

For Immediate Release

New Electronic Disclosure System for Company-Issuers Transferred to Stock Market State Commission, to Ensure Transparency of Capital Markets

Kyiv, Ukraine (July 15, 2010) – The Electronic System of Comprehensive Information Disclosure (ESCRIN), a new electronic disclosure system for publicly listed and traded companies, was presented to market participants on July 15, 2010 in Kyiv. Ukrainian Vice Prime Minister Serhiy Tihipko and U.S. Ambassador to Ukraine John F. Tefft attended the event.

ESCRIN was developed for the market with support from the Capital Markets Project, funded by the United States Agency for International Development (USAID), and in collaboration with the Ukrainian Securities and Stock Market State Commission (SSMSC). The transfer of the ESCRIN system from USAID to the SSMSC was finalized at today's event held at the Hyatt Regency hotel.

"ESCRIN represents a milestone in capital market development in Ukraine," said SSMSC Chairman Dmytro Tevelyev. "The implementation of this new electronic disclosure system demonstrates that Ukraine is committed to international reporting standards, making transparency a realistic prospect for Ukraine's markets."

In the coming months, issuers of equity and corporate bonds listed on one of Ukraine's exchanges will be required to communicate quarterly and annual filings using the new disclosure system. The SSMSC is currently preparing a regulation to this effect.

"The launch of ESCRIN is vital to Ukraine's efforts to attract investment, foreign as well as domestic," Ambassador Tefft said. "Investors need real-time information about a company's business and financial prospects, and ESCRIN will provide it."

USAID's Capital Markets Project developed ESCRIN in collaboration with the Ukrainian Securities and Stock Market State Commission (SSMSC). The transfer of the ESCRIN system from USAID to the SSMSC was finalized at today's event. ESCRIN can be accessed through the SSMSC Web site at <http://eds.ssmc.gov.ua>.

ESCRIN reflects the filing and information disclosure requirements of two key Ukrainian laws, "On Securities and the Stock Market," and the "Joint Stock Company Law". The system also implements the Presidential Decree "On Top Priority Actions Regarding the Implementation of Innovative Information Technologies" (No. 1497/2005) requiring that government agencies introduce electronic data flow, including electronic signatures.

Publicly listed and traded companies will use ESCRIN software to prepare their electronic filings and digitally sign them. ESCRIN works in the following manner: A company sends its filing to the ESCRIN server over the Internet. The filing is then published automatically, in real-time, on the ESCRIN Web site for the regulator, the investor community, and other market participants to consult.

ESCRIN was developed following a comprehensive analysis of disclosure systems implemented by securities market regulators in the United States, the European Union, Canada and Russia. Throughout the world, most regulators mandate that information be filed in electronic format to provide a routine and orderly flow of data to the capital market. While the systems vary widely, electronic submission facilitates information to investors, the key element in a vibrant capital market.

The ESCRIN program was launched as a pilot project in 2007. CMP legal and market experts developed an ESCRIN “road show,” taking the presentation to 11 cities in Ukraine. Initially 12 issuers committed to disclosing in ESCRIN format; that number has grown to 27. Issuers represent diverse sectors of Ukraine’s economy, including banking, industry, and energy.

ESCRIN has demonstrated its expediency during the initial phase, and ESCRIN pilot companies have emerged among the top 10 in the study of Ukrainian banks leading in information transparency, according to an annual study by international ratings agency Standard & Poor’s and the Financial Initiatives Agency (FIA).

For more information about USAID’s Capital Markets Project and its activities, please visit www.capitalmarkets.kiev.ua. You can also reach the project’s communications at: +38 (044) 379-1375.

The American people, through the U.S. Agency for International Development (USAID), have provided economic and humanitarian assistance worldwide for nearly 50 years. In Ukraine, USAID’s assistance focuses on three areas: Health and Social Transition, Economic Growth and Democracy and Governance. Since 1992, USAID has provided \$1.6 billion worth of technical and humanitarian assistance to Ukraine. For additional information about USAID programs in Ukraine, please call USAID’s Development Outreach and Communications Office at: +38 (044) 492-7101 or visit: <http://ukraine.usaid.gov>.

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