

CHAPTER 51

EXCHANGE CONTROL

AN ACT EMPOWERING THE MAKING OF REGULATIONS TO CONFER POWERS, AND IMPOSE DUTIES AND RESTRICTIONS, IN RELATION TO FOREIGN EXCHANGE, FOREIGN EXCHANGE RESOURCES, PROTECTION OF CURRENCY OR PUBLIC CREDIT OR REVENUE AND FOR MATTERS CONNECTED THEREWITH AND INCIDENTAL THERETO

21 of 1976

[1st March 1977]

1. This Act may be cited as the Exchange Control Act.

Short title

2.—(1) In this Act, unless the context otherwise requires —
“foreign currency” includes notes, coins, postal notes, money orders, bills of exchange, promissory notes, drafts, letters of credit and travellers’ cheques payable or expressed otherwise than in Solomon Islands currency, and also includes rights, and instruments of title, to currency, other than Solomon Islands currency;

Interpretation

“foreign securities” means securities or other property included in a class of securities or property prescribed as foreign securities;

“property” includes securities and rights under securities;

“resident” means —

(a) a person, not being a body corporate, who is ordinarily resident in Solomon Islands; and

(b) a body corporate which is incorporated in Solomon Islands;

“securities” include shares, stock, bonds, debentures, debenture stock, treasury bills and notes, and units or sub-units of a unit trust, and also includes deposit receipts in respect of the deposit of securities and documents of title to securities;

“Solomon Islands currency” includes notes, coin, postal notes, money orders, bills of exchange, promissory notes, drafts, letters of credit and travellers’ cheques payable or expressed in currency that is legal tender in Solomon Islands, and also includes rights, and instruments of title, to any such Solomon Islands currency;

“Solomon Islands securities” means securities or other property included in a class of securities or property prescribed as Solomon Islands securities.

(2) A reference in this Act to property that is in Solomon Islands shall be read as including a reference to a right, not being property, that is exercisable in Solomon Islands, and a reference in this Act to property that is outside Solomon Islands shall be read as including a reference to a right, not being property, that is not exercisable in Solomon Islands.

Power to make regulations

3.—(1) Whenever the Minister considers it expedient to do so for purposes related to —

(a) foreign exchange or the foreign exchange resources of Solomon Islands;

(b) the protection of the currency or the protection of the public credit or revenue of Solomon Islands; or

(c) foreign investment in Solomon Islands, Solomon Islands investment outside Solomon Islands, foreign ownership or control of property in Solomon Islands or of Solomon Islands property outside Solomon Islands or Solomon Islands ownership or control of property outside Solomon Islands or of foreign property in Solomon Islands,

he may make regulations in accordance with this section.

(2) In particular and without prejudice to the generality of the powers conferred by this section, the Minister may make regulations making provision for or in relation to —

(a) rates of exchange;

(b) the control or prohibition of the buying, borrowing, selling, lending or exchanging in Solomon Islands of, or other dealing in Solomon Islands with, foreign currency by or on behalf of any person, and of the buying, borrowing, selling, lending or exchanging outside Solomon Islands of, or other dealing outside Solomon Islands with, foreign currency by or on behalf of a person who is resident;

(c) the control or prohibition of any transaction that has the effect of or involves a purchase, borrowing, sale, loan or exchange of, or that otherwise relates to, foreign currency, being a transaction that takes place in whole or in part in Solomon Islands or to which a person who is a resident is a party;

(d) the control or prohibition of the buying, borrowing, selling, lending or exchanging outside Solomon Islands of,

or other dealing outside Solomon Islands with, Solomon Islands currency by or on behalf of any person, and of the buying, borrowing, selling, lending or exchanging in Solomon Islands, or other dealing in Solomon Islands with, Solomon Islands currency by or on behalf of a person who is not a resident;

(e) the control or prohibition of any transaction that has the effect of or involves a purchase, borrowing, sale, loan or exchange of, or that otherwise relates to, Solomon Islands currency, being a transaction that takes place in whole or in part outside Solomon Islands or to which a person who is not a resident is a party;

(f) the control or prohibition of the taking or sending out of Solomon Islands, and of the bringing or sending into Solomon Islands, of Solomon Islands currency or foreign currency;

(g) requiring any person who is a resident and who has power to sell, or to procure the sale of, any foreign currency, or any person (whether a resident or not) who has power to sell in Solomon Islands, or to procure the sale in Solomon Islands of, any foreign currency, to sell, or to procure the sale of that currency as prescribed;

(h) requiring any person who is not a resident and who has power to sell, or to procure the sale of, any Solomon Islands currency, or any person (whether a resident or not) who has power to sell outside Solomon Islands, or to procure the sale outside Solomon Islands of, any Solomon Islands currency, to sell, or to procure the sale of, that currency as prescribed;

(i) the control or prohibition of the taking, sending or transfer of any securities to a place outside Solomon Islands (including the transfer of securities from a register in Solomon Islands to a register outside Solomon Islands), and of the bringing, sending or transfer of any securities to the Solomon Islands from a place outside Solomon Islands (including the transfer of securities from a register outside Solomon Islands to a register in Solomon Islands);

