

November 11, 2016

MOSCOW COURT OF APPEAL APPROVED RESTRICTION OF THE ACCESS TO LINKEDIN FROM RUSSIA

Dear Sirs,

We would like to inform you on the effect of recent Russian Localization Law which is in force as of September 1, 2015. As you may know, the Localization Law requires that certain types of processing of Russian nationals personal data are performed in the databases located in Russia.

Yesterday Moscow court of appeal approved the decision of the court of the 1st instance referring to restricting access to LinkedIn website. The main reason for this decision was the fact that LinkedIn did not transfer the databases processing Russian nationals' personal data in Russia.

According to the position of the Russian data protection regulator (Roskomnadzor) and the court, the requirements of the Russian Federal Law on Personal Data shall apply to LinkedIn Corporation, which does not have a presence in Russia via its branch, representative office or legal entity. The main argument for such conclusion was that the activity of LinkedIn Corporation targets Russian nationals, in particular, the LinkedIn website has a Russian-language version.

Besides, the court agreed with Roskomnadzor that LinkedIn processes personal data of third parties not being users of LinkedIn without their consents and therefore violates their rights. Roskomnadzor has clarified that the considered personal data are **data processed by cookies** and **IP-addresses**. Earlier position of Roskomnadzor, declared on its official website, was different: the IP-addresses were not recognized personal data by the regulator.

The decision of the court came into force, but it is still may be challenged by LinkedIn in the Supreme Court of Russia within 6 months.

This case demonstrates capabilities of Roskomnadzor to shut down websites of the companies having no presence in Russia. Also, it demonstrates Roskomnadzor's opinion regarding considering such information as IP addresses and data processed by cookies as personal data.

If you have any questions, please, do not hesitate to contact the Partners of ALRUD Law Firm – <u>Maria</u> <u>Ostashenko</u> (<u>mostashenko@alrud.com</u>) or <u>Irina Anyukhina</u> (<u>ianyukhina@alrud.com</u>).

Kind regards,

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