



Piksin & Partners

Legal Services

Tel.: +7(495) 913-68-28

e-mail: info@piksin-partners.ru

Fax: +7(495) 913-68-48

web: www.piksin-partners.ru

Derbenevskaya quay, 11, building «B», office B1401, Moscow, Russia,
115114

News Bulletin

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**News of the month:****1. PUBLIC AUTHORITIES**

- 1.1. Information of the Bank of Russia dd. 28.02.2014 “On the abolishment of the Service for Financial Markets of the Bank of Russia”, according to which starting from 03.03.2014 the Service for Financial Markets of the Bank of Russia is abolished. Examination of documents relating to the procedures for admission to financial market of non-credit financial institutions will be carried out in the central office of the Department of admission to the financial market.
- 1.2. Instruction of the Bank of Russia dd. 05.12.2013 # 147 “On the procedure of inspections of credit institutions (their branches) by authorized representatives of the Central Bank of the Russian Federation (the Bank of Russia)”, which sets new rules of inspections of credit institutions by officials of the Bank of Russia.
- 1.3. Federal Law dd. 12.03.2014 # 34-FZ “On amendment to the Federal Law “On bailiffs” and the Federal Law “On enforcement proceedings”, which clarifies the authority of senior officials of the Federal Bailiff Service; sets a new version of the bailiff’s oath; expands the list of publicly available information contained in the data bank in the enforcement proceedings; determines the procedure of enforcement proceedings execution by compulsory execution team (enforcement actions committing by several bailiffs); expands the list of grounds for termination of enforcement proceedings; clarifies the procedure of detection during enforcement proceedings (detection of debtor, tracing of debtor's property, detection of child); regulates the procedure of self-realization of property by debtor and appropriation of property by execution creditor that is not sold by the debtor. In addition, this Federal Law stipulates that resolution of a bailiff or other official of bailiff service can be issued in the form of an electronic document signed with reinforced qualified electronic signature.

2. ADMINISTRATIVE LAW

- 2.1. Federal Law dd. 12.03.2014 # 31-FZ “On the amendments to the Code of Administrative Violations of the Russian Federation on the safety of arterial pipelines”, which sets significant administrative sanctions for violations of prohibitions or manner of implementation of works in protected zones of pipelines.
- 2.2. Federal Law dd. 12.03.2014 # 32-FZ “On the amendments to Article 12.31 of the Code of Administrative Violations of the Russian Federation”, which sets the size of administrative fine for operation of defective transport vehicles or transport vehicles converted without correspondent permission.

3. CIVIL LAW

- 3.1. Federal Law dd. 12.03.2014 # 30-FZ “On the amendments to the Federal Law “On insolvency (bankruptcy)”, which – information on bankruptcy, which establishes the procedure



for determining by the Government of the Russian Federation an official printed press for publishing information about insolvency (bankruptcy) - based on the results of tender for a period of 5 years.

- 3.2. Federal Law dd. 12.03.2014 # 35-FZ "On the amendments to Parts 1, 2 and 4 of the Civil Code of the Russian Federation and individual legislative acts of the Russian Federation", which makes changes to the legislation of the Russian Federation in the field of intellectual property. These changes affect in particular the following issues: the order of exclusive rights pledge; procedure of disposal of the exclusive right to works of science, literature, art and objects of neighbouring rights; term of exclusive rights to utility model; the right of copyright holder to require at his/her sole discretion from the exclusive rights violator to pay compensation instead of recovery of losses.
- 3.3. Newsletter of the Bank of Russia "On reorganization of non-state pension funds, which are non-profit organizations", which provides explanations for reorganization of private pension fund in the form of its conversion into joint-stock pension fund.