(j) the control or prohibition of the buying, borrowing, selling, lending or exchanging of, or other dealing with, property that is in Solomon Islands or of Solomon Islands securities that are outside Solomon Islands by or on behalf of a person who is not a resident;

(k) the control or prohibition of any transaction that has

the effect of or involves a purchase, borrowing, sale, loan or exchange of, or that otherwise relates to, property that is in Solomon Islands, or of Solomon Islands securities that are outside Solomon Islands, being a transaction to which a person who is not a resident is a party;

(l) the control or prohibition of the buying, borrowing, selling, lending or exchanging of, or other dealing with, property that is outside Solomon Islands or of foreign securities that are in Solomon Islands, by or on behalf of a person who is a resident;

(m) the control or prohibition of any transaction that has the effect of or involves a purchase, borrowing, sale, loan or exchange of, or that otherwise relates to, property that is outside Solomon Islands, or of foreign securities that are in Solomon Islands, being a transaction to which a person who is a resident is a party;

(n) requiring any person who is a resident and by whom moneys are payable to a person who is not a resident to pay those moneys within such time as is fixed by or under the regulations;

(o) the control or prohibition of the importation or exportation of goods;

(p) the obtaining by any prescribed person of information, and the examination by any prescribed person of accounts, books, documents or other papers for purposes related to the exercise of any powers, or the performance of any functions, conferred on any prescribed person under the regulations;

(q) prescribing penalties not exceeding a fine of twenty thousand dollars, or imprisonment for a period not exceeding five years, or both, for offences against the regulations made under this section; and

(r) empowering a court to order the forfeiture, or the disposal in accordance with the directions of any prescribed person, of Solomon Islands currency, foreign currency, goods or other property in respect of which an offence against the regulations made under this section has been committed.

(3) Without limiting the generality of the power of the Minister to make regulations under this section, the regulations may —

(a) for any purpose of the regulations, prohibit the doing

of any act or thing (including the importation or exportation of goods) specified in the regulations either absolutely or subject to conditions, being conditions which may prohibit the doing of the act or thing without the authority of any prescribed person or except in pursuance of a licence granted under the regulations;

(b) make provision for, or in relation to, terms and conditions subject to which such authorities or licences shall or may be granted, being terms and conditions which may require the deposit of money with any prescribed person; and

(c) make provision for, or in relation to, the granting of exemptions, either unconditionally or subject to conditions determined by any prescribed person, from the application of any provision of the regulations.

(4) Regulations under this section may provide —

(a) that the regulations, or a particular provision of the regulations specified in the regulations, shall apply, without modification or with such modifications as are prescribed, to, and in relation to, a resident included in a prescribed class of persons as if the person were not a resident; and

(b) that the regulations, or a particular provision of the regulations specified in the regulations, shall apply, without modification or with such modifications as are prescribed, to, and in relation to, a person who is not a resident but is included in a prescribed class of persons, as if the person were a resident.

(5) Regulations under this section may provide —

(a) that, where a body corporate that is not a resident has a place of business in Solomon Islands, the body corporate shall be deemed, for the purposes of the regulations or a particular provision of the regulations specified in the regulations, to be a resident in relation to the affairs of the body corporate conducted by the body corporate at, or through, that place of business, including any business carried on, transactions entered into and acts and things done by the body corporate at, or through, that place of business; and

(b) that, where a body corporate that is a resident has a place of business outside Solomon Islands, the body corporate shall be deemed, for the purposes of the regulations or a particular provision of the regulations specified

in the regulations, not to be a resident in relation to the affairs of the body corporate conducted by the body corporate at, or through, that place of business, including any business carried on, transactions entered into and acts and things done by the body corporate at, or through, that place of business.

(6) Regulations under this section may provide that no act or thing done, or contract or other transaction entered into, is invalid or unenforceable by reason only that the provisions of the regulations have not, or a particular provision of the regulations specified in the regulations has not, been complied with, but regulations so made shall not be construed as having the effect of preventing a person from being convicted of an offence against the regulations by reason of his having failed to comply with the provision of the regulations.

(7) Regulations under this section may provide that, in the exercise of any powers or the performance of any functions under the regulations, or under a particular provision of the regulations specified in the regulations, a prescribed person is subject to the directions of the Minister.

CHAPTER 51

EXCHANGE CONTROL

*Subsidiary Legislation*THE EXCHANGE CONTROL (FOREIGN EXCHANGE) REGULATIONS
(Section 3)

LN 23/1977

[18th February 1977]

ARRANGEMENT OF REGULATIONS

REGULATION

PART I

PRELIMINARY

1. CITATION
2. DEFINITIONS

PART II

MONEY CONTROL

3. DEALINGS IN FOREIGN CURRENCY
4. TRANSFER OR REMOVAL OF CURRENCY OUT OF SOLOMON ISLANDS
5. MONEY ORDERS
6. CONTROL OF CERTAIN PAYMENTS AND TRANSACTIONS
7. CERTAIN BORROWINGS PROHIBITED
8. BLOCKED ACCOUNTS

