



Ukraine Legal Market News

Newsletter content:

1. *Prohibition on Unilateral Change of Interest Rates*
2. *Land Disputes: Commercial Courts' Jurisdiction*
3. *The Council of Europe/OECD Convention on Mutual Administrative Assistance in Tax Matters*
4. *The KPD Law Firm's News*

23, Kopernika street
04116 Kyiv, Ukraine
Telephone: +38 (044) 234 36 19
Fax: +38 (044) 234 36 19
office@kpdconsulting.com.ua
www.kpdconsulting.com.ua



KPD CONSULTING
l a w f i r m

Prohibition on Unilateral Change of Interest Rates

The Parliament of Ukraine (Verkhovna Rada) adopted the Law "On Amendments to Certain Laws of Ukraine with respect to Prohibition on Unilateral Changes of Terms and Conditions of Loan and Deposit Agreements by the Banks" No.661-VI, dated December 12, 2008.

According to the mentioned law amendments to the Civil Code of Ukraine as well as to the Law "On Banks and Banking Activity" were introduced. In particular it was forbidden to the banks to unilaterally change interest rates under loan and term deposit agreements.

The law will become effective in 10 days upon its promulgation.

Land Disputes: Commercial Courts' Jurisdiction

According to the Letter of the Highest Commercial Court of Ukraine No. 01-8/685, dated November 20, 2008 (published in December 2008) disputes related to protection of rights to the land plot between business entities (e.g. a claim of a company for cancellation of a local council's decision on allotment of a land plot and invalidation of the respective Land State Ownership Act) shall be settled by the commercial courts.

In the above Letter the Highest Commercial Court of Ukraine clarifies that such disputes falls into the jurisdiction of the commercial courts rather than administrative courts as they comply with the following attributes:

- the dispute is related to the protection of rights to the land plot (the object of civil rights); and
- the participants of the dispute are business entities (companies etc).

The Council of Europe/OECD Convention on Mutual Administrative Assistance in Tax Matters

According to the Law No. 677-VI, dated December 17, 2008, the Parliament of Ukraine (Verkhovna Rada) ratified with reservations the Convention on Mutual Administrative Assistance in Tax Matters, executed in Strasbourg on January 25, 1988 and signed by Ukraine on December 20, 2004.

Pursuant to the Convention administrative assistance in tax matters shall comprise:

- exchange of information, including simultaneous tax examinations and participation in tax examinations abroad;
- assistance in recovery, including measures of conservancy; and
- service of documents.



The KPD Law Firm's News

Mr. Michail Kurochka joined the company as a partner and a head of a new practice group: Debt Consulting and Collection of Bad Debts. He considered as one of the expert level legal practitioners in the field of litigation and “Debt Consulting” (re-structuring of the bad debts) and enforcement procedures. Previously Mr. Kurochka was the Head of Bad Debts Department at Ukrsibbank for more than 5 years.

