

AGREEMENT

between the Federal Council of the Swiss Confederation and the Government of the Russian Federation on the mutual recognition of official hallmarks on precious metal articles of the watch industry

The Federal Council of the Swiss Confederation and the Government of the Russian Federation - hereinafter referred to as the Parties -, for purposes of developing trade between the Swiss Confederation and the Russian Federation, have agreed in the following:

Article 1

The terms used in this Agreement mean the following:

“entity responsible”:

in the Russian Federation: the Federal Government’s Office “Russian State Assay Chamber with the Ministry of Finance of the Russian Federation”;

in the Swiss Confederation: the Central Office for Precious Metals Control;

“legislation of the Russian Federation”: Federal Law No. 41-FZ of March 26, 1998, ‘On Precious Metals and Precious Stones’; Decision of the Government of the Russian Federation No. 643 of June 18, 1999, ‘On the Procedure for Assaying and Marking of Precious Metal Articles’; Decree of the Ministry of Finance of the Russian Federation of January 11, 2009, No. 1n, ‘On the Putting into Force of the Instruction for Assay Supervision’; and any changes thereof;

“legislation of the Swiss Confederation”: the Federal Act of June 20, 1933, ‘Regulating the Trade in Precious Metals and Works in Precious Metals’ and its Implementation Ordinance of May 8, 1934, as well as the Instructions on the Application of Precious Metals Legislation of May 1, 2010; and any changes thereof;

“precious metal articles of the watch industry”: wrist watches, pocket watches and other types of carry-on watches, including stop-watches, which have casings made of precious metals (gold, silver, platinum, palladium) and alloys thereof.

The term covers both watches with watch bracelets in precious metals and alloys thereof or those that have components in precious metals, and watches without bracelets;

“official hallmark”:

in the Russian Federation: a Russian Federation assay mark provided for in the Decision of the Government of the Russian Federation No. 643 of June 18, 1999, ‘On the Procedure for Assaying and Marking of Precious Metal Articles’;

in the Swiss Confederation: an approved hallmark provided for in Article 15 of the Federal Act of June 20, 1933;

“manufacturer’s stamp”:

in the Russian Federation: a responsibility mark provided for in the Decision of the Government of the Russian Federation No. 643 of June 18, 1999, ‘On the Procedure for Assaying and Marking of Precious Metal Articles’;

in the Swiss Confederation: a responsibility mark provided for in Article 9 of the Federal Act of June 20, 1933, or a collective responsibility mark as provided for in Article 60 of the Ordinance of May 8, 1934;

“legal standard of fineness”:

in the Russian Federation: the standard of fineness provided for in the Decision of the Government of the Russian Federation No. 643 of June 18, 1999, ‘On the Procedure for Assaying and Marking of Precious Metal Articles’;

in the Swiss Confederation: the standard of fineness provided for in Article 7 and Article 7a of the Federal Act of June 20, 1933;

“XRF measurement”: a non-destructive method of analysis using X-ray fluorescence spectrometers.

Article 2

By application of the official hallmark on the precious metal articles of the watch industry the entity responsible:

- Testifies the compliance of the actual fineness with the legal standard of fineness;

- Guarantees that it has verified the precious metal content in the precious metal articles of the watch industry;
- Guarantees that it has identified the registered manufacturer's stamps on the precious metal articles of the watch industry.

Article 3

1. Precious metal articles of the watch industry which, when imported to the Swiss Confederation, have the imprints of the official hallmark of the Russian Federation, the manufacturer's stamp and the legal fineness mark, shall not be subject to new assay, analysis or hallmarking in the Swiss Confederation, provided that these goods comply with the provisions of the legislation of the Swiss Confederation and this Agreement.

Exceptions to this are spot checks provided for in Article 5 of the present Agreement.

During the customs control the precious metal articles of the watch industry shall be submitted to the entity responsible, whose function is to check the articles for the presence of the imprint of the official hallmark of the Russian Federation and legal standard of fineness in line with the legislation of the Russian Federation.

2. Precious metal articles of the watch industry which, when imported to the Russian Federation, have the imprint of the manufacturer's stamp and the imprint of the official hallmark of the Swiss Confederation, including the legal fineness mark, shall not be subject to new assay, analysis or hallmarking in the Russian Federation, provided that these goods comply with the provisions of the legislation of the Russian Federation and this Agreement.

Exceptions to this are spot checks provided for in Article 5 of the present Agreement.

During the customs control the precious metal articles of the watch industry shall be submitted to the entity responsible, whose function is to check the articles for the presence of the imprint of the official hallmark of the Swiss Confederation and legal standard of fineness in line with the legislation of the Swiss Confederation.

Article 4

The owner of a manufacturer's stamp, who has lodged his mark at the entity responsible of the Russian Federation, shall be released from the requirement to register the mark in the Swiss Confederation.