PART III

SECURITIES AND FOREIGN SECURITIES CONTROL

9. ISSUE OR DISPATCH OF SECURITIES
10. FOREIGN SECURITIES
11. RETURNS OF FOREIGN SECURITIES

PART IV

CONTROL OF PROCEEDS OF EXPORTS

12. INTERPRETATION
13. GENERAL RESTRICTIONS ON EXPORT

14. ADDITIONAL DOCUMENTATION AND INFORMATION
15. SECURITY
16. FULFILMENT OF ARRANGEMENTS
17. EXCEPTIONS

PART V
MISCELLANEOUS

18. TRAVELLERS
19. POWER TO OBTAIN INFORMATION
20. AUTHORISED DEALERS IN FOREIGN EXCHANGE
21. AUTHORITY OF CENTRAL BANK AND COMPLIANCE WITH UNDERTAKINGS
22. EXEMPTIONS
23. GENERAL AUTHORITIES
24. FALSE STATEMENTS
25. EVASION OF REGULATIONS
26. OFFENCES
27. CURRENCY OR PROPERTY RETAINED OR OBTAINED IN CONTRAVENTION OF REGULATIONS

SCHEDULE

PART I
PRELIMINARY

Citation

1. These Regulations may be cited as the Exchange Control (Foreign Exchange) Regulations.

Definitions

2.—(1) In these Regulations, unless the context otherwise requires —

“authorised dealer”, in relation to any provision of these Regulations or to any transaction, means a person appointed under regulation 20 to be an authorised dealer in foreign exchange for the purpose of that regulation or in relation to transactions of the class to which the transaction belongs;

“owner”, in relation to any foreign security —

(a) includes a person who owns the foreign security as a trustee or in any representative capacity; and

(b) includes, in a case where —

(i) the foreign security is held on any trust; or

(ii) dividends or interest on a foreign security are paid into any trust fund,

any person entitled—

(a) to enforce performance of the trust;

(b) to revoke or vary, with or without the consent of any other person, the trust or any of the terms thereof; or

(c) to control the disposition (including investment) of the trust moneys,

and “owns” and “owned” have corresponding meanings;

“the Central Bank” means the Central Bank of Solomon Islands established by the Central Bank of Solomon Islands Act.

Cap. 49

(2) For the purposes of the definition of “foreign securities”, the following classes of securities or property are foreign securities: —

(a) securities the principal of or interest from which is repayable or payable in any country outside Solomon Islands or in any money other than Solomon Islands money;

(b) securities the funds necessary for the repayment or payment of the principal of or interest from which are provided from any country outside Solomon Islands;

(c) securities that are registered outside Solomon Islands;

(d) securities that are situated outside Solomon Islands;

(e) debts or moneys due or accruing due to a person in Solomon Islands by a person in a country outside Solomon Islands;

(f) rights to receive payment of moneys in a country outside Solomon Islands; and

(g) rights to receive payment of moneys in a country outside Solomon Islands.

PART II
MONETARY CONTROL

3.—(1) Subject to paragraph (3), except with the authority of the Central Bank: —

(a) a person shall not, either on his own behalf or on behalf of another person, buy, borrow, sell, lend or

Dealings in
foreign currency

exchange in Solomon Islands, or otherwise deal in Solomon Islands with, foreign currency; and

(b) a resident, or a person acting on behalf of a resident, shall not buy, borrow, sell, lend or exchange outside Solomon Islands, or otherwise deal outside Solomon Islands with, foreign currency.

(2) Subject to paragraph (3), except with the authority of the Central Bank, a person shall not be a party to a transaction that has the effect of or involves a purchase, borrowing, sale, loan or exchange of, or that otherwise relates to, foreign currency, being a transaction that takes place in whole or in part in Solomon Islands or to which a resident is a party.

(3) The Central Bank, may give authority to an authorised dealer to do anything or be a party to any transaction referred to in paragraphs (1) or (2), and the provisions of those paragraphs do not apply to a thing done or transaction entered into in accordance with such authority.

(4) A person permitted to buy, borrow, sell, lend or exchange foreign currency under this regulation shall not enter into any transaction which provides for the conversion of Solomon Islands currency into foreign currency, or *vice versa*, at a rate of exchange other than a rate of exchange fixed or authorised by the Central Bank and in force for the time being.

(5) Where any foreign currency is made available to any person by the Central Bank or by an authorised dealer for use for any specified purpose, or subject to any conditions, that person shall not use that foreign currency otherwise than for that purpose, or shall not fail or refuse to comply with those conditions, as the case may be.

(6) Nothing in this regulation shall prevent a person from buying foreign currency by means of a money order issued to him at any post office, but this paragraph shall not affect the operation of regulation 5.

(7) For the purposes of this regulation —

(a) where a body corporate that is not a resident has a place of business in Solomon Islands, the body corporate shall be deemed to be a resident in relation to the affairs of the body corporate conducted by the body corporate at or through that place of business, including any business carried on, transaction entered into and acts and things done by the body corporate at or through that place of business; and

(b) where a body corporate that is a resident has a place of business outside Solomon Islands, the body corporate shall be deemed not to be a resident in relation to the affairs of the body corporate conducted by the body corporate at or through that place of business, including any business carried on, transactions entered into and acts and things done by the body corporate at or through that place of business.

(8) In this regulation, "person" or "resident" does not include the Central Bank

4.—(1) A person other than the Central Bank, who, except with the authority of the Central Bank or an authorised dealer, takes or sends, or attempts to take or send, out of Solomon Islands any Solomon Islands currency or foreign currency other than foreign currency obtained in accordance with an authority granted under regulation 3 shall be guilty of an offence.

