

September 04, 2014

Dear Sirs,

We would like to inform you that on the 1st of September 2014 the new bill was submitted with the Russian State Duma. This bill proposes to amend the Federal Law № 242-FZ introducing amendments to the Federal Law “On personal data” and to the Federal Law “On information, information technologies and protection of information” (hereinafter – the “**Law**”) that has been adopted earlier on July 21, 2014. The new bill proposes anticipation of the term of coming into force of the Law.

As we mentioned in our previous legal updates the Law according to its current wording shall come into force as of the **1st of September 2016** and introduces obligation of operators to store personal data of Russian nationals in the databases located in Russia. The introduced obligation will practically mean that the companies operating in Russia and dealing with natural persons (for example, retailers, social networks, those operating in international transportation, banking and other similar spheres) will be forced to place their servers within Russia if they plan to continue making business in the market.

The new bill proposes to move the Law enactment date to the **1st of January 2015**.

According to the explanatory note attached to the bill such amendment is required for more operative and effective protection of rights of Russian nationals to safety of their personal data and ensuring privacy of correspondence in information-telecommunication networks.

We are monitoring the status of the bill and will keep you informed on progress.

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We hope that you find this information helpful. Should you have any questions, please contact our Partner **Irina Anyukhina (ianyukhina@alrud.com)**.

Kind regards,

ALRUD Law Firm

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