

Letter from NBU dd 05/08/2015  
Response to the letter  
To the Chairman of the Management Board  
of PJSC CB "PRIVATBANK"  
O.V. Dubilet  
In Response to letter No. 20.1.0.0.0/7-50079 dated 30.07.2015

Dear Oleksandr Valeriiovych,

Having considered the letter of PJSC CB "PRIVATBANK" (hereinafter the Bank) regarding fulfilment by the Bank of external debt obligations, in particular by obtaining a refinancing loan from the National Bank of Ukraine, we would like to point out the following.

Pursuant to the laws of Ukraine and regulations adopted by the National Bank of Ukraine, the National Bank of Ukraine may provide a loan to the Bank solely for the purpose of maintaining its liquidity, in particular for the fulfilment of the Bank's obligations to depositors – natural persons. The National Bank of Ukraine does not provide any financial support for the fulfilment of any other obligations of the Bank to any other creditors.

Furthermore, please take into account that the Bank must strictly adhere to the regulations adopted by the National Bank of Ukraine on ensuring control over purchases and cross-border transfers of foreign currency, as well as other restrictions on payments under external borrowings.

We would like to draw your attention that pursuant to paragraph 6.2 of Resolution 354[1], at the end of a business day the excess of the total amount of purchased foreign currency and bank metals for Ukrainian hryvnias over the total amount of their sales under the authorised bank's own transactions must not exceed:

under "tod" transactions – 0.1 per cent of the bank's regulatory capital (an equivalent thereof);

under "tom", "spot" and "forward" transactions – 0.1 per cent of the bank's regulatory capital (an equivalent thereof);

under "tod", "tom", "spot", "forward" transactions – 0.1 per cent of the bank's regulatory capital (an equivalent thereof);

Considering the above, if the Bank's fulfillment of its foreign currency obligations leads to exceeding such restrictions, the Bank must fulfill such obligations using only its own foreign currency funds (which were not bought or borrowed from the National Bank of Ukraine).

We would like to emphasise that in case of violation by the Bank of regulations adopted by the National Bank of Ukraine, the National Bank of Ukraine is entitled to apply sanctions provided for in Article 73 of the Law of Ukraine "On banks and banking activities" to the Bank and/or to its management.

Kind regards,

First Deputy Governor

O.V. Pysaruk

I.A. Hromykhina, 230-18-50,

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[1] Resolution of the National Bank of Ukraine No. 354 "On resolving the situation in the monetary and foreign exchange markets of Ukraine" dated 3 June 2015