



Ukraine Legal Market News

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KPD CONSULTING LAW FIRM
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

Assignment of Claims under Loan Agreements by the Banks in favor of Non-Residents

The National Bank of Ukraine adopted Regulation No.265, dated April 30, 2009 (registered with the Ministry of Justice of Ukraine on May 6, 2009), which introduced amendments to the Regulation on the Procedure for Obtaining of Loans, Credits in Foreign Currency by Residents of Ukraine from Non-Residents and Granting of Loans in Foreign Currency by Residents of Ukraine to Non-Residents (hereinafter - the "Regulation").

Pursuant to the Regulation a resident-borrower shall register the loan agreement nominated in foreign currency and received from the Ukrainian bank (hereinafter – the "authorized bank") in case of assignment of claims under the loan agreement by the authorized bank (initial creditor) to non-resident. The loan agreement shall be registered with the National Bank of Ukraine according to the procedure provided for by the Regulation.

The agreement on assignment of claims under the loan agreement between the authorized bank (initial creditor) and non-resident shall contain provision stipulating that such assignment agreement becomes effective as of the date of the loan agreement registration. The authorized bank shall notify the borrower in writing on such assignment.

The Regulation is effective since May 18, 2009.

Construction Permits Procedure: New Rules for Initial Data Reports Obtaining

The Cabinet of Ministers of Ukraine adopted the Rules for Initial Data Report Obtaining (the Resolution No. 489, dated 20 May, 2009) hereinafter – the "Rules".

The Rules were adopted pursuant to the Law of Ukraine On Amendments of Certain Laws on Support of Construction dated September 16, 2009 No.509-IV. The above law has materially amended the procedure for construction permits obtaining. According to the above law starting from April 2009 the following documents: (i) the initial permit for construction and (ii) the architectural-planning assignment (APZ, abbreviation in Ukrainian) shall be replaced with the unified document called the "terms and conditions for construction on the land plot".

The Rules establish the procedure for obtaining of the "terms and conditions for construction on the land plot" and amend the procedure for obtaining of the planning assignment (zavdannya na proektuvannya, in Ukrainian) and technical conditions (tehnichni umovy, in Ukrainian) which constitute the set of "initial data report" project documents.

The Rules are effective since May 29, 2009.

The Procedure for Evidence Collection in Traffic Offence Cases

On May 18, 2009 the Instruction on Procedure for Evidence Collection in Traffic Offence Cases by the State Traffic Inspectorate Officers for Traffic Safety became effective (the Order of Ministry of Internal Affairs of Ukraine No.77, dated February 26, 2009).

The mentioned above Instruction governs the procedure for evidence collection in traffic offences by the State Traffic Inspectorate Officers, including the evidencing of offences by automatic devices (photo and video cameras), the procedure for temporary suspension of driving license, the rules for seizure of vehicle, technical test certificate, transport license card.

The evidences' presence is obligatory in case of the Traffic Rules offences, caused an accident environment, as well as driving under the influence and refusal to take an alcohol/drugs test.

The procedure in cases of traffic offences evidenced by automatic devices (photo and video cameras) is regulated by the separate section of the Instruction. It is prescribed, that if the person who was driving the car and who was not the owner is not founded within 2 months since offending (Article 38 of the Code of Administrative violations) the administrative case is to be dismissed.

State Authority's Inspections Moratorium

In accordance with the Regulation No.502, dated May 21, 2009 adopted by the Cabinet of Ministers of Ukraine (the "Regulation"), scheduled and unscheduled inspections of business legal entities and private entrepreneurs (the "Business Entities") are temporally suspended till December 31, 2010.

Pursuant to the Regulation scheduled inspections may be conducted in respect of the Business Entities which are classified as a high level risk Business Entities. The scheduled inspections may be also carried out during scheduled supervision (control) for compliance with the tax laws and regulations. Unscheduled inspections are conducted (i) should any individual or legal entity applies with a claim on violation of laws and regulations committed by the Business Entity and (ii) in case the Business Entity requests such inspection itself.

If state authorities find any violations, they shall issue an order on breach remedy within 30 days, unless otherwise is established by the law. Any decisions on finance or administrative penalties may be adopted if the Business Entity does not fulfill requirements of the order only. Any penalty shall not be applied for the violations which were remedied in accordance with the requirements of the order.