Transfer or removal of currency out of Solomon Islands

(2) Paragraph (1) does not apply to a money order issued at a post office in Solomon Islands and payable outside Solomon Islands.

(3) Where the authority of the Central Bank or of an authorised dealer is given to any person for the taking or sending out of Solomon Islands of any Solomon Islands currency for any specified purpose, or subject to any conditions, that person shall not use that Solomon Islands currency otherwise than for that purpose, or shall not fail or refuse to comply with those conditions, as the case may be.

5.—(1) Subject to this regulation, no person is entitled to obtain a money order from a post office in Solomon Islands payable outside Solomon Islands unless —

Money orders

(a) the money order is payable to a person permanently resident outside Solomon Islands; and

(b) the amount is for the sole use and benefit of the person to whom the money order is payable or of another person permanently resident outside Solomon Islands; and

(c) the amount is not in or towards payment for goods for which, at the date on which the application is made, an import licence is required under any other law.

(2) Application for each money order payable outside Solomon Islands shall be made in a form approved by the Minister.

(3) A person who obtains in any one week money orders payable outside Solomon Islands for amounts exceeding in the aggregate the sum of one hundred dollars shall be guilty of an offence.

(4) For the purpose of this regulation, "person permanently resident outside Solomon Islands" includes—

(a) an association of persons each of whom is permanently resident outside Solomon Islands; and

(b) a body corporate incorporated outside Solomon Islands,

but does not include any other association of persons or body corporate.

Control of
certain payments
and transactions

6.—(1) A person who, except with the authority of the Central Bank or an authorised dealer—

(a) makes any payment to, by the order of or on behalf of a person resident outside Solomon Islands, or places any sum to the credit of any such person; or

(b) acknowledges any debt in such a manner that a right (whether actual or contingent) to receive a payment or any valuable consideration, whether in Solomon Islands or elsewhere, is created or transferred in favour of a person resident outside Solomon Islands; or

(c) acquires, disposes of or otherwise deals with any valuable consideration in favour of a person resident outside Solomon Islands,

shall be guilty of an offence.

(2) A person who, except with the authority of the Central Bank, makes or receives any payment or performs any service, related to, or associated with, the acquisition by any person of any valuable consideration outside Solomon Islands shall be guilty of an offence.

(3) Nothing in this regulation prevents—

(a) any payment by the Central Bank, or by an authorised dealer, to any person not resident outside Solomon Islands; or

(b) the making of any payment associated with an act permitted or authorised under regulations 3, 4 or 5.

(4) For the purposes of this regulation—

(a) "valuable consideration" includes a sum of money,

goods, property of any kind including land, securities and a right to the performance of a service;

(b) subject to sub-paragraph (c) of this paragraph, a body corporate incorporated outside Solomon Islands shall be deemed to be a person resident outside Solomon Islands;

(c) where a body corporate that is not a resident has a place of business in Solomon Islands, the body corporate shall be deemed to be a resident in relation to the affairs of the body corporate conducted by the body corporate at or through that place of business, including any business carried on, transactions entered into and acts and things done by the body corporate at or through that place of business;

(d) where a body corporate that is a resident has a place of business outside Solomon Islands, the body corporate shall be deemed not to be a resident in relation to the affairs of the body corporate conducted by the body corporate at or through that place of business, including any business carried on, transactions entered into and acts and things done by the body corporate at or through that place of business;

(e) the making of any book-entry or other statement recording a debit against the head office, or a branch, in Solomon Islands of a body corporate in favour of the head office, or a branch, of the body corporate outside Solomon Islands shall be deemed to be the placing of a sum to the credit of a person resident outside Solomon Islands.

7. A person who, except with the authority of the Central Bank, borrows Solomon Islands currency from, or lends Solomon Islands currency to, a person resident outside Solomon Islands shall be guilty of an offence.

Certain
borrowings
prohibited

8.—(1) In this regulation—

"blocked account" means an account conducted with an authorised dealer and declared by the Central Bank to be a blocked account for the time being.

Blocked
accounts

(2) Where under any provision of these Regulations authority is required for the making of a payment to, or the placing of a sum to the credit of, a person resident outside Solomon Islands, the Central Bank may direct that the sum be paid or credited to a blocked account, and in that event any such payment or credit shall be made accordingly.

(3) A person who, except with the authority of the Central Bank —

(a) makes any payment out of, or is a party to any transaction having the effect of making a payment out of, a blocked account; or

(b) assigns or charges any money standing to the credit of a blocked account; or

(c) makes any change in the name in which a blocked account stands,

shall be guilty of an offence.

(4) Where the Central Bank directs that a sum be paid or credited to a blocked account, compliance, to the extent of the sum paid or credited, is a good discharge to the person making the payment or credit.

PART III

SECURITIES AND FOREIGN SECURITIES CONTROL

Issue or dispatch
of securities

9.—(1) A person who, except with the authority of the Central Bank —

(a) allots, issues, transmits or transfers any securities to a person resident outside Solomon Islands; or

(b) makes an entry in a register in Solomon Islands that recognises that a person who is not a resident is the holder of securities,

shall be guilty of an offence.

