

SECTION - III

DEALING IN FOREIGN CURRENCY NOTES AND COINS ETC.

13. Unauthorised dealings

No person, firm or company other than an AD or Authorised Money Changer (Money Changer or Limited Money Changer authorised by Bangladesh Bank to deal in certain foreign exchange transactions) is permitted to deal in foreign currency in any form. Other persons entering into transactions involving the buying or otherwise acquiring or borrowing from or selling or otherwise transferring or lending to or exchanging with, a person who is not an AD or Authorised Money Changer any foreign currency, will, therefore, be deemed to be contravening the provisions of the FER Act. 1947.

14. Conditions under which ADs/Authorised Money Changers may purchase foreign currency

ADs and money changers may freely buy foreign currency from incoming passengers regardless of nationality and regardless of whether or not a declaration on form FMJ (Appendix 5/12) is produced at the time of encashment. If this form is produced, the amount encashed should be endorsed on it. To mention ADs/Money Changers shall issue encashment certificate against purchase of foreign exchange from incoming passengers (Appendix 5/4).

The ADs may also purchase foreign currency notes, coins and other travel instruments freely from Authorised Money Changers without the production of Form FMJ.

15. a) Disposal of foreign currency notes and coins by the ADs

The ADs are permitted to dispose of foreign currency notes etc. by way of sales to other ADs and the general public in accordance with the instructions of Bangladesh Bank.

b) They may also export foreign currency notes and coins to agents or correspondents abroad for credit to their foreign currency accounts with the prior approval of Bangladesh Bank and Office of the Chief Controller of Imports & Exports (CCI&E). Applications in duplicate with copy of duly attested agreement should be made to FEOD, Bangladesh Bank, Head Office; approval will be given in the duplicate copy. For reasons of security, strict confidentiality should be maintained in respect of communication with Bangladesh Bank; this may preferably be done through personal calls on the senior officials of the department.

16. The ADs requirement of foreign currency notes

In addition to normal purchases from the public, Authorised Money Changers and other ADs, an AD may supplement its holdings of foreign currency notes from abroad with approval from Bangladesh Bank.

17. Responsibility for the realisation of the value of foreign currency notes purchased by ADs

All purchases of foreign currency notes and coins made by the ADs and Authorised Money Changers are entirely on their own responsibility and they must make their own arrangements for realising the proceeds of surplus foreign currency notes and coins purchased by them which can not be sold to their customers as permitted under the Regulations. The ADs may realise the value of surplus foreign currency notes and coins by repatriating them through their foreign branches or correspondents and having the proceeds credited to their appropriate foreign currency accounts.

18. Release of foreign exchange in the form of USD notes to outgoing persons

The following instructions shall be applicable for releasing foreign exchange in the form of foreign currency notes against different entitlements or balances held in different foreign currency accounts as stated in different chapters of this Guidelines:

A. Foreign exchange in the form of USD notes & coins not exceeding 5000 (five thousand) may be issued in favor of outgoing Bangladesh nationals against their respective entitlements such as private travel quota/business travel quota/travel for treatment abroad/study abroad etc. or any other general or special permission per person per trip; the remainder amount of entitlement or the entire entitlement may be released in the form of notes/coins of other freely convertible foreign currencies. To mention, the entitlements may be utilised also through international cards (credit/debit/pre-paid as applicable) as mentioned in the different Paras of Chapter 19.

B. The limit mentioned in 'A' shall also be applicable to outgoing Bangladesh/foreign nationals for issuing USD notes/coins against balances held in their respective foreign currency accounts (Private Foreign Currency Accounts, Resident Foreign Currency Deposit Accounts, Exporters' Retention Quota Accounts etc.) or from the balances of Convertible Taka accounts (or against equal amount of foreign exchange under back to back basis) per person per trip; the remainder amount or the entire amount may be released in the form of notes/coins of other freely convertible foreign currencies from the balances of the respective foreign currency accounts in a trip. Other relevant regulations regarding issuance of foreign exchange against each entitlements shall have to be followed meticulously as stated in different chapters of this Guidelines.