

Product Liability Act

(Act No. 85 of July 1, 1994)

(Purpose)

Article 1 The purpose of this Act is to protect the victim of the injury to life, body, or property which is caused by a defect in the product by setting forth liability of the manufacturer, etc. for damages, and thereby to contribute to the stabilization and improvement of the life of the citizens and to the sound development of the national economy.

(Definitions)

- Article 2 (1) The term "product" as used in this Act shall mean movable which is manufactured or processed.
- (2) The term "defect" as used in this Act shall mean a lack of safety that the product ordinarily should provide, taking into account the nature of the product, the ordinarily foreseeable manner of use of the product, the time when the manufacturer, etc. delivered the product, and other circumstances concerning the product.
- (3) The term "manufacturer, etc." as used in this Act shall mean the following:
- (i) any person who manufactured, processed, or imported the product in the course of trade (hereinafter referred to as "manufacturer");
 - (ii) any person who provides his/her name, trade name, trademark or other indication (hereinafter referred to as "representation of name, etc.") on the product as the manufacturer of such product, or any person who provides the representation of name, etc. on the product which misleads the others into believing that he/she is the manufacturer;
 - (iii) apart from any person mentioned in the preceding item, any person who provides any representation of name, etc. on the product which, in light of the manner concerning the manufacturing, processing, importation or sales of the product, and other circumstances, holds himself/herself out as its substantial manufacturer.

(Product Liability)

Article 3 The manufacturer, etc. shall be liable for damages arising from the infringement of life, body or property of others which is caused by the defect in the delivered product which was manufactured, processed, imported, or provided with the representation of name, etc. described in item 2 or item 3 of paragraph 3 of the preceding Article, provided, however, that the manufacturer, etc. shall not be liable when the damages occur only with respect to such

product.

(Exemptions)

Article 4 In cases where Article 3 applies, the manufacturer, etc. shall not be liable as provided in Article 3 if he/she proves that:

- (i) the defect in such product could not have been discovered given the state of scientific or technical knowledge at the time when the manufacturer, etc. delivered the product; or
- (ii) in case where the product is used as a component or raw material of another product, the defect occurred primarily because of the compliance with the instructions concerning the design given by the manufacturer of such another product, and that the manufacturer, etc. is not negligent with respect to the occurrence of such defect.

(Limitation of Period)

Article 5 (1) The right to seek damages provided in Article 3 shall be extinguished by prescription if the victim or his/her legal representative does not exercise such right within 3 years from the time when he/she becomes aware of the damages and the party liable for the damages. The same shall apply to the case where 10 years have elapsed from the time when the manufacturer, etc. delivered the product.

(2) The period referred to in the second sentence of the preceding paragraph shall be calculated from the time of the occurrence of the damages where such damages are caused by substances which become harmful to human health when they accumulate in the body, or where the symptoms which represent such damages appear after a certain latent period.

(Application of Civil Code)

Article 6 Other than as provided in this Act, the liability of the manufacturer, etc. for damages caused by a defect in a product shall be subject to the provisions of the Civil Code (Act No.89 of 1896).

Supplementary Provisions [Extract]

(Effective date, etc.)

- (1) This Act shall come into force as from the day on which one year has elapsed from the day of promulgation, and shall apply to the products delivered by the manufacturer, etc. after this Act comes into force.
- (2) Partial Amendment of the Act on Compensation for Nuclear Damage The Act on Compensation for Nuclear Damage (Act No. 147 of 1961) shall be partially amended as follows: In paragraph 3 of Article 4 of that Act, "and the Act on

relating to the Limitation of the Liability of ship owner, etc (Act No.94, 1975)" shall be amended to read as follows: ", the Act on relating to the Limitation of the Liability of ship owner, etc (Act No.94 of 1975) and the Product Liability Act (Act No.85 of 1994)".