The provisions of Article 8-2 of the New Act does not apply to the clauses of consumer contracts that have been concluded before this Act comes into effect.

Article 3 The provisions of Article 6-2 of the Consumer Contract Act following its amendment under the provisions set forth in Article 1, item (ii) of the Supplementary Provisions do not apply to a consumer's obligation to refund any payment received if that payment is received in performance of an obligation under the consumer contract before the provisions set forth in that item come into effect.

(Delegation to Cabinet Order)

Article 4 Beyond what are provided for in the preceding two Articles, Cabinet Order prescribes the necessary transitional measures for the enforcement of this Act.

(Review)

Article 5 The government is to review the extent to which the New Act is in effect, while taking into consideration of situations of consumer harm, the implementation status of the various measures taken to protect the interests of consumers, and other social and economic changes, and take appropriate measures based on the results of its review, if it finds this to be necessary.

Supplementary Provisions [Act No. 43 of June 2, 2017] [Extract]

(Effective Date)

Article 1 This Act comes into effect on October 1, 2017; provided, however, that Article 5 of the Supplementary Provisions comes into effect on the date of its promulgation.

(Transitional Measures upon Partial Revision of the Consumer Contract Act)

Article 2 Notwithstanding the provisions of Article 17, paragraph (1) of the Consumer Contract Act following its amendment under Article 2, the provisions then in force remain applicable to the term of validity of a certification pursuant to Article 13, paragraph (1) of the Consumer Contract Act before its amendment under Article 2, which has been granted to a corporation as of the time this Act comes into effect (referred to as an "existing qualified consumer organization" in the following Article), until the expiration date of the certification.

(Transitional Measures Concerning Penal Provisions)

Article 4 With regard to the application of penal provisions to acts committed prior to the enforcement of this Act, the provisions then in force remain applicable.

(Delegation to Cabinet Order)

Article 5 Beyond what are provided for in the preceding three Articles, Cabinet Order prescribes the necessary transitional measures for the enforcement of this Act.

Supplementary Provisions [Act No. 45 of June 2, 2017]

This Act comes into effect on the effective date of the Civil Code Amendment Act; provided, however, that the provisions of Article 103-2, Article 103-3, Article 267-2, Article 267-3, and Article 362 come into effect as of the date of promulgation.

Supplementary Provisions [Act No. 54 of June 15, 2018] [Extract]

(Effective Date)

Article 1 This Act comes into effect as from the day on which one year has elapsed from the date of promulgation. However, the provisions of Article 3 and Article 5 of the Supplementary Provisions come into force from the date of promulgation.

(Transitional Measures)

Article 2 (1) Regarding the consumer's manifestation of intention of an offer for a consumer contract or acceptance for such an offer that were made prior to the enforcement of this Act, the provisions then in force remain applicable, regardless of the provisions of Article 4, paragraph (2) of the revised Consumer Contract Act (hereinafter referred to as the "New Act") (including as applied mutatis mutandis to Article 5, paragraph (1) of the New Act).

(2) The provisions of Article 4, paragraph (3), items 3 through 8 of the New Act (including cases where these provisions are applied mutatis mutandis pursuant to Article 5, paragraph 1 of the New Act) do not apply when the consumer's manifestation of intention of an offer for a consumer contract or acceptance of such an offer has been made prior to the enforcement of this Act.

(3) The provisions then in force remain applicable to the provisions of consumer contracts concluded prior to the enforcement of this Act, regardless of the provisions of Article 8-1 and Article 8-2 of the New Act.

(4) The provisions of Article 8-3 of the New Act do not apply to the provisions of consumer contracts concluded before the enforcement of this Act.

(Delegation to Cabinet Order)

Article 3 Beyond what is provided for in the preceding article, Cabinet Order prescribes the transitional measures necessary for the enforcement of this Act.

(Review)

Article 4 The government is to examine the status of the enforcement of the New Act, while taking into consideration of the situations of consumer harm, the implementation status of various measures to protect consumer interests, and other changes in socio-economic conditions, and take necessary measures based on the results, if it find this to be necessary.

