

LAW OF THE RUSSIAN FEDERATION ON THE PROTECTION OF THE CONSUMERS' RIGHTS NO. 2300-I OF FEBRUARY 7, 1992 (with Amendments and Addenda of June 2, 1993, January 6, 1996, December 17, 1999, December 30, 2001, August 22, November 2, 2004 December 21, 2004, July 27, October 16, November 25, 2006, October 25, 2007)

The present Law regulates relations arising between consumers and the manufacturers, the executors, importers, and the sellers in case of the sale of goods (the performance of works and the rendering of services), establishes the rights of consumers to the acquisition of goods (works, services) of proper quality and safe for the lives and, health and property of consumers, as well as the environment, to receipt of information about goods (works, services) and about their manufacturers (executors, sellers), to education, state and public protection of their interests, and also defines the mechanism of the realization of these interests.

Basic concepts used in this Law are as follows:

the **consumer** is an individual who has the intention of ordering or acquiring goods (works, services) or who orders, acquires or uses them exclusively for personal, family, household and other needs not relating to the pursuance of entrepreneurial activities;

the **manufacturer** is an organization regardless of its organisational and legal form and also an individual entrepreneur who performs works or renders services to consumers under a cost contract;

the **executor** is an organization, regardless of its organisational and legal form, and also an individual entrepreneur who perform works or render services to the consumers on the chargeable agreement;

the **seller** is an organization, regardless of its organisational and legal form, and also an individual entrepreneur who sells goods to consumers under a sale contract;

the **flaw of goods (works, services)** means goods (works, services) not complying with either the compulsory provisions provided in law or established under a procedure established by law or with contractual terms (in case of their absence or incompleteness of the conditions of the usual requirements) or with the purposes for which goods (works, services) of such a kind are normally used or with the purposes of which the seller (contractor) was advised by the consumer at the concluding of the contract or with a specimen and/or description if the goods were sold according to a specimens and/or description;

the **significant flaw in goods (works, services)** means a flaw that it is impossible to eliminate or a flaw which cannot be eliminated without spending an in commensurate outlays or time or which occurs repeatedly or which emerges again after it has been eliminated or other similar flaws;

the **safety of goods (works, services)** implies the safety of goods (works, services) for the life, health or property of the consumer and the environment under the usual conditions of their use, storage, transportation and utilization, and also the safety of the performance of works (the rendering of services).

the organization authorised by the manufacturer (seller) or the individual businessman authorised by the manufacturer (hereinafter referred to as the authorised organisation or the authorised individual businessman) - the organisation engaged in a certain type of activities or the organisation established on the territory of the Russian Federation by the manufacturer (seller), including a foreign manufacturer (foreign seller), exercising certain functions on the basis of a contract made with the manufacturer (seller) and authorised by them to accept and satisfy consumers' claims in respect of commodities of improper quality, or the individual businessman registered on the territory of the Russian Federation who exercises certain functions on the basis of a contract made with the manufacturer (seller), including a foreign manufacturer (foreign seller) and authorised by them to accept and satisfy consumers' claims in respect of commodities of improper quality;

importer - an organisation, regardless of the organisational-and-legal form thereof, or an individual businessman engaged in importing commodities for their subsequent sale on the territory of the Russian Federation.

Chapter I. General Provisions

Article 1. Legal Regulation of Relations in the Sphere of the Protection of the Consumers' Rights

1. Relations in the area of consumer rights protection shall be regulated by the Civil Code of the Russian Federation, this Law, other federal laws (hereinafter referred to as laws) and other normative legal acts of the Russian Federation adopted in compliance with them.

2. The Government of the Russian Federation shall have no right to entrust the federal executive bodies with the adoption of acts containing norms about the protection of the consumers' rights.

The Government of the Russian Federation shall be entitled to issue for the consumer and the seller (the manufacturer, executor, authorised organisation or authorised individual businessman, an importer) rules to be observed without fail when making and executing public contracts (retail purchase and sale contracts, electric energy supply contracts, contracts for carrying out works and rendering services).

The Government of the Russian Federation shall have the right to establish rules for organisation of activity in the sale of goods (performance of works or services) to consumers.

Article 2. The International Agreements of the Russian Federation

If the international agreement of the Russian Federation has established the rules for the protection of the consumers' rights other than those provided for by this Law, the rules of the international agreement shall be applied.

Article 3. The Consumers' Rights to Education in the Sphere of the Protection of the Consumers' Rights

Consumers' rights to education in the sphere of the protection of their rights shall be guaranteed by the inclusion of the respective requirements into state educational standards and general educational and professional programmes, and also by the organization of a system of information of consumers about their rights and about the necessary actions of protecting these rights.

Article 4. The Quality of Goods (Works, Services)

1. The seller (executor) shall be obliged to hand over to the consumer goods (perform a work or render a service) whose quality corresponds to the contract concerned.

2. In the absence of contractual terms on the quality of goods (works, services) the seller (executor) shall be obliged to hand over goods (perform a work or render a service) conforming to the usual requirements and suitable for the purposes for which goods of this kind (works, services) are usually used.

3. If during the conclusion of a contract the seller (executor) was informed by the consumer about the concrete purposes of acquiring goods (performing a work or rendering a service), the seller (executor) shall be obliged to turn over goods (perform a work or render a service) suitable for use in keeping with these purposes.

4. If goods have been sold per sample and/or according to their description, the seller shall be obliged to hand over goods corresponding to the sample and/or the description.

5. If under the laws or under a procedure established by the laws mandatory requirements are provided for the quality of goods (works, services), the seller (executor) shall be obliged to hand over to the consumer goods (perform work or render service) that correspond to these requirements.

Article 5. The Rights and Duties of the Manufacturer (Executor or Seller) in Respect of Fixing the Service Life or the Working Life of Goods (Works), and also the Guarantee Period of Goods (Works)

1. The manufacturer (executor) shall have the right to fix the service life for goods (works) intended for long use. During this period the manufacturer (executor) shall undertake to enable the consumer to use goods (works) according to their purpose and shall bear liability for the substantial shortcomings which have made their appearance on the basis of Item 6 of Article 19 and Item 6 of Article 29 of this Law.

2. The manufacturer (executor) shall be obliged to fix the service life of goods (works) intended for long use, including components (details, units and items), which upon the expiry of a definite period may present danger for the consumer's life and health, cause damage to his property or the environment.

3. The service life of goods (works) may be reckoned in units of time, and also in other measurement units (kilometres, metres, and others units of measurement proceeding from the functional purpose of the goods (works, services)).

4. The manufacturer (executor) shall be obliged to fix the durability for foodstuffs, perfumes and cosmetics, medicines, household chemical goods, and other similar goods (works), a period, on the expiry of which goods (works) are deemed to be unsuitable for use according to their purpose.

5. It shall be forbidden to sell goods (perform works) upon the expiry of the fixed working life, and also goods (perform works), on which the working life should be fixed, but it has not been fixed.

6. The manufacturer (executor) shall have the right to fix a guarantee period, during which in case of the discovery of goods (works) of shortcomings the manufacturer (executor), seller, authorised organisation or authorised individual businessman, and the importer shall be obliged to satisfy the claims, established by Articles 18 and 29 of this Law.

The manufacturer shall be entitled to assume an obligation in respect of defects of a commodity detected upon the expiry of the warranty period established by him (an additional commitment).

The contents of the manufacturer's additional commitment, the duration of such commitment and procedure for the exercise of consumer rights under such obligation shall be determined by the manufacturer.

7. The purchaser shall be entitled to fix the warranty period in respect of a commodity, if it is not fixed by the manufacturer.

The seller shall be entitled to assume an obligation in respect of a commodity's defects detected upon the expiry of the warranty period fixed by the manufacturer (an additional commitment).

The contents of the seller's additional commitment, duration of such commitment and the procedure for the exercise of consumer rights under such commitment shall be determined by a contract made by the consumer and the seller.

8. The manufacturer (seller) shall be held responsible for a commodity's defects detected within the duration of an additional commitment in compliance with Paragraph Two of Item 6 of Article 18 of this Law and upon the expiry of the duration of the additional commitment in compliance with Item 5 of Article 19 of this Law.

Article 6. The Duty of the Manufacturer to Provide the Possibility for the Repair and Technical Service of Goods

The manufacturer shall be obliged to provide the possibility for the use of goods during their service life. For this purpose the manufacturer shall provide the repair and technical service of goods, and also ensure the output and delivery of spare parts in the volume and assortment, needed for the repair and technical service during the time of production of goods, to trading and repair organizations. After goods are phased out, their repair and technical service shall be ensured during the service life of these goods. If such service life is not indicated, the repair and technical service of goods shall be ensured during ten years since the day of the transfer of goods to the consumer.

