

## Nature of the product

Investment account.

## Benefits to the customers

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

## Eligibility

- A non- national, resident in or outside Sri Lanka.
- A Sri Lankan dual citizen, resident in or outside Sri Lanka.
- Sri Lankan national who has obtained Permanent Residency status or citizenship in another country, resident in or outside Sri Lanka
- A Sri Lankan citizen employed abroad, resident outside Sri Lanka (excluding emigrants).
- A company incorporated outside Sri Lanka.
- A partnership registered outside Sri Lanka.
- Country funds, Regional Funds, Mutual Funds, Unit Trusts and Foreign Institutional Investors established outside Sri Lanka.
- An administrator or executor of the estate of a deceased person, who maintained an IIA with a Bank
- A receiver or liquidator of a company that maintained an IIA with a Bank.

## Procedures to be followed to open the account.

- For individuals, account opening application, a photocopy of valid Passport (Pages depicting details of the applicant, Visa and endorsements for alterations), KYC Form, FATCA declaration and any other documents stipulated by the Bank from time to time.
- In respect of companies incorporated outside Sri Lanka, Foreign Institutional investors, etc., account opening application as appropriate, KYC Forms, FATCA declaration, other relevant documents stipulated by the Bank.
- Information and documents evidencing the eligibility to open an IIA as relevant.

## **Check List for Documentary Requirement for opening Inward Investment Account (IIA) for an Entity registered Overseas**

- **Check List for Documentary Requirements - IIA Entities**

1. Duly completed account opening application.
2. Signature cards (Witnessed by the company secretary/relevant authority)
3. Individual KYC and FATCA forms from all authorized signatories
4. Certified copies of Passports/NIC from all authorized signatories
5. Beneficial ownership forms from all authorized signatories
6. E-statement Application
7. Letter of Indemnity
8. Copy of certificate of incorporation /relevant registration at overseas
9. Directors/authorized signatories' name list with their signatures (in the company letterhead)
10. Copy of Articles of association /relevant registered document which describes the nature of the business.
11. Board Resolution (on the company letterhead) ✓ Opening of account with People's Bank Overseas Customer services/ Respective Branch ✓ Operating instructions of the IIA ✓ Authorized E-mail address for E-statement facility ✓ Details of the Power of Attorney (if any)
12. Acceptable proof document to verify the purpose of investing in Sri Lanka

## **Documents Required for opening Inward Investment Account (IIA) for an Entity registered Overseas**

- Company Account Opening Mandate
- Signature Card
- FATCA
- KYC Form
- Beneficial Owner Form
- E – Statement
- Indemnity

## **Check List for Documentary Requirement for opening Inward Investment Account (IIA) for an Individual**

### **Checklist for Documentary Requirement - IIA - Individual A/C**

1. Account opening form (IIA Savings)
2. Mobile Number/Email registration form
3. Copy of valid passport & valid visa
4. Proof document for the investment

## Inward Investment Account (IIA) Mandate for Partnership Entity

- Partnership – English

## Inward Investment Account (IIA) Mandate for Sole Proprietorship

- Sole Proprietorship
  1. Duly completed account opening application
  2. Signature cards (Witnessed by the company secretary/relevant authority)
  3. Individual KYC and FATCA forms from all authorized signatories
  4. Certified copies of Passports/NIC from all authorized signatories
  5. Beneficial ownership forms from all authorized signatories
  6. E-statement Application
  7. Letter of Indemnity
  8. Copy of certificate of incorporation /relevant registration at overseas
  9. Directors/authorized signatories' name list with their signatures (in the company letterhead)
  10. Copy of Articles of association /relevant registered document which describes the nature of the business.
  11. Board Resolution (on the company letterhead) ✓ Opening of account with People's Bank Overseas Customer services/ Respective Branch ✓ Operating instructions of the IIA ✓ Authorized E-mail address for E-statement facility ✓ Details of the Power of Attorney (if any)
  12. Acceptable proof document to verify the purpose of investing in Sri Lanka

