

Edict of the President of the Republic of Belarus

No.278 of April 28, 2006

[Amended as of February 17, 2015]

On Perfection of Regulation of Circulation of Promissory Notes and Bills of Exchange in the Republic of Belarus

1. To establish that in the territory of the Republic of Belarus:

1.1. the following entities are entitled to issue, accept, pay promissory notes and bills of exchange, and to endorse and guarantee by aval:

on behalf of the Republic of Belarus and its administrative and territorial units - the President of the Republic of Belarus, or the Council of Ministers of the Republic of Belarus in the cases established by the President of the Republic of Belarus;

the National Bank, other banks included in the list of banks of the Republic of Belarus, having the right to undertake under the bill (this list is approved by the National Bank in coordination with the President of the Republic of Belarus);

other legal persons of the Republic of Belarus, with the exception of the organizations financed from the budget;

the international organizations, foreign state bodies and organizations, foreign citizens and persons without citizenship, not having a permanent residence in the territory of the Republic of Belarus;

1.2. issuing, endorsing and guaranteeing by aval of promissory notes and bills of exchange, not secured by monetary funds and other property (including proprietary rights and other alienable rights having monetary value) of the person for which, as a result of such operation, the obligations under the bill are arising, is prohibited.

The property, in relation to which the right of alienation is limited by the legislation, the court, the proprietor or the agreement, cannot be used for securing the operations listed in the first part of this Subclause;

1.3. exercise of the right to issue promissory notes, bills of exchange, copies of bills, parts of bills of exchange, to endorse and guarantee by aval the promissory notes and bills of exchange, and to accept bills of exchange is suspended, if operations of legal persons on their accounts are suspended, and in other cases provided by the legislative acts;

1.4. the volume of obligations on promissory notes and bills of exchange issued, endorsed and guaranteed by aval, and on the accepted bills of exchange which can be presented for payment, should not exceed:

for the legal persons registered in the Unified State Register of legal persons and Individual Entrepreneurs, with the exception of banks - cost of net assets, minus cost of property, on which the arrest is imposed, calculated for the first day of the month when issuing, endorsing and avalizing of promissory notes and bills of exchange, and acceptance of bills of exchange are carried out;

for the banks - 50 per cent of the equity capital of the bank;

1.5. if other is not defined by the President of the Republic of Belarus:

Natural persons, permanently or temporary living in the territory of the Republic of Belarus, have the right, on their own behalf, to pay the promissory notes, bills of exchange, copies of bills, part of bill of exchange, issued outside the territory of the Republic of Belarus or in the

territory of the Republic of Belarus before the entry into force of this Edict, to guarantee by aval such bills, copies and parts of bills, and to implement other rights and duties of the drawer, the lawful bill holder, the endorser, the acceptor, the avalist and the drawee in relation to these bills;

the banks not mentioned in the third paragraph of Subclause 1.1 of this Clause, have the right to accept and pay the promissory notes, bills of exchange, copies of bills, part of bill of exchange, issued outside the Republic of Belarus or in the territory of the Republic of Belarus before the entry into force of this Edict, to fulfill the duties in relation to these bills in accordance with the legislation;

1.6. the legal persons registered in the Unified State Register of legal persons and individual entrepreneurs, including legal persons carrying out negotiation of bills (promissory notes), and natural persons, permanently or temporarily living in the territory of the Republic of Belarus, must, within three working days following the day of payment, issuing or other form of transferring or obtaining the bill (or the copy, or the part of the bill), for the purposes of change of the property right or other real rights on these bills or copies, submit the document confirming the essential elements of the corresponding bill and (or) copies of bill or parts of bill of exchange (including endorsements and avals on these bills, copies and parts), copies of the agreement on alienation of the bill (or of copies and parts of the bill), and the certificate of acceptance and transfer or other document confirming the fact of obtaining, transfer or payment of the bill (or the copy, or the part of the bill), to the Republican unitary enterprise "Republican central depository of securities".

The documents submitted to the Republican unitary enterprise "Republican central depository of securities" in accordance with the first part of this Subclause, must be notarized.