Article 7. The Right of the Consumer to the Safety of Goods (Works, Services)

1. The consumer shall have the right to acquire safe goods (works, services) under the usual conditions of their use, storage, transportation and utilization. These goods shall be safe for his life and health, protect the environment and shall not inflict damage on his property. The requirements that shall ensure the safety of goods (works, services) for the consumer's life and health, and for the environment, and also ensure the prevention of damage to be caused to his property, shall be obligatory and prescribed by law or under a procedure established by law.

2. The manufacturer (executor) shall be obliged to provide the safety of goods (works) during the fixed service or working life of goods (works).

If in conformity with Item 1 of Article 5 of this Law the manufacturer (executor) has not fixed the service life for his goods (works), he shall be obliged to ensure the safety of these goods (works) during ten years since the day when these goods (works) were handed over to the consumer.

Injury caused to the consumer's life or health or damage inflicted on his property due to the absence of safety of goods (works) shall be compensated pursuant to Article 14 of this Law.

3. If it is necessary to observe special rules (hereinafter referred to as rules) for the safe use of goods (works, services), their storage, transportation and utilization, the manufacturer (executor) shall be obliged to indicate these rules in the documents that accompany goods (works, services) in labels, marking or in any other way, while the seller (executor) shall be obliged to bring these rules to the notice of the consumer.

4. If in respect of goods (works, services) there have been established by law or under a procedure established by law, compulsory provisions providing for their being safe for a consumer's life and health, and the environment and precluding the infliction of harm to consumer's property, the compliance of the goods (works, services) with the said provisions shall be subject to confirmation under a procedure established by law and other legal acts.

It is prohibited to sell goods (perform works, provide services) including imported goods (works, services) without information on the compulsory confirmation of their being in compliance with the provisions specified under Item 1 of the present article.

5. If it has been found out that while observing the set rules for the use, storage or transportation of goods (works) by the consumer these goods inflict or may inflict injury to his life and health and damage on his property and the environment, the manufacturer (executor, seller) shall be obliged to stop their production or sale forthwith before the removal of the causes of injury and damage, and, whenever necessary, shall take measures of withdrawing them from trade turnover and recall them from the consumer or consumers.

If it is impermissible to remove the causes of injury or damage, the manufacturer (executor) shall be obliged to phase-out such goods (works, services). Should the manufacturer (executor) fail to discharge this duty, the authorised federal executive body in charge of control (supervision) in the area of consumer rights protection shall take measures aimed at the withdrawal of such commodity (work or service) from the domestic market and (or) from the consumer or consumers in the procedure established by the laws of the Russian Federation.

Losses caused to the consumer due to the recall of goods (works, services) shall be compensated by the manufacturer (executor) if full measure.

6. Abolished

Article 8. The Right of the Consumer to be Informed about the Manufacturer (Executor or Seller) and about Goods (Works, Services)

1. The consumer shall have the right to demand essential and reliable information about the manufacturer (executor or seller), the conditions of his work and the goods (works, services) he sells.

2. Information, referred to in Item 1 of this Article, shall be brought to the notice of consumers in a clear and accessible form when they conclude contracts of sale and performing works (rendering services) by methods accepted in particular spheres of servicing consumers in the Russian language, and in addition, at the discretion of the manufacturer (executor or seller), in the state languages of the subjects of the Russian Federation and the native languages of the peoples of the Russian Federation.

Article 9. Information About the Manufacturer (Executor or Seller)

1. The manufacturer (executor or seller) shall be obliged to bring to the notice of the consumer the firm's name or the simple name of his organization, the place of its location (address) and the mode of its work. The seller (executor) shall put said information on its signboard.

The manufacturer (executor or seller), who is an individual entrepreneur, shall be obliged to submit to the consumer information about state registration and the name of the body that has registered him.

2. If the type of activity carried out by the manufacturer (executor, seller) is subject to licensing and/or the executor has state accreditation, then the consumer must be informed about the type of activity of the manufacturer (executor, seller), the number of the licence and/or the number of the certificate on the state registration, the periods of validity of such a licence and/or certificate and also information about the body that has issued the licence or certificate.

3. Information, provided for by Items 1 and 2 of this Article, shall also be brought to the notice of consumers during the trade, everyday and other services of consumers in temporary premises, at fairs, from stalls and in other cases, if trade, everyday and other services of consumers are carried on outside the permanent place of location of the seller (executor).

Article 10. Information About Goods (Works, Services)

1. The manufacturer (executor or seller) shall be obliged to submit on time to the consumer the necessary and reliable information about goods (works, services) that makes possible a proper choice of them. As regards particular types of goods (works, services), the list and methods of bringing information to the notice of consumers shall be established by the Government of the Russian Federation.

2. Information about goods (works, services) shall contain the following:

the denomination of the technical specification or other designation established by the laws of the Russian Federation on technological regulation and showing the obligatory confirmation of a commodity's conformity;

data on the basic consumer properties of goods (works, services); as for foodstuffs, information about their composition (including the denominations of the food additives used in the course of making foodstuffs, of biologically active additives, information on the presence in foodstuffs of components produced with the use of organisms modified by genetic engineering, in the event that the content of the said organisms in such component exceeds nine tenths per cent), on food value, purpose, conditions of use and storage of foodstuffs, on the ways of cooking ready-made dishes, on the weight (volume), date and place of manufacture, packing (parceling) of foodstuffs, as well as data on counter indications to their consumption in the case of certain diseases. The list of commodities (works and services), information on which should contain counter indications to their application in certain diseases, shall be endorsed by the Government of the Russian Federation;

the price thereof in roubles and the conditions of purchasing commodities (works and services), including in case of the granting of a credit, the size of the credit, the full amount payable by the consumer and the schedule for redeeming that amount;

the guarantee period, if it has been set;

the rules and conditions of effective and safe use of goods (works, services);

the service or working life of goods (works), fixed in accordance with this Law, and also information about the consumer's requisite actions upon the expiry of said periods of time and possible consequences in case of default of such actions, if goods (works) present danger for the life, health and property of the consumer upon the expiry of said periods of time or become unsuitable for the use according to their designation;

address (location), firm name (name) of the manufacturer (performer, seller), authorised organisation or authorised individual businessman, importer;

information on compulsory confirmation of the goods' (works', services') compliance specified under Item 4 Article 7 of the present Law;

information about the rules of sale of goods (performance of works and rendering of services).

reference to a specific person who is going to perform the work (provide the service) and information about the person if it is of significance given the nature of the work (service);

reference to the use of soundtrack in the provision of entertainment services by music performers;

If goods bought by the consumer has already been in use or a shortcoming (shortcomings) has been removed, the consumer shall be supplied with information about this.

3. Information, provided for by Item 2 of this Articles, shall be brought to the notice of consumers in technical documents appended to goods (works, services), in labels, marking or in any other way, accepted for individual goods (works, services). Information on the compulsory confirmation of goods' (works', services') conformity shall be presented in the procedure and ways that are established by the laws of the Russian Federation on technological regulation and shall include data on the number of the document proving such conformity, on the validity term thereof and on the organization that issued it.

Article 11. The Routine of Work of the Seller (Executor)

1. The routine of work of state-owned and municipal trade organizations and everyday services of consumers shall be instituted by decision of the executive bodies of the Russian Federation and the local self-government bodies.

2. The routine of work of the organizations which carry out activity in the trade and domestic services of consumers and which are not referred to in Item 1 of this Article, and also that of individual businessmen shall be established by them independently.

3. The routine of work of the seller (executor) shall be brought to the notice of consumers and shall correspond to the established one.

Article 12. The Liability of the Manufacturer (Executor or Seller) for Improper Information about Goods (Works, Services)

1. Should the consumer have not been granted an opportunity to immediately obtain, when concluding a contract, information on the goods (works, services), he shall be entitled to claim damages from the seller (contractor) for harm inflicted by the unjustifiable refusal to enter into contract and, if contract has been entered into, to refuse to execute it within a reasonable term and claim the refund of the amount paid for the goods and claim damages otherwise.

In the event of refusal to execute the contract the consumer must return the goods (the result of the work, service if possible, given the nature thereof) to the seller (contractor).

2. A seller (contractor) who has not provided full and reliable information to the buyer on the goods (works, services) shall be liable under Items 1 - 4 Article 18 or Item 1 Article 29 of the present Law for the flaws of the goods (works, services) that have occurred since they were transferred to the consumer as a result of the consumer lacking such information.

3. Should harm be inflicted to a consumer's life, health and property resulting from a default on the provision of full and reliable information to the consumer about the goods (works, services), the consumer shall be entitled to claim damages for such harm in accordance with the procedure provided in Article 14 of the present Law, including full compensation of the losses inflicted to natural objects owned (possessed) by the consumer.

4. In the consideration of the claims of the consumer for the compensation of the losses caused by unreliable or insufficiently full information about goods (works, services), it is necessary to proceed from the assumption that the consumer has no special knowledge about the properties and characteristics of goods (works, services).

