

Republican Decree on Law 19 of 1995 pertaining to Money Exchange

The Law consists of 33 articles. The Central Bank of Yemen (CBY) is in charge of enforcing the law. The Law has been enforced since the date of issue, 25 May 1995.

Article (2)

- a- A person who would like to work in money exchange should apply for a license to the CBY using the application form prepared by the bank;
- b- The applicant should submit the form with the following fees:
 - YR 100,000 for exchangers licensed in accordance with paragraph (a) of Article 7 amended by Article 4 of this decree;
 - YR 300,000 for exchangers licensed in accordance with paragraph (b).

The license shall last for one renewable year, provided that the applicant for renewal has committed no violation to the Law.

- c- Only Yemeni citizens shall obtain a license.

Article (3)

Only persons who are licensed by the CBY, in accordance with the provisions of the Law, may work in money exchange in Yemen. Only companies licensed by the CBY may be registered in Yemen.

Article (5)

A person who would like to work in money exchange shall pay a capital of YR 10,000,000 million amendable at the CBY discretion at each renewal, before the bank grants the license. The applicant should submit a documentary evidence proving that he has deposited the above capital under the name of his shop at a commercial bank.

Article 6

A person who has been licensed to operate in money exchange may not operate in any place other than the one mentioned in the license; and he may obtain more than one license.

Article 9

The CBY shall allow the money exchanger to:

- a. sell and purchase foreign currency and tourist cheques;
- b. accept remittances and banking cheques issued by banks working in Yemen and abroad;

- c. any other operations must be agreed upon by the CBY under its conditions.

Article 10

The sale and purchase prices of foreign currencies circulated among licensed exchangers shall be determined according to the market conditions.

Each licensed exchanger must always display the sale and purchase prices of foreign currencies in a visible place.

Article 11

An exchanger may not, under the legal form or name or the licensed workplace, practice any work other than money exchange.

First or second category enterprises or companies may not set up in their basic system or establishing contract any objects contrary to the banking activity permitted by the provisions of the Law.

Article 12

An exchanger may not finish his work or stop it except after obtaining a written consent from the CBY. The bank shall determine the way and conditions for stopping or finishing the work.

Article 20

- a- Any violator to Article 3 of the Republican Decree on Law 20 of 1995 shall be imprisoned for a period no less than one month and no more than one year, pay a fine no less than YR 500,000, or incur both penalties;
- b- Any violator to Articles 10 and 14 of the above Decree shall pay a fine of YR 500,000; in case he/she repeats the violation, he/she shall pay the fine and the license shall be cancelled;
- c- A violator to Articles 9 and 24 of the Decree shall pay a fine of at least YR 300,000.

Article 24

The CBY shall be entitled to appoint one of its officers, or more, to inspect licensed exchangers as it deems necessary so as to make sure that the exchangers comply with the Law.

Article 26

The Governor of the CBY may, in cases raised by public interest, decide to suspend the work of exchange companies/enterprises or suspend their work for the period of its discretion.

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