

Differentiation of offences for anticompetitive agreements

April 14, 2017

Dear Ladies and Gentlemen,

We would like to inform you that on April 12, 2017 the Federation Council of Russia adopted a draft law setting a differentiation of penalties for conclusion of anticompetitive agreements. Currently the draft law is at the stage of signing by the President of the Russian Federation. After execution process, the law will be officially published and will come into force.

The draft law provides different administrative fines for conclusion of different types of anticompetitive agreements depending on degree of social danger: as the social danger of the anticompetitive agreement decreases, the administrative penalty will be reduced.

As a general rule, legal entities concluded anticompetitive agreements may face the following administrative fines based on the sum of the offender's proceeds from the sale of the product (work or service) in the market on which the administrative offence has been committed (i.e. "turnover-based fine"):

- from 3% to 15% – for cartels;
- from 1% to 5% – for "vertical" agreements and other anticompetitive agreements;
- from 1% to 3% – for concerted actions.

ALRUD lawyers have extensive experience in provision of comprehensive support to clients in all areas of law, including in support of cases related to conclusion of anticompetitive agreements.

ALRUD lawyers are ready to provide the necessary legal assistance on all issues related to the described innovation.

Hope that the information provided herein would 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 **Antitrust/Competition practice**, please let us know about it in reply to this email. We will be glad to provide you with our materials.

If you have any questions, please, do not hesitate to contact Senior Partner of ALRUD Law Firm **Vassily Rudomino** at **vrudomino@alrud.ru** or Partner **German Zakharov** at **gzakharov@alrud.ru**.

Kind regards,

ALRUD Law Firm

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