Article 13. The Liability of the Manufacturer (Executor, Seller, Authorised Organisation or Authorised Individual Businessman, Importer) for Breaking the Rights of Consumers

1. The manufacturer (executor, seller, authorized organization or authorized individual businessman, importer) shall bear the liability stipulated by law or contracts for breaking the rights of consumers.

2. Except as otherwise provided by law, losses inflicted to the consumer shall be reimbursed for in full on top of the forfeit money (penalty) established by law or contract.

3. Payment of a penalty (penal interest) and compensation of losses shall not absolve the manufacturer (executor, seller, authorized organization or authorized individual businessman, importer) from his obligation in kind to the consumer.

4. The manufacturer (executor, seller, authorized organization or authorized individual businessman, importer) shall be released from liability for default of his obligations or for improper discharge of the obligations, if he proves that the non-fulfilment of these obligations or their improper fulfilment occurred due to force majeure, and also due to other circumstances, envisaged by Law.

5. The claims of the consumer for the payment of the penalty (penal interest), provided for by Law or the respective contract, shall be satisfied by the manufacturer (executor, seller, authorised organization or authorised individual businessman, importer) on a voluntary basis.

6. When a court satisfies the consumer's claims, stipulated by the Law, the court shall recover from the manufacturer (executor, seller, authorised organization or authorized individual businessman, importer) a fine for his failure to satisfy voluntarily the consumer's claims in the amount of fifty per cent of the sum of the fine imposed by the court in favour of the consumer.

If public associations of consumers (or their unions) or self-government bodies act in defence of the rights of the consumer, 50 per cent of the exacted fine shall be remitted to the said associations or unions and bodies.

Article 14. Property Accountability for the Harm Caused due to the Defects of Goods (Works, Services)

1. The harm caused to the life, health or property of the consumer owing to constructive, production, recipe or other shortcomings of goods (works, services) shall be liable to full compensation.

2. The right to claim compensation for the harm caused due to the shortcomings of goods (works, services) shall be recognized for any victim, regardless of the fact whether he has maintained contractual relations with the seller (executor) or not.

3. The harm caused to the life, health or property of the consumer shall be compensated, if this harm has been inflicted during the fixed service or working life of goods (works).

If a life-span or best-before-date is to be set for goods (result of work) under Items 2, 4 Article 5 of the present Law, but has not in fact been set or the consumer has not been provided with full and reliable information on the life-span or best-before-date or the consumer has not been informed of the necessary actions upon the expiration of the lifespan or best-before-date and the possible consequences if the said actions are not performed or the goods (result of work) are a life and health hazard upon the expiration of these terms, damages shall be payable irrespective of the time when harm is inflicted.

If in accordance with Item 1 of Article 5 of this Law the maker (executor) has not fixed for goods (works) a service life, the harm shall be compensated in case of its infliction during 10 years since the day of the transfer of goods (works) to the customer, and if it is impossible to ascertain the day of the transfer, the harm shall be compensated since the date of the manufacture of goods (the complete performance of the work).

The harm caused by the defects of goods shall be compensated by the seller or the manufacturer of these goods at the option of the victim.

The harm caused by the shortcomings of a work or service shall be compensated by the executor.

4. The maker (executor) shall be liable for the harm caused to the life, health or property of the consumer in connection with the use of materials, equipment, instruments and other means necessary for the production of goods (the performance of works or the rendering of services), regardless of the fact whether the level of scientific and technical knowledge has made it possible to reveal their special properties or not.

5. The maker (executor or seller) shall be absolved from liability, if he proves that harm has been inflicted due to force majeure or the breach by the customer of the set rules for the use, storage or transportation of goods (works, services).

Article 15. Compensation of Moral Harm

The moral harm caused to the consumer by infringing the rights of the consumer by the manufacturer (executor, seller, authorised organization or authorized individual businessman, importer) if these rights are stipulated by the laws and legal acts of the Russian Federation which regulate relations in the sphere of the protection of the consumers' rights, shall be subject to compensation by the inflictor of the harm through his fault. The amount of compensation of moral harm shall be estimated by a court of law and does not depend on the amount of damages for property damage.

Moral harm shall be indemnified, regardless of the compensation of property damage and the losses incurred by the consumer.

Article 16. Invalidity of the Contractual Terms Infringing on the Consumer's Rights

1. The contractual terms which infringe on the consumer's rights as compared with the rules, set by the laws and other legal acts of the Russian Federation in the field of protecting the rights of consumers shall be recognized as invalid.

If the execution of the contract that infringes on the rights of the consumer has resulted in his losses, the latter shall be fully indemnified by the manufacturer (executor or seller).

2. It shall be forbidden to condition the acquisition of some goods (works, services) by the obligatory acquisition of other goods (works, services). The losses caused to the customer owing to the

breach of his right to a fine choice of goods (works, services) shall be fully compensated by the seller (executor).

It shall be forbidden to make conditional the satisfaction of consumers' claims advanced within the warranty period upon terms that are not connected with defects of commodities (works or services).

3. Without the consent of the consumer the seller (contractor) is not entitled to perform additional works, services for a fee. The consumer shall be entitled to decline to pay for such works (services) and if they have been paid for the consumer shall be entitled to claim from the seller (contractor) refund of the amount so paid.

Article 17. Judicial Protection of the Rights of Consumers

1. The rights of consumers shall be protected by a court of law.

2. Claims for the protection of consumer rights may be made at the claimant's choice with a court at the place:

of location of the organization or, if the respondent is an individual businessman, of his/her residence;

of the claimant's residence or stay;

of making or executing a contract.

Where a claim made against an organization results from the activities of a branch or representative office thereof, it may be filed with a court at the location of the branch or representative office thereof.

3. Consumers in respect of claims connected with violations of their rights, as well as the authorized federal executive body in charge of control (supervision) in the area of consumer rights' protection (territorial bodies thereof), as well as other federal executive bodies exercising the functions of control and supervision in the area of consumer rights protection and safety of goods (works and services) (territorial bodies thereof), local self-government bodies, public consumer societies (their associations and unions) in respect of claims raised in the interests of a consumer, a group of consumers, an indefinite circle of consumers, shall be relieved of paying state duty in compliance with the laws of the Russian Federation on taxes and fees.

Chapter II. Protection of the Consumers' Rights in Case of Sale of Goods to Customers

Article 18. The Rights of a Consumer in Case of Discovery of Defects in a Commodity

1. If defects are discovered in a commodity which have not been mentioned by the seller, then the consumer may choose:

to demand its replacement with a commodity of the same brand (model and/or article);

to demand its replacement with a commodity of another brand (model, article) with the relevant recalculation of the purchase price;

to demand a proportional decrease of the price;

to demand an immediate gratuitous elimination of the defects of the commodity or a reimbursement of the expenses on their correction by the consumer or by a third person;

to refuse to fulfil the sale-purchase agreement and demand the return of the amount paid for the commodity. At the seller's request and at his expense, the consumer must return the defective commodity.

In so doing, the consumer may also demand the full compensation for the losses caused to him owing to the sale of a commodity of improper quality. The losses shall be compensated for within the periods established by this Law for satisfying the relevant demands of the consumer.

If any defects are found in a sophisticated commodity, then the consumer may refuse to fulfil the sale-purchase agreement and demand the return of the amount paid for such commodity or demand its replacement with a commodity of the same brand (model, article) with the relevant recalculation of the purchase price within fifteen days from the day of the transfer of the commodity to the consumer. Upon the expiry of that period, such demands shall be subject to satisfaction in one of the following cases:

discovery of an essential defect of the commodity;

violation of the periods, established by this Law, for eliminating the defects of the commodity;

impossibility of using the commodity during each year of the guarantee period in totality for more than thirty days owing to repeated elimination of its various defects.

The List of sophisticated goods shall be approved by the Government of the Russian Federation.

2. Claims, referred to in Item 1 of this Article, shall be made by the customer to the seller or the authorised organization, or the authorised individual businessman.

3. The customer shall have the right to make claims, referred to in the second and fifth paragraphs of Item 1 of this Article, to the manufacturer or the authorised organization, or the authorized individual businessman, or the importer.

Instead of making these demands, the consumer may return to the manufacturer or importer the commodity of improper quality and demand the return of the amount paid for it.

4. Abrogated.

See text of Item 4 of Article 18

5. The consumer's lacking the cashier's or commodity receipt or another document acknowledging the fact and terms of the purchase of a good shall not be deemed grounds for a failure to meet the consumer's claims.

The seller (manufacturer) or the authorised organization, or the authorised individual businessman, or the importer must accept improper-quality goods from the consumer and, if necessary, verify the quality of the goods. The consumer is entitled to take part in the verification of the quality of the goods.

If the reasons for the origin of defects of a commodity are disputed, then the seller (manufacturer), or the authorised organisation or authorised individual businessman, or importer must conduct an expert examination of the commodity at its or his expense. The expert examination of a commodity shall be conducted within the periods established by Articles 20, 21 and 22 of this Law for satisfying the relevant demands of the consumer. The consumer may be present at the conduct of the expert examination of the commodity and, in case of disagreement with its results, dispute the opinion of such expert examination in a judicial proceeding.

