

Authorized  
dealers and  
restricted  
dealers.

**4.** (1) (a) Every licensed commercial bank shall, immediately upon such bank being issued a license to carry on banking business under the Banking Act, No. 30 of 1988, be authorized by the Central Bank to act, subject to the provisions of section 9 as an authorized dealer to deal in foreign exchange.

(b) Every licensed commercial bank which is on the appointed date carrying on banking business, shall subject to the provisions of section 9, be deemed to have been authorized by the Central Bank, to act as an authorized dealer to deal in foreign exchange.

(c) Every licensed specialised bank, immediately upon such bank being issued a license to carry on banking business under the Banking Act, No. 30 of 1988, may be authorized by the Central Bank subject to the provisions of section 9, to deal in foreign exchange for the purposes specified in such authorization.

(d) Every licensed specialised bank which is on the appointed date carrying on banking business, shall subject to the provisions of section 9, be deemed to have been authorized by the Central Bank to deal in foreign exchange for the purposes specified in such authorization.

(2) (a) The Central Bank may permit, subject to the provisions of section 9, any person, class or classes of persons (hereinafter referred to as a “restricted dealer”) not being an authorized dealer, to deal in foreign exchange within Sri Lanka for the purposes specified in the permit, subject to such terms and conditions as may be imposed by the Central Bank in that behalf.

(b) Every dealer in foreign exchange including money changers or any other person other than licensed commercial banks or specialised banks, which are on the appointed date permitted to deal in foreign exchange, shall subject to the provisions of section 9, be deemed to have been permitted

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.