

PRAKAS

On

The Management of Foreign Exchange Dealers

- Article 1: An individual or group of individuals having prior authorization from the National Bank of Cambodia can conduct foreign exchange dealings, whether at movable or stationary places. Any person who applies for a license for foreign exchange dealing with the National Bank of Cambodia shall be at least 18 years old, have a permanent address with the proper documents certified by local authority, and have a place of operation approved by the concerned authority.
- Article 2: Individuals applying for foreign exchange dealings shall show evidence that they have a Riel and/or foreign currency deposit account at **any its chosen** bank for conducting dealing activities. The Riel account shall be maintained at an average balance of five million (5,000,000) Riel every month. The commercial bank keeping the above account shall report that account balance to the National Bank of Cambodia at the beginning of each month.
- Article 3: Individuals or group of individuals authorized to conduct foreign exchange transactions, hereafter called ("authorized person") shall abide all regulations set forth by National Bank of Cambodia and a national law.
- Article 4: The authorized person shall conduct foreign exchange dealings at the place permitted by a competent authority, clearly showing the label in words " ប្តូរទ្រព្យ " and in English "MONEY CHANGER", and the address "house number and street number", and the license issued by the National Bank of Cambodia, and her/his daily quotation of exchange rates.
- Article 5: The authorized person can conduct his/her operations in relation to the mean of payment in foreign currency as follows:
- 1- Buy foreign currency bank notes or traveler checks that can be paid in a foreign currency circulating internationally.
 - 2- Sell foreign currency bank notes or traveler checks to the National Bank of Cambodia or commercial banks.
 - Or deposit it in her/his bank account at a commercial bank.
 - Sell foreign currency to an importer by account transferring.

- Sell foreign currency to an individual person having a visa to go abroad up to the maximum amount of not exceeding five thousand (5,000) US dollar after receiving related documents regarding travels.
- Sell foreign currencies to foreigners who have the receipts of exchanging money when they entered Cambodia but have not spent all by the time of their departure.
- Sell foreign currency to other persons in an amount of not exceeding three hundred (300) US dollars.

Article 6: At any buying and selling of foreign currencies, the authorized person shall fill in the money-changing certificate sampled by the National Bank of Cambodia in which shall be included serial number, dealing date, name and address of buyer/seller, foreign currency amount, type of foreign currency, exchange rate, amount in riel, and the signature of the authorized person or representative.

Article 7: For every transaction, the authorized person shall issue the dealing certificates in duplicate which the original copy shall be given to the customer and a copy shall be kept for daily recording purposes.

Article 8: The authorized person shall not be allowed to accept deposits or makes loans or any other commercial banking related activities.

Article 9: The authorized person shall appropriately keep a detailed journal of all buying and selling of foreign currencies and travelers checks which can be paid in foreign currency. The journal and dealing certificates mentioned above shall be kept chronologically for the purpose of periodic or irregular auditing (without prior notice) by an agent of National Bank of Cambodia.

Article 10: The authorized person shall prepare a weekly operation and currency situation report be sent to the National Bank of Cambodia (Exchange Management Department) on Tuesday of the following week. The daily foreign exchange operation shall be recorded in details in the report. The detailed daily operation shall be reported. For the days without operation the report shall be recorded as "None". The report shall indicate the ending balance of the last day of each week.

Article 11: The foreign exchange license issued by the National Bank of Cambodia is valid for only 12 months. Authorized persons who wish to continue their operations shall renew the license 30 days prior to the expiration date.

Article 12: The license shall be revoked if the authorized person violates regulations and rules such as:

- Do not pay taxes after the National Bank of Cambodia receives official and written notice from competent authorities.
- Do not submit a weekly report to the National Bank of Cambodia for a month.
- Do not show the license and daily exchange rate quotation.

- Do not fill or maintain dealing certificates, journal and facilitate the agent of the National Bank of Cambodia in inspection.
- Do not reveal business activities for hiding their abnormal profits or keeping foreign currency for sabotage or other dishonest purposes.
- Do not abide the national laws.

Article13: In the case of business suspension or cessation or change of location, the authorized person shall submit a written request with related documents to the National Bank of Cambodia for approval 30 days in advance of expected termination of dealings.

Article 14: The authorized persons who hide or convey inaccurate information regarding their operation shall be penalized according to Article 69 of the Law on the Organization and Conduct of the National Bank of Cambodia.

Article 15: A person who conducts foreign exchange business without authorization from the National Bank of Cambodia shall be penalized according to Article 21 of the Law on Foreign Exchange.

Article 16: Foreign exchange offices or exchange booths of commercial banks shall not be subject to this Prakas.

Article 17: All Prakas contrary to this Prakas are hereby repealed.

Article18: The Secretariat General, the Directorate General, the General Inspection, the General Cashier, Exchange Management Department, and all departments under the supervision of the National Bank of Cambodia shall undertake their duties in executing this Prakas.

Article 19: This Prakas shall take effect from the date of signature.

Phnom Penh, 05 August 1998

The Governor

Signed and sealed: **CHEA CHANTO**