4. JUDICIAL PRACTICE AND PROCEDURAL LAW

- 4.1. The Decision of the High Arbitrazh Court of the Russian Federation dd. 26.02.2014 # VAS-19853/13 "On disabling the Procedure of customs authorities actions in taking measures to protect the rights of intellectual property", approved by the Order of the Federal Customs Service of Russia dd. 25.03.2011 # 626", in which the High Arbitrazh Court of the Russian Federation declared invalid the mentioned Procedure of customs authorities actions in connection with the fact that it was not registered by the state and is not published in the prescribed manner. The Court considered that this Procedure is a normative legal act. However, due to the lack of registration and publication (which are required by the law), it does not entail the legal consequences (as if it had not entered into force) and cannot be a basis for regulation of relevant relations and application of sanctions. The said act also cannot be invoked to resolve disputes.
- 4.2. Survey of resolutions of the Presidium of the High Arbitrazh Court of the Russian Federation on topical issues of private law (on the basis of publications on the website of the High Arbitrazh Court of the Russian Federation in January 2014). The High Arbitrazh Court of the Russian Federation has prepared another compilation of the main findings contained in the rulings of the Presidium of the High Arbitrazh Court of the Russian Federation on specific cases and related to the issues of private law, in particular on the following issues: illegal disposal of disputed property; non-performance or improper performance of contract by contractor; unjust enrichment.
- 4.3. Information letter of the Presidium of the High Arbitrazh Court of the Russian Federation dd. 12.02.2014 # 163 "On the arrest of monetary resources of debtor in the amount determined at exchange rate of foreign currency", in which the High Arbitrazh Court of the Russian Federation explained that banks in the enforcement of rulings on arresting cash in the amount determining by the exchange rate, have to use the official rate of such foreign currency as of the date of termination of account operations. In case of change of such

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exchange rate banks will have to recalculate the amount of funds that are seized before the execution of executive document or canceling interim measure.

- 4.4. Information letter of the Presidium of the High Arbitrazh Court of the Russian Federation dd. 25.02.2014 # 165 “Review of court practice on disputes related to the recognition of contracts not concluded”, which consists clarifications on the basis of court practice on various points of procedural and substantive law, in particular the following: if parties have not reached agreement on all essential terms of contract, this contract is not considered to be concluded and the rules of contract nullity are not applicable to it; contract, subject to state registration may be invalidated in its absence; as a general rule a person to whom a thing was transferred for possession under lease agreement, subject to state registration, but not registered, cannot invoke this agreement preservation in case of changing owner of this thing; if work performed prior to approval of all essential terms of contract, but later handed over by the contractor and accepted by the customer, the parties shall apply the rules of contract agreement; invalidity of contract by itself does not mean that agreement on jurisdiction or arbitration agreement incorporated in the contract as clauses are also invalid.
- 4.5. “Review of court practice in the cases of unwarranted construction” (approved by the Presidium of the Supreme Court of the Russian Federation dd. 19.03.2014), which consists explanations procedural and substantive law on examples of specific cases. In particular, the following: a ban on the construction works as interim measures to demolish the unauthorized construction may be imposed in respect of the defendant and other persons actually engaged in construction work on the disputed property; legal norms of acquisitive prescription cannot be invoked to unwarranted construction, located on illegally occupied land plot; substantial and irreparable violation of construction rules and regulations in the construction of unwarranted construction is the basis for its demolition; legislation does not provide the possibility of recognition of ownership of part of the unwarranted construction; construction of new buildings at encumbrances of property rights in the form of prohibition of new construction is the basis for the recognition of unwarranted construction and demolition.
- 4.6. Resolution of the Constitutional Court of the Russian Federation dd. 25.03.2014 # 8-P “In the case on the constitutionality of several provisions of Articles 401.3, 401.5, 401.8 and 401.17 of the Criminal Procedure Code of the Russian Federation in connection with the complaints of citizens S.S. Agayev, A.Sh. Bakaian and others”, in which the Russian Constitutional Court declared unconstitutional several provisions of the Criminal Procedure Code of the Russian Federation concerning the procedure of cassation.