



THE LAW OF UKRAINE

On Advertising

(The Official Journal of the Verkhovna Rada (OJVR), 1996, No. 39, p.181)

*(Enters into force by the Decree of the Verkhovna Rada
No. 271/96-VR of 03 July 1996, OJVR, 1996, No. 39, p.182)*

*(As amended in accordance with the Laws
No. 642/97-VR of 18 November 1997, OJVR, 1998, No. 10, p.36
No. 783-XIV (783-14) of 30 June 1999, OJVR, 1999, No. 34, p.274 -
The Wording of the Law enters into force on the day of entry into force
of the Law of Ukraine "On the State Budget of Ukraine for 2000"
No. 2438-III (2438-14) of 24 May 2001, OJVR, 2001, No. 31, p.150
No. 762-IV (762-15) of 15 May 2003, OJVR, 2003, No. 30, p.247)*

*(In the Wording of the Law
No. 1121-IV (1121-15) of 11.07.2003, OJVR, 2004, No. 8, p.62)*

*(As amended in accordance with the Laws:
No. 1407-IV (1407-15) of 03.02.2004, OJVR, 2004, No. 16, p.238
No. 3099-IV (3099-15) of 17.11.2005, OJVR, 2005, No. 52, p.566
No. 3253-IV (3253-15) of 21.12.2005, OJVR, 2006, No. 5-6, p.75
No. 3480-IV (3480-15) of 23.02.2006, OJVR, 2006, No. 31, p.268)*

This Law shall determine the principles of advertising activity in Ukraine; regulate relations which appear in the process of advertising production, dissemination and consumption.

Title 1

GENERAL PROVISIONS

Article 1. Definition of Terms

The terms listed below shall be used in this Law in the following meanings:

‘advertising producer’ means a person who fully or partially performs the production of advertising;

‘internal advertising’ means advertisements placed inside of houses and buildings;

‘outdoor advertising’ means advertisement placed on special temporary and stationary constructions located in open areas as well as on exteriors of houses, buildings, on elements of street equipment, above street roads and traffic ways;

‘unfair advertising’ means advertising which misleads or may mislead the consumers of advertisements, cause damage to persons, state or society as a result of inaccuracy, inauthenticity, equivocation, exaggeration, reticence, violation of requirements as for the time, place and method of dissemination;

‘person’ means an individual, including a subject of business activity, legal entity of any form of ownership, a representative office of non-residents in Ukraine;

‘comparative advertising’ means an advertising which contains comparisons with other persons and/or goods of another person;

‘hidden advertising’ means information about a person or goods in a program, broadcasting, publication which serves advertising targets and may mislead persons as for the real purpose of such programs, broadcastings, publications;

‘advertising’ means information about a person or goods, disseminated in any form and by any means and is aimed at the development and maintenance of advertising consumers’ awareness and their interest related to such a person or goods;

‘advertising on transport’ means an advertisement placed on territories of transport utilities, metro stations as well as on interiors and exteriors of vehicles and buildings of transport utilities and metro stations;

‘advertising means’ means methods which are used to bring advertising to its consumer;

‘advertiser’ means a person who orders advertising for its production and/or dissemination;

‘advertising disseminator’ means a person who performs dissemination of advertising;

‘social advertising’ means information of any type disseminated in any form aimed at reaching of generally useful purposes and whose dissemination does not aim at gaining of profit;

‘advertising consumers’ means uncertain number of persons at whom advertising is directed;

‘sponsorship’ means voluntary material, financial, organizational and other support of any activity by individuals and legal entities aimed exclusively at the popularization of their name, title, trademark of goods and services;

‘goods’ means any object of economic circulation, including products, labor, services, securities, objects of intellectual property right.

Article 2. Scope of Law

1. This Law shall regulate relations connected with the production, dissemination and consumption of advertising on the territory of Ukraine.

2. This Law shall not apply to relations connected with the dissemination of information obligatory distribution and promulgation of which are provided for by other laws of Ukraine.

3. This Law shall not apply to advertising of individuals who irrelevant of business activity.

Article 3. Legislation on Advertising

1. The legislation of Ukraine shall include this Law and other normative acts which regulate the relations in the field of advertising.

2. If any international treaty of Ukraine, the binding nature of which was approved by the Verkhovna Rada of Ukraine, set forth other rules than those provided for by the legislation of Ukraine on advertising, the rules of the international treaty shall be applied.

Article 4. Use of Objects of Copyright and (or) of Allied Rights in Advertising

The use in advertising of objects of copyright and (or) allied rights shall be performed in accordance with the legislation of Ukraine “On Copyright and allied rights” (Article 4 is in the Law Edition No. 1407-IV (1407-15) of 03 February 2004)

Article 5. Advertising of Sponsor’s Name (Denomination) and Trademark for Goods and Services

1. In television and radio broadcasting, materials of other mass media, shows and other pieces of entertainment created and held with sponsors’ participation it shall be prohibited to submit any information of advertising nature about the sponsor and/or his goods except for his name or denomination and his trademark for goods and services.

