

APPROVED  
by Resolution  
of the Board of the National Bank  
of the Republic of Belarus  
No. 72 dated April 30, 2004

## **RULES OF CONDUCTING FOREIGN EXCHANGE OPERATIONS**

### **BASIC RULES OF CONDUCTING FOREIGN EXCHANGE OPERATIONS**

1. Foreign exchange operations shall be carried out by residents and non-residents within the framework of the requirements imposed by legislation of the Republic of Belarus on the basis of contracts concluded thereby or on other grounds provided for by legislation of the Republic of Belarus or legislation of foreign countries.

2. Unless otherwise provided for by legislation of the Republic of Belarus, independent entrepreneurs shall carry out foreign exchange operations in the manner prescribed for the entities of foreign exchange operations.

3. Residents and non-residents shall carry out foreign exchange operations in the Republic of Belarus through banks in accordance with the requirements prescribed by regulatory legal acts of the National Bank of the Republic of Belarus (hereinafter—the National Bank) .

### **CONDUCTING CURRENT FOREIGN EXCHANGE OPERATIONS AND FOREIGN EXCHANGE OPERATIONS INVOLVING CAPITAL FLOW**

4. Current foreign exchange operations shall be carried out between residents and non-residents without restrictions.

No permits (licenses) of the National Bank are required to carry out current foreign exchange operations, with the exception of foreign exchange operations specified in part 3 of this clause.

Foreign exchange operations involving the transfer of monetary funds by a resident entity of foreign exchange operations (except for a bank) to a non-resident under deeds of gift (including in the form of donations) shall be performed on the basis of a permit (license) of the National Bank.

5. Resident natural persons shall carry out foreign exchange operations involving capital flow:

- on the grounds of permits (licenses) of the National Bank – foreign exchange operations specified in Article 10 of the Law of the Republic of Belarus “On Foreign Exchange Regulation and Foreign Exchange Control”; and
- without permits (licenses) of the National Bank – other foreign exchange operations.

6. Entities of foreign exchange operations (except for banks) shall carry out foreign exchange operations involving capital flow:

- on the grounds of permits (licenses) of the National Bank –foreign exchange operations specified in clause 7 of these Rules;
- without permits (licenses) of the National Bank – foreign exchange operations specified in Article 10 of the Law of the Republic of Belarus “On Foreign Exchange Regulation and Foreign Exchange Control”; and
- by virtue of notification-based procedure – foreign exchange operations specified in clause 8 of these Rules.

7. Resident entities of foreign exchange operations (except for banks) shall carry out, on the grounds of the National Bank’s permits (licenses) for carrying out foreign exchange operations involving capital flow, the foreign exchange operations which provide for:

7.1. acquisition of equities when they are distributed among the promoters as well as acquisition of a stake in the authorized capital or a share in the property of a non-resident;

7.2. acquisition of securities issued by non-residents from a non-resident, except for acquisition of equities when they are distributed among the promoters;

7.3. acquisition of ownership of the property located abroad and recognized by legislation of the Republic of Belarus as immovable property;

7.4. placement of monetary funds with non-resident banks or transfer of monetary funds to non-residents (except for non-resident banks) under trust management terms;

7.5. granting of loans;

7.6. settlement of liabilities that have been incurred by an entity of foreign exchange operations (except for a bank) being a surety, a guarantor to a non-resident on the grounds of a surety (guaranty) contract concluded between them;

7.7. receipt of credits and/or loans, if at least one of the following conditions exists:

- the interest rate on the credit and/or loan exceeds the level established by the Board of Directors of the National Bank;
- the interest rate on the credit and/or loan, in case of failure to repay the credit and/or loan in time, and the amount of penalty (fine, penalty interest) collectively exceed the level established by the Board of Directors of the National Bank;
- the agreement between a resident entity of foreign exchange operations (except for a bank) and a non-resident (except for a non-resident bank) sets, along with the interest rate on the credit and/or loan, an obligation to perform other additional payments;
- the amount of the credit and/or loan is directed to pay for liabilities of the resident (debtor, borrower) bypassing his/her account with the bank;
- liabilities for repayment of the credit and/or loan are discharged not from the debtor's/borrower's account;
- the creditor or the lender is registered in the country (in the territory) that enjoys preferential tax treatment and/or no information about financial operations may be disclosed and submitted (offshore zones); and

7.8. settlements involving liabilities that have been incurred by a resident entity of foreign exchange operations (except for a bank) to a non-resident under the agreement on assignment of debt or cession agreement concluded between them;

8. Resident entities of foreign exchange operations (except for banks) shall carry out, upon notification, foreign exchange operations involving capital flow that are not mentioned in clause 7 of these Rules and in Article 10 of the Law of the Republic of Belarus “On Foreign Exchange Regulation and Foreign Exchange Control”.

The procedure for making notifications of foreign exchange operations involving capital flow shall be established by regulatory legal acts of the National Bank.

9. The banks shall carry out the foreign exchange operations involving capital flow:

- on the grounds of permits (licenses) issued by the National Bank – foreign exchange operations that are bank operations;
- on the grounds of permits (licenses) of the National Bank – foreign exchange operations mentioned in clause 10 of these Rules;
- without permits (licenses) of the National Bank – foreign exchange operations specified in Article 10 of the Law of the Republic of Belarus "On Foreign Exchange Regulation and Foreign Exchange Control"; and
- by virtue of notification-based procedure – other foreign exchange operations.

