



**Guidelines for Opening and Maintaining of the LORO Correspondent Accounts
and for Execution of Settlement Documents for Banks –
Residents and Non-residents of Ukraine, Foreign Banks' Branches**
(new edition in force since May 28, 2021)

1. General Provisions

1.1. The Guidelines for opening and maintaining of the LORO correspondent accounts and for execution of settlement documents for banks - residents/non-residents/foreign banks' branches (hereinafter **the Guidelines**) are developed in accordance with them applicable law of Ukraine, including regulations of the National Bank of Ukraine (hereinafter **the NBU**) and the JSC Ukreximbank (hereinafter **the Bank**) regulatory documents in order to unify the procedure for conducting transactions on Loro correspondent accounts opened with the Bank, to process and send messages by means of SWIFT (principal communication channel) or telex (backup communication channel, if any) (hereinafter the **Agreed Communication Channels**) and to ensure as follows:

- automatic processing of messages in the Bank clearing system;
- elimination of delays in the Bank settlement operations;
- eliminate the possibility of operational errors due to ambiguity or ambiguous interpretation of payment instructions.

1.2. When exchanging messages with the Bank using the Agreed Communication Channels, the format of the messages and the procedure for use thereof should comply with the provisions of these Guidelines.

1.3. All expenses incurred due to failure to comply with these Guidelines shall be borne by the correspondent.

2. Glossary

Beneficiary Bank shall mean the bank servicing the Beneficiary account.

Paying Bank shall mean the bank servicing the Payer account.

Intermediary Bank shall mean the bank servicing the Beneficiary Bank account.

Beneficiary shall mean the final recipient of funds according to the payment orders.

Sender shall mean a financial institution sending the message through the Agreed Communication Channels.

Internal Payments shall mean the Correspondent payment orders in favor of the Bank customers, other correspondent banks and their customers

Agreement shall mean an Agreement on opening and procedure of managing correspondent account in the national currency of Ukraine for Banks - residents/non-residents/foreign bank branches or an Agreement on opening and procedure of managing multicurrency correspondent account in foreign currencies and banking metals for Banks - residents/non-residents/foreign bank branches entered into between the Bank and the Correspondent.

External Payments shall mean the Correspondent payment orders to be executed through correspondent accounts opened by the Bank with other banks (hereinafter NOSTRO correspondent banks).

Correspondent shall mean the bank, in the name of which LORO correspondent account is opened with the Bank.

Interbank Settlement Documents shall mean the authenticated electronic interbank settlement documents for crediting funds transmitted by the Agreed Communication Channels.

Receiver shall mean a financial institution, which received messages by means of Agreed Communication Channels.

Payer shall mean the sender of funds according to the Settlement Document (ordering institution).

Account shall mean the LORO correspondent account.

Business Day shall mean a day, which is a business day for banks of Ukraine and for the country issuing the currency/country, in which the Bank has a correspondent account (for settlements in euro shall mean any day, except for holidays and days off in Ukraine and in TARGET network or EVA clearing system).

Settlement documents shall mean authenticated electronic settlement documents of the Correspondent for debiting funds (except for cases of direct debit of funds from the Account and in case of enforced debit (collection) of funds in cases stipulated by the effective law of Ukraine), transferred via the Agreed Communication Channels.

Sanctions Lists shall mean lists of legal entities and individuals, for which restrictions or prohibitions on performing financial transactions are imposed, and the applicable sanction regimes in terms of countries, programs and sectors are applied.

Fees shall mean the Bank fees set forth on the Bank official website at: <https://www.eximb.com> and/or sent to the Correspondent by the Agreed Communication Channels and/or the NBU e-mail.

