

CHAPTER 87:01

DEALERS IN FOREIGN CURRENCY (LICENSING) ACT

ARRANGEMENT OF SECTIONS

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**AN ACT to make provision for the licensing of persons carrying on the business of buying and selling foreign currency, and for matters connected therewith.** 19 of 1989

**1.** This Act may be cited as the Dealers in Foreign Currency (Licensing) Act. Short title.

**2.** In this Act— Interpretation.

“the Bank” has the same meaning as in the Bank of Guyana Act; [9 of 1995  
11 of 1995]

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“exempted foreign currency” means any foreign currency which—

(i) is received as a result of the settlement of any monetary obligation or transaction in foreign currency, where such settlement is in accordance with section 21 of the Bank of Guyana Act;

(ii) is received by any person in foreign currency by virtue of the provisions contained in any other, written law;

“foreign currency” means any currency other than Guyana dollars and includes a traveller’s cheque designated in a foreign currency;

“licence” means a licence under this Act;

“licensed business” means the business of buying and selling foreign currency a licensee is authorized to carry on;

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“licensed financial institution” has the same meaning as in the Financial Institutions Act;

“licensed premises” means the premises specified in a licence as the premises where the licensed business may be carried on by the holder of the licence;

“licensee” means the holder of a licence, which has not been suspended or revoked or the term of which has not expired;

“prescribed” means prescribed by the Minister by regulations;

“week” means a period of seven days beginning with Monday and ending with Sunday.

Application  
for licence.  
[9 of 1995]

**3.** (1) Any person who is desirous of carrying on the business of buying and selling foreign currency may apply to the Bank in the prescribed form for a licence for that purpose.

(2) Every application for a licence shall be accompanied by such fees as may be prescribed.

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4. (1) The Bank, after consultation with the Minister, may, having regard to—

Grant of licence.  
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- (a) the experience of the applicant for a licence in dealing in foreign currency;
- (b) the financial resources of the applicant; and
- (c) the character and antecedents of the applicant,

grant or refuse to grant to him a licence.

(2) Where the Bank is of the opinion that, having regard to the likely volume of the business of buying and selling foreign currency in the area where the applicant proposes to carry on the licensed business, an adequate number of persons have already been granted licences and are carrying on licensed business in the area, the Bank, after consultation with the Minister, may refuse a licence to the applicant.

(3) A licence shall be in such form as may be prescribed and such fees as may be prescribed shall be paid for the grant of the licence.

5. A licence shall expire on the expiry of the 31st December of the year in which it is granted, but may be renewed on an application made therefor in the prescribed form and on payment of such fees as may be prescribed:

Term of licence and renewal.  
[9 of 1995]

Provided that the Bank may, after giving the applicant a reasonable opportunity of being heard, and after consultation with the Minister, refuse the renewal of a licence where the licensee has contravened any provision of this Act or any condition of the licences.

6. (1) A licence shall specify the premises where business to be the licensed business may be carried on and the licensed business shall not be carried on in any other premises.

Premises where licensed business to be carried on.  
[9 of 1995]

(2) Where a licensee is desirous of shifting the licensed business to premises other than the premises specified in the licence, he shall make an application therefor in the prescribed form along with such fees as may be prescribed and, where the Bank grants the application, the licence shall be amended accordingly.

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Conditions of  
licence.  
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**7.** (1) Every licence shall be subject to the provisions of this Act, such conditions as may, from time to time, be prescribed or specified in the licence.

(2) The conditions of a licence referred to in subsection (1) may include a condition as to the furnishing of security by the licensee, the amount and forfeiture thereof and the power of the Bank to vary the amount of the security from time to time.

Revocation  
and suspension  
of licence.  
[9 of 1995]

**8.** (1) The Bank may revoke a licence granted to a licensee if—

(a) he has ceased to carry on the licensed business for a period of not less than six months; or

(b) has contravened, or failed to comply with, any of the conditions subject to which the license was granted or any provision of this Act.

(2) A licence may be suspended by the Bank for such period as may be specified by it on the ground that the licensee has contravened, or has failed to comply with, any of the conditions subject to which the licence was granted or the provisions of this Act, or pending any investigation into a complaint that the licensee is guilty of any such act or omission.

(3) The Bank shall not revoke or suspend a licence unless the holder of the licence has been given a reasonable opportunity of being heard.

(4) Any action taken by the Bank under this section shall only be taken after consultation with the Minister.

Right of  
licencee to  
buy, sell or  
hold foreign  
currency.  
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**9.** (1) Subject to the provisions of this Act and the conditions of the licence, a licensee shall be entitled to carry on the business of buying and selling foreign currency.

(2) A licensee shall not be under any obligation to sell to an authorised dealer the foreign currency bought by the licensee under this Act.

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(3) The price at which a licensee may buy or sell any foreign currency shall be determined by the licensee and shall be displayed at a prominent place on the licensed premises.

(4) No licensee, other than a company which is a licensed financial institution under the Financial Institutions Act, may engage to any extent in the lending or borrowing, or acceptance of deposits, of Guyana dollars or any foreign currency.

(5) Any person who contravene the provisions of subsection (4) shall be guilty of conducting a financial business without a licence within the meaning of the Financial Institutions Act and shall be liable to the penalties prescribed under the Financial Institutions Act therefor.

**10.** (1) An authorised dealer may be granted a licence under this Act.

Special provisions relating to authorised dealers who are licensees.

