

Changes in Currency Legislation

On 16 December 2014, the National Bank of Ukraine by means of the Resolution No. 810 made a number of important changes to its already adopted Resolution No. 699 dated 3 November 2014 "On the Application of Certain Norms of Currency Legislation During the Regime of Temporary Occupation of the Territory of the Free Economic Zone Crimea".

The following main changes are worth mentioning:

- While performing banking transactions, the Ukrainian banks are prohibited to use documents issued to the Crimean parties by the Russian Federation and Crimean authorities; Crediting funds from deposit accounts and also interest accrued on deposit;
- The decision equating the migrants from the Autonomous Republic of Crimea to non-residents on the mainland of Ukraine was cancelled. This concerns individuals who are internally displaced and have received a certificate that indicates their residence on the mainland of Ukraine, as required by law; Crediting of purchased foreign currency;
- Settlements between legal persons (individual entrepreneurs) registered on the mainland territory of Ukraine and Crimean parties in relation to the current trade transactions shall be carried out in UAH or foreign currency; Crediting funds under the judicial enforcement proceedings;
- The banks are forbidden to service credit (loan) agreements in foreign currency, under which Crimean parties fulfill their debt obligations to non-residents. Registration of such agreements ceases to have effect; Enforcement and seizure of funds;
- The banks are obliged to stop transactions on the current accounts of legal entities, individual entrepreneurs, self-employed individuals who are the Crimean parties, except for the following transactions: Final transactions on transfer of funds to the account of a legal entity, which is opened outside Ukraine.

This Resolution came into force on 19 December 2014.