

DECREE

**OF THE PRESIDENT OF THE RUSSIAN FEDERATION**

**On the Temporary Procedure for Fulfilling Obligations
to Certain Foreign Creditors**

In addition to the economic measures provided for in Russian Presidential Decrees No. 79 “On Application of Special Economic Measures in Connection with Unfriendly Acts of the United States of America and Associated Foreign Countries and International Organisations” dated 28 February 2022 and No. 81 “On Additional Provisional Economic Measures to Ensure Financial Stability of the Russian Federation” dated 01 March 2022, I hereby order:

1. To establish a temporary procedure for fulfilment by the Russian Federation, constituent entities of the Russian Federation, municipalities and residents (hereinafter also the “debtors”) of obligations under loans, borrowings and financial instruments to foreign creditors that are foreign persons associated with foreign states that commit unfriendly actions against the Russian Federation, Russian legal entities and individuals (including if such foreign persons are citizens of those states and are registered, have their principal place of business or make profit from business in those states), or persons controlled by those foreign persons irrespective of their place of registration (except when the place of registration is the Russian Federation) or principal place of business (hereinafter the “foreign creditors”).

1. The procedure for fulfilling obligations established by this Decree applies to obligations exceeding RUB 10 m per calendar month or an amount equivalent to this in foreign currency at the official exchange rate of the Central Bank of the Russian Federation set on the first day of each month.
2. For fulfilment of the obligations specified in Clause 1 of this Decree, a debtor may apply to a Russian credit institution asking to open a type “C” account in the name of a foreign creditor or foreign organisation that is, pursuant to its personal legislation, entitled to account for and transfer title to the securities (the foreign nominal holder) in respect of which the obligations are fulfilled, to perform settlements under the obligations. For fulfilling obligations relating to issue of securities, a debtor may apply to a non-bank credit institution that is a central depositary as per Federal Law No. 414-FZ “On the Central Depositary” dated 07 December 2011.
3. To establish that, starting from the effective date of this Decree, type “C” accounts include securities accounts previously opened in the name of a non-resident that is a foreign creditor, or in the name of a foreign nominal holder.
4. Type “C” account regulations will be established by resolution of the Board of Directors of the Central Bank of the Russian Federation to be officially published pursuant to Article 7 of Federal Law No. 86-FZ “On the Central Bank of the Russian Federation (Bank of Russia)” dated 10 July 2002. A type “C” account must be a rouble account.
5. To establish that the obligations specified in Clause 1 hereof are deemed duly fulfilled if:

a) they are fulfilled to foreign creditors not mentioned in Clause 1 of this Decree in roubles in an amount equivalent to the value of the obligations in a foreign currency (irrespective of the currency in which that value is denominated) and calculated at the official exchange rate set by the Central Bank of the Russian Federation on the day when the relevant payment is made;

b) they are fulfilled to residents whose securities are accounted for in securities accounts in Russian depositaries by the debtor transferring funds in roubles to the creditor’s account in an amount equivalent to that of the obligations in a foreign currency and calculated at the official rate set by the Central Bank of the Russian Federation on the day when the relevant payment is made. The payments should be made through Russian depositaries without transferring funds to type “C” accounts;

c) they are fulfilled to a foreign nominal holder by the debtor transferring funds in roubles in an amount equivalent to that of the obligations in a foreign currency and calculated at the official rate set by the Central Bank of the Russian Federation on the day when the relevant payment was made to a type “C” account of the foreign nominal holder opened with a Russian depositary for subsequent transfer of those funds in the amount due for payment under the terms of the securities issued to the holders of relevant securities that are foreign creditors in the context of Clause 1 of this Decree, less the payments made to securities holders that are persons, the procedure for fulfilling obligations to which is provided for in Sub-clauses “a” and “b” of this clause;

d) they are fulfilled pursuant to the procedure determined as per Clause 10 or 11 of this Decree.

1. If the debtor transfers funds to a type “C” account, the creditor is entitled to apply to the credit institution with which the account has been opened requesting use of the funds as determined by the Central Bank of the Russian Federation (for fulfilment of obligations by credit institutions and non-credit financial organisations) or the Ministry of Finance of the Russian Federation (for fulfilment of obligations by other debtors).
2. The obligations of debtors to residents and foreign creditors not mentioned in Clause 1 of this Decree, provided that the right to demand discharge of such obligations was assigned to them by foreign creditors specified in Clause 1 hereof after 01 March 2022 (or a different date determined in relation to certain categories of person by the Board of Directors of the Central Bank of the Russian Federation), are to be fulfilled as established in this Decree.
3. Russian legal entities shall discharge their obligations associated with issue of foreign issue-grade securities by foreign organisations (Eurobonds, depositary receipts) as established in this Decree.
4. To authorise the Central Bank of the Russian Federation (in respect of fulfilment of obligations by credit institutions and non-credit financial organisations) and the Ministry of Finance of the Russian Federation (in respect of fulfilment of obligations by other debtors) to establish a different procedure for the debtors to fulfil their obligations specified in Clause 1 hereof.
5. For the purposes of determining the procedure for debtors to fulfil their obligations as per Clause 10 hereof, to provide for the authority to permit fulfilment of obligations without observing the procedure established in this Decree to:

a) the Central Bank of the Russian Federation in respect of credit institutions and non-credit financial organisations;

b) the Ministry of Finance of the Russian Federation with the approval of the Central Bank of the Russian Federation in respect of other debtors.

1. For the purposes of applying Russian Presidential Decree No. 81 “On Additional Provisional Economic Measures to Ensure Financial Stability of the Russian Federation” dated 01 March 2022, persons from foreign states that commit unfriendly actions against the Russian Federation, Russian legal entities and individuals, as specified in Sub-clause “a”, Clause 1 hereof, do not include ones that meet the following conditions simultaneously:

a) they are controlled by Russian legal entities or individuals (the ultimate beneficiaries are the Russian Federation, Russian legal entities or individuals), including if control is exercised through foreign legal entities associated with such foreign states;

b) information regarding control over those persons has been disclosed by Russian legal entities or individuals specified in Sub-clause “а” of this clause, or tax authorities of the Russian Federation as per the requirements of the Russian legislation.

1. The Central Bank of the Russian Federation is entitled to provide official clarifications regarding application of this Decree and Russian Presidential Decrees dated 28 February 2022 No. 79 “On Application of Special Economic Measures in Connection with Unfriendly Acts of the United States of America and Associated Foreign Countries and International Organisations ” and No. 81 “On Additional Provisional Economic Measures to Ensure Financial Stability of the Russian Federation” dated 01 March 2022, which will be considered binding throughout the territory of the Russian Federation.
2. The Russian government is to list the countries committing “unfriendly acts” against the Russian Federation, its individuals and legal entities within two days.
3. This Decree comes into force on the day of its official publication.

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| Stamp/ President of the Russian Federation \* 5 \*EXECUTIVE OFFICE/ | Presidentof the Russian Federation V. Putin |

Moscow, Kremlin
05 March 2022
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