(2) In paragraph (1) “transfer” includes transfer by way of loan or security.

(3) A person who, except with the authority of the Central Bank —

(a) takes or sends, or attempts to take or send, any securities out of Solomon Islands; or

(b) transmits or transfers any securities from a register in Solomon Islands to a register outside Solomon Islands,

shall be guilty of an offence.

10.—(1) A person, other than the Central Bank or an authorised dealer, who, except with the authority of the Central Bank, acquires, disposes of or otherwise deals with any foreign securities, whether within or outside Solomon Islands, shall be guilty of an offence.

Foreign
securities

(2) Paragraph (1) does not apply to the acquisition of foreign securities otherwise than for valuable consideration.

11.—(1) Subject to any exceptions specified in the notice, the Central Bank may, by notice in the Gazette, require every person —

Returns of
foreign securities

(a) who, on or after the publication of the notice, owns or has any interest in; or

(b) who has, during any period specified in the notice, owned or had any interest in,

foreign securities, of a class or classes specified in the notice, to furnish a return to the Central Bank giving such particulars with respect to those securities as are specified in the notice.

(2) A person required by any notice under paragraph (1) who —

(a) fails to furnish a return as required within the period specified in the notice, or within such longer period as the Central Bank allows; or

(b) makes any false or misleading statement in any return furnished,

shall be guilty of an offence.

PART IV

CONTROL OF PROCEEDS OF EXPORTS

12. Unless the contrary intention appears, expressions used in this Part that are defined in the Customs and Excise Act have the same respective meanings as in that Act.

Interpretation
Cap. 121

13.—(1) Subject to these Regulations, a person who exports any goods from Solomon Islands except with the authority of the Central Bank shall be guilty of an offence.

General
restrictions on
export

(2) Paragraph (1) applies notwithstanding that authority for the exportation of the goods may be in force under some other law.

(3) The authority of the Central Bank under paragraph (1) may be in the form of a general authority or a specific authority.

(4) A general authority permits the export of goods on the basis specified in the authority, and shall be published in the Gazette.

(5) A specific authority permits the person specified in the authority to export particular goods, in one or more consign-

ments, in the quantities, by the methods of dispatch, and from the place, specified in the authority.

(6) A person who exports goods from Solomon Islands with the authority of the Central Bank shall comply with all the terms and conditions of the relevant authority.

Additional
documentation
and information

14.—(1) A Customs officer may require any person exporting goods, or making entry of goods for export, to deliver such documentation and information as the officer thinks necessary in respect of the exportation of those goods for the purposes of satisfying the officer regarding compliance with these Regulations in relation to the goods.

(2) A person who fails or refuses to deliver all available documents and information required under paragraph (1) shall be guilty of an offence.

(3) In this regulation, "Customs officer" means the Comptroller, or an officer authorised by the Comptroller, to act as a Customs officer for the purposes of this regulation.

Security

15.—(1) A person desirous of exporting goods from Solomon Islands to a destination in any country shall, if required by the Minister, give security for compliance with the terms and conditions of the relevant authority.

Schedule

(2) Unless the Minister otherwise determines, a security required under paragraph (1) shall be by bond in accordance with the form in the Schedule, executed by the person desirous of exporting the goods and by one or more sureties approved by the Minister, and be in a sum equal to twice the estimated value of the goods concerned at the time and place of export.

Fulfilment of
arrangements

16. A person who, for any of the purposes of this Part, has made any arrangements in relation to payment for goods exported—

(a) shall take all reasonable steps to ensure that the arrangement are fulfilled; and

(b) shall not, except with the authority of the Central Bank, cancel or alter the arrangements.

Exceptions

17.—(1) The Minister may except from the application of this Part any goods or the goods included in any class of goods.

(2) Without prejudice to the generality of paragraph (1), the exception of any goods from the application of this Part may be limited to—

(a) any goods intended solely for use or consumption in any place specified; or

(b) any goods to be exported in a manner, or at or within a time, specified.

(3) The Minister may revoke or vary any exception made under this regulation.

PART V

MISCELLANEOUS

18.—(1) In this regulation—

"officer" means an officer within the meaning of the Customs and Excise Act or a member of the Police Force, and includes a person authorised by the Central Bank to act as an officer for the purposes of this regulation;

"traveller" means a person who is about to leave Solomon Islands.

Travellers

Cap. 121

(2) A traveller shall, if requested to do so by an officer—

(a) declare whether or not he has with him anything prohibited by any of the provisions of these Regulations to be exported, taken or sent from Solomon Islands; and

(b) produce any such thing which he has with him.

(3) An officer, and any person acting under the directions of an officer, may search the traveller and examine and search any article which the traveller has with him for the purpose of ascertaining whether he is conveying or has in his possession any such thing.

(4) A person shall not be searched under paragraph (3) except by a person of the same sex.

(5) An officer, and any person acting under the directions of an officer, may go on board any vessel, vehicle or aircraft for the purpose of exercising the powers conferred on him by this regulation, and may examine or search the vessel, vehicle or aircraft and anything found on or in it for the purpose of ascertaining whether there is anything on or in it for the purpose of being exported, taken or sent out of Solomon Islands in contravention of these Regulations.