2. Persons shall not be sponsors if they produce or disseminate goods whose advertising is prohibited by law,

3. Persons shall not be sponsors if they produce or disseminate goods whose production and/or circulation is prohibited by law.

4. The program, broadcasting prepared with a sponsor's assistance shall be denoted by means of subtitles or voice-over at the beginning and/or at the end of the program, broadcasting.

5. Sponsor shall not have the right to influence the contents and time of a program, broadcasting airing or the contents of materials in printing which he sponsors.

6. Sponsorship of news programs and broadcasting shall be prohibited.

Article 6. Language of Advertising

The use of language in advertising shall be performed in accordance with the present legislation of Ukraine on languages.

Trademarks for goods and services shall be given in advertising in the form they were granted legal protection in Ukraine in accordance with the present legislation, in particular with Article 6.5 of the Paris Convention for the Protection of Industrial Property (995_123). (Article 6 is in the Law Edition No. 1407-IV (1407-15) of 03 February 2004)

Title 2

GENERAL ADVERTISING REQUIREMENTS

Article 7. Principles of Advertising

1. The basic principles of advertising shall be the legality, accuracy, authenticity, use of forms and means which do not cause damage to advertising consumers.

2. Advertising shall not undermine confidence of the society in advertising and shall comply with fair competition principles.

3. Advertising shall not contain information or images violating ethic, humanistic and moral norms and decencies.

4. Advertising shall take into consideration a particular sensitiveness of children and shall not cause damage to them.

Article 8. General Requirements for Advertising

1. It shall be prohibited in advertising to:

disseminate information about goods whose production, circulation or importation to the customs territory of Ukraine are prohibited by law;

set forth statements which discriminate against a person's origin, social and property status, race and nationality, sex, education, political conviction, religious beliefs, language, occupation, place of residence as well which discredit goods of other persons;

submit data or urge to actions which may result in the breach of legislation, cause or may cause damage to people's health or life and/or environment as well as induce to disdain safety measures;

use means and technologies which effect the subconsciousness of advertising consumers;

make discriminatory statements against persons who do not consume the advertised goods;

use or imitate the images of the State Coat of Arms of Ukraine, the State Flag of Ukraine, the sounding of the State Anthem of Ukraine, the images of the state symbols of other states and international organizations as well as official names of bodies of state power of Ukraine except for the cases envisaged by legislation;

advertise goods which are subject to mandatory certification, whose production or sale requires the availability of special permit, license in case of absence of the relevant certificate, license;

contain images of individuals or use their names without these individuals' permission;

imitate or copy the text, image, music or sound effects used in advertising of other goods unless otherwise is provided for by laws of Ukraine in the field of intellectual property;

advertise services related to concert, touring, concert and touring, competitive, festival activities without information about the use or disuse of phonogram by the performers of music compositions. This information shall take up on posters, other advertising means related to the specific service at least 5 percent of the total area, size of advertising;

disseminate advertising (including announcements of motion pictures and television films) which contain elements of cruelty, violence, pornography, cynicism, disparagement of human honor and dignity. The announcements of films with audience restrictions shall be placed only at the time permitted for such films showing.

2. An advertiser on advertising disseminator's request shall submit the documents necessary for the dissemination of advertising.

3. Advertising of contests, lotteries, raffles of prizes etc. shall contain information about the conditions, place and terms of their performance. Any Information about the changes in the conditions, place and terms of contests, lotteries, raffles of prizes etc. performance shall be submitted on the same basis as it was disseminated.

4. Advertising of any kind of activity which in accordance with legislation requires a special permit, license, shall contain the citation of a number of the special permit, license, the date of their issue and name of the body which issued the special permit, license.

5. Advertising of discounts for products and clearance sale shall contain information about the place and date of the beginning and finishing of the discounts for products and clearance sale as well as about the ratio of the discount and a previous price of products sale.

6. The loudness of advertising broadcasted on television or by radio shall not exceed the loudness of the current program, broadcasting.

7. Allocation of information about the producer of goods and/or about goods themselves in places where these goods are sold or rendered to consumers shall be considered as advertising.

Article 9. Identification of Advertising

1. Advertising shall be clearly separated from other information regardless of a form or means of its dissemination so that it could be identified as advertising.

2. Advertising in television and radio broadcastings, programs shall be clearly separated from other broadcastings at their beginning and ending by acoustic, visual and combined means, subtitles, advertising logos or voice-over of a narrator with the use of the word "advertising".

3. Any informational, author's or editorial material which draws attention to a specific person or goods or which forms or supports viewers' (listeners', readers') awareness of and interest to these person and goods, shall be considered as advertising and shall be placed in the column for "Advertisements" or "By the right to advertise".

4. The logo of a TV and radio company, which performs the transmission of programs, broadcastings, shall not be considered as advertising.

