

by the Central Bank, to act as a restricted dealer to deal in foreign exchange for the purposes specified in such authorization.

(c) The Central Bank may, subject to the provisions of section 9, grant special permission, to any person not being an authorized dealer or restricted dealer, to deal in foreign exchange within Sri Lanka for specific purposes as may be prescribed by the Minister by an Order published in the *Gazette* subject to such terms and conditions as may be specified in such Order.

(3) Save as otherwise provided in this Act, no person in or resident in Sri Lanka shall deal in foreign exchange within or outside Sri Lanka, by any act which involves the conversion of Sri Lanka Rupees or assets within Sri Lanka to foreign exchange, otherwise than through an authorized dealer, or to the extent specified in the permit, through a restricted dealer.

5. Any person in, or resident in, Sri Lanka who –

- (a) holds foreign exchange in a bank account in Sri Lanka or outside Sri Lanka; or
- (b) owns any foreign asset,

Foreign exchange or foreign assets held or owned by a person in or resident in Sri Lanka.

may utilize such foreign exchange or foreign asset for making of any payment for, or in respect of, any current or capital transaction of such person, within or outside Sri Lanka. Any such payment made from foreign exchange held by such person within Sri Lanka shall be made through an authorized dealer, or to the extent specified in the permit, through a restricted dealer.

Current  
transaction.

**6.** (1) A person shall be entitled to deal in foreign exchange for a current transaction of such person, through an authorized dealer or to the extent specified in the permit, through a restricted dealer.

(2) An authorized dealer or a restricted dealer may deal in foreign exchange for a current transaction as a principal or as an intermediary.

(3) Prior to dealing in foreign currency for a current transaction under subsection (1), an authorized dealer or a restricted dealer shall request the person requiring foreign exchange for such transaction to provide such information or produce such documents or make such declaration as is reasonably necessary, in order to satisfy himself that the requirement is in relation to a current transaction and is in conformity with any other laws regulating such transactions.

(4) An authorized dealer or a restricted dealer shall refuse to deal in foreign exchange for a current transaction under subsection (1) where the request for information, documents or declaration in terms of subsection (3) relating to such transaction is not complied with or where the dealer is satisfied that the requirement is not for a current transaction or is not in conformity with any other laws regulating such transactions.

(5) An authorized dealer or a restricted dealer refusing to deal in foreign exchange for a current transaction under subsection (4) shall communicate his decision in writing together with the reasons therefor, if requested by the person requiring the foreign exchange subject to the provisions of section 9 of the Financial Transactions Reporting Act, No. 6 of 2006.

(6) Any person aggrieved by the decision of an authorized dealer or a restricted dealer under subsection (4) may, within fourteen days after such decision is communicated to such person, appeal against such decision to the Central Bank