3. Sanctions lists

3.1 The applicable sanction regimes in terms of countries, programs and sectors, and lists of legal entities and individuals, on which restrictions (sanctions) or prohibitions on performing financial transactions are imposed, are set forth in the following resources (the lists are not exhaustive and may be amended):

The United Nations Security Council (UNSC):

<https://www.un.org/securitycouncil>

UK Treasury:

<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>

Government of Canada:

https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/index.aspx?lang=eng

The National Security and Defense Council of Ukraine:

<https://www.rnbo.gov.ua/ua/Ukazy/>

European Commission:

https://eeas.europa.eu/topics/sanctions-policy_en

The US Department of Treasury Office of Foreign Assets Control (OFAC):

<https://home.treasury.gov/policy-issues/financial-sanctions/consolidated-sanctions-list-data-files>

<https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information>

Alternative search facility of OFAC:

<https://sanctionssearch.ofac.treas.gov/>

Financial Crimes Enforcement Network of US Department of Treasury Office (FinCEN):

<https://www.fincen.gov/>

State Secretariat for Economic Affairs of the Swiss Confederation, SECO:

<https://www.seco.admin.ch/>

Government of Australia:

<https://www.dfat.gov.au/node/123620>

3.2 If the Settlement Document that was sent contains details of an individual and/or legal entity from countries, against which a restrictive regime¹ of international sanctions has been imposed by a number of international organizations and authorized national institutions, an indication that such sanctions does not apply to such individual and/or legal entity should be made. Information for the Bank should be placed in field 72 box with the code word /REC/.

3.3 The Correspondent shall bear full responsibility for providing the Settlement Documents that will be sent irrespective to this requirement and will be blocked, returned without execution by the Bank or the foreign bank.

Example:/REC/CONFIRM THAT BENEFICIARY

//STATED (name)
//IS NOT IN OFAC LIST

Or

Example:/REC/CONFIRM THAT MOTOR VESSELS
//MENTIONED IN DETAILS OF PAYMENT
//BELONG TO COMPANIES THAT ARE NOT
//IN OFAC LIST

4. Main types of Settlement Documents and Guidelines to apply thereof

4.1 Main types of Settlement Documents

MT103 shall mean a Single Customer Credit Transfer to be used to transfer payment instructions for transfer of funds, in which either the Payer or the Beneficiary, or both parties are not financial institutions.

MT200 shall mean a Transfer of a Financial Institution to its Own Account to be used to transfer the Correspondent funds from an Account to its account in another financial institution in the same currency.

MT202 shall mean a General Interbank Transfer to be used when transferring funds between financial institutions.

MT604 shall mean a Transfer/ Delivery of Goods (Banking Metal) to be used for transfer of banking metals.

4.2. The guidelines for filling the Settlement Documents fields in accordance with the message type are set forth in Table 1.

5. List of Documents for Opening an Account

5.1. For Ukrainian banks:

- application for opening an Account specifying the currencies and the purpose for opening (either on the bank letterhead signed by the bank CEO or sent by the Agreed Communication Channel);
- notarized copy the Banking License issued by the NBU;
- notarized copy of the Bank Statute / or the code to access the results of the administrative service (state registration) on the electronic services portal of the Ministry of Justice of Ukraine (<https://usr.minjust.gov.ua/ua/freesearch>);
- notarized list of persons entitled to administer the account, with their personal signatures;
- questionnaire for resident financial institution customer (according to the form stipulated by the Bank internal financial monitoring regulations);
- list of correspondent Banks (signed by the Bank's CEO);
- card of the Bank's counterparty (signed by the Bank's CEO);
- letter confirming the status of VAT payer (according to the form of JSC Ukreximbank);
- extract from the United State Register of Legal Entities, Individual Entrepreneurs and Public Organizations (formed according to all search parameters with indication of all registration actions under the Correspondent's Statute).

¹ Other than comprehensive (ex. targeted, sectoral etc)

5.2. For branches of foreign banks:

- application for Account opening with indication of currencies and the opening purpose;
- copy of legalized and duly certified license or another document that confirms the right of the foreign bank branch to carry out banking activity;
- copies of certificates of registration with a respective regulator as tax payer and unified social tax payer;
- notarized list of persons entitled to administer the account, with their personal signatures;
- questionnaire for financial institution customer;
- copies of other duly certified documents that allow to identify the financial institution;
- other document as required by the Bank.

