ALRUD

Newsletter

The President of Russia signed the Law on Internet-aggregators

August 3, 2018

Dear Ladies and Gentlemen,

On July 29, 2018 the President of the Russian Federation signed the Federal law dated July 29, 2018 No. 250-FZ "On the amendments to the Law of the Russian Federation "On Consumer Rights Protection" (hereinafter – the "**Law**").

The aims of the adopted Law are regulation of Internet-aggregators' owners' activities and development of guarantees to protect rights of consumers purchasing goods via Internet.

Here are the key provisions of the Law to be taken into account by the owners of the Internet-aggregators and by persons operating their business by means of the Internet-aggregators.

1 Concept of an owner of an aggregator of information on goods (services):

The Law provides the concept of "an owner of an aggregator of information on goods (services)" (hereinafter – the "**aggregator**"), by which is meant a legal entity of any type, or individual entrepreneur, which is an owner of a program and/or a web-site and/or a page of a web-site, and which provides a customer with a possibility to be acquainted with an offer to conclude a sales contract (a service contract), to conclude the contract with a seller (a provider) and to make a prepayment by money transfer to the aggregator.

2 Obligation to inform the customer:

The Law provides an obligation to the aggregator to provide the customer with information on itself, the seller (the provider) and all changes to either. The information to be provided to the customer by the aggregator includes, in particular, information on the firm name, the registered address, business hours, the primary state registration number of the legal entity, last name, first name, patronymic (if applicable) and the primary state registration number of the individual entrepreneur.

The aggregator shall provide the required information on its website and/or on its page of the website on the Internet.

Moreover, the Law establishes responsibility of the aggregator in the amount of the customer's damages for the provision of incorrect, or incomplete, information on the goods (the services) or the seller (the provider), on the basis of which the contract with the seller (the provider) has been concluded by the customer. The list of information on the goods (the services) to be provided to the customer is established in the Law "On Consumer Rights Protection". In case of damages incurred by information incorrectly provided by the seller (the provider), the aggregator shall be exonerated from liability.

3 Obligation to return the prepayment in case of the seller's (the provider's) failure to perform the contract:

According to the Law, in the case of the seller's (the provider's) failure to perform the contract in due time, the customer may request a return of the prepayment from the aggregator.

In such a case, the aggregator shall return the prepayment within 10 calendar days from the day of receiving such a request, in case the customer sent a notification on termination of the sales contract (the service contact) to the seller (the provider). Such notification may be sent by the customer to the aggregator, which shall send it to the seller (the provider), unless otherwise agreed in the user agreement, or other agreement, between the customer and the aggregator. However, the aggregator may refuse to return the prepayment, provided that the aggregator has received a confirmation of customer acceptance of the goods (the services) from the seller (the provider) and sent a copy of such confirmation to the customer.

The Law shall come into force on January 1, 2019.

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Should you have any questions, please contact the ALRUD Partner at your convenience

Sincerely, ALRUD Law Firm



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