5. Hidden advertising shall be prohibited.

Article 10. Unfair Advertising

1. Unfair advertising shall be prohibited.

2. The responsibility for unfair advertising shall be imposed on a guilty person.

3. Decisions on the avowal of advertising as unfair shall be made by the bodies of state power specified in Article 26 of this Law.

Article 11. Comparative Advertising

1. Relations which appear as a result of comparative advertising shall be regulated by the legislation of Ukraine on the protection against unfair competition.

2. The responsibility for unlawful comparison in advertising shall be imposed on the advertiser.

3. Decisions on the avowal of comparisons in advertising as unlawful shall be made by the bodies of state power specified in Article 26 of this Law.

Article 12. Social Advertising

1. Any person shall have the right to be an advertiser of social advertising.

2. Social advertising shall not contain references to specific goods and/or their producer, to an advertiser, objects of intellectual property pertaining to a producer of goods or advertiser of social advertising.

3. Persons who produce and disseminate social advertising free of charge and persons who transfer their property and money to other persons for the production and dissemination of social advertising shall be given benefits provided for by the legislation of Ukraine on charitable activity.

4. Mass media – advertising disseminators – whose activity is fully or partially financed from the state or local budgets shall place social advertising of bodies of state power or bodies of local self-government, of public organizations free of charge in amount of at least 5 percent of air time, printed space allotted for advertising.

5. Mass media – advertising disseminators – whose activity is fully or partially financed from the state or local budgets shall grant benefits for the placement of social advertising by a customer represented by institutions of education, culture, health protection supported at the expense of the state or local budgets as well as charitable organizations.

Article 13. Advertising on Television and Radio

1. Time of broadcasting given for advertising shall not exceed 15 percent and during an election campaign – 20 percent of actual amount of broadcasting by a TV and radio company of any form of ownership within a solar day. This provision shall not apply to special advertising channels. Time given for political advertising during an election campaign on special advertising channels shall not exceed 20 percent of actual amount of broadcasting within each broadcasting hour. (Article 13 (1) is in the Law Edition No. 3099-IV (3099-15) of 17 November 2005; as amended in accordance with the Law No. 3253-IV (3253-15) of 21 December 2005)

2. Advertising time shall not exceed 20 percent and during an election campaign – 25 percent of actual broadcasting within each solar hour. (Article 13 (2) is in the Law Edition No. 3253-IV (3253-15) of 21 December 2005)

3. Advertising shall be placed at the breaks between programs, broadcasting.

With implementation of the conditions specified in paragraph 5 of this Article, advertising may be placed within a program, broadcasting so that not to cause damage to integrity and contents of the program, broadcasting and their owners' rights.

4. It shall be prohibited to interrupt for the purpose of advertising, the broadcastings of the sessions of the Verkhovna Rada of Ukraine, the Verkhovna Rada of the Autonomous Republic of the Crimea, of official state events and ceremonies, of speeches of the President of Ukraine, the Speaker of the Verkhovna Rada of Ukraine, the Premier Minister of Ukraine, the Chief Magistrate of the Constitutional Court of Ukraine, people's deputies of Ukraine, members of the Government of Ukraine as well as the broadcasting of religious services, programs for children and news.

5. Broadcasting of concert and entertaining programs may be interrupted by advertising under the conditions that between advertising insets the programs, broadcastings last for at least 30 minutes.

Advertising during broadcasting of sports programs shall be placed in breaks between their parts.

During broadcasting of motion pictures and television films, advertising shall be placed before the beginning and/or after the ending of a motion picture and television film.

The broadcasting of motion pictures and television films which last up to 42 minutes shall not be interrupted by advertising or any editorial, author's or informational material (including announcements of programs, broadcasting).

The broadcasting of motion pictures and television films, which last from 42 till 70 minutes, may be interrupted by advertising or any editorial, author's or informational material (including announcements of programs, broadcasting) one time, the broadcasting of motion pictures and television films, which last from 70 till 90 minutes, may be interrupted two times. The broadcasting of motion pictures and television films, which last over 90 minutes, may be interrupted by advertising or any editorial, author's or informational material (including announcements of programs, broadcasting) every 30 minutes under the condition that after the last interruption the film lasted at least 20 minutes inclusive.

6. For the purposes of this Article the following shall not be considered as advertising:

promulgation, announcement in broadcasting, program of a name, denomination of the sponsor, objects of intellectual property pertaining to him.

broadcasting of social advertising if it is disseminated by a TV and radio company free of charge;

announcements of own broadcastings, programs by a TV and radio company

7. A TV and radio company shall bear responsibility for fulfillment of requirements as for the procedure of placement and dissemination of advertising in broadcastings and programs.

8. Narrators, announcers and other participants of informational and analytical broadcastings, programs shall be prohibited to cite the consuming properties of goods and/or bank accounts, contact telephone numbers, location of goods' producers, prices of goods.

9. Transmission (retransmission) of advertising contained in broadcastings, programs of foreign TV and radio companies transmitted (retransmitted) to the territory of Ukraine, shall be permitted only if it was paid to a legal entity of Ukraine disregard of the means of such transmission (retransmission) performance.