## Minimum Balance Requirement

Fixed Deposit	Minimum Balance
USD	1,000/-
GBP	750/-
EUR	1,000/-
AUD	1,350/-
CAD	1,300/-
SGD	1,500/-
JPY	110,000/-
HKD	8,000/-
NZD	1,500/-
CHF	1,000/-
SEK	9,000/-
DKK	6,500/-
NOK	8,750/-
CNY	6,750/-
THB	33,000/-
INR	80,000/-

## General

- Inward Investment Accounts (IIA) can be opened and maintained in the form of Savings, Current (without overdrawing facility and cheque drawing facility) or Fixed Deposit accounts in Sri Lanka Rupees (LKR) or any designated foreign currency, i.e. USD,GBP, EUR, AUD, CAD, HKD, SGD, JPY, SEK, NZD, DKK, NOK, CNY, CHF and LKR.
- IIAs shall be held as sole accounts. IIAs may be held as joint accounts by eligible individuals with an immediate family member who is eligible under subparagraphs (a), (b) and (c) of the paragraph 1

## Permitted Credits

- Remittances in foreign exchange received from outside Sri Lanka in favor of the account holder through the banking system.
- Foreign exchange brought into Sri Lanka by the account holder upon declaration to the Customs Department, subject to the Order issued under Section 8 of the FEA.
- Transfers from Personal Foreign Currency Accounts or IIAs or Emigrant's Remittable Income Account or Diplomatic Foreign Currency Accounts or Diplomatic Rupee Accounts or accounts maintained in the Offshore Banking Unit, of the account holder.
- Transfers, as any income and any capital proceeds received from capital transactions in Sri Lanka of the account holder, as permitted under the regulations or provisions of the repealed Exchange Control Act or the FEA, from a Sri Lanka rupee account or Business Foreign Currency Account or an account maintained in the Offshore Banking Unit of another person (i.e. investee or tenant or lessee or buyer, who is a resident person).
- In the case of selling the investments made through the same IIA under the regulations or provisions of the repealed Exchange Control Act or the FEA to another person (i.e. buyer), transfers, as sale proceeds from an IIA of such buyer.
- Settlement charges under a court Order related to the capital transactions made through the IIA.
- Claims received by the accountholder as determined by the Central Depository Systems (Private) Limited and Colombo Stock Exchange.
- Transfers from an External Commercial Borrowing Account of a person resident in Sri Lanka (i.e. the borrower), as recoveries of loans granted by the account holder to the borrower, as permitted in the regulations or in terms of the provisions of the repealed Exchange Control Act or the FEA.
- Transfers, as repayments of the loans granted under the regulations or the provisions of the FEA, to licensed commercial banks or licensed specialized banks or the Government of Sri Lanka or State-Owned Enterprises (i.e. borrower), from a rupee account of the borrower.
- Repayments of the loans granted during the period from the date of 20th November 2017 to the date of these Directions by the account holder through the same IIA to a person resident in Sri Lanka (i.e. the borrower), from a Sri Lanka rupee account or Business Foreign Currency Account or account maintained in the Offshore Banking Unit, of the borrower.

