

NOTICE TO THE PUBLIC



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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

UNAUTHORIZED FOREIGN EXCHANGE TRADING FOREX TRADING

The attention of the Central Bank of Sri Lanka (CBSL) has been drawn to the emergence of several unauthorized and unregulated online forex trading platforms/dealers. CBSL has further noticed that there are advertisements circulated in the print and electronic media, social media, internet and unsolicited e-mails by some companies to encourage the public to engage in such forex trading with the assurance of guaranteed high returns.

In the recent past, CBSL has come across instances and received complaints where several persons have lost their funds due to the above activities carried out by some individuals and companies.

The purpose of this notice is to draw the attention of the public to the following;

- In terms of the provisions of the Foreign Exchange Act, No. 12 of 2017 (FEA), Licensed Commercial Banks as Authorized Dealers (ADs) are permitted to deal in foreign exchange for current transactions and capital transactions subject to the Regulations and Directions issued thereunder.
- Accordingly, any other person in, or resident in Sri Lanka is not permitted to undertake forex trading transactions or remit funds outside Sri Lanka for such transactions and receive income or profit earned from forex trading.
- CBSL has not granted any permission for ADs to facilitate forex trading or transactions relating to forex trading on behalf of a person in, or resident in Sri Lanka.
- In this context, engaging in forex trading by a person in, or resident in Sri Lanka is a violation under the provisions of FEA.
- CBSL may take actions against both parties who encourage the public to engage in such forex transactions and persons who engage themselves in such transactions, in terms of FEA.

The public is strongly advised to refrain from engaging in such unauthorized forex trading transactions considering the above facts and the possible risk of losing funds.

Any information or complaints regarding such unauthorized forex trading platforms/dealers may be forwarded to the **Director of the Department of Foreign Exchange of the Central Bank of Sri Lanka** in order to take actions as stipulated in FEA.

The Director, Department of Foreign Exchange

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