Article 14. Advertising in Printed Mass Media

1. The amount of advertising in printed mass media shall be determined by them independently. Printed mass media disseminated by subscription shall be obliged under the subscription conditions to indicate the amount of advertising in the total volume of the edition. (Article 14 (1) as amended in accordance with the Law No. 3099-IV (3099-15) of 17 November 2005)

2. The printed area allotted for political advertising in printed mass media during an election campaign, including advertisements, shall not exceed 20 percent of the printed area in each issue of an edition or its supplement. This restriction shall not apply to printed mass media founded by political parties. (Article 14 is supplemented with paragraph 2 in accordance with the Law No. 3099-IV (3099-15) of 17 November 2005)

Article 15. Advertising of services rendered with Use of Electric communications

1. Advertising of services rendered with use of electric communications, including telephony, by its dissemination in advertising means shall contain accurate information about:

contents of an advertised service;

value of an advertised service;

age and other restrictions established by legislation and by the producer of a service as related to consumers of an advertised service;

chargeable or free of charge use of the telephony channel for rendering of an advertised service and the value of one minute of the telephony for a receipt of the service in a relevant region;

a full name, denomination of address of an advertised service provider.

This information shall be given in print not smaller than half the size of the print in which a telephone number, used for rendering of an advertised service, is given.

2. It shall be prohibited to disseminate advertising with use of telex or facsimile communications.

3. It shall be prohibited to use for advertising dissemination, free telephone numbers of: police, medical ambulance, fire prevention and other emergency services.

Article 16. External Advertising

1. The placement of external advertisements in inhabited localities shall be performed on the basis of permits issued by executive bodies of rural, village, municipal councils and in accordance with the procedure established by these bodies on the basis of typical rules adopted by the Cabinet of Ministers of Ukraine. On the agreement as for the placement of external advertisements the interference with the form and contents of external advertising shall be prohibited.

External advertisements on the territories, houses and buildings shall be placed by consent of their owners or bodies (persons) authorized by them.

The placement of external advertisements on the territories and objects outside inhabited localities shall be performed only by consent of their owners or bodies (persons) authorized by them.

Payment recovery for the permit issue shall be prohibited.

2. External advertising shall comply with the following requirements:

external advertisements shall be placed with observance of safety measures and with ensuring of visibility of traffic signs, traffic lights, crossroads, pedestrian crossings, stops for public transport, and shall not imitate the images of traffic signs;

external advertisements' illumination shall not blind traffic participants and shall not light apartments of dwelling houses;

foundations of surface external advertisements which rise above the ground surface may be decorated;

bearings of surface external advertisements placed along street roads and traffic ways shall have vertical road markings drawn by retro-reflection materials at a height of 2 meters above the ground surface;

the lower edge of external advertisements placed above a traffic way, including on bridges, overpasses etc., shall be at the height of at least 5 meters above the pavement surface;

in places, where the street road verges on buildings' plinths and fences, external advertisement may be placed in one line with buildings' fronts and fences.

3. It shall be prohibited to place external advertising means:

on foot-paths and alleys;

in inhabited localities at the height of less than 5 meters above the pavement surface if their advertising area juts out of the traffic way verge;

outside inhabited localities at a distance of at least 5 meters from the traffic way verge.

4. The placement of external advertisements on objects of architecture or in the guarding area of objects of architecture of national or local importance, within the borders of objects of a natural reserved fund shall be permitted by the consent of central or local bodies of executive power in the field of the cultural heritage protection.

5. The list or restrictions and prohibitions related to the placement of objects of architecture provided for by this Law shall be comprehensive.

Article 17. Internal Advertising

1. The placement of internal advertisements shall be agreed with the owner of it location or with a person authorized by him. On the agreement as for the placement of internal advertisements any interference with the form or contents of advertising shall be prohibited.

2. The placement of internal advertisements shall be prohibited in the premises of bodies of state power and bodies of local self-government, of infant, secondary general and specialized educational establishments.

This prohibition shall not apply to social advertising.

Article 18. Advertising on Transport

1. The placement of advertisements on transport shall be agreed only with the owners of vehicles or persons (bodies) authorized by them. On the agreement as for the placement of advertisements on transport any interference with the form or contents of advertising shall be prohibited.

2. The placement of advertisements on transport shall comply with safety measures and traffic rules requirements.

3. In case the placement of an advertisement on transport comply with safety measures and traffic rules requirements it shall be prohibited to request from the owners of vehicles of the permits, consents and other documents as for the placement of an advertisement.

4. It shall be prohibited to place on transport:

advertisements which imitate color and graphical schemes of special and operative transport vehicles;

advertisements with retro-reflection materials;

advertisements accompanied with sound or light effects.

It shall be prohibited to place advertisements on glassy (transparent) surfaces of transport vehicles except for cases of use of materials which ensure unimpeded visibility from a transport vehicle compartment.