5.3. For non-resident banks (except for central banks of foreign countries and the European Bank for Reconstruction and Development):

- application for Account opening with indication of currencies and the opening purpose (either on the bank letterhead signed by the bank CEO or sent by the Agreed Communication Channel);
- copy of legalized², or endorsed with an Apostille, extract from the banking register of documents that confirms the registration of the non-resident bank;
- copy of legalized and duly certified license of the central bank of its country of registration (if stipulated by the country's law) or the document that confirms the right of the non-resident bank to carry out banking activity in accordance with the law of its country of registration;
- copy of legalized and duly certified statute of the bank (if stipulated by the country's law) or another document in accordance with the law of its country of registration;
- notarized list of persons entitled to administer the account, with their personal signatures;
- questionnaire for non-resident financial institution customer (according to the form stipulated by the Bank internal financial monitoring regulations).

5.4. For central banks of foreign countries and the European Bank for Reconstruction and Development;

- application for Account opening;
- list of persons entitled to administer the account;
- list of correspondent Banks;
- questionnaire for non-resident financial institution customer;
- copies of other duly certified documents that allow to identify the financial institution.

5.5. No corrections in the documents are allowed.

6. Technical conditions of Account opening and management

6.1. The Bank shall exchange keys (authorizations) of Agreed Communication Channels according to the procedure and terms and conditions stipulated by the Agreement (hereinafter – **keys**).

7. Conditions of Account transactions

7.1. The list of transactions that may be performed on the Account shall be determined by the NBU regulations.

7.2. All transactions related to crediting of funds to the Account shall be performed by the Bank based on Interbank Settlement Documents.

7.3. All transactions related to debiting of funds from the Account (except for direct debit transactions performed by the Bank) shall be performed by the Bank based on Settlement Documents to the extent of the amount of the Account balance.

7.4. Commission fees, compensation of additional expenses shall be debited by the Bank according to the procedure and terms and conditions stipulated by the Agreement entered into between the Bank and the Correspondent.

7.5. The Correspondent's Settlement Documents must include the information on the payment purpose that clearly identifies the transaction essence (goods, services, number and date

² Hereinafter – unless otherwise stipulated by Lat or an international treaty of Ukraine

of the agreement/contract, etc.), the transaction code and the Beneficiary's country code in accordance with the requirements of the preparation of balance of payments of Ukraine (codes are attached). Absence of any of the above information (transaction essence, transaction code, and country code) is a reason for clarification/annulment of the Correspondent's Settlement Document details and debiting of a fee for cancellation/change of transfer conditions.

7.6. Transaction code and country code shall be indicated in payment orders of types (formats) MT103, MT200, MT202, MT604 in field 72 in the filling format stipulated by the Rules of Filling Settlement Documents in accordance with the message type (Table 1).

8. Terms of Settlement Documents Execution

8.1. The Correspondent's Settlement Documents shall be executed by the Bank on the value date indicated in the document, but not earlier than on the date of receipt thereof by the Bank, provided that all the details are available.

8.2. The Correspondent's Settlement Documents, under which the Banks is a Beneficiary (Receiver) or a Bank-receiver of funds (Internal Payments), shall be executed by the Bank with the value date on the current business day provided that funds on the Correspondent's Account are available to effect the payment and pay the fee provided that they are received by the Bank by 18:00 Kyiv Time.

8.3. The Correspondent's Settlement Documents with regard to debiting via NOSTRO Correspondent Accounts of the Bank shall be executed with the value date indicated in the Settlement Document, on the current business day provided that they are received by the Bank and funds on the Correspondent's Account are available:

- by 17:00 Kyiv Time (on Friday and pre-holiday days – by 16:00 Kyiv Time) – for USD transfers;

- by 16:00 Kyiv Time (on Friday and pre-holiday days – by 15:30 Kyiv Time) – for EUR transfers;

- by 15:00 Kyiv Time – for GBP transfers;

- by 15:00 Kyiv Time – for CAD transfers;

- by 13:00 Kyiv Time – for BYN transfers;

- by 12:00 Kyiv Time – for CHF transfers.