10. Banks shall carry out the following operations involving capital flow on the grounds of a permit (license) of the National Bank:

10.1. acquisition of equities when they are distributed among the promoters as well as acquisition of a stake in the authorized capital or a share in the property of a non-resident; and

10.2. transfers in favor of non-residents under the resident’s obligations to acquire ownership of the property located abroad and recognized by legislation of the Republic of Belarus as immovable property;

## FOREIGN EXCHANGE OPERATIONS BETWEEN RESIDENT ENTITIES OF FOREIGN EXCHANGE OPERATIONS AND NON-RESIDENT ENTITIES OF FOREIGN EXCHANGE OPERATIONS

11. While performing foreign exchange operations between a resident entity of foreign exchange operations and a non-resident entity of foreign exchange operations, Belarusian rubles may be used:

- in a cashless form, to perform all types of foreign exchange operations; and
- in cash, pursuant to legislation of the Republic of Belarus.

12. Unless otherwise provided by the treaties of the Republic of Belarus, the liabilities under foreign exchange operations between a resident entity of foreign exchange operations and a non-resident entity of foreign exchange operations may be denominated and discharged in foreign exchange in respect of which the National Bank has set the official exchange rate.

## OPERATIONS INVOLVING NATURAL PERSONS' BANK ACCOUNTS IN FOREIGN EXCHANGE

13. A resident natural person shall open, with the bank, the following accounts in foreign exchange:

- current (settlement) accounts;
- card accounts;
- deposit accounts; and
- other accounts established by legislation of the Republic of Belarus.

14. Unless otherwise provided by legislation of the Republic of Belarus, non-resident natural persons shall open accounts in foreign exchange and in Belarusian rubles with the banks and carry out operations involving such accounts in the manner prescribed for resident natural persons.

15. The following operations shall be carried out involving current (settlement) account, card account, and deposit account of a natural person in foreign exchange:

- crediting and debiting foreign exchange in the manner prescribed by legislation of the Republic of Belarus;
- transfers involving his/her accounts in foreign exchange;

- transfers to natural persons abroad and vice-versa which do not involve settlements of foreign exchange operations; and
- settlement of natural person's foreign exchange operations with residents or non-residents in cases where acts of foreign exchange legislation allow for the use of foreign exchange between them.

16. Foreign exchange held on accounts and on deposits of natural persons shall be returned at their request within the limits of the balance of assets held on the account in the manner provided for by the relevant agreement with the bank or on other grounds established by legislation.

#### OPERATIONS INVOLVING BANK ACCOUNTS OF NON-RESIDENT ENTITIES OF FOREIGN EXCHANGE OPERATIONS

17. A non-resident entity of foreign exchange operations (except for a non-resident bank) shall be entitled to open, with the bank, the following accounts in foreign exchange:

- current (settlement) account;
- card accounts;
- deposit accounts; and
- other accounts established by legislation of the Republic of Belarus.

18. A current (settlement) account in foreign exchange shall be opened by a non-resident entity of foreign exchange operations (except for a non-resident bank) directly or through its representative office (a branch).

19. Operations involving the current (settlement) account in foreign exchange of a non-resident entity of foreign exchange operations shall be carried out without restrictions on the types of operations (including foreign exchange operations involving the purchase and sale of foreign exchange in the manner established by the National Bank).

20. Non-resident entity of foreign exchange operations (except for a non-resident bank) shall open, with the bank, the following accounts in Belarusian rubles:

- current (settlement) account of type "T";
- account of type "C";

- deposit account; and
- other accounts established by legislation of the Republic of Belarus.

21. Current (settlement) account of type “T” shall be opened by a non-resident entity of foreign exchange operations only on behalf of its representative office (a branch).

22. Operations involving the current (settlement) account of type “T” shall be carried out by a non-resident entity of foreign exchange operations without restrictions on the types of operations (including foreign exchange operations involving the purchase and sale of foreign currency in the manner established by the National Bank).

23. Non-resident entities of foreign exchange operations shall invest monetary funds in short-term bonds of the National Bank and/or in government securities of the Republic of Belarus only from accounts of type “C”.

24. Non-resident banks (except for their representative offices) shall be entitled to open, with the banks, the following accounts in Belarusian rubles and foreign exchange:

- correspondent accounts; and
- other accounts established by legislation of the Republic of Belarus.

The representative offices of non-resident banks located in the Republic of Belarus shall open accounts in Belarusian rubles and foreign exchange in the manner established for non-resident entities of foreign exchange operations.

25. Crediting foreign exchange cash (Belarusian rubles in cash) to the correspondent account in foreign exchange (in Belarusian rubles) of a non-resident bank and debiting foreign exchange cash (Belarusian rubles in cash) from the correspondent account in foreign exchange of a non-resident bank shall require the permit (license) of the National Bank.

26. Non-resident banks shall be entitled to purchase foreign exchange for Belarusian rubles from their accounts in the manner established by the National Bank.