

Nature of the product

Foreign Currency Business account.

Benefits to the customers

- Interest Rate
Please refer to <http://www.peoplesbank.lk> for latest interest rates.
- Attractive Interest Rates
- 100 % protection on your investment
- Inward remittances credited to Accounts free of charge

Eligibility

The following persons resident in, Sri Lanka who earn foreign exchange from a resident outside Sri Lanka:

- An individual resident in Sri Lanka.
- A sole proprietorship or partnership registered in Sri Lanka where the proprietor or a majority of partners are resident in Sri Lanka (in case of a partnership with two partners, at least one partner shall be a resident in Sri Lanka).
- A company incorporated in Sri Lanka
- A company incorporated outside Sri Lanka which is registered as an overseas company under the Companies Act No 7 of 2007.
- A State Institution with the recommendation of the Secretary to the relevant line Ministry or appropriate Authority.
- An administrator or executor of the estate of a deceased person, who maintained a BFCA with the Bank, until the completion of the administration of the deceased person's estate; and
- A receiver or liquidator, of a company that maintained a BFCA with the Bank, until proceedings are concluded.

General

- Business Foreign Currency Accounts can be opened and maintained in the form of Savings, Current (without cheque drawing facility) or Fixed Deposit accounts in any designated foreign currency, i.e. USD, GBP, EUR, AUD, CAD, HKD, SGD, JPY, SEK, NZD, DKK, NOK, CNY, and CHF.
- Shall obtain documentary evidence including the authorization by the relevant authority/ies, if any, at the time of opening a BFCA to determine the applicant's eligibility to open and maintain a BFCA in respect of earnings in foreign exchange from a person resident outside Sri Lanka.
- Under no circumstances Sri Lanka Rupees shall be converted into foreign currency and be credited into a Business Foreign currency Account (BFCA).

Procedures to be followed to open the account.

- For individuals, account opening application, a photocopy of National Identity Card or Passport (Pages depicting photo, details and alterations), KYC Forms, FATCA Declaration and any other documents stipulated by the Bank from time to time.
- In respect of Sole Proprietorships, Partnerships and Companies, account opening application and identification documents as appropriate, KYC Forms, FATCA Declaration and any other documents stipulated by the Bank from time to time.
- Documents evidencing their eligibility to open a Business Foreign Currency Account (BFCA) as relevant.

Minimum Balance Requirement

Currency	Savings & Current Accounts	Fixed Deposit Accounts
USD	100/-	1,000/-
GBP	100/-	750/-
EUR	100/-	1,000/-
AUD	150/-	1,350/-
CAD	150/-	1,300/-
SGD	150/-	1,500/-
JPY	12,000/-	110,000/-
HKD	800/-	8,000/-
NZD	150/-	1,500/-
CHF	100/-	1,000/-
SEK	900/-	9,000/-
DKK	700/-	6,500/-
NOK	900/-	8,750/-
CNY	700/-	6,750/-
THB	3,300/-	33,000/-
INR	8,000/-	80,000/-

Permitted Credits

- Remittances received in foreign exchange from abroad through the banking system in respect of, export of goods and services, entrepot trade, overseas projects undertaken by the account holder and goods and services supplied locally to a person resident outside Sri Lanka.
- Foreign exchange accepted by the account holder in Sri Lanka in respect of goods and services supplied by such person to a person resident outside Sri Lanka.
- Foreign exchange brought into Sri Lanka by the account holder on a declaration to the Department of Customs where such foreign exchange exceeds USD 15,000 or its equivalent in other foreign currencies or an appropriate declaration to the AD where such foreign exchange is less than or equals USD 15,000 or its equivalent in other foreign currencies.
- Transfers from a Personal Foreign Currency Account (PFCA), BFCA or an account maintained in the Offshore Banking Unit (OBU) of the same account holder.

- Transfers from an account maintained in the OBU of a person resident outside Sri Lanka in respect of a current transaction.
- Where the account holder is a local shipping/ airline company; transfers from PFCA of a citizen of Sri Lanka working abroad (employee) in vessels/ aircrafts owned by the account holder being overpayment of crew salaries/ wages and other related payments due from such employee.
- Transfers from a Diplomatic Foreign Currency Account of a person resident outside Sri Lanka, in respect of the supply of goods and services.
- Where the account holder is a shipping agent or a GSA in Sri Lanka; remittances received in foreign exchange through the banking system from the respective foreign principal or a designated third party on behalf of the foreign principal for the purposes under the respective agency agreements.
- Where the account holder is a shipping agent or a GSA in Sri Lanka; freight and passenger fares are collected in foreign exchange by the agent on behalf of the foreign principal, by way of a bank transfer or bank draft issued by the Bank in Sri Lanka against a BFCA or an account maintained in the OBU.
- Where the account holder is a company incorporated in Sri Lanka that has arrangements with an overseas employer for disbursement of wages and/or earnings to Sri Lankan citizens who are rendering services outside Sri Lanka; remittances received in foreign exchange from abroad through the banking system from the respective overseas employers or transfers from an account maintained in the OBU of such overseas employer.
- Payments received in foreign exchange by the account holder who is carrying permitted business under duty-free concessions, being considered for goods or services supplied to passengers (irrespective of the residential status) arriving in or departing from Sri Lanka at a port or airport in Sri Lanka.
- Any income or capital proceeds of any foreign asset of the account holder, where such asset had been acquired by debiting the BFCA.
- Transfers from an Outward Investment Account (OIA) being any income or capital proceeds received from outward investments, where such investments had been made by debiting the BFCA of the same account holder or by utilizing the funds transferred to an OIA from the BFCA of the same account holder, proportionately to the contributions.
- Transfers from an OIA of another person (i.e. buyer) being proceeds from the sale of a permitted investment overseas to such buyer, where the original investment had been made by debiting the same BFCA of the account holder.
- Coupon income, sale/ maturity proceeds and any other related receipts arising from investments made in Sri Lanka Development Bonds (SLDBs) in foreign currency, if the original investment in SLDBs had been made by debiting the BFCA of the account holder.
- Unutilized foreign currency obtained by the account holder debiting the BFCA in terms of the items (e), (f) and (g) of paragraph 9.
- The unutilized balance remaining in the Foreign Travel Card (FTC) of the account holder, up to the amount such FTC had been funded from the same BFCA of the account holder.