Should it be established as a result of the expert examination of the goods that the flaws therein have occurred as a result of circumstances beyond the control of the seller (manufacturer), the consumer shall reimburse the seller (manufacturer) or the authorised organization, or the authorised individual businessman, or the importer for expenses incurred towards the performance of the expert examination as well as storage and transportation expenses relating thereto.

6. The seller (manufacturer) or the authorised organization, or the authorised individual businessman, or the importer shall be responsible for the flaws of goods for which no warranty period has been set if the consumer proves that the flaws occurred prior to the transfer of the good to the consumer or are due to causes that had occurred prior to that moment.

In respect of a good for which a warranty period has been set, the seller (manufacturer) or an organisation performing the functions thereof under an agreement signed therewith shall be responsible for flaws unless it proves that they occurred after the transfer of the good to the consumer as a result of, the consumer's violating the rules of use, storage or transportation of the goods, the actions of third persons or force majeure.

7. Goods with a large size and goods with a weight of over five kilograms shall be delivered for their repair, price reduction, replacement and (or) return to the customer at the expense of the seller (the maker, the authorised organization, the authorised individual businessman or the importer). In the case of default on this duty, and also in the absence of the seller (the maker, the authorised organization, the authorised individual businessman or the importer) at the location of the consumer, the said goods may be delivered or returned by the consumer. In this case, the seller (the maker, the authorised organization, the authorised individual businessman or the importer) shall be obliged to reimburse the expenses of the consumer, connected with the delivery and (or) return of said goods.

Article 19. Time-limits for Making Claims to the Defects of Goods by the Consumer

1. The consumer shall be entitled to present the claims specified in Article 18 of the present Law to the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) in respect of a good's flaws, if they were discovered within the warranty period or prior to the expiration of the serviceable life thereof set by the manufacturer.

In respect of goods for which no warranty period or best before date has been set the consumer shall be entitled to present the said claims if the flaws in the goods were discovered within a reasonable term but within two years after the date when they were transferred to the consumer, unless a longer term is set by law or contract.

2. The warranty period of goods as well as the life-span thereof shall be computed from the date when the goods are transferred to the consumer, except as otherwise provided by the contract. Should it be impossible to establish the date of transfer, the term shall be computed from the date of manufacture.

For seasonal goods (footwear, clothes, etc.) the time-limits shall be reckoned since the time of the onset of the relevant season, the advent of which is determined by the subjects of the Russian Federation in the light of climatic conditions in the place of location of customers.

In case of goods being sold according to specimens, by mail and also in cases when the time of the signing of the sale contract and the time of the transfer of the good to the consumer do not coincide these terms shall be computed from the date when the goods are delivered to the consumer. If the consumer is deprived of an opportunity to use goods due to circumstances dependent on the seller (for instance, the goods need special installation, connection or assembly, and this is faulty) the warranty period shall not progress until such circumstances are eliminated by the seller. If it is impossible to

determine the date of the delivery, installation, connection, assembly of goods or of the elimination of circumstances dependent on the seller due to which the consumer cannot use the good as intended, these periods shall be computed from the date when the sale contract was signed.

The service life of goods shall be determined by the period calculated since the day of the manufacture of goods, during which they are suitable for use or by the date, before the onset of which they are fit for use.

The duration of the service life of goods shall correspond to the obligatory requirements for the safety of goods.

3. Guarantee periods may be fixed for components and constituent parts of the basic commodity. Guarantee periods for components and constituent parts shall be reckoned in the same procedure that governs the guarantee period for the basic commodity.

The warranty period for the parts and components of goods shall be deemed equal to the warranty period for the basic article, except as otherwise provided by the contract. If a warranty period set under the contract for a part or component of the goods is shorter than the warranty period for the basic article the consumer shall be entitled to present claims relating to the flaws of the part or component of the good, should they be discovered within the warranty period for the basic article, except as otherwise provided by the contract.

If a longer guarantee period has been fixed for a component than the guarantee period for the basic commodity, the consumer shall have the right to make claims to the defects of goods, provided that the defects have been discovered in the component during the guarantee period for his article, regardless of the running of the guarantee period for the basic commodity.

4. The time-limits, referred to in this Article, shall be brought to the user of information about goods, submitted to him in accordance with Article 10 of this Law.

5. In the event of a warranty period under a contract being less than two years and flaws in the goods being discovered after the expiration of the warranty period but within two years, the consumer shall be entitled to present claims to the seller (manufacturer) as specified in Article 18 of the present Law if he manages to prove that the flaws had occurred prior to transfer to the consumer or due to causes that had occurred prior to that moment.

6. Should significant flaws of goods be discovered, the consumer shall be entitled to present claims to the manufacturer (the authorised organization, the authorised individual businessman or the importer) for a free-of-charge elimination of such flaws, if he manages to prove that they occurred prior to the transfer of the goods to the consumer or due to causes that had occurred prior to that moment. The said claim may be presented, if the goods' flaws were discovered upon the expiration of two years after the date when the goods were transferred to the consumer, within the serviceable life set for the good or within ten years after the date when the goods were transferred to the consumer, if the serviceable life thereof has not been set. Should this claim remain unsatisfied within twenty days after being presented by the consumer or should it be impossible to eliminate the goods' flaw uncovered by the consumer, the consumer shall be entitled at his own discretion to present other claims to the manufacturer (the authorised organization, the authorised individual businessman or the importer) specified by Item 3 Article 18 of the present Law or to return the good to the manufacturer (the authorised organization, the authorised individual businessman or the importer) and to claim for refund of the amount paid.

Article 20. Removal of Defects of Goods by the Manufacturer (Seller, Authorised Organisation, Authorised Individual Businessman, Importer)

1. If the period for eliminating the defects of a commodity has not been determined in written form by an agreement of the parties, then such defects must be eliminated by the manufacturer (seller, authorised organisation or authorised individual businessman, importer) immediately, that is within a minimum period objectively necessary for their elimination by the usually applied method. The period for eliminating the defects of a commodity determined in written form by an agreement of the parties, cannot exceed forty-five days.

If, during the elimination of defects of a commodity, it becomes evident that they will not be eliminated within the period determined by agreement of the parties, then the parties may conclude an agreement on a new period for eliminating the defects of the commodity. In this case, the absence of spare parts (pieces, materials) or equipment necessary for eliminating the defects of a commodity, or like reasons, shall not be the grounds for concluding an agreement on such a new period and shall not be an exemption from the responsibility for violation of the period determined by the agreement of the parties originally.

2. In respect of durables the manufacturer, seller, or the authorised organization, or the authorized individual businessman shall be obliged to give durable commodity having the same consumer properties to the consumer within three days free of charge upon the presentation by the consumer of the said claim and to deliver them at their own expense. The list of durables which are not covered by the said claim shall be compiled by the Government of the Russian Federation.

3. If shortcomings of goods have been removed, the guarantee period for them shall be prolonged over the period during which the goods were not used. The said period shall be reckoned since the day the consumer applied with the claim on the removal of defects in goods before the day of their release after the completion of the repair. When issuing a commodity, the manufacturer (seller, authorised organisation or authorised individual businessman, importer) must furnish in written form to the consumer the information about the date of the application of the consumer with a demand for eliminating the defects, discovered by him, of the commodity, about the date of the transfer of the commodity by the consumer for eliminating the defects of the commodity with their description, about the use of spare parts (pieces, materials) and about the date of the issuance of the commodity to the consumer upon the termination of eliminating the defects of the commodity.

4. In cases when the flaws in goods are eliminated through replacement of a part or component of the basic article for which warranty periods have been set, a warranty period shall be set for the new part or component of the basic article of the same duration as the one for the parts and components of the basic article being replaced, except if otherwise provided by the contract, and the warranty period shall be computed from the date when the good is transferred to the consumer upon completion of the repair.

Article 21. Replacement of Goods of Improper Quality

1. In the case of discovery by the consumer of defects of goods and of the presentation of a claim for the replacement of such goods, the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) shall be obliged to replace such goods within seven days from the day of making of said claim by the consumer, and in the case of the need for an additional check of the quality of such goods by the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) such goods shall be replaced within 20 days from presentation of the said claim.

In the absence of goods from the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer), which are needed for replacing goods at the time of making said claim, they must be replaced within one month from the day of making said claim.

For the Arctic areas and other similar regions the claim of a consumer for replacement of goods shall be satisfied upon the application of the consumer within the period needed for a regular delivery of appropriate goods to these areas when the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) lacks goods needed for replacement of the goods on the day of making said claim.

