



KPD CONSULTING

UKRAINE: REAL ESTATE LAW IN FOCUS

THE REGISTER OF DEBTORS IS LAUNCHED

Before entering into any agreement on disposal of property please check whether you or your contracting party are not among those who are formally recognized as the debtor.

The link to the online registry is: <http://erb.nais.gov.ua>

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CONCEALMENT IS REVEALED

The first waves of bailiff reform started in 2016 by restatement of the Law of Ukraine On Enforcement Proceedings have reached the shore. The Register of Debtors introduced by said law was launched few days ago.

Henceforth a debtor (a person recognized as such under the enforcement document) will be registered in the public online Register of Debtors. If a registered debtor applies to a notary or other state registrar for disposal (sale, gift, etc.) of any property such transaction has to be suspended. The notary or registrar shall inform the bailiff on forthcoming transaction the same day.

Within the following day the bailiff shall seize said property.

Meanwhile any agreement on property alienation executed with a registered debtor before its seizure by the bailiff will be **recognized as null and void**.

To avoid possible trouble now anyone has free online access to the Register of Debtors (<http://erb.nais.gov.ua>) and can find relevant information on current debtors: both individuals and companies (except state and local authorities). This being said such independent verification now is vital for real estate and large business transactions. We strongly recommend implementing of this additional instrument in your risk management procedures.



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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.

The 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.