



Legal alert

Changes in the rules for crediting funds in foreign currency to residents' accounts with foreign banks and other foreign financial market institutions

- 1.1. On 14 March 2022, the Russian Finance Ministry announced¹ that, on 10 March, the sub-commission of the Government's Commission for Foreign Investments (the "**Government Commission**") had adopted a decision (the "**Decision**") amending the rules whereby residents credit funds in foreign currency to their accounts (deposits) with banks and other financial market institutions located outside of Russia.
- 1.2. We remind you that the Russian President's Decree No. 79 dated 28 February 2022 prohibits Russian residents, starting from 1 March, from crediting funds in foreign currency to their accounts (deposits) opened with banks and other financial market institutions outside of Russia. At the same time, by virtue of the President's Decree No. 81 dated 1 March 2022, the above transactions may be executed based on permits issued by the Government Commission. For permits to be issued the Government Commission has formed the sub-commission that has the authority, inter alia, to adopt resolutions regarding issuing to general public the Government Commission's permits to execute specific transactions and operations².
- 1.3. In exercising its powers, the sub-commission of the Government Commission has determined in its Decision the list of residents' transactions with foreign currency that may be performed through foreign banks and other financial market institutions:
 - Residents may transfer funds in foreign currency to their accounts opened with foreign banks and other financial market institutions in order to finance the current operations of the residents' branches and representative offices. That being said, the volume of funds transferred must not exceed the financing for the previous year.
 - Funds in foreign currency may be credited to Russian citizens' accounts in foreign banks, provided that these funds are received from non-residents as salary, rent, coupons and dividends under securities as well as other interest payments.
 - Individuals may transfer funds in foreign currency from their foreign accounts opened with foreign banks before 1 March 2022 to their other foreign accounts that have been disclosed to Russian tax authorities.
- 1.4. The Decision applies to the general public. We will keep you informed about further developments.
- 1.5. This material is provided for information purposes and is not to be construed as an advice or a legal opinion. Should you have any questions on this alert, please contact us at alerts@rgd.legal.

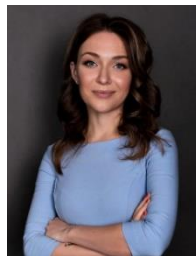
RGD CONTACTS



Suren Gortsunyan

Partner, Advocate
Head of Corporate Practice

+7 495 (139) 6500
SGortsunyan@rgd.legal



Anastasia Konstantinova

Counsel, Advocate
Head of Sanctions Practice

+7 495 139 6500
AKonstantinova@rgd.legal



Nato Tskhakaya

Counsel, Advocate
Head of Antitrust & Competition
Practice

+7 495 139 6500
NTskhakaya@rgd.legal

¹ https://minfin.gov.ru/ru/press-center/?id_4=37806-rezidenty-smogut-zachislyat-valyutu-na-svoi-scheta-v-inostrannykh-bankakh-dlya-finansirovaniya-tekushchei-dyeyatelnosti

² The Government's Resolution No. 295 dated 6 March 2022.