

DECREE

OF THE PRESIDENT OF THE RUSSIAN FEDERATION

**On Additional Temporary Measures of Economic Nature to Ensure Financial Stability
of the Russian Federation in the Area of Currency Regulation**

In addition to the measures provided for by Decrees of the President of the Russian Federation No. 79 dated 28 February 2022 "On Implementing Special Measures of Economic Nature in Connection with Unfriendly Actions of the United States of America and Foreign States and International Organizations Acceded to Them", No. 81 dated 1 March 2022 "On Additional Temporary Measures of Economic Nature to Ensure Financial Stability of the Russian Federation", and No. 95 dated 5 March 2022 "On Temporary Procedure for Performance of Obligations against Certain Foreign Creditors", I hereby decree:

1. To vest the Board of Directors of the Central Bank of the Russian Federation with the power to determine the amount of operation, within which the following is allowed:

a) prepayment or advance payment by residents in favor of non-resident foreign legal entities and individuals under contracts of the types which are included in the list determined by the Board of Directors of the Central Bank of the Russian Federation;

b) transfer of funds from the following accounts opened with Russian credit institutions:

accounts of non-resident foreign legal entities incorporated in foreign states taking unfriendly actions against the Russian Federation, Russian legal entities and individuals (hereinafter, "foreign persons of the states taking unfriendly actions") to accounts of non-resident foreign legal entities that are not foreign persons of the states taking unfriendly actions;

accounts of non-resident foreign legal entities that are not foreign persons of the states taking unfriendly actions to accounts opened in foreign states taking unfriendly actions against the Russian Federation, Russian legal entities and individuals (hereinafter, "foreign states taking unfriendly actions");

c) transfer (without opening accounts) of monetary funds, including electronic money:

by foreign persons of states taking unfriendly actions in favor of non-resident foreign legal entities, which are not foreign persons of the states taking unfriendly actions;

by non-resident foreign legal entities, which are not foreign persons of the states taking unfriendly actions, to banks and other financial market institutions located in states taking unfriendly actions;

d) acquisition of foreign currency in the domestic foreign exchange market of the Russian Federation by non-resident legal entities.

2. To prohibit until 31 December 2022 to execute the following operations without obtaining permits from the Central Bank of the Russian Federation:

a) payments by a resident for a participatory interest, contribution, unit in the property (in authorized or pooled capital, mutual fund of a cooperative) of a non-resident legal entity;

b) payments by a resident to a non-resident made under a simple partnership agreement providing for investing in the form of capital contributions (joint venture agreement).

3. Provisions of Sub-Clause "a" of Clause 1 of this Decree shall not apply to execution of relevant operations by Russian individuals, Russian credit institutions, the state development corporation "VEB.RF".

4. To vest the Central Bank of the Russian Federation with the following powers:

a) to issue a permit authorizing a resident engaged in foreign economic activities to comply with the requirements set out in Clause 2 of Decree of the President of the Russian Federation No. 79 dated 28 February 2022 "On Implementing Special Measures of Economic Nature in Connection with Unfriendly Actions of the United States of America and Foreign States and International Organizations Acceded to Them" within a timeframe other than the timeframe provided for in this Clause;

b) to issue a permit allowing a resident engaged in foreign economic activities not to sell foreign currency on a mandatory basis in the manner set out in Clause 2 of Decree of the President of the Russian Federation No. 79 dated 28 February 2022 "On Implementing Special Measures of Economic Nature in Connection with Unfriendly Actions of the United States of America and Foreign States and International Organizations Acceded to Them" extending to the amount of the foreign currency (as determined at the time the foreign currency is credited to the account of such resident) which is payable by such resident to satisfy claims of Russian credit institutions arising from loan agreements (including the repayment of a loan, payment of interest and/or penalties) and denominated in the foreign currency;

c) to issue permits necessary for execution of operations specified in Clause 2 of this Decree;

d) to issue official interpretations regarding the application of this Decree.