5. It shall be prohibited to disseminate advertisements through radio or other sound broadcasting systems for passengers' notification in public transport, at metro and railway stations, ports and airports except for cases of social advertising dissemination.

Article 19. Advertising during Motion Pictures and Video Films Show

It shall be prohibited to interrupt for advertising purposes the show of feature and documentary films in cinemas, video saloons and other places where the show of motion pictures, video or slide films is performed.

Article 20. Advertising and Children

1. The prohibition shall be imposed on advertising:

with the use of images of children who consume or use the products assigned only for adults or prohibited by law for the use or consumption of minors;

with information which may undermine the authority of parents, tutors, mentors, teachers and children's faith in them;

containing appeals to children to purchase the products or address to the third persons with request to make a purchase;

with the use of images of real or toy weapons, explosive assemblies.

2. Advertising shall not contain images of children in dangerous situations or circumstances which in case of their imitation may cause damage to children or other persons as well as information which may provoke children's negligence towards dangerous for health and life situations.

3. Advertising shall not cause moral or physical damage to children, arouse the feeling of inferiority in them.

4. Advertising shall not imply for the possibility of purchasing of advertised goods, assigned mainly for children, by any family without considering of its budget.

5. Advertising shall not give children an impression that the possession of advertised goods gives an advantage over other children.

Title 3

PECULIARITIES OF ADVERTISING OF SOME TYPES OF GOODS

Article 21. Advertising of Drug Remedies, Medical Equipment, Methods of Prevention, Diagnostics, Treatment and Rehabilitation

1. It shall be permitted to advertise:

only such drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation which are permitted for use in Ukraine by specially authorized central bodies of executive power in the field of health protection in accordance with the established procedure;

only such drug remedies which are served without a doctor's prescription and only such medical equipment, methods of prevention, diagnostics, treatment and rehabilitation the use of which does not require special knowledge and training.

2. Advertising of drug remedies used and disseminated only by a doctor's prescription shall be prohibited.

3. Advertising of doping substances and/or methods for their use in sports shall be prohibited.

4. Advertising of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation shall contain:

objective information about a drug remedy and shall make it clear that the submitted information is an advertisement and that the advertised product is a drug remedy;

a full pharmacological name of the drug remedy and a name of its producer;

general precautions as for the use of a drug remedy, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation;

guidelines as for compulsory familiarization with the instruction for use enclosed with drug remedies;

5. Advertising of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation shall not contain references to therapeutic effects with regard to diseases which are not or hardly curable.

6. Advertising of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation shall not contain:

information which may give an impression that under condition of the use of a drug remedy or medical equipment the professional advice is not a necessity;

information that the use of a drug remedy or medical equipment guarantees therapeutic effect;

images of the changing of a human body or of its parts as a result of a disease or injuries;

statements provoking appearance and development of fear to fall ill or worsen one's state of health because of disuse of advertised drug remedies, medical equipment and medical services;

statements encouraging the possibility of self-diagnosing of diseases, pathological states of a person and of their self-treatment with the use of advertised medical remedies;

references to drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation as the safest, most effective and exceptional with regard to the absence of side effects;

comparisons with other drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation aimed at the strengthening of advertising effect;

references to specific cases of the successful use of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation;

recommendations or references to recommendations of medical workers, physicians, medical institutions and organizations as for advertised goods or services;

special demonstrations of gratitude and appreciation, letters, excerpts from them with recommendations, descriptions of the use and therapeutic effect of advertised goods or services from different persons;

images and reminiscences of the names of celebrities, heroes of motion pictures, television and cartoon films, authoritative organizations;

information which may mislead consumers as for the contents, origin, efficiency, patent immunity of a drug remedy.

7. In advertising of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation, the participation of physicians and other professional medical workers as well as of persons whose appearance resembles the appearance of physicians, shall be prohibited.

8. It shall be prohibited in advertising to submit information allowing to assume that the drug remedy is an edible, cosmetic or other consumption product or that the safety and efficiency of this remedy is determined by its natural origin.

9. . In advertising of cosmetic remedies, edible substances, vitamin and other food addings it shall be prohibited to refer to the fact that these goods have therapeutic effect if such effect is not confirmed in accordance with the established procedure by a specially authorized central body of executive power on health protection.

10. Advertising of therapeutic séances, other measures with the use of hypnosis and other methods of non-contacting psychical or bioenergetic effect shall be prohibited.

11. Advertising of diagnostics or treatment which is not based on a direct contacting of a physician and patient shall be prohibited.

12. The provisions under this Article shall not apply to advertising of drug remedies, medical equipment, methods of prevention, diagnostics, treatment and rehabilitation which is placed in specialized issues assigned for medical institutions and physicians as well as which is disseminated at seminars, conferences, symposiums for medical subject-matters.