8.4. The Correspondent's Settlement Documents in other currencies, as well as those received after the above deadline, shall be executed by the Bank with the value date on the following business day after the date of receipt thereof by the Bank and provided that funds on the Correspondent's Account are available.

8.5. The Correspondent's Settlement Documents in banking metals shall be executed by the Bank with the value date 2 (two) business days after the date of receipt thereof by the Bank and provided that funds in banking metals on the Correspondent's Account are available.

9. Terms of Interbank Settlement Documents Execution

9.1. Crediting of funds to the Correspondent and its customers' Account shall be performed by the Bank based on Interbank Settlement Documents on the day of receipt thereof, but not earlier than on the value date indicated in the Interbank Settlement Document, provided that the Bank receives it by 18:00 Kyiv Time and it contains all the details necessary for crediting.

9.2. Interbank Settlement Documents received after 18:00 Kyiv Time shall be executed by the Bank on the following business day after the date of receipt thereof, but not earlier than on the value date indicated in the Interbank Settlement Document provided that it contains all the details necessary for crediting.

9.3 If the Interbank Settlement Document indicates the value date that is prior to the date of receipt of such a document by the Bank, the Bank shall credit funds to the Account on the day of receipt of such an Interbank Settlement Document by the Bank.

10. Terms and conditions of funds return

10.1 The return of the Correspondent' funds upon its request shall be as follows:

- in case of crediting by the Bank of funds to the account of its customer or a customer of a LORO bank in accordance with the Correspondent's Settlement Document, the funds shall be returned to the Correspondent's Account within a business day from the date of consent of the LORO bank or the Bank's customer to return such funds;

- in case of transfer by the Bank of funds through NOSTRO accounts in accordance with the Correspondent's Settlement Document, the funds shall be returned to the Correspondent's Account on the day of receipt of a statement from the NOSTRO correspondent bank specifying the amount of funds returned in accordance with the Correspondent's Settlement Document.

11. Rights of the Bank

11.1 The Bank, taking into consideration the Correspondent's interests, has the right to unilaterally designate the payment route (except for MT200/202 transfers) and the NOSTRO correspondent bank for every Settlement Document.

11.2 The other rights of the Bank shall be governed by the applicable law of Ukraine and the Agreement.

12. Rights of the Correspondent

12.1 The Correspondent may withdraw, introduce alterations and amendments into the Settlement Document by sending respective instructions to the Bank in the authenticated form via the agreed communication channel specified in the Agreement.

12.2 The Settlement Document may only be withdrawn in its full amount.

12.3 The other rights of the Correspondent shall be governed by the applicable law of Ukraine and the Agreement.

13. Settlement Documents accepted for execution

13.1 Settlement Documents prepared in accordance with the SWIFT rules and standards and the Guidelines effective on the payment date shall be accepted for execution.

14. Settlement Documents not accepted for execution

14.1 The following Correspondent's Settlement Documents shall not be accepted for execution:

- sent via a communication channel not agreed in the Agreement;
- signed by a non-authorized person or lacking required signatures;
- authenticated with an incorrect key or lacking a key;
- if the transaction is contrary to the applicable law of the currency-issuing country;
- when the Payer and/or Beneficiary (Receiver) and/or the Beneficiary's Bank is a legal entity registered or located on the territories specified in the List of Countries (Territories) that do not participate in international cooperation aimed at prevention of and counteraction to legalization (laundering) of proceeds of crime, which is approved by the respective enactment of the Cabinet of Ministers of Ukraine;
- when the Payer and/or Receiver and/or the Receiver's bank is an individual or a legal entity being under sanctions imposed by the law of Ukraine that limit or prohibit financial transactions, or information is available on its participation in terrorist activity, and/or if such an individual/entity is on the respective effective lists of foreign sanctions (that limit or prohibit financial transactions) of international organizations, foreign countries or interstate associations, or is an entity 50 or more per cent of which are owned or controlled, directly or indirectly, by individuals/entities on such lists.

