

Flash Report

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Sanctions on Russian accounting software



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Sanctions imposed on 1C and Parus software producers

On 15 May 2017 the President of Ukraine signed a Decree* expanding the list of Ukrainian economic sanctions as well as the list of legal entities/individuals subject to them. The extended list includes such Russian-based IT companies as software developers 1C Company and Parus Corporation.

Among others, the sanctions include blocking access to the companies' assets, limitations on trade, suspension of fulfilment of economic and financial obligations, ban on transfers of technology and intellectual property rights.

At this stage it is unclear how exactly the above-mentioned sanctions will be applied. However, we do not exclude a possibility that users of 1C and Parus software may experience difficulties with further usage of these software products, which may include:

- suspension of updates and technical support,
- cancellation of previously agreed supplies,
- issues with settlements, *etc.*

This Decree comes into force as of the date of its publication.

We will continue to monitor the situation and keep you updated on the issue.

* The Decree of President of Ukraine No. 133/2017 "On decision of the National Security and Defence Council of Ukraine dated 28 April 2017 on application of special personal economic sanctions and other restrictive measures".