Supplementary Provisions [Act No. 59 of June 1, 2022] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which one year has passed since the date of promulgation; provided, however, that provisions set forth in the following items come into effect on the date prescribed in each item:

(i) the provisions in Article 1 revising Article 13, paragraph (5) of the Consumer Contract Act, the provisions revising Article 14, paragraph (2), item (viii) of the same Act, the provisions revising Article 18 of the same Act, the provisions revising Article 19 of the same Act, the provisions revising Article 20, paragraph (4) of the same Act, the provisions revising Article 31 of the same Act, the provisions revising Article 34 of the same Act, the provisions revising Article 35 of the same Act, the provisions revising Article 50 of the same Act, the provisions revising Article 51 of the same Act, the provisions revising Article 52, paragraph (1) of the same Act, the provisions revising Article 53 of the same Act, the provisions of Article 2, the provisions of paragraphs (5) to (7) of the following Article, and the provisions of Article 3, Article 4, and Articles 7 through 9 of the supplementary provisions: a date specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation;

(ii) the provisions of Article 5 of the Supplementary Provisions: the date of promulgation.

(Delegation to Cabinet Order)

Article 5 In addition to what is provided for in the preceding three Articles, any necessary transitional measures (including transitional measures concerning penal provisions) for the enforcement of this Act are specified by Cabinet Order.

Supplementary Provisions [Act No. 59 of June 1, 2022] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which one year has passed since the date of promulgation; provided, however, that provisions set forth in the following items come into effect on the date prescribed in each item:

(i) the provisions in Article 1 revising Article 13, paragraph (5) of the Consumer Contract Act, the provisions revising Article 14, paragraph (2), item (viii) of the same Act, the provisions revising Article 18 of the same Act, the provisions revising Article 19 of the same Act, the provisions revising Article 20, paragraph (4) of the same Act, the provisions revising Article 31 of the same Act, the provisions revising Article 34 of the same Act, the provisions revising Article 35 of the same Act, the provisions revising Article 50 of the same Act, the provisions revising Article 51 of the same Act, the provisions revising Article 52, paragraph (1) of the same Act, the provisions revising Article 53 of the same Act, the provisions of Article 2 and paragraphs (5) through (7) of the following Article, and the provisions of Article 3, Article 4, and Articles 7 through 9 of the supplementary provisions: a date specified by Cabinet Order within a period not exceeding one year and six months from the date of promulgation;

(ii) the provisions of Article 5 of the Supplementary Provisions: the date of promulgation.

(Transitional Measures upon Partial Revision of the Consumer Contract Act)

Article 2 (1) The provisions of Article 4, paragraph (3), items (3) and (4) (including as applied mutatis mutandis pursuant to Article 5, paragraph (1) of the Consumer Contract Act) of the Consumer Contract Act as amended by the provisions of Article 1 (hereinafter referred to as "New Consumer Contract Act" in this Article) apply to manifestations of intentions to be bound by the offer of a consumer contract (meaning consumer contracts as prescribed in Article 2, paragraph (3) of the Consumer Contract Act; same applies in the following paragraph and paragraph (3)) that are expressed on or after the date on which this Act comes into effect (referred to as the "effective date" in the provisions from the following paragraph to paragraph (4)).

(2) The provisions of Article 4, paragraph (3), item (ix) of the New Consumer Contract Act (including as applied mutatis mutandis pursuant to Article 5, paragraph (1) of the Consumer Contract Act) apply to any consumer's manifestations of intentions to be bound by the offer of a consumer contract or acceptance for such an offer that are made on or after the effective date, and those made prior to the effective date shall be applicable under the provisions then in force.

(3) The provisions of Article 8, paragraph (3) of the New Consumer Contract Act shall apply to the clauses of consumer contracts concluded after the effective date.

(4) The provisions of Article 12-5 of the New Consumer Contract Act apply to demands pursuant to the provisions of Article 12, paragraph (3) of the New Consumer Contract Act and Article 12, paragraph (4) of the Consumer Contract Act that are made on or after the effective date.