Article 22. Advertising of Alcoholic Beverages and Tobacco Products, Trademarks for Goods and Services, Other Objects of Intellectual Property Right Under Which Alcoholic Beverages and Tobacco Products Are Produced

1. Advertising of tobacco products, trademarks for goods and services, other objects of intellectual property right under which tobacco products are produced, shall be prohibited: on radio and television, on front and back pages of newspapers, on front and back covers of magazines and other publications, by means of internal advertising, advertising on transport, through actions of advertising character (except for special exhibition arrangements).

2. Advertising of alcoholic beverages, trademarks for goods and services, other objects of intellectual property right under which alcoholic beverages are produced shall be prohibited: on radio and television between the hours of 06:00am and 23:00pm, on front and back pages of newspapers, on front and back covers of magazines and other publications, by means of internal advertising, advertising on transport, through actions of advertising character (except for special exhibition arrangements).

3. Advertising of alcoholic beverages and tobacco products, trademarks for goods and services, other objects of intellectual property right under which tobacco products are produced:

shall be prohibited on exteriors of goods and in printed mass media assigned mainly for persons under 18 or in sections of printed mass media meant for the persons mentioned above;

shall be prohibited with use of persons under 18 as photo models;

shall not contain images of the process of tobacco products smoking or alcoholic beverages consumption;

shall not be placed closer than 300 meters of direct visibility from the territory of infant, secondary general and other educational establishments where children under 18 go;

shall not make opinion that smoking or alcohol consumption are an important factor for making progress in sports, social, sexual and other spheres of life;

shall not make an impression that use of alcoholic beverages and smoking of tobacco products provide for solving of personal problems;

shall not make opinion that alcohol or tobacco products have therapeutic effects or that they are stimulating or sedative remedies;

shall not urge to use of alcoholic beverages or tobacco smoking or negatively estimate the fact of abstinence from the use of tobacco products or alcoholic beverages;

shall not contain images of physicians and other professional medical workers as well as of persons whose appearance resembles the appearance of physicians;

shall not include images of celebrities or direct or mediate approval by celebrities of smoking or alcohol usage;

shall not make an impression that the majority of people smoke or use alcoholic beverages.

4. The sponsoring of TV, radio broadcasting, theatre and concert, sports and other events with use of trademarks for goods and services, other objects of intellectual property right, under which tobacco products are produced shall be prohibited.

The sponsoring of TV, radio broadcasting, theatre and concert, sports and other events with the use of trademarks for goods and services, other objects of intellectual property right, under which alcoholic beverages are produced shall be permitted.

5. Advertising of tobacco products shall be accompanied with information about the specification of quantity in the fume of one cigarette of pitch and nicotine.

6. The prohibition shall be imposed on the following activities in advertising of alcoholic beverages and tobacco products, trademarks for goods and services, other objects of intellectual property right, under which alcoholic beverages and tobacco products are produced:

sponsoring of events assigned mainly for persons under 18 with use of trademarks for goods and services, other objects of intellectual property right, under which tobacco products are produced;

dissemination and purchase to persons under 18 of any goods with the use of trademarks for goods and services, other objects of intellectual property right, under which alcoholic beverages and tobacco products are produced.

7. Advertising of alcoholic beverages and tobacco products, as well as of trademarks for goods and services, other objects of intellectual property right, under which such beverages and products are produced, shall be accompanied with following warnings: "Smoking may cause cancer", "Alcohol abuse causes damage to your health". Each warning shall be given at least 15 percent of the total area (amount) of advertising and be in contrasting color against its background.

8. Advertisers of alcoholic beverages and tobacco products shall be liable in accordance with the procedure envisaged by the laws of Ukraine to direct to the production and dissemination of social advertising as for the damage of tobacco smoking and alcohol abuse at least 5 percent of funds spent by them for the dissemination of advertising of tobacco products and alcoholic beverages inside Ukraine. Administrators of these funds shall promulgate a quarterly report on their use.

Article 23. Advertising of Weapons

1. Advertising of weapons shall be performed only in relevant specialized publications for weapons or immediately in the premises of commercial establishments (enterprises) selling weapons or at corresponding exhibitions (arrangements).

2. The procedure of advertising of weapons, armaments and defense technology as well as weapons which in accordance with legislation may be at persons' property, shall be established by the Cabinet of Ministers of Ukraine.

Article 24. Advertising of Services Related to Attraction of People's Funds

1. Advertising of services (banking, insurance, investment etc.) related to attraction of people's funds or persons who render them shall be permitted only by availability of special permit, license which confirms the right for the performance of such activity. Such advertising shall contain a number of permit, license, date of issue and denomination of the body which issued this permit, license.

This provision shall be applied in cases when only advertising of a trademark for goods and services or the name of a person (without services advertising) are provided.

2. In advertising of such services or persons which render them it shall be prohibited to announce the amount of expected dividends and disclose information about future incomes except for actually paid ones after at least one year.

Article 25. Advertising of Securities

1. Advertising of securities shall be advertising about:

emitted or circulating securities;

equity market participants and their activity;

contracts with securities and/or their conditions

Information, which in accordance with the current legislation on securities and normative and legal acts of the State Commission for Securities and Stock Market is subject to promulgation, shall not be considered advertising of securities.