(2) Where an authorised dealer is granted a licence under this Act, the business that the licensee is entitled to carry on under section 9 and the business as authorised dealer shall be carried on in separate units or divisions, separate accounts and other records shall be maintained for the two businesses and the foreign currency received in the course of transactions as licensee shall be kept separate from the foreign currency received in the course of transactions as authorised dealer.

**11.** (1) Any person entitled to sell foreign currency, not being exempted foreign currency, may sell it to a licensee.

Right to sell foreign currency to, and to buy foreign currency from, licensee. [9 of 1995]

(2) The Bank, after consultation with the Minister, may permit any person holding exempted foreign currency to sell a part or the whole of it to a licensee and, where any such permission is granted, the person may sell a part or whole, as the case may be, of the exempted foreign currency to a licensee in accordance with the permission.

(3) A permission under subsection (2) may be granted subject to such conditions as may be specified by the Bank, after consultation with the Minister, or without any conditions.

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(4) Subject to the provisions of subsection (5), any person may buy any foreign currency from a licensee.

(5) The Bank, after consultation with the Minister may, by notification in the *Gazette*, direct that a licensee may sell a foreign currency, to any person, only for such purposes as may be specified in the notification or only to any person authorised by the Bank, after consultation with the Minister, to buy the foreign currency for any specified purpose, and the licensee shall comply with the direction.

Receipts.

**12.** (1) A licensee shall give to any person selling any foreign currency to the licensee, a receipt and keep a duplicate of the receipt.

(2) A licensee shall take from every person buying any foreign currency from the licensee a receipt and give the purchaser a duplicate of the receipt.

Keeping of  
accounts and  
other records.  
[9 of 1995]

**13.** (1) Every licensee shall maintain a proper account in which shall be recorded—

- (a) the amount of each foreign currency purchased by the licensee each day and the price paid therefor;
- (b) the amount of each foreign currency sold by the licensee each day and the price received therefor;
- (c) the opening end closing balances each day in respect of each foreign currency held by the licensee;
- (d) any other particulars that may be prescribed by the Bank, by regulation or notice published in the *Gazette*, to further the purposes of this Act or the exercise of the Bank's functions under the Bank of Guyana Act.

(2) A licensee shall maintain a record in respect of each day of the price, determined by the licensee, for the purchase and sale of each currency, bought and sold by him that day, when he opened and closed the licensed business for the day (hereinafter called the opening and closing rates).

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**14.** (1) Every licensee shall make and furnish to the Bank every Monday a return stating the opening and closing rates for each of the days on which the licensee carried on the licensed business in the preceding week.

Returns.  
[9 of 1995]

(2) Every licensee shall make and furnish to the Bank, not later than every Wednesday in a week, a return stating the following particulars pertaining to the licensed business in respect of the preceding week—

(a) the amount of each foreign currency which the licensee held when he opened for business at the beginning of the week;

(b) the amount of each foreign currency purchased by him in the week;

(c) the amount of each foreign currency sold by him in the week;

(d) the amount of each foreign currency held by the licensee when the licensee closed business at the end of the last day on which he carried on business in the week;

(e) such other particulars as may be prescribed by the Bank, by regulation or notice published in the *Gazette*, to further the purposes of this Act or the exercise of the Bank's functions under the Bank of Guyana Act.

**15.** Any public officer authorised by the Bank in this behalf may, during the hours the licensed premises of a licensee are ordinarily open for business, enter thereon and—

Production and  
examination of  
books.  
[15 of 1995]

(a) request the licensee or any of his employees to produce any accounts, books, records and documents—

(i) relating to the licenasd business as are found therein;

(ii) likely to contain, in the opinion of such public officer, evidence of the contravention of any provision of this Act or any condition of the licence granted to the licensee,

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and may examine and take copies of

(b) question—

- (i) the licensee or any of his employees; or
- (ii) any other person found on the licensed premises.

Penalties.  
[9 of 1995]

**16.** (1) Any person who sells to any person other than a licensee or authorised dealer, any foreign currency, which under section 11 may be sold to a licensee, shall be liable, on summary conviction, to a fine of ten thousand dollars and to imprisonment for one year.

(2) Any person, not being a licensee or authorised dealer, who buys or sells any foreign currency shall be liable, on summary conviction, to a fine of not less than fifteen thousand dollars and to imprisonment for three years.

(3) Any person who fails or refuses to comply with any request made under section 15 (a) by any public officer authorised by the Bank, or fails or refuses to answer any question by such public officer, or obstructs any such public officer from carrying out his functions under section 15, shall be liable, on summary conviction, to a fine of twenty thousand dollars and to imprisonment for one year.

(4) Any person who is guilty of the contravention of any provision of this Act or any condition of the licence for which no penalty has been specified by any other provision of this Act, shall be liable, on summary conviction, to a fine of ten thousand dollars and to imprisonment for one year.

(5) Nothing in this Act shall be construed as limiting or impairing the authority of the Bank to take any action under the Financial Institution Act or the Bank of Guyana Act.

Power to make  
regulations.

**17.** (1) The Bank may make regulations for carrying out the purposes of this Act.



(2) Without prejudice to the generality of the provisions of subsection (1), such regulations may, in particular, provide for all or any of the following matters—

- (a) the forms of an application for a licence and of a licence;
  - (b) the fees payable along with the application for a licence and for the grant of a licence;
  - (c) the form of an application for renewal of a licence and the fees payable therefor;
  - (d) the form of an application for the change of licensed premises and the fees payable along with it;
  - (e) the conditions of a licence;
  - (f) the particulars that an account to be kept by a licensee shall contain;
  - (g) the particulars that a return under section 14(2) shall contain;
  - (h) any other matter that is required to be, or may be, prescribed by or under this Act.
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