Banks, non-bank credit and finance organizations, legal persons included by the National Bank in the register of legal persons carrying out negotiation of bills (promissory notes), shall submit documents to the Republican unitary enterprise "Republican Central Depository of Securities" in accordance with part one of this sub-clause within seven working days. Notarial certification of documents being submitted is not required;

1.7. [Ineffective]

1.8. in case of issuing, acceptance, paying of promissory notes or bills of exchange, endorsement or giving aval by the persons not having the right for such operations, or issuing, endorsement or avalizing of promissory notes or bills of exchange without securing by the property in accordance with the legislation, the fine is imposed - equal to the bill amount;

1.9. in case of issuing of the promissory notes, bills of exchange, copies of bills, parts of bill of exchange by the legal persons registered in the Unified State Register of legal persons and Individual Entrepreneurs, in relation to which the operations with the accounts are suspended, or endorsement or avalizing of promissory notes and bills of exchange, or acceptance of bills of exchange by these persons, the fine is imposed - equal to the bill amount;

1.10. in case of exceeding of the amount of obligations on issued, endorsed, avalized promissory notes, bills of exchange and accepted bills of exchange, specified in Subclause 1.4 of this Clause, by the legal persons registered in the Unified State Register of legal persons and Individual Entrepreneurs, the fine is imposed -

equal to 10—50 percent of the amount of exceeding;

1.11. non-submission or delayed submission of notarized documents, specified in Subclause 1.6 of this Clause, to the Republican unitary enterprise “Republican central depository of securities” by the legal persons registered in the Unified State Register of legal persons and Individual Entrepreneurs, or by natural persons, permanently or temporary living in the territory of the Republic of Belarus, the fine is imposed -

equal to 20—50 percent of the bill amount;

1.12. conduct of the administrative procedure on the administrative violations specified in Subclauses 1.8-1.11 of this Clause is entrusted to the authorized officials of bodies of Committee of the State Control, Department on Securities of the Ministry of Finance of the Republic of Belarus and taxing authorities.

At consideration of cases, provided in Subclause 1.10 of this Clause, the amount of obligations on issued promissory notes and bills of exchange, endorsed, avalized and accepted bills of exchange, arisen before coming this Edict into force, is not taken into consideration.

2. To determine that, within two months since the date of official publication of this Edict, the following information must be submitted to the Republican unitary enterprise “Republican central depository of securities” in accordance with the form established by the Council of Ministers of the Republic of Belarus:

by the legal persons registered in the Unified State Register of legal persons and Individual Entrepreneurs, and by the natural persons, permanently or temporarily living in the territory of the Republic of Belarus - on the unpaid promissory notes and bills of exchange, issued, endorsed or avalized by the before-mentioned entities or persons before July 1, 2006, for which the terms of payment have not expired, and on payable copies of promissory notes and bills of exchange, parts of bill of exchange;

legal holders of promissory notes and bills of exchange, issued in the territory of the Republic of Belarus before July 1, 2006, for which the terms of payment have not expired, and legal holders of payable copies of promissory notes and bills of exchange, parts of bills of exchange – on these bills, copies and parts.

3. The Council of Ministers of the Republic of Belarus and the National Bank should, within two months, provide bringing of the acts of legislation in conformity with this Edict, and take other measures for implementation of this Edict.

4. The Council of Ministers of the Republic of Belarus should, within three months, in accordance with existing procedure, submit to the Chamber of Representatives of the National Assembly of the Republic of Belarus the draft Law of the Republic of Belarus on modifications and additions in the Criminal Code of the Republic of Belarus, providing criminal liability:

4.1. for issuing and participation in circulation of promissory notes and bills of exchange:

not secured by monetary funds and other property, including proprietary rights or other alienable rights having monetary value;

signed by persons not capable of binding themselves by those bills;

containing forged signatures, including counterfeit signatures or signatures of fictitious persons, or signatures which for any other reason cannot bind the persons who signed them or on whose behalf they were signed;

4.2. for coercion to issue promissory notes and bills of exchange, or for the indication in the bill of exchange as drawee of the person not having funds for the payment;

4.3. for committing other socially dangerous acts related to promissory notes and bills of exchange.

5. To declare void and null the Edict of the President of the Republic of Belarus No.553 of November 19, 1998 “On regulation of circulation of promissory notes and bills of exchange in the Republic of Belarus” (Collection of Decrees, Edicts of the President and Decisions of the Council of Ministers of the Republic of Belarus, 1998, 33, Clause 834).

6. To impose control over implementation of this Edict on the Council of Ministers of the Republic of Belarus and the Committee of State Control.

7. This Edict enters into force since July 1, 2006, with the exception of Clauses 2-4, 6 and this Clause, which enter into force since the day of its official publication.

Subclauses 1.8-1.12 of Clause 1 of this Edict are in force up to the day of the entry into force of the laws on introduction of changes and/or additions into the Code of the Republic of Belarus on Administrative Offences of April 21, 2003 and/or the Procedural and Executive Code of the Republic of Belarus on Administrative Offences of December 20, 2006.

President of the Republic of Belarus

A.Lukashenko