The owner of a manufacturer's stamp, who has lodged his mark at the entity responsible of the Swiss Confederation, shall be released from the requirement to register the mark in the Russian Federation.

Article 5

The provisions of the present Agreement do not prevent either of the two Parties from carrying out spot checks on precious metal articles of the watch industry which bear the imprints of the official hallmarks, manufacturer's stamps and legal fineness marks provided for in Article 3 of the present Agreement. These checks shall not have effect on the time period of the import of precious metal articles of the watch industry, provided that they bear the imprints of the official hallmarks, manufacturer's stamps and legal fineness marks in compliance with the provisions of the present Agreement.

Article 6

1. Spot checks of precious metal articles of the watch industry are generally carried out by conducting touchstone tests and by carrying out XRF measurements using analysis methods based on sampling without disturbing the integrity of the article.

2. The analysis of the actual fineness is conducted:

- for the Russian Federation: in line with Part 3 of the Instruction for Assay Supervision;
- for the Swiss Confederation: in line with the methods described in the Decisions on Technical Matters related to Annex II to the Convention on the Control and Marking of Articles of Precious Metals (Hallmarking Convention of 1972).

Negative tolerances of the actual fineness from the legal fineness standard are not admissible.

Article 7

1. Precious metal articles of the watch industry imported to the Russian Federation from the Swiss Confederation, which do not have the imprints of the official hallmarks, manufacturer's stamps and/or legal fineness marks of the Swiss Confederation, or have imprints which are not consistent with the samples, sketches and descriptions as received by the entity responsible of the Russian Federation in accordance with Article 8 of the present Agreement and/or have negative tolerances of the actual fineness from the legal fineness standard of the Russian Federation, shall be returned to the bearer with a comprehensive indication of the reasons for rejection.
2. Precious metal articles of the watch industry imported to the Swiss Confederation from the Russian Federation, which do not have the imprints of the official hallmarks, manufacturer's stamps and/or legal fineness marks of the Russian Federation, or have imprints which are not consistent with the samples, sketches and descriptions as received by the entity responsible of the Swiss Confederation in accordance with Article 8 of this Agreement and/or have negative tolerances of the actual fineness from the legal fineness standard of the Swiss Confederation, shall be returned to the bearer with a comprehensive indication of the reasons for rejection.
3. The entity responsible of the state of the other Party will be informed about the cases mentioned above.

Article 8

1. The entities responsible shall provide each other with the following data as soon as possible:
 - a) Information regarding legislation regulating the manufacturing, trade and control of precious metal articles of the watch industry.
 - b) Sketches and descriptions of the official hallmarks as well as sample imprints of the official hallmarks made on metal plates. Sketches and descriptions of manufacturer's stamps and legal fineness marks shall be provided by the Parties to each other on written request.
2. The entities responsible inform each other as soon as possible on any changes introduced to the legislation mentioned in item a) of paragraph 1 of the present Article, and provide each other with up-to-date sketches, descriptions and samples as per item b) of paragraph 1 of the present Article.

Article 9

The Parties take all possible measures on adjusting the legislation prohibiting forgeries or violations of the imprints of the official hallmarks of the state of the other Party as well as prohibiting any unauthorized changes to or removal of the legal fineness mark or the imprints of manufacturer's stamps after the application of the official hallmarks by the entity responsible.

The Parties take all possible necessary actions if they have sufficient proof or if they are made aware by the other Party of the fact that the official hallmarks were forged or misused; or that the article was altered after the application of the official hallmark without an approval of the manufacturer or without stamping the legal fineness mark; or that the imprint of the manufacturer's stamp was altered or removed.

Article 10

Disputes between the Parties, arising in connection with the application and interpretation of this Agreement shall be resolved through consultations and negotiations.

Article 11

The Parties consult as necessary and in the manner agreed by the Parties in order to assess the implementation of this Agreement and the need of introducing amendments.

In order to implement the provisions of this Agreement the Parties may conclude among themselves agreements regarding separate issues.

Article 12

The present Agreement is concluded as an open-ended Agreement and shall enter into force 30 days after the reception through diplomatic channels of the second notification, by which the Parties inform each other of the fulfillment of their internal procedures necessary to bring the present Agreement into force.

Article 13

The present Agreement may be terminated any time on unilateral basis with written notification of the other Party. The present Agreement shall cease to be effective upon the expiry of one year from receiving the notification of its termination unless the Parties agree otherwise by the date of expiry.

Signed in Moscow on December 14, 2011 in two Originals, each in the Russian, German and English languages, wherewith all the texts have the same legal force. In case of any discrepancies for the purpose of interpretation of the present Agreement the English text shall be used.

On behalf of
the Swiss Federal Council

Pierre Hely

On behalf of
the Government
of the Russian Federation

Majurov