

## 1. Nature of the product

Foreign Currency/Special LKR account for Investments in Deposit as well as assets in Sri Lanka through foreign Remittance.

## 2. Benefits to the customers

### 2.1 Interest Rate

Please refer to <https://www.peoplesbank.lk/interest-rates/> for latest interest rates.

### 2.2 Inward Remittances credited to Foreign Currency Accounts free of charge

### 2.3 100% protection on your investments

## 3. Eligibility

3.1 A non- national, resident in or outside Sri Lanka.

3.2 A Sri Lankan dual citizen, resident in or outside Sri Lanka.

3.3 Sri Lankan national who has obtained Permanent Residency status or citizenship in another country, resident in or outside Sri Lanka

3.4 A Sri Lankan citizen employed abroad, resident outside Sri Lanka (excluding emigrants).

3.5 A company incorporated outside Sri Lanka.

3.6 A partnership registered outside Sri Lanka.

3.7 Country funds, Regional Funds, Mutual Funds, Unit Trusts and Foreign Institutional Investors established outside Sri Lanka.

3.8 An administrator or executor of the estate of a deceased person, who maintained an IIA with a Bank

3.9 A receiver or liquidator of a company that maintained an IIA with a Bank.

## 4. Procedures to be followed to open the account.

4.1 For individuals, account opening application,  
[https://www.peoplesbank.lk/roastoth/2021/12/550\\_New\\_2018-E.pdf](https://www.peoplesbank.lk/roastoth/2021/12/550_New_2018-E.pdf)

4.2 a photocopy of valid Passport (Pages depicting details of the applicant, Visa and endorsements for alterations), Know Your Customer (KYC) Form, Foreign Account Tax Compliance Act (FATCA) declaration and any other documents stipulated by the Bank from time to time.

- 4.3 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.
- 4.4 Information and documents evidencing the eligibility to open an IIA as relevant.

## **5. Check List for Documentary Requirement for opening IIA for an Entity registered Overseas**

### **5.1 Duly completed account opening application**

- a) Account Opening Application for a Limited Liability Company - English  
<https://www.peoplesbank.lk/roastoth/2022/10/235-eng.pdf>
- b) Account Opening Application for Sole Proprietorship - English  
[https://www.peoplesbank.lk/roastoth/2023/10/232-Sole-Proprietorship\\_english.pdf](https://www.peoplesbank.lk/roastoth/2023/10/232-Sole-Proprietorship_english.pdf)
- c) Account Opening Application for a Partnership - English  
[https://www.peoplesbank.lk/roastoth/2023/10/229\\_Partnership-\\_eng.pdf](https://www.peoplesbank.lk/roastoth/2023/10/229_Partnership-_eng.pdf)

### **5.2 Signature cards (Witnessed by the company secretary/relevant authority) from all Authorized Signatories.**

### **5.3 Individual KYC and FATCA forms from all Directors and Authorized Signatories.**

### **5.4 Certified copies of Passports/NIC from all Directors and Authorized Signatories.**

### **5.5 Beneficial Ownership forms from all Share Holders. (applicable for a Limited Liability Company)**

### **5.6 E-statement Application.**

### **5.7 Letter of Indemnity (optional)**

### **5.8 Copy of certificate of incorporation /relevant registration at overseas.**

### **5.9 Directors/authorized signatories' name list with their signatures (in the company letterhead)**

### **5.10 Copy of Articles of association /relevant registered document which describes the nature of the business.**

### **5.11 Board Resolution on the company letterhead (applicable for a Limited Liability Company)**

- a) Opening of account with People's Bank Overseas Customer services/  
Respective Branch
- b) Operating instructions of the IIA
- c) Authorized E-mail address for E-statement facility
- d) Details of the Power of Attorney (if any)

## 5.12 Acceptable proof document to verify the purpose of investing in Sri Lanka

### 6. Minimum Balance Requirement

- (a) IIA Savings Accounts and Current Accounts - Not applicable  
 (b) IIA Fixed Deposit Accounts, minimum balance requirement is as follows

Currency	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/-

- (a) IIA account can be opened without an initial deposit.  
 (b) Account with no operation for more than 2 years will be transferred to dormant category.  
 (c) Account with zero balance for more than one year will be closed automatically.

### 7. General

- 7.1 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, THB and INR
- 7.2 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 3.1, 3.2 and 3.3 of the paragraph, Eligibility above.