If more than seven days are required for the replacement of commodities, the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) shall be obliged within three days as of the date of making a claim for replacement of a commodity to provide the consumer free of charge with a durable commodity having the same consumer properties for temporary use thereof within the replacement period and to ensure the delivery thereof at its own expense. This rule shall not extend to commodities whose list is determined in compliance with Item 2 of Article 20 of this Law.

2. Goods of improper quality shall be replaced by new goods, that is, by goods that have not been in use.

In case of replacing goods the guarantee period shall be reckoned anew since the day of the transfer of the goods to the consumer.

Article 22. Time-Limits for Satisfying the Consumer's Particular Claims

The claims of a consumer for the proportionate reduction of the purchase price of goods, the reimbursement of the expenses on the correction of shortcomings of goods by the consumer or by a third person, and also for the compensation of the losses caused to the consumer by the sale of a commodity of improper quality or the furnishing of improper information about a commodity shall be satisfied by the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) within 10 days since the day of making the relevant claim.

Article 23. The Liability of the Seller (Manufacturer, Authorised Organization, Authorised Individual Businessman or Importer) for a Delay in the Fulfilment of the Consumer's Claims

1. For breaking the time-limits, stipulated by Articles 20, 21 and 22 of this Law, and also for the default of the fulfilment of the claim (delay in its fulfilment) of the consumer on giving to him similar goods for the period of repair (replacement), the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) that have committed such breaches shall pay to the consumer a penalty (a penal interest) for every day of delay in the amount of one per cent of the price of the goods.

The price of goods shall be determined on the basis of their price that existed in the place where the consumer's claim should have been satisfied by the seller (the manufacturer, the authorised organization, the authorised individual businessman or the importer) on the day of the voluntary satisfaction of such claim or on the day when a court decision was passed, if the claim was not met voluntarily.

2. In case of default on the implementation of the consumer's claims within the time-limits, stipulated by Articles 20-22 of this Law, the consumer shall have the right to make at his choice other claims, specified by Article 18 of this Law.

Article 23.1. Consequences of the Violation by a Seller of the Period for the Transfer of a Prepaid Commodity to the Consumer

1. A sale-purchase agreement stipulating the duty of the consumer to prepay a commodity, must contain a condition about the time for the transfer of the commodity to the consumer.

2. In the event that the seller that has received the prepayment amount in the size determined by the sale-purchase agreement does not fulfil the duty to transfer the commodity to the seller within the period established by such agreement, then the consumer may choose to demand:

the transfer of the paid commodity within the new period established by him;

the return of the prepayment amount for the commodity which has not been transferred by the seller.

In so doing, the consumer may demand also the full compensation for the losses caused to him owing to the violation of the period, established by the sale-purchase agreement, of the transfer of the prepaid commodity.

3. In the event of violation of the period, established by the sale-purchase agreement, of the transfer of the prepaid commodity to the consumer, the seller shall pay him, for each day of the delay, a forfeit (penalty) at the rate of half per cent of the prepayment amount for the commodity.

The forfeit (penalty) shall be exacted from the day when, under the sale-purchase agreement, the commodity had to be transferred to the consumer until the day of the transfer of the commodity to the consumer or until the day of satisfying the demand of the consumer for returning him the prepaid amount.

The amount of the forfeit (penalty) exacted by the consumer cannot exceed the amount of the prepayment for the commodity.

4. The demands of the consumer for returning the amount paid for a commodity and for the full compensation for the losses, must be satisfied by the seller within ten days from the day of making the relevant demand.

5. The demands of a consumer established by Item 2 of this Article, shall not be subject to satisfaction if the seller proves that the violation of the periods for the transfer to the consumer of a prepaid commodity has taken place owing to an insuperable force or through the consumer's fault.

Article 24. Settlements with the Consumer in Case of the Acquisition of Goods of Improper Quality

1. With the replacement of goods of improper quality by goods of the same brand (model and/or article) the price of these goods shall not be recalculated.

2. In case of the replacement of goods of inferior quality by goods of a different brand (model or nomenclature article), if the price of goods subject to replacement is lower than the price of goods given instead, the consumer shall make extra payment to cover the difference in prices; if the price of goods subject to replacement is higher than the price of goods given in exchange, the difference in prices shall be paid out to the consumer. The price of the goods to be replaced shall be determined as of the moment when it is replaced and, should the consumer's claim fail to be met by the seller, the price of the goods to be replaced and the price of the goods shipped for replacement shall be determined as of the moment when the court returns the decision to have the goods replaced.

3. Should the consumer present a claim for a commensurate reduction in the purchase price of goods, the computation shall be based on the price as of the moment when the consumer demanded a discount, unless it was satisfied voluntarily, as of the moment when the court returned the decision to have the purchase price commensurably reduced.

4. When a commodity of improper quality is returned the consumer is entitled to claim for reimbursement of the difference between the contractual price of the goods and the price of respective good as of the moment when such claim is met voluntarily or, unless the claim is met voluntarily, as of the moment when the court returns its decision.

5. In the event of return of a commodity of improper quality sold on credit, the sum of money in the amount of the credit repaid by the date of return of said commodity shall be returned to the consumer, and payment for granting the credit shall be reimbursed thereto as well.

Article 25. The Right of the Consumer to the Exchange of Goods of Inferior Quality

1. The consumer shall have the right to exchange non-food goods of inferior quality for similar goods belonging to the seller from whom they were bought, if said foreign have not been suited for their form, size, style, colour scheme or completeness of set.

The customer shall have the right to exchange non-food products of inferior quality during 14 days, not counting the day of their purchase.

Non-food products of proper quality shall be exchanged, if these products have not used, if their vendibility, consumer properties, seals, factory labels, and also the sale receipt, or the cash-desk ticket, or other document proving payment for the said products, have been retained. Where a consumer does not have the sale receipt, or the cash desk ticket, or other document proving payment for the commodity, it shall not make it impossible for him to make reference to testimonial evidence.

The list of goods which are not subject to exchange on the grounds, referred to in this Article, shall be endorsed by the Government of the Russian Federation.

2. If similar goods are absent in sales on the day when the customer applied to the seller, the former shall have the right to refuse to execute the contract of sale and to demand the return of the sum of money paid for said goods. The consumer's demand to return the sum of money paid for said goods shall be subject to satisfaction within three days as of the date of return of said goods.

Subject to the agreement made by the consumer and the seller, there may be stipulated the exchange of a commodity when a similar commodity comes in for sale. The seller shall be obliged to promptly inform the consumer on a similar commodity coming in for sale.

Article 26. Abrogated.

Article 26.1. Remote Sale of Commodities

1. A contract of remote sale may be made on the basis of a consumer's familiarization with description of a commodity by means of catalogues, folders, booklets, photographs, communication media (television, postal, radio and other means of communication) or in other ways that do not provide consumers with an opportunity familiarise themselves with a commodity or a specimen commodity when making such contract (the remote sale of commodities).

2. The seller, prior to the making such contract, must provide the consumer with information on the basic consumer properties of the commodity, on the seller's address (location), on the place of the commodity's manufacture, on the seller's (manufacturer's), full firm's name (denomination), on the price and the terms of purchasing the commodity, on the delivery, serviceable life and warranty period thereof, on the procedure for making payment for the commodity, as well as on the time period when the proposal to make the contract is valid.

3. The consumer at the time of a commodity's delivery must be provided with information on the commodity in writing provided for by Article 10 of this Law, as well as information on the procedure for, and terms of, the commodity's return provided for by Item 4 of this Article.

4. The consumer shall be entitled to reject the commodity at any time pending the delivery of the commodity and within seven days after the delivery thereof.

Where information on the procedure for, and the time of, the return of a commodity of proper quality is not provided in writing at the time of the commodities' delivery, the consumer shall be entitled to reject the commodity within three months as of the time of the commodity's delivery.

Commodities of proper quality may be returned, if their vendibility, consumer properties, as well as the document proving the fact and terms of purchasing said commodity, are retained. Where a consumer does not have the document proving the fact and the terms of a commodity's purchase, it shall not make impossible for him to make reference to other evidence of buying the commodity from a given seller.

A consumer shall not be entitled to reject a commodity of proper quality with specific properties, if the said commodity may be solely used by the consumer purchasing it.

In the event of a consumer's rejecting a commodity, the seller must return thereto the sum of money paid by the consumer under the contract, except for the seller's outlays on the delivery of the returned commodity from the consumer, at the latest within ten days as of the date of the consumer making the appropriate claim.

5. The effects of remote sale of a commodity of improper quality are established by the regulations provided for by Articles from 18 to 24 of this Law.

Chapter III. Protection of the Consumers' Rights in Case of the Performance of Works or Rendering of Services

Article 27. Time-limits of the Performance of Works or the Rendering of Services

1. The executor shall be obliged to perform a work or render a service within the period, fixed by the rules for the performance of particular works or the rendering individual services or by the contract for the performance of works or the provision of services. The contract for the performance of works or the provision of services may provide for the time-limit of fulfilling a work or rendering a service, unless it is stipulated, and also for the time-limit of less duration than the one, specified by the said rules.