- Where the account holder is an Insurance company regulated by the Insurance Regulatory Commission of Sri Lanka (IRCSL); insurance premia received on foreign currency denominated insurance policies issued to eligible customers and co-insurers and claims received from re-insurers and National Insurance Trust Fund (NITF).
- Where the account holder is an employer; transfers from a PFCA of a non-national or a dual citizen employed in Sri Lanka (i.e. employee) being overpayment of salaries, employment and retirement benefits or any other payment due from such employee.
- Where the account holder is a property developer; transfer of funds from an Inward Investment Account (IIA) of a person resident outside Sri Lanka (i.e. investor) being payments received from sale of immovable property to such investor.
- Where the account holder is a property developer; transfer of funds from a Foreign Currency Loan Account (FCLA) being payments received from a Sri Lankan resident outside Sri Lanka on a Permanent Residency visa in another country or a dual citizen, as permitted by the Directions No. 11 of 2021 dated 18 March 2021.
- Remittances originating outside Sri Lanka from the account holder in terms of Section 8(3) of the FEA.
- Transfers from other BFCAs or accounts maintained in the OBU in respect of the supply of goods and services by the account holder being a category of persons listed in Annex II
- Interest earned in foreign currency on the funds held in the account.

Permitted Debits

- Any outward remittances made outside Sri Lanka in respect of current transactions and capital transactions of the account holder.
- Disbursements in Sri Lanka in Sri Lanka Rupees.
- Transfers to a PFCA, BFCA or an account maintained in the OBU of the same account holder.
- Transfers to an account maintained in the OBU of a person resident outside Sri Lanka in respect of a current transaction.
- Withdrawal in foreign currency notes up to USD 5,000 (or equivalent in any other foreign currency) or transfer of funds for uploading an FTC for travel purpose of the account holder in terms of the Directions No. 02 of 2021 dated 18 March 2021 on Current transactions.
- Withdrawal in foreign currency notes up to USD 50,000 (or equivalent in any other foreign currency) at a time by Gem and jewelry dealers for the purpose of purchasing cut and polished or rough gemstones and other raw materials abroad upon submission of confirmation obtained from the National Gem and Jewelry Authority.
- Where account holder is a shipping agent or a GSA in Sri Lanka; withdrawal in foreign currency notes up to USD 50,000 (or equivalent in any other foreign currency) per vessel per call as Cash-to-Masters, against inward remittance received from the foreign principal or from designated third parties on behalf of the foreign principal, on a request with the reasons acceptable to the AD.

- Transfers to External Commercial Borrowing Account (ECBA) of the same account holder (i.e. borrower) for the purpose of repayment/ service of a foreign currency loan obtained from a lender overseas.
- Debt servicing expenses and repayment of foreign currency accommodations obtained by the account holder from an AD including transfer of funds to a BFCA Loan Account.
- Transfers to an IIA of a lender in overseas, being repayment of foreign currency loans obtained from such lender during the period from 20 November 2017 to the date of these Directions by the account holder (i.e. borrower); transfers in respect of making investments in SLDBs in foreign currency utilizing funds in the BFCA of the account holder.
- Transfers to an OIA of another person (i.e. seller) being payments for purchase of a permitted investment overseas which have been made by the seller through the same OIA.
- Where account holder is an Insurance company registered with the IRCSL; payments of claims to eligible customers and co-insurers in respect of foreign currency denominated policies, premia to local or overseas re-insurers and NITF and brokerage charges.
- Where account holder is an investee, tenant, lessee or a buyer, transfers to an IIA being payments of any income or capital proceeds attributed to capital transactions in Sri Lanka of such holder of the IIA, as permitted under the Regulations and Directions issued under the FEA applicable for IIAs.
- Where account holder is a company incorporated in Sri Lanka which has arrangements with an overseas employer for disbursement of wages and/ or earnings to Sri Lankan citizens who are rendering services outside Sri Lanka; transfers to PFCAs or Sri Lanka Rupee accounts of the respective employees.
- Where account holder is local shipping/ airline company; transfers to PFCAs of Sri Lankan citizens working abroad in the vessels/ aircrafts owned by such shipping/ airline company being payment of crew salaries/ wages and other related employment benefits.
- Transfers to other BFCAs or accounts maintained in the OBU in respect of purchase of goods and obtaining services by the account holder being a category of persons listed in Annex I; and.
- Outward remittance of funds for any purpose of the account holder being an individual, where such funds have been remitted to Sri Lanka in terms of the Section 8 (3) of the FEA.