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**Establishment and Development of State Regulation Mechanism for Non-Bank Financial Institutions' Functioning in Ukraine**

Article provides analysis of establishment and development of state regulation mechanism for non-bank financial institutions' functioning in Ukraine. Author underlines the importance of effective system to be launched regarding administrative-legal regulation of non-bank financial institutions' functioning as these entities are essential elements of economic sustainable development which stimulate savings transformation into investments and credits, answer all claims of modern market economy and foster economic growth.

Peculiarities of funding thefts involving non-bank financial institutions are rooted mostly from specific economic and legal conditions of the transition period in Ukraine. With the course of time these conditions will undoubtedly change (already changing) generating relevant changes in theft modus operandi.

State regulation of financial intermediaries' activity is a process characterized by direct active influence of state management bodies on financial intermediaries' activity, supervision upon complex measures taken regarding organization and control of its activity along with prevention of any type of violations and abusive practice.

New challenges are faced by the state bodies responsible for regulation of non-bank financial institutions' activity in terms of defining new strategic directions, search of new approaches to economic crime combating corresponding to key tendencies of social and political dynamics. In this context it is important to create updated mechanisms of crime prevention in the area of non-bank financial institutions' functioning in Ukraine, detection and analysis of crime elements, improvement of relevant legislation and law enforcement practices.

**Keywords:** non-bank financial institutions, mechanism of state regulation, administrative and legal measures, offense.