2. Advertisers of securities shall be only equity market participants provided for by the Law of Ukraine “On Securities and Stock Market” (1201-12).

3. Advertising by advertisers – equity market participants – shall contain information about the availability of a special permit, license which confirms the right for the performance of such activity in equity market with the indication of a number of the permit, license, date of issue and denomination of the body which issued this permit, license.

This provision shall not be applied in cases when advertising of trademarks for goods and services of the participant of equity market (without advertising of services relating to securities) is performed.

4. Advertisers of securities when ordering of advertising production and dissemination shall be prohibited:

to specify the amount of expected income for the securities except for cases when it shall be indicated pursuant to the requirements of legislation on securities; and give the prognosis for the increasing of the securities rate;

to advertise securities before the publication of information about securities’ emission and before their registration in accordance with the legislation on securities and normative and legal acts of the State Commission for Securities and Stock Market;

to use data lacking in information about securities emission registered at the State Commission for Securities and Stock Market;

to use information about the securities incomes or amount of the gained by an emitter past income without specification of the fact that this income shall not guarantee future incomes. (Article 25 (4) is supplemented by an indent in accordance with the Law No. 3480-IV (3480-15) of 23 February 2006)

5. In case the emission of securities was recognized as such which did not happen the emitter of these securities shall restrain the dissemination of their advertising within 3 days after the day of registration at the State Commission for Securities and Stock Market of the report on the consequences of the subscription for securities.

Title 4

CONTROL OF OBSERVANCE AND RESPONSIBILITY FOR BREACH OF LEGISLATION ON ADVERTISING

Article 26. Control of Observance of Legislation

1. The control of observance of the legislation of Ukraine on advertising shall be implemented within the limits of their powers by:

a specially authorized central body of executive power in the field of consumers’ rights protection – as for consumers’ rights protection;

the Antimonopoly Committee of Ukraine – as for the observance of legislation on economical competition protection;

the National Council of Ukraine for TV and Radio Broadcasting – as for TV and radio companies of all forms of ownership;

the Ministry of Finances of Ukraine – as for advertising of the state securities; (Article 26 (1) is supplemented by an indent in accordance with the Law No. 3480-IV (3480-15) of 23 February 2006)

the State Commission for Securities and Stock Market – as for advertising in stock market. (Article 26 (1) is supplemented by an indent in accordance with the Law No. 3480-IV (3480-15) of 23 February 2006)

2. On request of bodies of executive power authorized for control of observance of legislation on advertising, advertisers, advertising producers and disseminators shall be obliged to submit documents, oral or written explanatory notes, video and sound recordings and other information necessary for them to exercise their powers of control.

Bodies of state power shall be obliged to inform advertisers, advertising producers and disseminators of case consideration for the breach by them of legislation on advertising 3 days at the latest before such consideration, and in emergency cases – one day before such consideration takes place.

3. Advertisers, advertising producers and disseminators during case consideration of the breaches of this Law shall have the right:

to be present at a session of the body of state power during case consideration of the breach by them of this Law;

to submit necessary documents and render explanations;

to get the copy of journal and decision of the body of state power made with regard to them;

to appeal to a court against actions or inactions of a supervisory executive body and its officials.

4. For the purpose of coordination of activity of subjects of advertising market the Cabinet of Ministers of Ukraine shall establish the Council for Advertising consisted of the representatives of bodies of state power, unions of citizens, associations of enterprises in the field of advertising. The members of this Council are employed on a voluntary basis.

Article 27. Responsibility for Breach of Legislation on Advertising

1. Persons guilty of the breach of legislation on advertising shall bear disciplinary, civil, administrative and criminal responsibility in accordance with law;

2. The responsibility for the breach of legislation on advertising shall be imposed on:

1) advertisers guilty of:

ordering of advertising of products the production and/or circulation of which is prohibited by law;

submitting of false information to an advertising producer necessary for the advertising production;

ordering of dissemination of advertising prohibited by law;

non-observance of requirements for advertising contents established by law;

violation of the procedure of advertising dissemination if it is disseminated by them independently;

2) advertising producers guilty of violation of the third persons' rights by the advertising production;

3) advertising disseminators guilty of violation of the procedure for the dissemination and placement of advertising established by legislation.

3. With aim of the protection of interests of the society, state, advertising consumers and participants of advertising market the bodies of state power specified in Article 26 of this Law may appeal to a court with claims on prohibition of relevant advertising and on its public promulgation.

