

Foreign investors to get dividends for previous years

On March 3, 2018 Resolution of the NBU №19 dated back to March 1, 2018 On Introducing Changes to Some Regulatory and Legal Acts of the National Bank of Ukraine came into legal force. Foreign investors got the opportunity to return dividends under corporate rules and shares accrued for the previous years, as well as to external credits and loans early repay in a foreign currency.

Hence, Ukrainian companies will be able to pay dividends to foreign investors in a foreign currency in the amount of up to USD 7 million (or equivalent in another foreign currency) per month regardless of the period the dividends were accrued for. A limit of USD 5 million per month used to be established for 2014-2016-year dividends, this limit reached USD 2 million per month for 2013 year dividends and the period before 2013.

The NBU also extended the list of transactions of companies exempt from requirement to obligatorily sell currency earnings. Thus, the requirement of compulsory selling of 50% of currency proceeds will not be applied to the funds engaged by the resident company in the form of external credits or loans for its bonds redemption in a foreign currency before non-residents or empowered banks in terms of other credits or loans.

Besides, the National Bank of Ukraine enlarged possibilities of early external credits and loans repayment in a foreign currency. Now resident borrowers will be able to early repay credits and loans within a monthly 2 million dollar limit per one resident borrower under credit/ loan agreements being served within one empowered bank.