

**THE CENTRAL BANK OF KENYA (FOREIGN
EXCHANGE BUSINESS) REGULATIONS, 2007**

ARRANGEMENT OF SECTIONS

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SCHEDULE —

FORMS

**THE CENTRAL BANK OF KENYA (FOREIGN
EXCHANGE BUSINESS) REGULATIONS, 2007**

[Legal Notice 62 of 2007]

1. Citation

These Rules may be cited as the Central Bank of Kenya (Foreign Exchange Business) Regulations.

2. Application for licence

(1) An application for the grant or renewal of a licence to transact foreign exchange business shall be in Form CBK/FXD/1 in the Schedule and shall be accompanied by the prescribed fee.

(2) An applicant for a foreign exchange bureau licence shall in addition to other licensing requirements pay a non-refundable application fee of ten thousand shillings.

(3) The application fee prescribed in paragraph (1) shall be payable only once by each applicant.

(4) The Bank may require the applicant to supply such additional information in support of the application as it may consider necessary.

(5) A licence under this Regulation shall be in Form CBK/FXD/2 in the Schedule and shall be valid for a period of one year from the date of issue.

3. Minimum core capital

(1) A company applying for a foreign exchange bureau licence shall not be issued with a licence unless it has a minimum core capital of thirty thousand United States Dollars or its equivalent in Kenya Shillings.

(2) The minimum core capital prescribed under paragraph (1) shall be maintained from the date of commencement of operations and at all times during the course of any business operations of a licensed foreign exchange bureau.

4. Grant of licence

(1) Within six months of receipt of an application, and subject to fulfillment of any other licensing criteria, the Central Bank of Kenya shall grant a foreign exchange licence to an applicant upon—

- (a) payment by the applicant of a licence fee of sixty-five thousand shillings or such other amount as may be determined by the Central Bank of Kenya from time to time; and
- (b) remittance by the applicant of a non-interest bearing deposit of thirty thousand United States Dollars to a Central Bank of Kenya Dollar Account to be advised.

(2) The annual licence fee referred to in subregulation (1) shall be payable on or before the 31st December of the calendar year preceding the validity of the licence.

(3) Every foreign exchange bureau licensed prior to the commencement of these Regulations and which paid a non-interest bearing deposit of five thousand United States Dollars shall be required to increase the deposit paid to ten thousand United States Dollars within one year of the commencement of these Regulations.

5. Permission for certain enterprises

(1) Any person who—

- (a) is licensed under the Tourism Act (Cap. 381) to carry on any registered tourist enterprise; or
- (b) owns or operates a duty free shop; or
- (c) by the nature of his business, requires to transact regularly in foreign currency,

[Subsidiary]

may, pursuant to the provisions of section 33A(3) of the Act on application, be permitted to receive foreign currency which shall be deposited with an authorised bank or sold to an authorised dealer.

(2) An application under subregulation (1) shall be in Form CBK/FXD/3 in the Schedule.

(3) The Bank may require the applicant to supply such additional information in support of the application as it may consider necessary.

(4) The Bank's permission under this Regulation shall be in CBK/FXD/4 in the Schedule.

6. Suspension or revocation of licence

(1) A foreign exchange bureau shall—

- (a) submit, not later than three months after the end of its financial year, to the Central Bank of Kenya, its annual audited accounts and a copy of the auditor's report in the prescribed form;
- (b) furnish, at such time and manner as the Central Bank of Kenya may direct and require, any information in an accurate and complete manner to discharge its functions under the Act; and
- (c) comply with such guidelines as may be issued by Central Bank of Kenya through circulars.

(2) The Central Bank may suspend or revoke the licence of a foreign exchange bureau which contravenes subregulation (1).

7. Payment of fees

(1) Any fees prescribed under these Regulations shall be payable to the Central Bank of Kenya.

(2) Any fees paid to the Bank under these Regulations shall be non-refundable.

8. Revocation of L.N. 23/1996

The Central Bank of Kenya (Foreign Exchange Business) Regulations, 1996 (L.N. 23/1996) are revoked.

