

Flash Report

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Update on currency control restrictions



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Currency control restrictions

On 23 September 2014, Regulation No. 591* (the “Regulation”) of the National Bank of Ukraine (the “NBU”) came into force. The Regulation revised the following currency control requirements:

- Mandatory sale of foreign currency proceeds in the amount of 75% (instead of 100%).
- Purchase of hard currency by individuals in the amount not exceeding the equivalent of UAH 3,000 per day.
- Ban on the following transactions in foreign currency:
 - ✓ Remittance of funds to foreign investors due to:
 - a. proceeds from sale of corporate rights (except shares),
 - b. sale of Ukrainian securities outside stock exchange (except state bonds),
 - c. **payment of dividends** (except from securities traded on the stock exchange).
 - ✓ Settlements under import transactions without entry of goods into Ukraine (is not applied to services);
 - ✓ Payments under import transactions exceeding 180 calendar days upon custom clearance of goods (is not applied to services);
 - ✓ Most settlements based on previously issued individual licences of the NBU.

These restrictions are to apply until 2 December 2014. We will keep you updated on further developments.

* *Resolution of the NBU No. 591 dated 22 September 2014*