## 8. Permitted Credits

- 8.1 Remittances in foreign exchange received from outside Sri Lanka in favor of the account holder through the banking system.
- 8.2 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 Foreign Exchange Act (FEA).
- 8.3 Transfers from Personal Foreign Currency Accounts (PFCA) or IIAs or Emigrant's Remittable Income Account (ERIA) or Diplomatic Foreign Currency Accounts (DFCA) or Diplomatic Rupee Accounts (DRA) or accounts maintained in the Offshore Banking Unit (OBU), of the account holder.
- 8.4 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 (BFCA) or an account maintained in the OBU of another person (i.e. investee or tenant or lessee or buyer, who is a resident person).
- 8.5 In the case of the 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.
- 8.6 Settlement charges under a court Order related to the capital transactions made through the IIA.
- 8.7 Claims received by the account holder as determined by the Central Depository Systems (Private) Limited and Colombo Stock Exchange.
- 8.8 Transfers from an External Commercial Borrowing Account (ECBA) 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.
- 8.9 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.
- 8.10 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 BFCA or account maintained in the OBU, of the borrower.

- 8.11 Any income or any capital proceeds derived from a residential property acquired by the account holder utilizing a loan obtained under the 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]
- 8.12 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 BFCA 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.
- 8.13 Transfers of the migration allowance or current income from the Capital Transactions Rupee Account (CTRA) of the same account holder.
- 8.14 Maturity proceeds including the interest of Special Foreign Currency Accounts (SDAs) opened and maintained by the account holder under the Regulations published in the Gazette No. 2170/4 dated 08 April 2020 (subject to any amendments thereto) and the Directions applicable on SDAs.
- 8.15 Where the account holder is a non-national resident in or outside Sri Lanka;  
a) 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].  
  
b) Transfers of USD 30,000 per annum from the CTRA of the account holder. (Subject to change from time to time)
- 8.16 Where the account holder is a company incorporated outside Sri Lanka;  
Transfers of USD 30,000 per annum from the Non Resident Rupee Account (NRFC) of the account holder. (Subject to change from time to time).
- 8.17 Where the account holder is an administrator/executor of the estate of a deceased person or a receiver/liquidator of a company.  
  
a) 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.  
  
b) Funds transferred from IIAs of such deceased person or liquidating company.
- 8.18 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.

- 8.19 Interest earned on the funds held in the account.
- 8.20 Any income or any capital proceedings including sales proceeds derived from securities listed in the Colombo Stock Exchange, acquired by the account holder under Securities Borrowings and Lending transactions in terms of rules promulgated by a clearing house licensed under the Securities and Exchange Commission of Sri Lanka Act, No.19 of 2021.
- 8.21 Any income and payments derived by the account holder from securities borrowing and lending transactions in terms of rules promulgated by a clearing house licensed under the Securities and Exchange Commission of Sri Lanka Act, No.19 of 2021 including fees, margins, manufactured payments and/or compensation in relation to such securities.

## 9. Permitted Debits

- 9.1 Any outward remittances in favor of the accountholder.
- 9.2 **Disbursements** in Sri Lanka in Sri Lanka Rupees.
- 9.3 Transfers to PFCA or IIAs or DFCA or DRA or accounts maintained in the OBU, of the same account holder.
- 9.4 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) A Rupee account of the investee/seller (who is a resident) of the investment.
  - b) 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.
  - d) An IIA of another person (i.e. seller) in respect of the purchase of permitted investment.
  - e) A BFCA of the property developer if the investment is to purchase a condominium property.
  - f) An account maintained in OBU 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.
- 9.5 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
- 9.6 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 (OIA) 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.

- 9.7 Transfer of proceeds of the loans granted under the regulations or the provisions of the FEA, to an ECBA of the person resident in Sri Lanka (i.e. Borrower ).
- 9.8 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 OIA 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.
- 9.9 Settlement charges under a court Order related to the capital transactions made through the IIA.
- 9.10 Claims to be paid by the accountholder as determined by the Central Depository Systems (Private) Limited and Colombo Stock Exchange.
- 9.11 Where the account holder is an administrator/executor of the estate of a deceased person or a receiver/liquidator of a company;
- a) Outward remittances in favour of the beneficiary or administrator/executor or receiver/liquidator of the company, outside Sri Lanka.
  - b) Transfers to the IIA of the beneficiary.
  - c) 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.
- 9.12 Payments to be made by the account holder pursuant to borrowing securities listed in the Colombo Stock Exchange under securities borrowing and lending transactions in terms of rules promulgated by a clearing house licensed under the Securities and Exchange Commission of Sri Lanka Act, No.19 of 2021 including fees, margins, manufactured payments and/or compensation in relation to such securities.

## **10. Fees and Charges**

Please refer below for Rates and Tariff.

<https://www.peoplesbank.lk/roastoth/2024/10/Foreign-English.pdf>