SCHEDULE

FORMS

FORM CBK/FXD/1

(r. 2 (1))

THE CENTRAL BANK OF KENYA ACT

(Cap. 491)

APPLICATION FOR GRANT OR RENEWAL OF LICENCE TO TRANSACT FOREIGN EXCHANGE BUSINESS

(SPECIFIED BANK/FOREIGN EXCHANGE BUREAU)

Please use Block (Capitals) Letters

1. Name of bank/bureau
2. Physical and postal address of head office:
 - (a) City/Town
 - (b) LR. No.
 - (c) Street
 - (d) Building
 - (e) P.O. Box No.
3. Date and country of incorporation
4. Certificate of incorporation No:
5. Number and date of issue of previous foreign exchange licence ...

6. Current banking licence/foreign exchange bureau licence number

7. Name and branch offices and the number of years each has been established and has conducted or carried on business as an authorized dealer:

<i>Branch</i>	<i>Years</i>
.....
.....
.....

8. Particulars of directors:

Name	Designation	Nationality
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9. Particulars of chief foreign exchange operations officers in descending order of seniority

Name	Designation	Nationality
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10. Declaration (by Director/Secretary):

I, the undersigned, hereby declare:

(a) THAT the particulars set out herein are true and correct to the best of my knowledge and belief;

(b) THAT if licensed, I shall transact foreign exchange business in accordance with the provisions of the Central Bank of Kenya Act and of any regulations, guidelines or directives as may from time to time be issued by the Central Bank of Kenya.

Dated

Name Signature

Note:

1. Please attach copies of:

(a) Certificate of incorporation;

(b) Valid banking licence.

2. Please attach:

(a) Certified passport size photographs of all the chief foreign exchange operations officers; and

(b) Credentials and curricula vitae of all chief foreign exchange operations officers.

3. The Bank shall be required to present the chief foreign exchange operations officers for interview and registration by the Bank.

4. Replacement of any chief foreign exchange operations officer registered pursuant to paragraph 3 must be notified to the Bank and any prospective replacement presented to the Bank for interview and registration by the Bank before engagement.

5. All information provided in this form shall be treated as confidential.

FORM CBK/FXD/2

(r. 2 (6))

THE CENTRAL BANK OF KENYA ACT

(Cap. 491)

LICENCE TO TRANSACT FOREIGN EXCHANGE BUSINESS

THIS LICENCE is granted to (name of specified bank/foreign exchange bureau) of (address) and authorizes the said specified bank/foreign exchange bureau to transact foreign exchange business in Kenya.

THIS LICENCE is subject to the provisions of the Central Bank of Kenya Act and to the conditions endorsed hereon.

CONDITIONS

Date of issue

[Subsidiary]

Date of expiry.....

Licence No.

.....
Governor,
Central Bank of Kenya.

FORM CBK/FXD/3

(r. 5 (2))

THE CENTRAL BANK OF KENYA ACT

(Cap. 491)

APPLICATION FOR PERMISSION TO TRANSACT FOREIGN EXCHANGE BUSINESS*Please use Block (Capital) Letters*

1. Full name of applicant

2. (a) Physical and postal address of head office:

City/Town

(b) L.R. Number

(c) Street

(d) Building

(e) P.O. Box Number

(f) Telephone Number(s)

(g) Fax Number(s)

3. Full name and address of bankers

4. Date and country of incorporation/registration

5. Number of certificate of incorporation/registration

6. Particulars of senior officers in descending order of seniority:

<i>Name</i>	<i>Designation</i>	<i>Nationality</i>
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7. Particulars of Directors:

<i>Name</i>	<i>Designation</i>	<i>Nationality</i>
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8. Nature of foreign exchange transactions for which permission is being sought

9. Declaration (by Director/Secretary)

I, the undersigned hereby declare:

(a) THAT the particulars set out herein are true and correct to the best of my knowledge and belief;

(b) THAT if licensed, I shall transact foreign exchange business in accordance with the provisions of the Central Bank of Kenya Act and of any regulations, guidelines or directives as may from time to time be issued by the Central Bank of Kenya.

Dated

Name Signature

(i) Please attach copies of:

(a) Certificate of incorporation/registration;

(b) Memorandum and articles of association;

(c) Valid trade licence.

(ii) Please attach:

(a) Certified passport size photographs of each director;

(b) An original certificate of financial position from your bankers.

FORM CBK/FXD/4

(r. 5 (4))

THE CENTRAL BANK OF KENYA ACT

(Cap. 491)

PERMISSION TO TRANSACT FOREIGN EXCHANGE BUSINESS

PERMISSION to transact foreign exchange business has been granted to:

Messrs

Address:

and is valid for the period to

CONDITIONS

Date of issue No.

Governor,

Central Bank of Kenya.
