

Dear Sirs,

We would like to draw your attention to the position of Russia's Federal Service for Financial and Budgetary Oversight ("**Rosfinnadzor**") in respect of receiving by individuals (Russian currency residents) of interest and coupon income on their overseas accounts.

As a reminder, clauses 4, 5, article 12 of Federal Law No.173-FZ "On Currency Regulation and Currency Control" as of December 10, 2003 ("**Law No.173-FZ**") do not provide residents with the opportunity to receive on their overseas accounts any funds that are not expressly stated as allowed by Law No.173-FZ, including interest and coupon income.

However Rosfinnadzor has published clarifications on its official website according to which residents can receive on their overseas accounts (deposits) the following funds:

- (A) Funds that represent an interest accrued on overseas accounts (deposits) of a resident;
- (B) Accrued interest (coupon) income that is payable under the terms of issue of the securities held by a resident.

Please note that although these clarifications are published by Rosfinnadzor on its official website they are not confirmed by any references to the law. Therefore, we do not know how Rosfinnadzor's subdivisions will apply these clarifications in case of determining of unlawful currency transactions.

Please be reminded that the fine for unlawful currency transaction is 75% to 100 % of its amount.

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We hope that you will find this information helpful. Should you have any questions, please contact our **Senior Partner** [Maxim Alekseyev](#).

Kind regards,  
**ALRUD Law Firm**

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