

MONETARY REGULATION
1st MARCH 1987

1. This Regulation shall be cited as the Monetary Regulation. This regulation shall be enforced from 1st March 1987. The Monetary Regulation promulgated 25th January 1982 shall be repealed from the date of enforcement of this Regulation.
2. All licences issued under the Monetary Regulation issued on 25th January 1982 must be renewed within one month of the publication of this Regulation.
3. Dealing or purporting to deal in foreign exchange without a foreign exchange license issued by the Monetary Authority is prohibited.
4. In this Regulation, the term “foreign exchange” refers to all foreign exchange accepted by the Maldives Monetary Authority.
5. It is prohibited to use a currency other than Maldivian Rufiyaa for the payment of any merchandise of businesses conducted in the Maldives, remuneration for work or services, fee, rent or the like. Bank transfers and cheques shall also be deemed as currency.
6. Tax, rent, fee and the like (including related fines) due to the Government from persons receiving foreign currency and foreigners, shall if required by the Government be paid in foreign exchange.
7. Section 5 does not prevent (in accordance with this Regulation), the receipt of foreign exchange for goods exported from the Maldives, receipt or transfer of foreign exchange from abroad for services provided to foreign parties, use of foreign exchange to pay for goods and services imported into the Maldives and in connection with any other international transactions.
8. The enforcement of this Regulation does not prohibit the use and keeping of foreign exchange by any person.
9. It is prohibited to purchase and sell United States Dollars at a rate other than the official rates determined by the Maldives Monetary Authority. The Maldives Monetary Authority has the discretion to allow foreign exchange license holders to charge a commission for the purchase and sale of foreign exchange.

The purchase and sale of foreign exchange with a commission in any other circumstance is strictly prohibited. This Section shall apply to all the banks operating in the Maldives.

- 10.** Any person that contravenes this Regulation commits an offence, punishable by a fine of between 2,000 Rufiyaa to 10,000 Rufiyaa or a fine of 2,000 Rufiyaa and a fine of five times the amount dealt with in committing the offence.
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