



Republic of Serbia
COMMISSION FOR
PROTECTION OF COMPETITION

25 Savska St., 4th Floor, Belgrade

Number: 4/0-01-75/2021-10

Date: July 2, 2021

The Council of the Commission for Protection of Competition pursuant to Article 58(9) of the Law on Protection of Competition (Official Gazette of the RS 51/09 and 95/13) in proceedings instituted upon the proposal for suspension of proceedings No. 4/0-01-75/2021, Ref. No. 4/0-01-217/2020 containing a proposal of commitments of Akcionarsko društvo Industrija mleka i mlečnih proizvoda Imlek, Padinska Skela, company number 07042701, with registered office at bb Industrijsko naselje St., Padinska Skela, Belgrade-Palilula, represented by Bojan Radun, CEO, whose procuration holders are Bojana Miljanović and other attorneys at law from the Law Office of Karanović & Partners from Belgrade, 23 Resavska St., at the 57th session held on July 2, 2021, adopts the following

CONCLUSION

I PROCEEDINGS SHALL BE SUSPENDED into the investigation of infringement of competition law No. 4/0-01-75/2021, Ref. No. 4/0-01-217/2020, brought against the Party, Akcionarsko društvo Industrija mleka i mlečnih proizvoda Imlek, Padinska Skela, with registered office at bb Industrijsko naselje St., Padinska Skela, Belgrade-Palilula.

II Proposal of commitments SHALL BE ACCEPTED offered by the Party, Akcionarsko društvo Industrija mleka i mlečnih proizvoda Imlek, Padinska Skela, with registered office at bb Industrijsko naselje St., Padinska Skela, Belgrade-Palilula, that the company is voluntarily willing to undertake to remove potential infringements of competition law, in relation thereto the following measures shall be established, specifically:

1. when approached by unrelated third parties for the procurement of products from the product portfolio of AD Imlek, the company undertakes to apply the same principle of cooperation as regards the contractual framework, i.e., conclude the standard contract with said parties to the extent that contracts are concluded on the standard contract model of AD Imlek, except in situations where the buyer would request, as terms of cooperation, to conclude its model contract, i.e., other than that of AD Imlek. In the new standard contract of AD Imlek, including all accompanying annexes thereof, the company undertakes to delete the so-called 'loss-lead' provision. For the avoidance of any doubt, when concluding the standard contract, it is possible and in accordance with the nature of contractual relations and freedom of contract to agree on various commercial terms and conditions (such as prices at which AD Imlek sells its products to its buyers, quantities, delivery terms, etc.) depending on the buyer, legal requirements and business interests of both contracting parties. Considering that the Draft standard contract for the sale of goods with accompanying annexes is provided to the Commission for Protection of Competition for review, should the changes to the standard contract

model occur in the course of the implementation of this measure, including its accompanying annexes, in their entirety or part, AD Imlek will without delay notify the Commission for Protection of Competition on the matter and provide to the Commission for Protection of Competition the amended standard contract model for review.

2. without delay and at the latest within thirty (30) days from the receipt of this conclusion, the company undertakes to appoint one or more persons/monitoring officers within the company tasked with monitoring the conclusion of standard contracts for the sale of goods, authorized to report directly to the Commission for Protection of Competition in respect of the implementation of commitments referred to in Paragraph II, point 4 of the enacting terms herein, within the meaning of Article 58 of the Law, on concluded sales contracts for the preceding year, and to provide replies to special inquiries of the Commission for Protection of Competition, with the help of all company employees. The abovementioned person(s) needs to be officially appointed by AD Imlek CEO following the adoption of the Commission's conclusion on suspension of proceedings. The authorized person in AD Imlek will, without delay, inform the Commission on Protection of Competition of the person(s) designated as monitoring officer(s) and his/her (their) contact details in written form, including on all potential changes to the designated person(s) during the period in which the commitments are to be implemented within the meaning of Article 58 of the Law on Protection of Competition.
3. once a year, the company undertakes to implement special employee education program on competition rules and regulations, in the form of mandatory training for current and new employees. The training will be provided to employees who, in the performance of their regular duties, might find the rules provided for by the Law on Protection of Competition to be relevant.
4. once a year and no later than by 28 February of the current year for the previous year, the company undertakes to submit a report to the Commission for Protection of Competition, in written and electronic form, that will contain information on (i) the total number of contracts concluded on the standard contract model of AD Imlek, and (ii) the total number of contracts not concluded on the standard contract model of AD Imlek. Company AD Imlek undertakes to provide to the Commission for Protection of Competition for review, at its request, the concluded contracts or examples of concluded contracts from the preceding year should the Commission for Protection of Competition deem it necessary.

III TIME PERIOD SHALL BE SPECIFIED, of three years from the day of communication of this conclusion during which Akcionarsko društvo Industrija mleka i mlečnih proizvoda Imlek, Padinska Skela, with registered office at bb Industrijsko naselje St., Padinska Skela, Belgrade-Palilula, is obligated to implement the commitments referred to in Paragraph II of the enacting terms herein.

IV This conclusion shall be published on the official website of the Commission for Protection of Competition.

PRESIDENT OF THE COMMISSION

(Signed)
Nebojša PERIĆ