5. To establish that until 1 September 2022 obligations, which are denominated in foreign currency and arise from bank account (deposit) agreements entered into between credit institutions subjected to restrictive measures of foreign states taking unfriendly actions and customers of these institutions that are resident legal entities (provided that the obligations arose prior to the date of introduction of such measures), shall be deemed to be duly performed, if such obligations are performed in rubles in the amount equivalent to the value of the obligations in the foreign currency (regardless of the currency in which such value is denominated) and calculated based on the official exchange rate set by the Central Bank of the Russian Federation on the date of performance of these obligations.

6. To establish that for the purposes of applying Decree of the President of the Russian Federation No. 79 dated 28 February 2022 "On Implementing Special Measures of Economic Nature in Connection with Unfriendly Actions of the United States of America and Foreign States and International Organizations Acceded to Them":

a) the prohibitions set forth in Clause 3 of this Decree shall not apply to money transfers in a foreign currency to be credited to accounts (deposits) opened with banks located outside the Russian Federation by diplomatic missions, consular institutions of the Russian Federation, permanent representative offices of the Russian Federation to international (interstate, intergovernmental) organizations, other official representative offices of the Russian Federation, representative offices of federal executive authorities, representative offices and/or branches of resident legal entities located outside the Russian Federation or employees thereof;

b) the requirements of Clauses 1 and 2 of this Decree shall not apply to organizations directly implementing projects for production of liquefied natural gas in the Arctic Zone of the Russian Federation in relation to the foreign currency credited to the accounts of these organizations in connection with the implementation of such projects.

7. To establish that for the purposes of applying Decree of the President of the Russian Federation No. 81 dated 1 March 2022 "On Additional Temporary Measures of Economic Nature to Ensure Financial Stability of the Russian Federation" the restrictions set forth in Clause 1 of this Decree shall not apply to credit facilities or loans (in rubles) to be made to residents if they are controlled by foreign persons affiliated with foreign states taking unfriendly actions (including where such foreign persons are citizens of, are registered, have the principal place of business or predominantly generate their business profits in these states).

8. The provisions of Clause 12 of Decree of the President of the Russian Federation No. 95 dated 5 March 2022 "On Temporary Procedure for Performance of Obligations against Certain Foreign Creditors" shall extend to the application of this Decree.

9. To vest the Governmental Commission for Monitoring Foreign Investment in the Russian Federation with the following powers:

a) to issue permits authorizing residents engaged in foreign economic activities to comply with the requirements set out in Clause 2 of Decree of the President of the Russian Federation No. 79 dated 28 February 2022 "On Implementing Special Measures of Economic Nature in Connection with Unfriendly Actions of the United States of America and Foreign States and International Organizations Acceded to Them" in an amount other than the amount provided for in this Clause;

b) issue a permit authorizing one of those operations which are referred to in Clause 1 of this Decree in an amount exceeding the amount determined by the Board of Directors of the Central Bank of the Russian Federation.

10. The Government of the Russian Federation shall approve, within 10 days, a procedure for issuance by the Governmental Commission for Monitoring Foreign Investment in the Russian Federation of the permits referred to in Clause 9 of this Decree.

11. The Central Bank of the Russian Federation shall adopt, within 10 days, regulations required for the exercise of the powers referred to in Clause 4 of this Decree.

12. The Board of Directors of the Central Bank of the Russian Federation shall pass, within 10 days:

a) resolutions required for the exercise of the powers referred to in Clause 1 of this Decree;

b) resolutions establishing a procedure for issuing the permits referred to in Sub-Clauses "a" to "c" of Clause 4 of this Decree.

13. The resolutions of the Board of Directors of the Central Bank of the Russian Federation specified in this Decree shall be officially published in accordance with Article 7 of Federal Law No. 86-FZ dated 10 July 2002 "On the Central Bank of the Russian Federation (Bank of Russia)".

14. This Decree shall come into force on the date of its official publication.

15. The provisions of Clause 1 of this Decree shall apply to the execution of the operations referred to in Sub-Clauses "a" to "d" of this Clause from the date of official publication of the resolution issued by the Board of Directors of the Central Bank of the Russian Federation in respect of the relevant operation.

|  |  |
| --- | --- |
| President of the Russian Federation/seal: President of the Russian Federation, 5, EXECUTIVE OFFICE/ | V. Putin |

Moscow, Kremlin

18 March 2022

No. 126