

Newsletter

Fines increased for illegal marketing mailing and non-transparent advertising of consumer loans

April 11, 2024

Dear Ladies and Gentlemen!

On **17 April 2024**, amendments to the Code of Administrative Offences of the Russian Federation ("**CAO RF**") will enter into force. From this time, there will be greater liability for the distribution of advertisements via SMS, email and push messages without the recipient's consent. In addition, increased liability will be imposed for advertising of consumer loans with an incomplete cost. The changes are as follows:



Violation of advertising distribution via telecommunication networks

There will be greater liability for sending marketing messages via telecommunications networks without the recipient's consent, **e.g., via SMS, email and push messages**, including "**spam**" (i.e., sending advertising mails by selecting or dialling a subscriber's number without any human involvement).

The fines for such an offence are as follows:

- For officers – from **20,000** to **100,000 RUB**
- For legal entities – from **300,000** to **1 million RUB**

Previously, the maximum fine for this offence did not exceed 500,000 RUB.

As such, there is now a distinct offence for advertising that is distributed using identifiers such as telephone numbers, email addresses or device identifiers without the subscriber's consent. Companies should review their marketing mailing procedures and ensure that they are collecting and recording the required consents in their information systems.



Failure to provide the full costs of consumer loans in advertising

The CAO RF has been amended to include administrative liability for credit and microfinance organizations that fail to specify the range of values for the full cost of a consumer loan in their advertisements. Advertising of consumer loans that contain interest rates must disclose such ranges.

The fines for this offence have doubled and are now as follows:

- For officers – from **40,000** to **100,000 RUB**
- For legal entities – from **600,000** to **1.6 million RUB**

This provision aims to increase liability for failure to comply with transparency requirements for consumer information regarding the cost of financial products.

We hope that the information provided herein will be useful for you. If any of your colleagues would also like to receive our newsletters, please let us know by sending us his/her email address in response to this message. If you would like to learn more about our

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If you have any questions, please do not hesitate to contact ALRUD partner



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Sincerely,
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