(5) The provisions of Article 19, paragraph (4) of the New Consumer Contract Act apply to applications under that paragraph that are issued on or after the date on which the provisions set forth in item (i) of the preceding Article come into force (hereinafter referred to as the "item (i) effective date" from this Article to Article 4 of the Supplementary Provision), and applications under Article 19, paragraph (4) of the Consumer Contract Act prior to the amendment pursuant to Article 1 (referred to as the "Former Consumer Contract Act" in the following paragraph) that are issued prior to the item (i) effective date are applicable under the provisions then in force.

(6) The provisions of Article 20, paragraph (4) of the New Consumer Contract Act apply to applications under that paragraph that are issued on or after the item (i) effective date, and applications under Article 20, paragraph (4) of the Former Consumer Contract Act that are issued prior to the item (i) effective date are applicable under the provisions then in force.

(7) The provisions of Article 31, paragraph (1), paragraph (2), and paragraph (5) of the New Consumer Contract Act apply to the documents pertaining to business years beginning on or after the item (i) effective date as prescribed in paragraph (1) of the same Article, and documents pertaining to business years beginning prior to the item (i) effective date are applicable under the provisions then in force.

(Transitional Measures Concerning Penal Provisions)

Article 4 Prior laws continue to govern the applicability of penal provisions to acts committed prior to the date of enforcement in item (i) or acts committed on or after the date of enforcement in item (i) for case the provisions previously in force are to remain applicable pursuant to the provisions of these Supplementary Provisions (excluding Article 2, paragraph (2) of the Supplementary Provisions).

(Delegation to Cabinet Order)

Article 5 In addition to what is provided for in the preceding three Articles, any necessary transitional measures (including transitional measures concerning penal provisions) for the enforcement of this Act are specified by Cabinet Order.

(Reviews)

Article 6 Once it has been five years since the effective date of this Act, if the government finds it to be necessary to do so after reviewing the status of enforcement of the provisions amended by this Act, the government is to take the necessary measures based on the findings.

Supplementary Provisions [Act No. 68 of June 1, 2022] [Extract]

(Effective Date)

(1) This Act comes into effect as of the date on which the Act on the Partial Amendment of the Penal Code, etc. comes into effect; provided, however, that provisions set forth in the following items come into effect on the date prescribed in each item:

(i) the provisions of Article 509: the date of promulgation.

Supplementary Provisions [Act No. 99 of December 16, 2022] [Extract]

(Effective Date)

Article 1 This Act comes into effect as of the date on which twenty days have passed since the date of promulgation;

(Transitional Measures upon Partial Revision of the Consumer Contract Act)

Article 2 (1) The provisions of Article 4, paragraph (3), item (vi) (including as applied mutatis mutandis pursuant to Article 5, paragraph (1) of the Consumer Contract Act) of the Consumer Contract Act as amended by the provisions of Article 1 (hereinafter referred to as "New Act") apply to manifestations of intentions to be bound by the offer of a consumer contract or by the acceptance of such an offer if that intention is manifested before this Act comes into effect, and regarding consumer's manifestations of intentions to be bound by the offer of a consumer contract or acceptance for such an offer that were made prior to said date, the provisions then in force remain applicable.

(2) The provisions of Article 7, paragraph (1) of the New Act apply even when the consumer's right to rescinding a manifestation of an intention to be bound by the offer of a consumer contract or by the acceptance of such an offer has been exercised prior to the enforcement of this Act; provided, however, that this does not apply if, as prescribed in Article 1, the prescription of the rescission right, prescribed in Article 7, paragraph (1) of the Consumer Contract Act prior to amendment, has already been completed at the time this Act comes into effect.

(Reviews)

Article 3 Once it has been five years since the effective date of this Act, if the government finds it to be necessary to do so after reviewing the status of enforcement of the provisions amended by this Act, the government is to take the necessary measures based on the findings.