

STATUTORY INSTRUMENTS SUPPLEMENT

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S T A T U T O R Y I N S T R U M E N T S

2013 No. 47.

**THE FINANCIAL INSTITUTIONS (FOREIGN EXCHANGE BUSINESS)
(AMENDMENT) RULES, 2013.**

ARRANGEMENT OF RULES.

Rule

1. Title.
2. Amendment of rule 2 of The Financial Institutions (Foreign Exchange Business) Rules, 2010.
3. Insertion of rule 8A in principal Rules.

STATUTORY INSTRUMENTS

2013 No. 47.

The Financial Institutions (Foreign Exchange Business) (Amendment) Rules, 2013.

*(Under section 40 (1) of the Financial Institutions Act, 2004,
Act No. 2 of 2004)*

IN EXERCISE of the powers conferred on the Central Bank by section 40(1) of the Financial Institutions Act, 2004, these Rules are made this 25th day of July, 2013.

1. Title.

These Rules may be cited as the Financial Institutions (Foreign Exchange Business) (Amendment) Rules, 2013.

2. Amendment of rule 2 of The Financial Institutions (Foreign Exchange Business) Rules, 2010.

The Financial Institutions (Foreign Exchange Business) Rules, 2010 in these Rules referred to as the principal Rules, are amended, in rule 2 by—

- (a) inserting immediately after the definition of “correspondent financial institution”, the following—

“counterfeit foreign currency note” means a foreign currency note or other instrument not genuine but resembling or apparently intended to resemble or pass for a genuine foreign currency note or other instrument and includes a genuine note or other instrument prepared or altered so as to pass for a foreign currency note or other instrument of a higher denomination;”

- (b) inserting immediately after the definition of “off-balance sheet items” the following—

“other instrument” includes traveller’s cheque and any other instrument generally accepted as a means of payment;”

3. Insertion of a new rule 8A in principal Rules.

The principal Rules are amended by inserting immediately after rule 8 the following—

“8A. Counterfeit foreign currency.

(1) A financial institution has a duty to cross check and satisfy itself that the foreign currency exchanged is legal tender.

(2) Where a financial institution is given a counterfeit foreign currency note by a person, the financial institution shall retain the counterfeit foreign currency note and issue a receipt to the person indicating the serial number of the counterfeit foreign currency note.

(3) Where a person refuses to surrender a counterfeit foreign currency note to the financial institution, the financial institution shall immediately notify the police.

(4) A counterfeit foreign currency note seized by the financial institution under subrule (2) shall be submitted to the Bank of Uganda.

(5) A person aggrieved by any decision made under this rule may appeal to the Bank of Uganda.”

PROFESSOR EMMANUEL TUMUSIIME-MUTEBILE,
Governor, Bank of Uganda.