

Effective 4 September 2015, the National Bank of Ukraine (NBU) enacted new Regulations No. 581 and No. 582 regarding Ukraine's monetary and hard currency market.

The Regulations will be in effect until 4 December 2015.

The new regulations provide for the following changes pertinent to legal entities:

- **Purchase/Transfer Abroad of Foreign Currency.** Companies are no longer required to provide tax clearance certificate of the State Fiscal Service to purchase and/or transfer abroad foreign currency. However, they still must provide a cost examination certificate (approval) in cases provided by law.
- **Hard Currency Purchase Ban for Import Contracts.** NBU introduced a ban on the purchase of hard currency to pay for import of goods cleared through customs before 1 January 2014 where there was a change of debtor and/or creditor in the contract. Now resident companies may only pay for such goods with own available foreign currency. This does not apply to vital and essential items according to the approved list.
- **Export Transactions.** Export transaction/contract for up to equivalent of US\$500,000 may now be released from the export control of the authorized bank if the client provides evidence of settlement under such contract through setting off counter claims in the currencies that are not subject to obligatory sale (other than RUB, Euro, US\$ and other currencies of the First Group of Foreign Currency Classifier).
- **Amendments to Loan Agreements.** NBU established a restriction for the following registrations:
 - registration of amendments to loan agreements providing change of non-resident lender and/or non-banking resident borrower
 - registration of amendments to loan agreements between residents due to assignment of the loan by resident-lender to non-resident-lender

The following major NBU requirements established previously remain in force:

- term for payments under export-import transactions – 90 calendar days
- obligatory sale of 75% of foreign currency cash receipts from abroad
- ban to register amendments to loan agreements providing shortening of the loan terms or acceleration of obligations for resident borrowers
- restriction on sale by the bank of equivalent of up to UAH 3,000 in foreign currency to one person per day and restriction on national currency cash withdrawals through cashiers and ATMs of up to UAH 300,000 per day
- ban on loans in Hryvnia secured with foreign currency deposits
- NBU's requirement for banks to provide reference documents for transactions providing purchase/transfer abroad of foreign currency equivalent to US\$50,000 or more.

We will continue to monitor and inform of changes affecting our clients. Please contact us for more detailed information.

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