

External Commercial Borrowing Account (ECBA)

1. Nature of the Product.

External Commercial Borrowing Account

2. Benefits of the customers.

2.1 Attractive Interest Rates

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

3. Eligibility.

Companies incorporated in Sri Lanka under the companies Act. No 7 of 2007

4. Procedures to be followed to open the account.

4.1 ECBA can be opened and maintained as savings in respect of receiving the proceeds of each loan and all repayments (including interest) of such loan shall be made through the same ECBA. An affidavit on this effect shall be obtained from the borrower at the time of opening an ECBA.

4.2 ECBA Fixed Deposit may be opened only for the purpose of keeping it under lien for a Sri Lanka Rupee loan to be obtained by the accountholder.

5. Check List for Documentary Requirement for Opening ECBA.

5.1 Duly completed account opening application.

<https://www.peoplesbank.lk/roastoth/2022/10/235-Eng.pdf>

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

5.3 Individual KYC and FATCA form for all Directors and Authorized signatories.

5.4 Certified copies of Passport/NIC form all Directors/Authorized signatories.

5.5 Beneficial Ownership forms from all Share Holders.

5.6 E- Statement Application.

5.7 Letter of Indemnity (Optional)

5.8 Copy of Certificate of Incorporation certified by the Company Secretary.

5.9 Directors/Authorized signatories' name list with their signatories (in the company letter head)

5.10 Copy of Articles of association, Form 01 or 20, form 15.

5.11 Board Resolution on the company letterhead

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

5.12 Proper legally acceptable documentary evidence (as required) including the following information/documents

- a) A certified copy of the loan agreement including the repayment schedule.
- b) Profiles of the lender and borrower.
- c) A copy of the Resolution passed by the Board of Directors of the company, who is borrower for the approval on the proposed loan, certified by the company secretaries.

6. Minimum Balance Requirement

Currency	Savings Accounts	Fixed Deposit Accounts
USD	100/-	1000/-
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	3300/-	33,000/-
INR	8000/-	80,000/-

6.1 a) ECBA Savings accounts can be opened without an initial deposit.

b) Account with no operation for more than 2 years will be transferred to dormant category.

c) Accounts with zero balance for more than one year will be closed automatically.

7. General

7.1 ECBA may be opened and maintained in the term as savings or fixed deposits in any designated foreign currency or in Sri Lanka Rupees and shall be held as sole accounts.

Accordingly, facility has been made available to open accounts in USD, GBP, EUR, AUD, CAD, HKD, SGD, JPY, SEK, NZD, DKK, NOK, CNY, CHF, THB, INR and in LKR.

8. Permitted Credits

8.1 Remittances/transfers of proceeds of the loan obtained by the accountholder from an overseas lender, from an account maintained outside Sri Lanka or an Inward Investment Account or an account maintained in the Off-store Banking Unit, of such lender.

8.2 Transfers from an Outward investment Account or Business Foreign Currency Account, an account maintained in the Off-shore Banking Unit or Sri Lankan Rupee account, of the accountholder, for the purpose of servicing the loan.

8.3 Transfers from another ECBAs of the same accountholder.

8.4 Interest earned on the funds held in the account.

9. Permitted Debits

- 9.1** Remittance/transfers of the funds to an account maintained outside Sri Lanka or an Inward Investment Account or an account maintained in the Off-shore Banking Unit, of the lender, for the purpose of servicing and repayments of the loan, in terms of the loan agreement.
- 9.2** Transfers of the loan proceeds, to a Sri Lanka Rupee account of the account holder.
- 9.3** Transfers of loan proceeds, to an Outward Investment Account of the accountholder only if the loan has been obtained for the purpose of financing outward investments, as permitted in the Foreign Exchange (the Classes of Capital Transactions Undertaken Outside Sri Lanka by a Person Resident in Sri Lanka) Regulation No.01 2021 (Extraordinary Gazette No. 2213/34 dated 2021.02.03) or in terms of the provisions of the repealed Exchange Control Act or the FEA.
- 9.4** Remittances in respect of current transactions of the account holder.
- 9.5** Transfers of the ECBAs of the same accountholders.
- 9.6** Bank charges, fees, commissions, etc., payable with respect to the loan.
- 9.7** Disbursement in Sri Lanka in Sri Lankan Rupees.

10. Fees and Chargers

Please refer below for rates and Tariff.

<https://www.peoplesbank.lk/roastoth/2024/06/Foreign-English.pdf>