2. The time-limit of performing a work or rendering a service may be determined by the date by which the work should be finished or the service rendered or/and by the period in which the executor should begin to perform the work or render the service.

3. In the event that the performance of work (provision of service) is being performed part-by-part (the delivery of periodicals, maintenance) within the effective term of a contract for the performance of works (provision of services) provision shall be made for appropriate dates (terms) for the completion of such works (services).

By agreement of the parties a provision can also be made in the contract for the dates of completion of specific phases of the work (interim dates).

Article 28. Consequences of the Violation by the Executor of the Time-limits of Performing Works or Rendering Services

1. Should the contractor violate the terms of completion of the work (service) - work (service) commencement and/or completion and/or interim work (service) completion terms - or should it become evident in the course of work (service) performance that it is not going to be completed when due, the consumer at his own discretion shall be entitled to:

to assign a new term for the executor;

to charge third persons with the fulfilment of a work or the rendering a service for a reasonable price or to perform this work with its own forces and demand that the executor should reimburse the incurred expenses;

to demand the reduction of the price for the fulfilment of the work or the rendered service;

to refuse to execute the contract for the performance of the work or the rendering of the service.

The consumer shall also have the right to demand the full compensation of his losses caused due to the violation of the time-limits of the work or the rendered service. Losses shall be compensated within the periods of time, fixed for the satisfaction of the consumer's corresponding claims.

2. New periods of the completion of the work (service), appointed by the consumer, shall be indicated in the contract for the fulfilment of the work or the rendering of the service.

If new periods of time are expired, the consumer shall have the right to make new claims to the executor, envisaged by Item 1 of this Article.

3. The price of the fulfilled work or the rendered service, returned to the consumer in the case of refusing to execute the contract for the performance of the work or the provision of the service, and also reckoned in case of the reduction in the price of the fulfilled work or the rendered service, shall be estimated in keeping with Items 3, 4 and 5 of Article 24 of this Law.

4. In the event of the refusal to execute a contract for the performance of work (provision of service) the contractor is not entitled to claim reimbursement of the expenses incurred by him in the course of performance of the work (service) as well as payment for completed work (service), except in cases when the consumer has accepted the completed work (service).

5. If the dates of the fulfilment of a work or the rendering of a service, fixed by the consumer on the basis of Item 1 of this Article, or if new dates, appointed by him, are violated, the executor shall pay to the consumer for every day (hour, if the time-limit has been fixed in hours) of delay a penalty (penal interest) in the amount of three per cent of the price of the fulfilment of the work or the rendering of the service, but if the price of the fulfilment of the work or the rendering of the service has not been determined by the contract for performing works or rendering services, the executor shall pay a penalty in the amount of three per cent of the total price of the order. The contract for performing works or rendering services to be concluded between the consumer and the executor may provide for a higher amount of the penalty (penal interest).

The penalty (penal interest) shall be recovered for every day (hour, if the time-limit has been fixed in hours) of delay in case of the violation of the dates of the beginning of the fulfilment of a work or rendering of a service or its stage, until the start of the performance of the work or the provision of the service or of the presentation by the consumer of his claims, specified by Item 1 of this Article.

In case of the violation of the dates of the completion of the work or the rendering service or its stage, the penalty (penal interest) shall be recovered for every day (hour, if the time-limit has been fixed in hours) of delay until the completion of the fulfilled work or the rendered service or the presentation by the consumer of his claims, envisaged by Item 1 of this Article.

The amount of the penalty (penal interest) recovered by the consumer may not exceed the price of a particular type of the fulfilment of the work or the rendering of the service or the total price of the

order, if the price of the performance of the particular type of the work or the rendered service has not been determined by the contract for performing works or rendering services.

The amount of the penalty (penal interest) shall be determined on the basis of the price of the performed work or of the rendered service, if the said price has not been estimated in terms of the total price of the order that existed in the place in which the claim of the consumer should have been satisfied by the executor on the day of the voluntary satisfaction of such claim or on the day of passing a court judgement, unless the consumer's claim was satisfied voluntarily.

6. The claims of the consumer, specified by Item 1 of this Article, shall not be satisfied, if the executor proves that the time-limits of the fulfilment of a work or the provision of a service have been violated due to force majeure or the through the consumer's fault.

Article 29. The Rights of the Consumer in Case of Discovery of Shortcomings in the Performed Work or Rendered Service

1. In case of discovery of shortcomings in the performed work or rendered service the consumer shall have the right to demand at his own option:

the gratuitous removal of shortcomings in the fulfilled work or rendered service;

the relevant reduction of the price of the performed work or rendered service;

the gratuitous manufacture of another thing from the homogeneous material of the same quality or from the repeated fulfilment of the work. In this case the consumer shall be obliged to return the thing which was earlier handed over to him by the executor;

the reimbursement of the expenses incurred in the removal of shortcomings of the fulfilled work or the rendered service with his own efforts or by third persons.

Meeting claims of a consumer for the gratuitous elimination of shortcomings, the manufacture of another thing or for the repeated fulfilment of the work or rendering of the service not hold the contractor harmless against a liability in the form of forfeit for a breach of work (service) completion term.

The consumer shall have the right to refuse to execute the contract for the fulfilment of a work or the rendering of a service and demand the full compensation of the losses, if in the period of time specified by the said contract the shortcomings in the fulfilled work or the rendered service have not been eliminated. The consumer shall also have the right to cancel the contract for the performance of the work or the rendering of the service, if he has discovered the essential shortcomings in the fulfilled work or the rendered service or other essential departures from the contract's terms and conditions.

The consumer shall also have the right to demand the full compensation of his losses caused by the shortcomings of the fulfilled work or the provided service. Losses shall be compensated within the time-limits, fixed for the satisfaction of the consumer's claims.

2. The price of the fulfilled work or the rendered service, which is returned to the consumer in the case of the refusal to execute the contract for the performed work or the provided service, and which is also reckoned in case of the reduction of the price of the fulfilled work or the rendered service, shall be estimated in keeping with Items 3, 4 and 5 of Article 24 of this Law.

3. Claims relating to flaws in completed work (provided service) may be presented when the completed work (provided service) is being accepted or in the course of the performance of the work (service) or within the terms provided under the present item, should it be impossible to discover the flaws at the acceptance of the work (service).

The consumer is entitled to present claims relating to the flaws in completed work (provided service) if they have been discovered within the warranty period or, if there is no such period, within a reasonable term within two years after the date when the completed work (provided service) was accepted or within five years in respect of flaws in a building and other real estate property.

4. The contractor shall be responsible for the flaws in work (service) for which no warranty period has been established if the consumer manages to prove that they occurred prior to its being accepted by him or were due to causes that had occurred prior to that moment.

In respect of work (service) for which a warranty period has been established the contractor shall be responsible for flaws unless he manages to prove that they have occurred after the work (service) was accepted by the consumer as a result of the consumer's breach of the user rules of the result of the work (service), actions of third persons or force majeure.

5. In the events when the contractual warranty period is less than two years (five years for real estate property) and when the flaws in work (service) were uncovered by the consumer after the expiry of the warranty period but within two years (five years for real estate property) the consumer shall be entitled to present the claims specified under Item 1 of the present article if he manages to prove that such flaws occurred prior to his acceptance of the work (service) or due to causes that occurred prior to that moment.

6. Should significant flaws be discovered in work (service), the consumer shall be entitled to present a claim to the contractor for a free-of-charge elimination of the flaws if he manages to prove that the flaws had occurred prior to his acceptance of the results of the work (service) or due to causes that had occurred prior to that moment. That claim can be presented if such flaws are discovered more than of

two years (five years for real estate property) after the date when the results of the work (service) were accepted but within the limits of the life-span set for the results of the work (service) or within ten years after the date when the results of the work (service) were accepted by the consumer, should no life-span have been set. If the claim fails to be met within 20 days after the date when it is presented by the consumer or should it be impossible to eliminate the discovered flaw, the consumer shall be entitled to claim the following at his discretion:

- the corresponding reduction of the price for the fulfilled work or the rendered service;
- the compensation of his expenses incurred in the removal of shortcomings in the fulfilled work or the rendered service with his own efforts or by third persons;
- the refusal to execute the contract for the performance of the work or the rendering of the service and the reimbursement of losses.

Article 30. The Time-limits of the Removal of Shortcomings of the Fulfilled Work or the Rendered Service

The flaws in work (service) shall be eliminated by the contractor within a reasonable term set by the consumer.

The period, set by the consumer, for eliminating the defects of a commodity shall be indicated in an agreement or in another document signed by the parties, or in an application sent by the consumer to the performer.

In case of the violation of the dates of removing shortcomings in the fulfilled work or the rendered service, stipulated by this Article, the executor shall pay to the consumer for every day of delay a penalty (penal interest), whose amount and the procedure of calculation are determined pursuant to Item 5 of Article 28 of this Law.