15. Procedure for freezing funds on the Account

15.1 The Correspondent's funds on the Account shall be frozen exclusively according to the procedure stipulated by the applicable law of Ukraine.

16. Suspension of transactions under the Account

16.1 In cases stipulated by the applicable law of Ukraine and the Agreement, the Bank shall suspend the transactions under the Account through its automation system and notify the Correspondent about the reasons according to the procedure stipulated by the Agreement

17. Provision of Account statements

17.1 Account statements shall be sent to the Correspondent's address according to the procedure and on the terms and conditions specified in the Agreement.

17.2 If the amount under the Correspondent's Settlement Document is not reflected in the account statement of the NOSTRO correspondent bank, the Bank shall return the funds to the

Correspondent's Account not later than the next business day after receiving confirmation from the NOSTRO correspondent bank on refusal to execute the Correspondent's Settlement Document.

18. Account Closing Procedure

The account shall be closed by the Bank in cases and on the terms and conditions stipulated by the applicable law of Ukraine and the Agreement.

Table 1 Rules of executions of Settlement Documents in accordance with the type of message

Message type	Field number	Field name	Requirements for filling in fields	Example/comments
103,200, 202, 604	20	Reference	Unique ID of settlement documents	
202, 604	21	Related reference	Reference to the transaction ID related to the message. If the ID is not available in the field, NONREF shall be specified therein.	
604	23	Delivery ID	TRANSFER, DELIVERY	
103	23B	Banking transaction code	CRED	
604	26C	ID	Identifies the subject of sale (product / metal) and Account	
604	30	Value date	Date of fulfillment of obligations (product / metal should be sent / delivered)	
103,200, 202	32A	Value date, Currency and Amount	Date, currency code and settlement amount	
604	32F	Quantity of the goods	Type of products and quantity of items to be delivered.	FOZ629,450
103	33B	Currency /original amount of the payment order.	Currency and original amount to be transferred without changes throughout the whole transfer chain.	
103	50a	Payer	Used with the option "F". – Precondition is availability of the payer's IBAN (International Bank Account Number) and full information about the payer (name, address, country and location).	50F:/UAnnNNNNNNCCCCCCCCCCCCCCCCCCCC 1/MINISTRY OF FINANCE OF UKRAINE 2/12/2 GRUSHEVSKOGO STREET, 3/UA/ KYIV
103,202	52a	Payer's bank	Used with the option "A". Field is filled in if the payer's bank is different from the sender's bank (bank indicated in the field "Sender").	
103,200, 202	53a	Correspondent's Account	Used with the option "B" to identify IBAN for debiting funds. In case of forex transaction (exchange of one foreign currency into another), the ISO digital currency code is additionally indicated after a dot mark.	
103,200, 202	56a	Intermediary bank	Used with the option "A". The field shall not be used for transfers in CNY.	

103,200,202	57a	Beneficiary's bank	Used with the option "A". For transfers in CNY it is used exclusively with the option "A".	In case of internal payments in favour of JSC Ukreximbank customers, BIC of JSC Ukreximbank is indicated in field 57A or field 57 is left blank. In case of internal payments in favour of customers of LORO Correspondent Banks, BIC of the LORO Correspondent Bank is indicated in field 57A.
202	58a	Beneficiary, which is a financial institution	Used with the option "A".	
103	59F	The Beneficiary (Receiver of funds)	Field 59 is filled in with the option "F", namely: field 59F is filled in with the Beneficiary's account, but no more than four lines beginning with the digit: 1/ Beneficiary's name - mandatory, can be duplicated (Example 2) 2/ Beneficiary's address – not mandatory 3/Country - mandatory, city is not mandatory Lines 1, 2, 3 can be duplicated.	Option F - Example 1 :59F:/BE30001216371411 1/MARK PHILIPS 2/HOOGSTRAAT 6, APT 6C 3/BE/BRUSSELS Option F - Example 2 :59F:/12345678 1/DEPT OF PROMOTION OF SPICY FISH 1/CENTER FOR INTERNATIONALISATION 1/OF COMMERCE AND BUSINESS 3/CN
103	70	Purpose of payment	Shall be defined only in English for external payments.	
103	71A	Details of the cost	OUR, SHA, BEN	The BEN option provides for reduction of the amount the Loro bank transfer by the amount of the Bank commission. Shall be applied only to non-resident Loro banks.
604	82a	The initiator of the agreement	Used with the option «A», «D». The initiator of the transaction shall be indicated, if different from the consignor.	
604	86a	Bank-agent	Used with the "A" option	
604	87a	Receiver of product	Used with the option «A», «D». The recipient of product, if different from the beneficiary.	
604	88a	Beneficiary product	The owner of product (metal)	

