

**TITLE 4: ECONOMIC RESOURCES**  
**DIVISION 5: BUSINESS REGULATION**

**§ 5105. Unlawful Acts or Practices.**

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

- (a) Passing off goods or services as those of another;
- (b) Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval, or certification of goods or services;
- (c) Causing likelihood of confusion or misunderstanding as to affiliation, connection, or association with, or certification, by another;
- (d) Using deceptive representations or designations of geographic origin in connection with goods or services;
- (e) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities that they do not have or that a person has a sponsorship, approval, status, affiliation, or connection that the person does not have;
- (f) Representing that goods are original or new if they are beyond their expiration date, deteriorated, altered, reconditioned, reclaimed, used or secondhand;
- (g) Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another;
- (h) Disparaging the goods, services, or business of another by false or misleading representation of fact;
- (i) Advertising goods or services with intent not to sell them as advertised;
- (j) Advertising goods or services with intent not to supply reasonably expectable public demand, unless the advertisement discloses a limitation of quantity;
- (k) Making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;
- (l) Engaging in any other conduct which similarly creates a likelihood of confusion or of misunderstanding; and
- (m) Engaging in any act or practice which is unfair or deceptive to the consumer;
- (n) Representing that any food, food product, beverage, drug, or any other substance is fit for human consumption, if it is not fit for human consumption;
- (o) Representing that goods or services are fit for any particular purpose, if they are not fit for that purpose;
- (p) Failing to reveal any known defect in or damage to any item entered in commerce, unless the item is stated to be so entered on an "as is" or similar basis;
- (q) Representing that a service is provided by a person qualified to perform the service, if the merchant knows or should know that the person is not so qualified;
- (r) Introducing into commerce any good or service which the merchant knows or should know is unsafe or which the merchant knows or should know may cause an unsafe condition in normal use, including performing a service which may cause an unsafe condition;

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- (s) Engaging in automotive sales and services with the intent not to supply parts for a reasonably expectable public demand;
- (t) Engaging in price fixing which bears no reasonable relationship to the cost of the merchandise;
- (u) Stocking merchandise on shelves or on display without also displaying the price of the merchandise in a location which is close to the merchandise and clearly visible to the consumer;
- (v) Stocking expired merchandise on shelves or on display with merchandise that has not yet reached its expiration date in manner which does not clearly segregate the expired merchandise from other merchandise;
- (w) Selling expired merchandise without displaying a notice that the merchandise has expired or selling expired merchandise at more than half of the original retail price;
- (x) Increasing the cost of merchandise which has previously been placed into the stream of commerce by having been offered to the public for sale at a specific price, indicated by the price tag or marking placed on the goods;
- (y) Increasing the price of goods, solely on the basis of a shortage of supply caused by natural disaster or any other emergency situation;
- (z) Advertising goods without clearly indicating that such goods are unassembled, if such is the case;
- (aa) Advertising the price of unassembled furniture without clearly indicating the assembled price of such furniture, if the same furniture is available assembled from the seller;
- (bb) Representing that a transaction confers or involves rights, remedies, or obligations which it does not confer or involve, or which are prohibited by law;
- (cc) Representing that a part, replacement, or repair service is needed when it is not;
- (dd) Representing that the subject of a transaction has been supplied in accordance with a previous representation when it has not;
- (ee) Representing that the consumer will receive a rebate, discount, or other economic benefit as the result of a transaction, if the earning of the benefit is contingent on an event to occur subsequent to the consummation of the transaction;
- (ff) Misrepresenting the authority of a salesman, representative, or agent to negotiate the final terms of a transaction with a consumer; and
- (gg) Inserting an unconscionable provision in a contract.
- (hh) Any violation of the Notaries Public Act, 4 CMC §§ 3311-3326.

**Source:** 33 TTC § 353; amended by PL 6-46, § 3; PL 10-56, §§ 4, 5; (hh) added by PL 14-52, § 3.

**Commission Comment:** Some provisions in this section and the following sections are similar to provisions in the Revised Uniform Deceptive Trade

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Practices Act, approved by the National Conference of Commissioners on Uniform State Laws and the American Bar Association in 1966, and adopted (with variations) in some U.S. jurisdictions.

For information on PL 10-56 which added subsections (v) and (w) to this section, see the Commission comment to 4 CMC § 5104.

See the comment to 4 CMC § 3311 regarding the findings of PL 14-52 which added subsection (hh) above on January 17, 2005.