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Parameters for e-commerce transactions

With the declaration of validity of Mexican Standard NMX-COE-001-SCFI-2018, published in the Federal Official Gazette on April 30, the Ministry of Economy issued provisions for those who, on a regular or professional basis, offer, market or sell goods, products or services through electronic, optical or any other technology ("Provisions"). (1)

Essentially, the Provisions, in force as of May 1, set forth obligations for retailers, in order to guarantee consumers' rights and grant legal certainty to such transactions. Obligations include the following:

1. Retailers must implement an information system to generate, send, receive, register or process all data related to transactions.
2. All information provided through the system must be accurate, verifiable and explicit, and not misleading.
3. Terms and conditions of transactions must include at least the following information:
 - a) Retailer identification data.
 - b) Responsibilities arising from lack of accessibility or interruption of the information system.
 - c) Procedure to purchase the product or service.
 - d) Consumer rights.
 - e) Reporting and communication mechanisms with customers.
 - f) Return and reimbursement mechanisms.
 - g) Deadlines to execute offered guarantees.
 - h) Claim and clarification mechanisms.
 - i) Rules applicable to disputes.
 - j) Age restrictions to access to information system.
 - k) Customer registration and access requirements.
 - l) Information system security mechanisms.
 - m) Payment and billing conditions.
 - n) Place of origin of imported goods.
 - o) Right to the replacement, compensation or refund of products or services that do not meet the quality offered or any other agreed elements.

(1) The Provisions do not apply to financial services offered or carried out by electronic means.

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4. Information regarding products must include at least:

- a) Description, with specifications.
- b) Availability and stocks.
- c) Price in MXN pesos and additional charges.
- d) Deadline for executing guarantees, when offered.
- e) Delivery method, costs, deadlines and shipping options.
- f) Audiovisual identification of the product.

5. Information regarding services must include at least:

- a) Description, date, place, duration and time for their rendering, individuals who will provide them and the indication, where appropriate, that they will be outsourced.
- b) Deadline to execute guarantees offered.
- c) Service restrictions.
- d) Price in MXN pesos and additional charges.
- e) Procedure for renewal, modification, early termination or cancellation of service.
- f) Where additional services are provided, consumer must be notified in order to confirm consent.

6. The information system should have a mechanism for the client to rate products or services, offer an opinion and check ratings of other customers.

7. In the processing of personal data of clients, retailer shall:

- a) Report such treatment in the privacy notice.
- b) Obtain customers' consent.
- c) Describe means and procedure for clients to revoke their consent.

8. Retailers must implement technical security mechanisms regarding the acceptance of the offer, transactions and customers' identity that ensures the protection of their personal data.

9. They must also carry a fraud prevention system that allows them to filter transactions according to their level of risk.

Provisions empower the authority to determine if retailers have complied with their obligations and to issue, where appropriate, a conformity assessment, valid through one year. For their part, the Ministry of Economy and the Federal Consumer Protection Office will publish a list of those retailers who have obtained such conformity assessment.

For information regarding this subject, please do not hesitate to contact us at 9178 7000 or through the following e-mail: contacto@ritch.com.mx