103,200, 202,604	72	Sender to Receiver Information	<p>The field shall define additional information for the Receiver of message (JSC Ukreximbank) or other party specified depending on the code words used. Requirements for filling the field shall be similar to the requirements for the field 70 namely the purpose of payment shall filled only in English for External payments.</p> <p>Possible code words for MT200, 202: Payment purpose codes ACC, BNF, INT, INS, REC_</p> <p>Possible code words for MT103: INS, REC, FULLPAY (special code word for transfers in US Dollars).</p>	<p>72:/FULLPAY/ – additional service of the correspondent bank "Nostro" shall be applied for transfers in US dollars in the field 72 of MT103 of the special codeword FULLPAY, which shall guarantee the receipt and credit of funds in full to the Beneficiary account.</p> <p>For preparation of the balance of payments in automatic mode the information shall be provided in the following format. The transaction coding format shall consist of <u>two lines</u>.</p> <p><u>the first line:</u> 72:[/REC/1PB.4n!.3n!.3n!.1a!.10n!], where /REC/ is a code word, after which the information contained in the line shall be used by JSC Ukreximbank for preparation of reporting in automatic mode under 1PX file "Information on financial operations of the bank with non-residents":</p> <p>1PB – name of file</p> <p>4n! – digital transaction code (balance of payments accounts) according to the list of codes (R040 reference, Guidelines for Statistical Reporting submitted to the NBU approved by Resolution of the Board of the NBU No. 120 dated 13.11.2018) - 4 symbols</p> <p>3n! – digital code of the country of Payer/Payment receiver in accordance with the State Standard of Ukraine «Country codes» - 3 symbols</p> <p>3n! – Code of the Participating-Bank which is a party to agreement (according to the Bank Classifier)</p>
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				<p>For neutral transactions (R040 reference, R041=D) the code of the Ukrainian bank with which settlements are made shall be indicated or conditional code of the foreign bank (999). In case of import transaction the code of the Sender shall be indicated.</p> <p>Additional details for MT103 only Additional information is provided for transactions under the <i>Services</i> section (R040 reference, R041 =2, 3) for the amount equal to or exceeding USD 6 000 in equivalent, for other transactions - for the amount equal to or exceeding USD 50 000 in equivalent, except for neutral transactions (R040 reference, R041 = D, except for R040 = 8422, 8466, 8477) and special code transactions (R040 reference, R041 = C), namely: 1a! – customer status B – bank, E - legal entity, which is not a bank and not a nonbanking financial institution N – nonbanking financial institution F - individual, S - individual in capacity of an entrepreneur;</p> <p>10n! – Identification/registration code/number is indicated (according to the rules established by K021 reference).</p> <p>Second line: Shall begin with a double slash (//) followed by verbal comments in a condensed form to the code, which should reflect the economic substance of a particular transaction. Comments shall</p>
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				<p>be made in Ukrainian language in Latin letters.</p> <p>Example for <u>MT202</u>:</p> <p>/REC/1PB.8442.804.777 //POPOLNENIE KORScOTA</p> <p>/REC/1PB.8443.804.296 //FOREX Z OTP BANK</p> <p>Example for <u>MT 103</u>:</p> <p>:72:/REC/1PB.1721.156.381.E.340074 11 //PREPAYMENT FOR</p>
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