

**TITLE 20 – BUSINESS REGULATION AND PRACTICE**  
**CHAPTER 3 - UNFAIR BUSINESS PRACTICES**



Republic of the Marshall Islands  
*Jepilpilin Ke Ejukaan*

**UNFAIR BUSINESS PRACTICES ACT**

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**UNFAIR BUSINESS PRACTICES ACT**

**AN ACT** to provide for the regulation of unfair business practices in the Republic and for matters connected therewith.

<i>Commencement:</i>	<i>Not Specified</i>
<i>Source:</i>	<i>33 TTC 1970</i>
<i>Amended By:</i>	<i>33 TTC 1980</i>

**§301. Short title.**

This Chapter may be cited as the “Unfair Business Practices Act”. [Note: Section I has been added to conform this Chapter to the format of this Revised Code.]

**§302. Interpretation.**

As used in this Chapter, “**person or persons**” includes an individual or individuals, corporations, firms, partnerships or any other association existing under or authorized by the law of the Republic. [33 TTC 1970, §301; 33 TTC 1980, §301, modified.]

**§303. Prohibited activities.**

It is illegal for one or more persons to create or use an existing combination of capital, skills or acts the effect of which is:

- (a) to create or carry out restrictions in trade or commerce;
- (b) to limit or reduce the production, or increase the price of, merchandise or of any commodity;

- (c) to prevent competition in the manufacture, making, transportation, sale, or purchase of any merchandise, produce or commodity;
- (d) to fix at any standard or figure whereby its price to the public or consumer shall be in any manner controlled or established, any article or commodity of merchandise, produce or commerce intended for sale, barter, use, or consumption;
- (e) to discriminate in price between different purchasers of commodities of like grade and quality, where the effect of such discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce; provided, that nothing herein contained shall prevent differentials in price which only make allowance for differences in the cost of manufacture, sale or delivery resulting from the differing methods or quantities in which such commodities are to be purchased, sold and delivered;
- (f) to make or enter into or carry out any contract, obligation or agreement by which the persons do any of the following:
  - (i) bind themselves not to sell, dispose of or transport any article or commodity below a common standard figure or fixed value;
  - (ii) agree to keep the price of such article, commodity or transportation at a fixed or graduated figure;
  - (iii) establish or set the price of any article, commodity or transportation between them or themselves and others, so as directly or indirectly to preclude free and unrestricted competition among themselves or any purchaser or consumer in the sale or transportation of any such article or commodity;
  - (iv) agree to pool, combine or directly or indirectly unite any interest that they may have connected with the sale or transportation of any such article or commodity that might in any way affect its price. [33 TTC 1970, §302; 33 TTC 1980, §302, modified.]

**§304. Leases, sales, contracts, conditions, agreements or understandings to lessen competition.**

It shall be unlawful for any person to lease or make a sale or contract for the sale of goods, merchandise, machinery, supplies, or commodities for use within the Republic, or to fix a price charged therefor, or discount from, or rebate upon, such price, on condition, agreement or understanding that the lessee or purchaser thereof shall not use or deal in the goods, merchandise, machinery, supplies, commodities, or services of a competitor or competitors of the lessor or seller, where the effect of such lease, sale or contract for sale, or such condition, agreement or understanding may be to substantially lessen competition or tend to create a monopoly in any line of trade or commerce in any district of the Republic. [33 TTC 1970, §303.]

**§305. Contracts or agreements in violation of Chapter.**

Any contract or agreement in violation of this Chapter is, to that extent, void and not enforceable at law or equity. [33 TTC 1970, §304; 33 TTC 1980, §304, modified.]

**§306. Competitive agreements.**

It is not unlawful to enter into agreements or form an association or combination the purposes and effect of which is to promote, encourage or increase competition in any trade or industry. [33 TTC 1970 §305; 33 TTC 1980, §305, modified.]

**§307. Criminal and civil liability of violators.**

- (1) Any person who violates Section 303 or 304 of this Chapter shall be guilty of a misdemeanor and shall upon conviction be liable to a fine not less than \$50 and not exceeding \$5,000.
- (2) Any person who is injured in his business, personal property, or real property by reason of another's violation of Section 303 or 304 of this Chapter may sue therefor in the High Court, and may recover three (3) times the damages sustained by him together with a reasonable attorney's fee and the costs of suit; provided, that the Republic and any of its political subdivisions and public agencies shall be deemed a person within the meaning of this Section, and may, through the Attorney-General, bring an action on behalf of the Republic, its political subdivisions or public agencies to recover the damages

provided by this Section, including a reasonable attorney's fee together with the costs of the suit.

- (3) Upon conviction under this Chapter of a non-citizen business, the Cabinet may revoke such non-citizen's business permit. [33 TTC 1970, §306; 33 TTC 1980, §306, modified.]