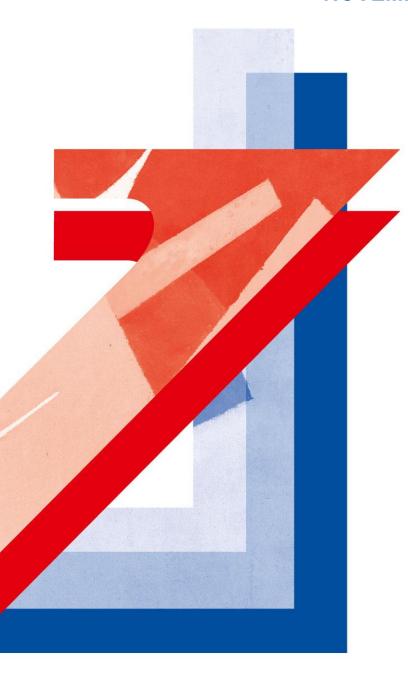


UKRAINE: LAW IN FOCUS

NOVEMBER 2018



KEEP CALM AND CARRY ON

The short-termed martial law introduced within 10 border-regions does not affect business operations in Ukraine. Ukrainian government urges to ensure the martial law will not touch on the rights and freedoms of businesses and individuals. More encouraging details please find in our alert.



UKRAINE: LAND LAW IN FOCUS

30-DAYS MARTIAL LAW WITHIN 10 UKRAINE'S BORDER REGIONS

On November 26, 2018 the President of Ukraine signed the Decree to introduce martial law in 10 of Ukraine's 24 regions: Odessa, Mykolaiv, Kherson, Zaporizhia, Luhansk, Donetsk, Sumy, Kharkiv, Cernihiv, Vinnytsia and Ukrainian territorial waters within Azov and Black Seas. Thus it does not affect Central and Western Ukraine and the city Kyiv.

This decision was supported by the Parliament of Ukraine by adopting the relevant Law.

Notwithstanding the Law allows for temporary restrictions of a limited number of rights and freedoms of individuals/companies today it does not impose any direct restrictions as well as does not affect commercial transactions and business activity in Ukraine.

The martial law is in force for a period of 30 days and will end on December 26, 2018.

Ukrainian government repeatedly ensures the short-termed martial law will not affect the rights and freedoms of businesses and individuals.

IF THE MARTIAL LAW WILL BE EXTENDED

In case of an extension, the National Security and Defense Council, the President and the Parliament shall follow the procedure once again.

Please note the President may also extend the term or the territory of the martial law.

Just for your information please see below some rights to property that could be derogated under the martial law (but are not derogated today):

- use production capacity of enterprises and their work forces for national security;
- conduct personal searches, searches of vehicles and cargoes, premises and housing;
- confiscate computers, video and audio equipment and other equipment (including data servers) regardless of the ownership;
- impose an obligatory duty on individuals to share their housing with military personnel, officers of law-enforcement agencies, and evacuated individuals;
- forcibly appropriate private and communal properties on payment of compensation.

We do hope the political situation will stabilize soon. At the same time, please pay attention to potential impact of the martial law on the force majeure/hardship clauses in your existing or negotiated transactions.

Should you have any questions with respect to above or require any additional information, please do not hesitate to contact Mr. Vladyslav Kysil (v.kysil@kpdconsulting.com.ua) or Mr. Mykhailo Semka (m.semka@kpdconsulting.com.ua). We will be pleased to assist you.

Information contained in this overview is not intended to provide legal advice and should not be relied on or treated as a substitute for specific advice concerning individual situations.