(6) An officer may seize any thing found upon such examination or search which, in his opinion, is in the possession of any traveller, or on board any vessel, vehicle or aircraft, for the purpose of being exported, taken or sent out of Solomon Islands in contravention of these Regulations.

Power to obtain information

19.—(1) Subject to any directions of the Minister, the Central Bank may by notice in writing to any person, require that person to furnish such information as the Central Bank requires with respect to any act, transaction, matter or thing to which any provision of these Regulations applies, and to produce books, documents and other records in his custody or under his control relating to it.

(2) A person who fails or refuses to furnish the information or produce any book, document or other record required under paragraph (1) shall be guilty of an offence.

(3) A person who, with intent to evade any of the provisions of these Regulations, destroys, mutilates, hides or removes any book, document or other record shall be guilty of an offence.

(4) A person may not refuse to furnish information, or to produce a book, document or record, when required to do so under this regulation on the ground that it might tend to incriminate him or make him liable to a penalty, but the information, book, document or record is not admissible in any proceedings against him other than proceedings under paragraph (2) or regulation 24.

Authorised dealers in foreign exchange

20.—(1) The Central Bank may appoint any person to be an authorised dealer in foreign exchange for the purposes of all or any of the provisions of these Regulations or in respect of any class or classes of transactions subject to any of the provisions of these Regulations.

(2) A person appointed to be an authorised dealer in foreign exchange shall carry out his duties as an authorised dealer in accordance with, and shall comply with, such instructions, directions and requirements as are issued or made by the Central Bank.

(3) The Central Bank may revoke the appointment of any authorised dealer made under this regulation.

(4) An appointment or revocation of appointment under this regulation shall be published in the Gazette.

21.—(1) Subject to any directions of the Minister, the grant of any authority by the Central Bank under any provision of these Regulations is in the absolute discretion of the Central Bank, and the authority may be granted either unconditionally or subject to such conditions as the Central Bank considers necessary for the purposes to which these Regulations are directed.

Authority of Central Bank and compliance with undertakings

(2) Where the authority of the Central Bank is granted subject to conditions, a person who does not comply with all such conditions that are applicable to him shall be guilty of an offence.

(3) Where a person gives any undertaking in an application for authority of the Central Bank or an authorised dealer in respect of any matter the subject of these Regulations, and the authority of the Central Bank or an authorised dealer is given in whole or in part, that person shall comply with any relevant terms of that undertaking.

(4) Subject to any directions of the Minister, the Central Bank may revoke or vary any authority granted under any provision of these Regulations.

(5) In this regulation, "authority" includes a general authority issued under regulation 23.

22.—(1) Subject to any directions of the Minister, the Central Bank may, either absolutely or subject to conditions and limitations, exempt from the application of the whole or any of the provisions of these Regulations (other than the provisions of Part IV) —

Exemptions

(a) any person, all persons, or every person included in any class of persons; or

(b) any act or transaction, all acts and transactions, or every act or transaction included in any class of act or transactions; or

(c) any security, all securities, or every securities including any class of securities, including foreign securities.

(2) Subject to any directions of the Minister, the Central Bank may revoke or vary any such exemption.

23.—(1) The Central Bank may issue a general authority authorising a person, or persons included in a class of persons, specified in the authority or all persons to do an act or thing, or acts or things, specified in the authority, the doing of which, except with the authority of the Central Bank, would otherwise be prohibited by these Regulations.

General authorities

(2) Subject to any directions of the Minister, the Central Bank may revoke or vary any such general authority.

(3) The provisions of these Regulations prohibiting the doing by a person of an act or thing, being an act or thing that the person is authorised to do by a general authority issued under paragraph (1), do not apply in relation to the doing of that act or thing by that person.

False statements

24. A person who makes —

(a) to the Minister; or

(b) to an officer (including an officer within the meaning of regulations 14 or 18); or

(c) to an officer of the Central Bank or of an authorised dealer; or

(d) to any person to whom application is made for the issue of a money order payable outside Solomon Islands, any statement, whether oral or in writing, under these Regulations, or relating to any act, transaction, matter or thing to which any provision of these Regulations applies, which he knows to be untrue, or which is misleading, in any particular, or which is made by him without his having first made proper inquiries to ascertain its truth, shall be guilty of an offence.

Evasion of regulations

25. A person who makes or enters into any arrangements, whether oral or in writing, for the purpose of, or which has the effect of, in any way, whether directly or indirectly, defeating, evading or avoiding, or preventing the operation of, these Regulations in any respect shall be guilty of an offence.

Offences

26.—(1) A person who commits an offence against, or fails or refuses to comply with, any of the provisions of these Regulations may be tried summarily or upon information and is liable —

(a) on summary conviction, to a fine of two hundred dollars or imprisonment for six months, or to both such fine and such imprisonment; and

(b) on conviction at a trial upon information, to a fine of twenty thousand dollars or imprisonment for five years, or to both such fine and such imprisonment.

(2) In addition to any other punishment, the court may, if it thinks fit, order the forfeiture of any Solomon Islands currency, foreign currency, securities or goods in respect of which an

offence against these Regulations has been committed, whether the person who committed the offence or another person is the owner of that Solomon Islands currency or foreign currency, or those securities or goods.

