

**EXCHANGE CONTROL UNIT
INFORMATION SHEET 3**

**"REQUIREMENTS TO ESTABLISH/
OBTAIN A CLASSIFIED FOREIGN
EXCHANGE DEALERS LICENSE IN
SOLOMON ISLANDS**

All applications must be addressed to:

Manager
Exchange Control & Compliance
International Department
P.O. Box 634
Honiara
Solomon Islands

*The Exchange Control Policy & Procedure on Classified
foreign exchange dealers license is subject to change without
prior notice*



Central Bank of Solomon Islands

MUD-ALLEY STREET
P. O. BOX 634
HONIARA

Phone: 677 21791/92
Fax: 677 23513
Web: www.cbsi.com.sb



International
Department

INFORMATION SHEET 3

**EXCHANGE CONTROL
REQUIREMENT TO OBTAIN
A CLASSIFIED FOREIGN
EXCHANGE DEALERS
LICENSE IN S.I.**



EXCHANGE CONTROL UNIT

FOR FURTHER ENQUIRIES:

Please contact:
Exchange Control Unit,
PH: 21791 Ext 273,
Email: forex@cbsi.com.sb

To obtain a new license to operate a restricted classified Foreign Exchange Dealer - Money Changer or Foreign Exchange Money Transfers services in Solomon Islands, you must provide the following information to CBSI.

Check list:

- **Letter** - an application letter on the company's letter head signed by an authorized person of the company. The letter must be addressed to the "Comptroller of Foreign Exchange", CBSI, P.O. Box 634, Mud-alley street , Honiara
- **Business Particulars** - Full particulars of the business and objectives. Specify main particulars of the business and its proposed undertakings, to be classified as Foreign exchange dealers (Money changers), Foreign Exchange money transfers. (Refer to foreign exchange dealer classification on table 1 below)
 - Operational Set-up in terms of equipment and technology.
 - Operational hours of proposed business.
- **Security measures** -Details of the control and security measures to be implemented. Security aspect of the location, that would involved safety of handling large amount of cash in and out of the location
- **Internal Control Policy** -Summary of the company's internal controls and policies of the business.
- **Location** - Confirmation of the exact location of the business and registered address of where it proposes to do business in the country.

- **Capital Details** - Articles of Associations which details the shareholding and financial structures of the company. (see table 1 for minimum capital requirement of each business categories)
 - Confirmation of operational liquidity to start operations (Bank statement or confirmation of available funds from source of fund).
- **A proof of capital;** held by way of confirmation letter from a commercial bank of the receipts of funds from offshore into the company's resident account in SI in respect of the non-resident shareholder's equity contribution and account statement
 - Documentary evidence of paid-up capital contribution of individual shareholders.
- **Letter of Undertakings (LOU)** - a written undertaking by the Directors that they will secure any obligations and liabilities to be incurred in the conduct of the business and the business will comply with the exchange control regulations and policies set out by the Central Bank of Solomon Islands.
- **CVs and Character references** - The names, addresses and curriculum vitae of the Directors and the Principal Office/ Managers. Character references of the principal officer from previous employers to be attached as well.
- **Documents of Registration/Incorporation :**
 - Certified copy of the certificate of registration/incorporation of its head office. (applicable to existing businesses/companies)
 - Certified copy of the Project approval by FIB (also required in a local company with foreign shareholders).
 - Certified copy of registration certificate of business/company.(100% local company)

- **Financial Statements - (proposals only)**
 - Financial Statement of the proposed share holders;
 - Cash-flow projection for the next two years; and
- **Correspondent Banks:**
 - Names of local correspondent bank's);
 - For companies engaging in travelers cheques, a written confirmation by an authorized issuer of travelers' cheques approving the company to act as an agent;

Table 1: FOREIGN EXCHANGE DEALERS CLASSIFICATION

	Money Changer.	Restricted & Classified Foreign Exchange Dealer. (Money Transfers)
Type of Business permitted	Sale, Purchase of foreign currency notes Cashing of travelers checks	The use of telegraphic or electronic transfers for payments and receipts of funds buying and selling of classified foreign exchange Personal transfers and receipts of foreign currency , for sustenance, other small personal transfers
Minimum Capital Requirement by CBSI	\$50,000.00	\$200,000.00
Exchange Control Limits.	Issue of Travelers cheques restricted Issue authority for T/T restricted Issue of electric transfer restricted.	Authorized limit: (Foreign Currency payments/Outflows). US \$1500.00 or SBD10,000.00 per customer per month. Foreign Currency Receipts/Inflows: No restrictions
License Fee. (Renewable annually)	SBD 1,000.00	SBD 1,500.00