In case of the violation of said dates the consumer shall have the right to make to the executor other claims, envisaged by Items 1 and 4 of Article 29 of this Law.

Article 31. The Time-limits of Satisfying the Consumer's Individual Claims

1. The consumer's claims for the reduction of the price of the fulfilled work or the rendered service, for the reimbursement of the expenses incurred in the removal of shortcomings in the fulfilled work or the rendered service with his own efforts or by third persons, and also for the return of the sum of money paid for the performance of the work (service) and for compensation of the losses caused by the refusal to execute the contract, stipulated by Item 1 of Article 28 and Items 1 and 4 of Article 29 of this Law, shall be satisfied within 10 days since the day of making the corresponding claim.

2. The consumer's claims for the gratuitous manufacture of another thing from the homogenous material of the same quality or for the repeated performance of the work or for the provision of the service shall be satisfied during the period of time, assigned for the prompt fulfilment of the work or the rendered service. If this period has not been assigned, the consumer's claims shall be satisfied within the time-limit, specified by the contract for the performance of the work or the rendering of the service, which was executed not in proper way.

3. In case of the violation of the time-limits of satisfying the consumer's individual claims, which are stipulated by this Article, the executor shall pay to the consumer for every day of delay a penalty (penal interest), whose amount and procedure of calculation are determined pursuant to Item 5 of Article 28 of this Law.

In case of the violation of the time-limits, specified by Items 1 and 2 of this Article the consumer shall have the right to make to the executor other claims, envisaged by Item 1 of Article 28 and by Items 1 and 4 of Article 29 of this Law.

Article 32. The Right of the Consumer to Refuse to Execute the Contract of the Performance of Work (Rendering Service)

The consumer shall have the right to refuse to execute a contract of the performance of work (rendering service) at any time on condition of covering the executor's expenses connected with discharge of commitments under this contract actually borne by the latter.

Article 33. The Estimate of a Performed Work or a Rendered Service

1. A fixed or approximate estimate may be built up for the fulfilment of the work or the rendering of the service, provided for by the contract for the performance of the work or the provision of the service.

Estimating on the demand of the consumer or the executor shall be mandatory.

2. The contractor is not entitled to demand that a fixed cost estimate be increased and the consumer is not entitled to demand that it be reduced, including but not limited to, cases when it was absolutely impossible at the moment when the contract was made to make provision for the full scope of works (services) to be performed or the expenses to be incurred for this purpose.

The contractor is entitled to claim an increase in a fixed cost estimate when there is a significant rise in the cost of the materials and equipment provided by the contractor and of the services rendered to

the contractor by third persons, that could not be forecast when the contract was made. Should the consumer refuse to meet these claims, the contractor shall be entitled to rescind the agreement in accordance with the judicial procedure.

3. Should a need arise to perform additional works (provide additional services) and the rough cost estimate is significantly exceeded due to that, the contractor shall give timely notice of this to the consumer. Should the consumer not consent to the rough cost estimate being exceeded, the consumer shall be entitled to decline to fulfill the contract. In such a case the contractor may claim payment of the cost of completed work (service) from the consumer.

A contractor who has not given timely notice to the consumer about the need for the rough cost estimate to be exceeded shall discharge the duties under the contract, having retained the right to payment for the works (services) within the limits of the rough cost estimate.

Article 34. The Fulfilment of the Work from the Executor's Material

1. The executor shall be obliged to fulfil the work, determined by the contract for the performance of the work, from his material and with his own funds, except as otherwise provided by the contract.

A contractor who has provided material for the work to be performed shall be liable for its improper quality according to the rules of seller's responsibility for improper quality goods.

2. The material of the executor shall be paid for by the consumer, when he concludes the said contract in full or in the amount, referred in the contract for the performance of the work, provided that the final settlement should be made when the consumer will receive the work fulfilled by the executor, unless a different procedure for settlements for the executor's material follows from the agreement of the parties.

3. In cases, provided for the contract for the performance of the work, the material may be provided by the executor to the consumer on credit. Subsequent changes in the price of the material given on credit shall not entail a recalculation.

4. The material of the executor and the technical means needed for the fulfilment of the work, instruments, etc. shall be brought to the place of the performance of the work by the executor.

Article 35. The Fulfilment of the Work from the Consumer's Material (Together with a Thing)

1. If the work is fulfilled wholly or partially from the consumer's material (together with a thing), the executor shall be responsible for the safety of this material (thing) and for its correct use.

The executor shall be obliged:

to warn the consumer about the unfitness or inferiority of the material (thing) given by the consumer;

to submit his account of the spent material and return its remains.

If the material (thing) received from the consumer has been lost or damaged in full or in part, the executor shall be obliged to replace it within three days by the homogenous material (thing) of similar quality and to manufacture an article at the consumer's wish from the homogenous material (thing) within a reasonable period of time, and to indemnify to the consumer the double price of the lost (damaged) material (thing), and also the expenses incurred by the consumer, if he has no homogenous material (thing) of similar quality.

2. The price of the lost (damaged) material (thing) shall be estimated on the basis of the price of the material (thing) that existed in the place which the consumer's claim should have been satisfied by the executor on the day of the voluntary satisfaction of such claim or on the day when the court of law has passed its decision, provided that the consumer's claim has not been met.

The price of the material (thing), given to the executor, shall be estimated in the contract for the performance of the work or in any other document (receipt or order) that confirms his findings.

3. The executor shall be released from his liability for the full or partial loss (damage) of the material (thing), accepted by him from the consumer, if the latter has been warned by the executor about special properties of the material (thing), which can entail its full or partial loss (damage) or if the said properties of the material (item) could not have been uncovered during proper acceptance of the material (item) by the contractor.

Article 36. The Duty of the Executor to Inform the Consumer about the Circumstances which Can Influence the Quality of the Work Being Fulfilled or the Service Being Rendered or Cause the Impossibility of Its Completion when Due

The executor shall be obliged to inform the consumer in due time about the fact that the observance of the consumer's directions and other circumstances depending on the customer may reduce the quality of the work being fulfilled or the service being provided or cause the impossibility of its completion when due.

If despite the timely and justified notification by the executor the consumer does not replace the unsuitable or poor material within the reasonable period of time, if he does not change his directions on the method of fulfilling the work or rendering the service or if he does not eliminate other circumstances which can reduce the quality of the work being fulfilled or the service being rendered, the executor shall

have the right to refuse to execute the contract for the performance of the work or the rendering of the service and demand the full compensation of his losses.

Article 37. Procedure and Form for Payments for Performed Work (Rendered Services)

A consumer shall be obliged to pay for services rendered to him in the procedure and within the time established by the contract made with the executor.

Having accepted it the consumer shall pay for the work fully completed by the contractor. At the consumer's consent the work may be paid in for full by the consumer at the concluding of a contract or by making an advance payment.

The above rendered services (performed works) shall be remunerated by cash or non-cash settlements in conformity with the legislation of the Russian Federation.

If the cash form of settlements for the rendered services (performed works) is used in conformity with the direction of the executor by way of an entry of money cash into the cashier's office of the executor or into the credit institution or into the cashier's office of the commercial organisation which is not a credit institution and has the right to accept the payment for the rendered services (performed works) in conformity with the Federal Law on Banks and Banking Activity (in the wording of Federal Law No. 17-FZ of February 3, 1996), unless otherwise established in the federal laws or in the other normative legal acts of the Russian Federation. In this case the executor's obligations to the consumer for the remuneration of rendered services (performed works) shall be seen as executed as from the moment of the entry of cash, correspondingly, into the executor's cashier's office or into the credit institution or into the cashier's office of the commercial organisation which is not a credit institution and has the right to accept payment for the rendered services (performed works) in conformity with the Federal Law on Banks and Banking Activity (in the wording of Federal Law No. 17-FZ of February 3, 1996).

Article 38. Abrogated.

Article 39. The Regulation of Services of Particular Types

The consequences of breaking the terms of the contracts for rendering services of particular types, unless such contracts fall under the operation of this Chapter, shall be determined by law.

Chapter IV. State and Public Protection of the Consumers' Rights

Article 40. State Control and Supervision over the Observance of Laws and Other Normative Legal Acts of the Russian Federation Regulating Relations in the Field of Consumer Rights Protection

1. The state control and supervision over the observance of laws and other normative legal acts of the Russian Federation regulating relations in the field of consumer rights protection (hereinafter referred to as the state control and supervision in the field of consumer rights protection) shall be exercised by the federal executive body in charge of control (supervision) in the field of consumer rights protection (by territorial agencies thereof), as well as by other federal executive bodies (by territorial agencies thereof) exercising the functions of control and supervision in the field of consumer rights protection and safety of commodities (works and services) in the procedure determined by the Government of the Russian Federation.