4. Specially authorized central bodies of executive power in the field of consumers' rights protection and its territorial offices in the Autonomous Republic of the Crimea, regions, the cities of Kyiv and Sevastopol by proposal of bodies of state power specified in Article 26 of this Law or independently in cases envisaged by this Article except for cases assigned to exclusive competence of the Antimonopoly Committee of Ukraine and which are regulated by legislation on copyrights and allied rights, shall impose penalties in accordance with the procedure established by the Cabinet of Ministers of Ukraine on:

advertisers for the performance of actions specified in subparagraph 1 of Article 27 (2) – in amount of five times value of disseminated advertising;

advertising producers for the performance of actions specified in subparagraph 2 of Article 27 (2) – in amount of five times value of advertising production;

advertising disseminators for the performance of actions specified in subparagraph 3 of Article 27 (2) – in amount of four times value of advertising dissemination.

Repeated performance of the specified breaches within a year entails imposition of penalties in two times amount of the size envisaged for these breaches.

5. Value of disseminated advertising shall be determined on the basis of agreed (contract) value without taking into consideration of the amount of deposited (charged) taxes, duties (compulsory payments) established by the Law of Ukraine "On Taxation System" (1251-12).

6. For non-submission or submission of deliberately false information regarding the value of disseminated advertising and/or advertising production and/or value of advertising dissemination to a specially authorized central body of executive power in the field of consumers' rights protection and to its territorial offices necessary for the execution by them of their powers envisaged by this Law, advertisers, advertising producers and disseminators shall be imposed by penalty in amount of 100 tax-free minimum incomes of the citizens.

7. In case of impossibility to identify the value of advertising disseminated with violation of the requirements of this Law advertisers and advertising disseminators by the decision of a specially authorized central body of executive power in the field of consumers' rights protection shall be imposed by penalty in amount of 300 tax-free minimum incomes of the citizens.

8. The decision on penalty imposition for the breach of legislation on advertising in amount of 300 and more tax-free minimum incomes of citizens shall be made exclusively by a specially authorized central body of executive power in the field of consumers' rights protection.

9. A specially authorized central body of executive power in the field of consumers' rights protection and its territorial offices may demand from advertisers of publication of information which specify, amplify advertising and appeal to a court against unlawful actions of advertisers, advertising producers and disseminators.

10. The Antimonopoly Committee of Ukraine shall impose penalty on advertisers for the breach of legislation on the protection against unfair competition.

11. Decision on cases of the breach of legislation on advertising may be appealed to a court.

12. The provisions under this Article shall not limit the rights of advertising consumers who suffered damages through unfair or unlawful comparative advertising for the compensation of damages in accordance with the legislation of Ukraine.

Article 28. Public Refutation of Unfair and Unlawful Comparative Advertising

1. Public refutation of unfair and unlawful comparative advertising shall be performed voluntarily or in accordance with a court decision.

2. Public refutation of unfair and unlawful comparative advertising shall be performed at the expense of the guilty person.

3. Public refutation of unfair and unlawful comparative advertising shall be performed in accordance with the same procedure as it was disseminated.

Article 29. Rights of Citizens', Enterprises' Associations in the Field of Advertising

Citizens' and enterprises' associations in the field of advertising shall have the right:

to make an independent examination of advertising and of normative and legal acts on advertising issues related to their compliance with the requirements of the legislation of Ukraine and render relevant recommendations to advertisers, advertising producers and disseminators;

to apply to bodies of executive power and bodies of local self-government for issues related to the breach of legislation on advertising;

to appeal to a court in the interests of advertisers, advertising producers and disseminators in case of violation of their rights envisaged by law;

to introduce their members in bodies of state power and bodies of local self-government.

Title 5

FINAL PROVISIONS

1. This Law shall enter into force on the day of its publication.

Article 13 (9) shall enter into force on 1 January 2005.

2. Article 4 (1) of the Decree of the Cabinet of ministers of Ukraine No. 7-93 (7-93) of 21 January 1993 "On State Due" (OJVR, 1993, No. 13, p.13, No. 26, p.281, No. 49, p.459; 1994, No. 28, p.241, No. 29, p.257, No. 33, p.300; 1995, No. 14, p. 90; 1996, No. 9, p.43, No. 52, p.306; 1997, No. 9, p.70, No. 18, p.131; 2000, No. 19, p.143, No. 29, p.232, No. 46, p.398, No. 50, p.436; 2001, No. 24, p.124; 2002, No. 6, p.43, No. 32, p.223; 2003, No. 10-11, p.87, No. 14, p.100) shall be supplemented by subparagraph 46 of the following content:

"46) specially authorized central body of executive power in the field of consumers' rights protection and its territorial offices – by their appeal to a court in cases related to the breach of legislation on advertising “.

3. The Cabinet of Ministers of Ukraine shall:

by 1 October 2003 submit for the consideration of the Verkhovna Rada of Ukraine proposals as for the amendments to the laws of Ukraine arising from this Law;

by 1 January 2004 bring its normative and legal acts in conformity with this Law;

ensure the bringing by the Ministries, other central bodies of executive power of their normative and legal acts in conformity with this Law;

work out normative and legal acts whose necessary adoption is envisaged by this Law.

The President of Ukraine

L. KUCHMA

Kyiv

3 July 1996

No. 270/96-VR