

BANK OF UGANDA



REQUIREMENTS FOR SETTING UP A FOREX BUREAU/MONEY REMITTANCE BUSINESS

Conditions for applying

An application for a Forex Bureau or Money Remittance business licence shall be made and submitted to the Bank of Uganda in Form A specified in Schedule 2, Regulation 7, or in Form A specified in Schedule 5, Regulation 15 (2) – (4) of the FER 2006 as indicated in the following stages:

Stage 1

Step I- Submission of Application to Bank of Uganda with the following supporting documents

1. A certificate of incorporation (Certified).
2. The applicant's memorandum and articles of association (Certified).
3. Complete Personal Declaration Forms and Sworn Declaration of Assets and Liabilities for each of the applicant's shareholders, proposed directors/management.
4. The names, signed curriculum vitae, certified copies of academic documents for directors/managers and two individual references from credible persons relating to the fit and proper status of each of the applicant's shareholders, proposed directors/management.
5. The names, signed curriculum vitae with supporting academic documents, designation, passport sized photographs, copy of the national ID and two individual references from credible persons for the proposed members of staff of the applicant.
6. A registered resolution of the board of the proposed forex bureau/money remitter authorizing the submission of the application.
7. Personal/business Bank statements for the period of six months before the submission of the application of each of the applicant's shareholders, proposed directors/Management.
8. A reference letter from the applicant's banker(s), addressed to Bank of Uganda, for each of the shareholders/directors/managers.
9. Credit Reference Reports for the shareholders/directors/managers.
10. Copies of Work permits for all non-Ugandan directors and employees of the applicant.
11. Applicants in (10) will be required to produce original work permits for verification
12. At least three (3) years' projected business and financial plans.
13. Proposed Organizational Chart for the applicant
14. Audited opening Balance Sheet of the applicant indicating minimum paid up share capital of Shs.20million and Shs.50million for forex bureau and money remittance business respectively by an audit firm registered with ICPAU and prequalified by Bank of Uganda.
15. Name and full address, including telephone and email address of the applicant (Application Form).

16. Applicants' proof of identity/nationality; copy of National Identity card (Ugandans), Passports (non-Ugandans) and copy of the Refugee identity card (Refugees).
17. An Operations Manual detailing the procedure of operations of the business.
18. Company Form 20. (return of allotment and Notice of Directors/Secretary)
19. Tax clearance certificates of the shareholders/directors and the applicant company.
20. A non-refundable application fee of Shs.1,000,000= payable through EFT or RTGs (Account Name: **Bank of Uganda**, Account No. **099405006**).
21. Signed comprehensive agreement between the Sub-Agent (Applicant) and the Agent for class D licence; and the Agent & overseas Correspondent/Principal for licences class A, B and C (Money Remittance application).
22. Names, address (es), copy of licence and regulatory authority of overseas correspondent (Money Remittance application).
23. Interpol certificate of good conduct for directors/shareholders and manager.

Stage 2.

Step II – Verification and Analysis of documents supporting the Application

24. Bank of Uganda shall verify and analyse the documents submitted.

Step III – Notification from Bank of Uganda to acquire/rent/partition and refurbish premises

25. Bank of Uganda will at this point notify the applicant whether to acquire/rent/partition and refurbish premises. This should however not be interpreted as approval to commence business or an indication that the licence will automatically be granted.

Step IV – Inspection of premises by Bank of Uganda

26. The applicant will invite BOU to inspect the proposed premises in accordance with the provisions of Section 9(g) and Schedule 3 of the FER 2006 to assess their suitability and conformity with the recommended minimum standards
27. The applicant shall submit a Signed Tenancy Agreement (between Tenant and Landlord).
28. The applicant shall submit a Sketch plan indicating the dimensions and partitioning of the applicant's proposed premises.
29. The applicant shall partition and refurbish the proposed premises.
30. The Applicant shall demonstrate ability to; issue electronic receipts, process and submit electronic returns.

Step V – Communication of Decision to the applicant by Bank of Uganda

31. Bank of Uganda shall communicate in writing its decision as to whether the application has been approved/rejected.
32. Where BOU approves an application, the applicant shall be required to pay a licence fee of Ushs.1,000,000/= for forex bureau and US\$2,000,000/= for money remittance. This is an annual licence fee. The applicant for money remittance licence will be required to pay the Money Remittance Security Deposit of US\$50million to BOU and all the payment shall be by using either Electronic Funds Transfer (EFT) or Real Time Gross Settlement (RTGS) mode of payment.

N.B. Details of the assets and liabilities indicated in the balance sheet (PDF) should be submitted together with the application, e.g. copies of land titles, vehicle log books, share certificates, etc.