2. The state control and supervision in the field of consumer rights protection shall provide for the following:

taking measures connected with control - checking the observance by manufacturers (executors, sellers, authorized organizations or authorized individual businessmen, importers) of mandatory requirements of the laws and other normative legal acts of the Russian Federation regulating relations in the field of consumer rights protection, as well as of mandatory requirements with the regard to commodities (works and services);

issuance, within the scope of authority provided for by the laws of the Russian Federation, orders to manufacturers (executors, sellers, authorised organisations or authorised individual businessmen, importers) to terminate violations of consumer rights, to observe without fail mandatory requirements with regard to commodities (works and services);

taking measures in the procedure established by the legislation of the Russian Federation aimed at the suspension of the production and sale of commodities that do not comply with mandatory requirements (including those with an expired serviceable life and of commodities for which the serviceable life must be, but is not, established), measures aimed at the withdrawal from the domestic market and (or) from a consumer or consumers of commodities (works and services) that do not comply with mandatory requirements and informing consumers about this;

sending to the body engaged in licensing the appropriate type of activity (to the licensing body) materials on violations of consumer rights for considering issues related to the suspension or cancellation of the appropriate licence in the procedure established by the laws of the Russian Federation;

sending to the bodies of the prosecutor's office and other law enforcement bodies subject to the jurisdiction thereof materials for resolving the issues related to initiation of criminal proceedings on the basis of the indicia of crimes connected with violations of the consumer rights established by the laws and other normative legal acts of the Russian Federation;

filing applications in court for the protection of consumer rights, legitimate interests of an indefinite circle of consumers, as well as with applications for liquidation of the manufacturer (executor, seller, authorised organisation, importer) or for termination of the activities of an individual businessman (authorised individual businessman) for multiple or gross violations of the consumer rights established by the laws and other normative legal acts of the Russian Federation.

3. The authorised federal executive body in charge of control (supervision) in the field of consumer rights protection (territorial agencies thereof), as well as other federal executive bodies (territorial agencies thereof) exercising the functions of control and supervision in the field of consumer rights protection and safety of commodities (works and services) may be invited by a court to participate in a case, as well as to enter a case on their own initiative or at the initiative of the persons participating in the case for issuing an opinion in respect of the case for the purpose of protecting consumer rights.

4. The federal executive body exercising the functions of devising state policy in the field of consumer rights protection shall give explanations in respect of the enforcement of the laws and other normative legal acts of the Russian Federation regulating relations in the field of consumer rights protection, and shall endorse the regulations on the procedure for consideration by the authorised federal executive body in charge of control (supervision) in the field of consumer rights protection (by territorial agencies thereof) cases on violations of the laws and other normative legal acts of the Russian Federation regulating relations in the field of consumer rights protection.

Article 41. Duty of Manufacturer (Executor, Seller, Authorised Organisation or Authorised Individual Businessman, Importer) to Provide the Federal Executive Bodies Authorised to Exercise State Control and Supervision in the Field of Consumer Rights Protection (Territorial Bodies Thereof) with Information

The manufacturer (executor, seller, authorised organisation or authorised individual businessman, importer) shall be obliged on the demand of the authorised federal executive body in charge of control (supervision) in the field of consumer rights protection (of territorial bodies thereof), as well as of other federal executive bodies (of territorial agencies thereof) exercising the functions of state control and supervision in the field of consumer rights protection and safety of commodities (works and services) and of their officials, to present within the time period established by them reliable data, documentation, explanations in writing and in oral form and other information required for exercise by the said federal executive bodies and by officials thereof of the powers established by this Law.

Article 42. Abolished

Article 42.1. Authority of the Supreme Executive State Power Bodies of the Subjects of the Russian Federation in the Field of Consumer Rights Protection

The supreme executive state power body of the appropriate subject of the Russian Federation shall take measures aimed at the exercise, securing and protection of consumer rights and shall take certain measures within the scope of authority thereof.

Article 43. Liability for Violations of Consumer Rights Established by Laws and Other Normative Legal Acts of the Russian Federation

The seller (executor, manufacturer, authorised organisation or authorised individual businessman, importer) shall bear administrative, criminal or civil law responsibility in compliance with the laws of the Russian Federation for violations of the consumer rights established by the laws and other normative legal acts of the Russian Federation.

Article 44. Consumer Rights Protection by Local Self-Government Bodies

For the purpose of protecting consumer rights in the territory of a municipal formation, local self-government bodies shall be entitled:

to consider consumers' complaints and to consult them, as regards the protection of consumer rights;

to apply to courts for the protection of consumer rights (the rights of an indefinite circle of consumers).

In the event of detecting due to a consumer's complaint commodities (works and services) of improper quality, as well as those that pose danger to consumers' life, health and property or to the environment, to notify on it the federal executive bodies exercising control over the quality and safety of commodities (works and services).

Article 45. Rights of Public Consumer Formations (Associations and Unions Thereof)

1. Citizens shall be entitled to unite on a voluntary basis to establish public consumer formations (associations and unions thereof) that shall exercise their activities in compliance with the charters of the said formations (associations and unions thereof) and the laws of the Russian Federation.

2. Public consumer formations (associations and unions thereof), for the purpose of achieving the aims set by the charters thereof, shall be entitled to do the following:

to participate in devising mandatory requirements with regard to commodities (works and services), as well as draft laws and other normative legal acts of the Russian Federation regulating relations in the fields of consumer rights protection;

to hold independent expert examinations of the quality and safety of commodities (works and services), as well as of the compliance of the consumer properties of commodities (works and services) with the data on them published by sellers (manufacturers and executors);

to verify the respect of consumer rights and rules of rendering trade, household and other types of services to consumers, to draw up reports on detected violations of consumer rights and to send said reports for consideration to authorised state power bodies, as well as to inform local self-government bodies on detected violations, to participate in holding expert examinations in connection with facts of consumer rights violations at the request of consumers;

to disseminate information on consumer rights and on the actions required for the protection of said rights, on the results of comparative tests of the quality of commodities (works and services), as well as other information that can promote the exercise of consumer rights and legitimate interests. The results of comparative tests of the quality of commodities (works and services) published by public consumer formations (associations and unions thereof) shall not be deemed advertisements;

to present to federal executive bodies and organisations proposals in respect of taking measures aimed at raising the quality of commodities (works and services), at suspending production and sale of commodities (carrying out works and rendering services), at the withdrawal from the domestic market of commodities (works and services) that do not comply with the mandatory requirements advanced in respect of them and established by the laws of the Russian Federation on technological regulation;

to present to the bodies of the prosecutor's office and federal executive bodies materials in respect of calling to account persons engaged in the production and sale of commodities (carrying out works and rendering services) that do not comply with the mandatory requirements advanced with respect to them, as well as those violating the consumer rights established by the laws and other normative legal acts of the Russian Federation;

to make requests with bodies of the prosecutor's office for protesting against, and declaring invalidated, acts of federal executive bodies, acts of executive bodies of the subjects of the Russian Federation and acts of local self-government bodies contravening the laws and other normative legal acts of the Russian Federation regulating relations in the field of consumer rights protection;

to file applications with courts for the protection of consumer rights and legitimate interests of individual consumers (groups of consumers or an indefinite circle of consumers).

Article 46. Protection of the Rights and Legitimate Interests of an Indefinite Circle of Consumers

The authorised federal executive body in charge of control (supervision) in the field of consumer rights protection (territorial agencies thereof) and other federal executive bodies (territorial bodies thereof) exercising the functions of control and supervision in the field of consumer rights protection and safety of commodities (works and services), local self-government bodies, public formations of consumers (associations and unions thereof) shall be entitled to file claims with courts for declaring actions of the manufacturer (executor, seller, authorised organisation or authorised individual businessman, importer) unlawful in respect of an indefinite circle of consumers and for termination of these actions.

A court, when allowing such claim, shall oblige the offender to bring the court decision to the knowledge of consumers through the mass media within the time period established by the court.

An effective court decision on declaring actions of the manufacturer (executor, seller, authorised organisation or authorised individual businessman) unlawful in respect of an indefinite circle of consumers shall be mandatory for the court considering the claim of a consumer for protection of his/her rights resulting from the onset of civil law effects of the actions of the manufacturer (executor, seller, authorised organisation or authorised individual businessman, importer), as regards the questions of whether such actions have been committed and whether they have been committed by the manufacturer (executor, seller, authorised organisation or authorised individual businessman, importer).

The court, concurrently with allowing the claim made by a public formation of consumers (association or union thereof) or local self-government bodies, shall decide on reimbursement of court costs to the public formation of consumers (association or union thereof) or to the local self-government bodies, as well as of other necessary expenses arising prior to taking the legal action and connected with trying the case, including outlays on holding an independent expert examination in the event of detecting failures to meet mandatory requirements with regard to commodities (works and services) detected as a result of holding such expert examination.

President
of the Russian Federation

Moscow, the Kremlin

Boris Yeltsin