- Any income or any capital proceeds derived from a residential property acquired by the accountholder utilizing a loan obtained under Directions No. 11 of 2021, subject to the subparagraph of 6 (e).
  - [Directions No. 11 of 2021 – Loans to Sri Lankans Resident Outside Sri Lanka on Permanent Residency Visa (PR) in another country and Dual Citizens]
- Proceeds of non-materialized capital transactions excluding the loans (including Initial Public Offering) in Sri Lanka under the regulations, for which the funds were remitted through the same IIA, within three months from the date of payment made for the investment. In case of the investment in a condominium property, such proceeds returned by the property developer from the Business Foreign Currency Account of the property developer, before the completion of such property due to any failure to meet the conditions in the agreement or termination of the agreements between parties.
- Transfers of the migration allowance or current income from the Capital Transactions Rupee Account of the same account holder.
- Where the accountholder is a non-national resident in or outside Sri Lanka.
  - Any income and any capital proceeds, received from capital transactions undertaken by the account holder in Sri Lanka while being a resident in Sri Lanka, utilizing the funds out of salaries, superannuation benefits of the account holder [including Employees Provident Fund (EPF), Employees Trust Fund (ETF), gratuity and pensions or any other retirement benefits].
  - Transfers of USD 30,000 per annum from the Capital Transactions Rupee Account of the accountholder.
- Where the accountholder is a company incorporated outside Sri Lanka; Transfers of USD 30,000 per annum from the Non-Resident Rupee Account of the accountholder.
- Where the account holder is an administrator/executor of the estate of a deceased person or a receiver/liquidator of a company.
  - Any income or any capital proceeds, received from capital transactions in Sri Lanka made by the deceased person or liquidating company as permitted in the regulations or provisions of the repealed Exchange Control Act or the FEA.
  - Funds transferred from IIAs of such deceased person or liquidating company.
- Transfers from an IIA of an administrator/executor of the estate of a deceased person or a receiver/liquidator of a company, in the event of the accountholder is a beneficiary.
- Interest earned on the funds held in the account.

### **Permitted Debits**

- Any outward remittances in favor of the accountholder.
- Disbursements in Sri Lanka in Sri Lanka Rupees.
- Transfers to Personal Foreign Currency Accounts or IIAs or Diplomatic Foreign Currency Accounts or Diplomatic Rupee Accounts or accounts maintained in the Offshore Banking Unit, of the same account holder.

- Payments relating to capital transactions undertaken in Sri Lanka by the account holder, in terms of the permissions granted under the regulations or the provisions of FEA, to.
  - A rupee account of the investee/seller (who is a resident) of the investment.
  - A foreign currency account of the investee or issuer who is a resident if the said investee or issuer is permitted to receipt such proceeds in foreign currency in terms of the foreign exchange regulations or special permission granted for such investee/ issuer.
  - An IIA of another person (i.e. seller) in respect of the purchase of permitted investment.
  - A Business Foreign Currency Account of the property developer if the investment is to purchase a condominium property.
  - An account maintained in Offshore Banking Unit of the investee, if the investee has been exempted from relevant provisions of the FEA on investments into Sri Lanka under the Board of Investments Law.
- Transfer of proceeds of the loan granted under the regulations or the provisions of the FEA, to a licensed commercial banks or licensed specialized banks or the Government of Sri Lanka or State-Owned Enterprises (i.e. borrower), to a rupee account, of the borrower.
- Transfer of proceeds of the loan granted under the regulations or the provisions of the FEA, to a licensed commercial banks or licensed specialized banks (i.e. the borrower) to an Outward Investment Account of the borrower, if such borrowings are made for the purpose of financing outward investment of the borrower under the regulations or the provisions of the FEA.
- Transfer of proceeds of the loans granted under the regulations or the provisions of the FEA, to an External Commercial Borrowing Account of the person resident in Sri Lanka (i.e. borrower).
- Payments relating to the investments in shares, debt securities issued by a company incorporated in Sri Lanka (i.e. investee) under the regulations or the provisions of FEA, to an Outward Investment Account of the investee, if such proceeds of the investment are to be utilized for the purpose of financing outward investment of the investee under the regulations or the provisions of FEA.
- Settlement charges under a court Order related to the capital transactions made through the IIA.
- Claims to be paid by the accountholder as determined by the Central Depository Systems (Private) Limited and Colombo Stock Exchange.
- Where the account holder is an administrator/executor of the estate of a deceased person or a receiver/liquidator of a company.
  - Outward remittances in favor of the beneficiary or administrator/executor or receiver/liquidator of the company, outside Sri Lanka.
  - Transfers to the IIA of the beneficiary.
  - In the case of beneficiary is a resident person in Sri Lanka, transfers to a Sri Lanka Rupee account or existing Personal Foreign Currency Accounts of the beneficiary.