27.—(1) Subject to this regulation, where a person has not sold to the Central Bank or an authorised dealer, any foreign currency which, by any of the provisions of these Regulations or by the terms or conditions of any authority granted by the Central Bank, is required to be sold to the Central Bank or an authorised dealer, a court may, in addition to any other penalty, direct that the foreign currency vest in the Central Bank, subject to paragraph (4).

Currency or property retained or obtained in contravention of regulations

(2) Subject to this regulation, where a person has acquired, directly or indirectly, any property by reason of a contravention of any of the provisions of these Regulations, including non-compliance with the terms or conditions of any authority under these Regulations, a court may, in addition to any other penalty, direct that person to sell, or procure the sale of, the property, and may by the same or a subsequent direction specify the manner in which, the person to whom, and the terms on which the property shall be sold.

(3) Where a person fails or refuses to comply with a direction under paragraph (2), the court may direct that the property vest in the Central Bank, subject paragraph (5).

(4) Where, under paragraph (1), a court directs that foreign currency vest in the Central Bank, it vests in the Central Bank free from any mortgage, pledge or charge, and the Central Bank may deal with it as the Central Bank thinks fit, but the Central Bank shall pay to the person who would but for the vesting be entitled to the foreign currency, as the case may be, a sum in Solomon Islands currency fixed by the court, not being less than ninety per centum of the amount that he would have received for it if he had sold it to the Central Bank at the time when the vesting occurred.

(5) Where, under paragraph (3), a court directs that any property vest in the Central Bank, it vests in the Central Bank free from any mortgage, pledge or charge, and the Central Bank may deal with it as the Central Bank thinks fit, but the Central Bank shall pay to the person who would but for the vesting be entitled to the property, a sum in Solomon Islands currency fixed by the court not being less than ninety per centum of the amount that, in the opinion of the court, represents the value of the

property in the country in which it is situated at the time when the vesting occurred.

(6) Nothing in this regulation prejudices the application of regulation 26 in respect of any contravention of the provisions of these Regulations and, except to the extent that a court has ordered forfeiture under the powers contained in that regulation, nothing in that regulation prejudices the application of any of the provisions of this regulation.

Regulation 15

SCHEDULE

SOLOMON ISLANDS

EXCHANGE CONTROL (FOREIGN EXCHANGE) REGULATIONS

BOND

Know all men by these presents that we (full name of person desirous of exporting goods), of (address), (occupation), (hereinafter called the "exporter") and (full name of first surety), of (address), (occupation), and (full name of second surety), of (address), (occupation), are jointly and severally held and firmly bound unto the Government of Solomon Islands in the sum of _____ dollars, to be paid to the Government of Solomon Islands, for which payment to be well and truly made we bind ourselves jointly and each of us severally and respectively, our and each of our executors and administrators, firmly by these presents.

Sealed with our seals and dated this _____ day of _____, 19 _____

Whereas the above-bounded exporter is desirous of exporting from Solomon Islands the goods specified hereunder—

Now the condition of the above-written bond or obligation is that if the exporter and all other persons bound thereby shall punctually and faithfully observe and comply with the terms and conditions of the general authority or the specific authority in terms of which the goods are to be exported, then this bond shall be void and of no effect, but otherwise the same shall remain in full force and effect:

Provided always that no extension of time or other indulgence granted to the exporter for compliance with any terms or conditions of the general authority or specific authority in terms of which the goods are to be exported, and no neglect or forbearance to enforce such compliance, shall in any way release any person hereby bound, his executors or administrators, from his or their liability hereunder, and no waiver, of any one or more of the said terms or conditions shall affect the liability of the exporter or any other person hereby bound, his or their respective executors or administrators, from his or their liability hereunder.

Signed, sealed and delivered by the said (exporter) in the presence of—

Signed, sealed and delivered by the said (first surety) in the presence of—

Signed, sealed and delivered by the said (second surety) in the presence of—

THE EXCHANGE CONTROL (FOREIGN EXCHANGE) REGULATIONS

GN 90/1993

GENERAL AUTHORITY TO EXPORT
(Regulation 13)

[22nd July 1993]

A general authority is hereby given for the export of goods other than round logs from Solomon Islands to a destination in any country provided that —

- (a) payment has been received within three months before the date of export; or
- (b) arrangement has been made for payment to be received within three months after the date of export, in Solomon Islands currency or in any foreign currency through a bank in Solomon Islands.

This general authority is subject, in each case, to the following conditions: —

- (a) full payment being received in respect of the sale price of the goods; and
- (b) the sale price of the goods not being less than the price which an exporter from Solomon Islands might reasonably be expected (regard being had to the terms of the transaction) to obtain for the goods for export to the destination involved at the date when those goods were sold or contracted to be sold under open market conditions; and
- (c) foreign currency proceeds being promptly credited or sold forthwith on receipt to a bank in Solomon Islands; and
- (d) details of the payment arrangements and the name of the bank in Solomon Islands to which export proceeds will be sold or credited being shown in the appropriate section of the relative Customs Shipping Bill.

EXCEPTIONS FROM APPLICATION OF PART IV
(Regulation 17)

LN 25/1977

[18th February 1977]

The following goods or the goods included in the following classes of goods are excepted from the application of Part IV of the Exchange Control (Foreign Exchange) Regulations —

- (a) goods not exceeding, in any one consignment, a value of \$250;
- (b) goods the property of the Government of Solomon Islands;
- (c) goods the property of a foreign government used for official purposes by that government in Solomon Islands;
- (d) stores or fuels for consumption on the exporting vessel or aircraft and equipment for installation thereon;
- (e) goods the property of the United Nations Organisation or any of its agencies;
- (f) goods for the personal or official use of the Diplomatic Corps;
- (g) containers previously imported in accordance with the provisions of the Customs Convention on Containers (Geneva 1956) and intended for exportation;
- (h) goods re-exported after display at trade fairs or similar exhibitions provided that no foreign exchange is involved in their export;
- (i) passengers' bona fide baggage and personal and household effects, whether accompanied or unaccompanied, when the Comptroller of Customs and Excise is satisfied that in any individual case the total value of any of the following goods included therein does not exceed \$10,000, and those goods have been the personal property of the passenger for at least twelve months —

- (1) gold in any form;
- (2) platinum;
- (3) refined silver;
- (4) precious and semi-precious stones;
- (5) industrial diamonds;
- (6) jewellery;
- (7) pearls (including cultured pearls);
- (8) watches with cases of precious metal;

- (9) works of art;
- (10) artifacts;
- (11) antiques that are, in the opinion of the Minister of Finance, of an age exceeding one hundred years.

LN 26/1977

APPOINTMENT OF AUTHORISED DEALERS
(Regulation 20)

[18th February 1977]

The persons set out in the First Schedule hereto are appointed to be authorised dealers in foreign exchange in respect of all the provisions of the Exchange Control (Foreign Exchange) Regulations and the persons set out in the Second Schedule hereto are appointed to be authorised dealers in foreign exchange in respect of regulation 8 of the Exchange Control (Foreign Exchange) Regulations.

FIRST SCHEDULE

Australia and New Zealand Banking Group Limited
Commonwealth Trading Bank of Australia
The Hongkong and Shanghai Banking Corporation

SECOND SCHEDULE

Australia and New Zealand Savings Bank Limited
Commonwealth Savings Bank of Australia

EXEMPTIONS FROM PROVISIONS OF REGULATION

LN 27/1977

3 (1) AND (2)
(Regulation 22)

[18th February 1977]

(a) The buying in Solomon Islands by a person ordinarily resident in Solomon Islands from a person ordinarily resident outside Solomon Islands, and the selling in Solomon Islands to a person ordinarily resident in Solomon Islands by a person ordinarily resident outside Solomon Islands, of foreign currency in the form of travellers' cheques, where the foreign currency is not converted into Solomon Islands currency at a rate of exchange other than the relevant rate of exchange fixed or authorised by the Central Bank and in force for the time being, shall be exempt from the application of paragraph (1) of regulation 3 of the Exchange Control (Foreign Exchange) Regulations.

(b) Every transaction that consists of the payment of money by a person ordinarily resident outside Solomon Islands in consideration of the sale of goods in Solomon Islands to, or the provision of service in Solomon Islands for, that person, being a payment in foreign currency in the form of travellers' cheques, where the foreign currency is not converted into Solomon Islands currency at a rate of exchange other than the relevant rate of exchange fixed or authorised by the Central Bank and in force for the time being, shall be exempt from the application of paragraph (2) of regulation 3 of the Exchange Control (Foreign Exchange) Regulations.

LN 28/1977

EXEMPTIONS FROM PROVISIONS OF REGULATION 3(1)
AND (4) AND REGULATION 4(1)
(Regulation 22)

[18th February 1977]

(a) The buying by a resident, or a person acting on behalf of a resident, of foreign currency outside Solomon Islands for travel expenditure with Solomon Islands currency referred to in (b) below, shall be exempt from the application of paragraphs (1) and (4) of regulation 3 of the Exchange Control (Foreign Exchange) Regulations.

(b) Any person who departs from Solomon Islands and takes with him Solomon Islands currency in the form of notes and coin not exceeding in total an amount of two hundred and fifty dollars for travel expenditure, shall be exempt from the application of paragraph (1) of regulation 4 of the Exchange Control (Foreign Exchange) Regulations (to the extent that that paragraph relates to Solomon Islands currency in the form of notes and coin)

LN 29/1977

EXEMPTION FROM PROVISIONS OF REGULATION 4(1)
(Regulation 22)

[18th February 1977]

The taking out of Solomon Islands, by a person who has been in Solomon Islands for a period not exceeding six months, of Solomon Islands currency other than in the form of notes and coin or foreign currency of a value not greater than, and in a form not different from, Solomon Islands currency or foreign currency which that person brought into Solomon Islands, shall be exempt from the application of paragraph (1) of regulation 4 of the Exchange Control (Foreign Exchange) Regulations.

EXEMPTION FROM PROVISIONS OF REGULATION 10
(Regulation 22)

LN 30/1977

[18th February 1977]

Any person who has applied to be regarded, for exchange control purposes, as a temporary resident of Solomon Islands and has received approval from the Central Bank or an authorised dealer, provided that such approval is currently valid, shall be exempt from the application of regulation 10 of the Exchange Control (Foreign Exchange) Regulations.