

*Amended by Law 51/54*



**SUPPLEMENT No. 2**

TO

THE CYPRUS GAZETTE No. 3657 OF 26TH NOVEMBER, 1952.

**LEGISLATION.**

**THE STATUTE LAWS OF CYPRUS**

**No. 30 OF 1952.**

A LAW TO CONFER POWERS, AND IMPOSE DUTIES AND RESTRICTIONS, IN RELATION TO GOLD, CURRENCY, PAYMENTS, SECURITIES, DEBTS, AND THE IMPORT, EXPORT, TRANSFER, AND SETTLEMENT OF PROPERTY, AND FOR PURPOSES CONNECTED WITH THE MATTERS AFORESAID.

A. B. WRIGHT,] [25th November, 1952.  
Governor.

**BE** it enacted by His Excellency the Governor and Commander-in-Chief of the Colony of Cyprus as follows:—

1. This Law may be cited as the Exchange Control Law, 1952. Short title.

*Reels*  
*No 456/53*  
*51/54*  
*36/57.*

Interpreta-  
tion.

2.—(1) In this Law, except so far as the contrary is expressly provided or the context otherwise requires, the following expressions have the meanings hereby assigned to them, that is to say :—

“ authorised dealer ” means, in relation to gold or any foreign currency, a person for the time being authorised by an order of the Financial Secretary to act for the purposes of this Law as an authorised dealer in relation to gold, or, as the case may be, that foreign currency ;

“ authorised depository ” means a person for the time being authorised by an order of the Financial Secretary to act as an authorised depository for the purposes of Part III ;

“ bearer certificate ” means a certificate of title to securities by the delivery of which (with or without endorsement) the title to the securities is transferable ;

“ certificate of title to securities ” means any document of title whereby a person recognizes the title of another to securities issued or to be issued by the first-mentioned person, and in the case of any such document with coupons (whether attached or on separate coupon sheets) includes any coupons which have not been detached ;

“ coupon ” means a coupon representing dividends or interest on a security ;

“ Financial Secretary ” means the Financial Secretary to Government and includes any other person appointed by him for all or any of the purposes of this Law ;

“ foreign currency ” has the meaning ascribed to it by section 3 ;

“ gold ” means gold coin or gold bullion ;

“ policy of assurance ” means any policy securing the payment of a capital sum or annuity on the occurrence of a specified event which is certain to happen and includes—

(a) any policy by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life ; and

(b) any policy securing the payment of an immediate annuity ;  
and the reference in this definition to the occurrence of a specified event which is certain to happen shall include the occurrence, which is certain to happen, of one of specified events none of which by itself is certain to happen ;

“ prescribed ” means prescribed, for the purposes of the provision in question, by order of the Financial Secretary ;

“ scheduled territories ” has the meaning ascribed to it by section 3 ;

“ secondary securities ” has the meaning ascribed to it by section 21 ;

“ securities ” means shares, stock, bonds, notes (other than promissory notes), debentures, debenture stock, units under a unit trust scheme and shares in an oil royalty ;

“ specified currency ” has the meaning ascribed to it by section 4 as extended by section 6 ;

“unit trust scheme” means any arrangements made for the purpose, or having the effect, of providing for persons having funds available for investment, facilities for the participation by them, as beneficiaries under a trust, in profits or income arising from the acquisition, holding management or disposal of any property whatsoever ;

“unit” means, in relation to a unit trust scheme, a right or interest (whether described as a unit, as a sub-unit or otherwise) which may be acquired under the scheme.

(2) Any provision of this Law (however worded) the effect of which is to prohibit the doing of any act where a person to or by whom the act is to be done or who stands in a specified relation to any property possesses any specified attribute as to residence or otherwise shall, where the act is done to or by two or more persons or, as the case may be, where two or more persons stand jointly in that relation to the property, operate to prohibit the doing of that act if any of those persons possess that attribute ; and any provision of this Law imposing an obligation on any person to do an act if he possesses any specified attribute as to residence or otherwise shall, in relation to any act which can only be done by two or more persons jointly—

(a) where all those persons possess that attribute, operate to impose a joint obligation on all of them to do the act ; and

(b) where some only of them possess that attribute, operate to impose a separate obligation on each one of them who possesses that attribute to do all he can to secure the doing of the act.

(3) Any power conferred by this Law to prescribe the declarations which are to be furnished on any occasion shall include a power to require that the declarations shall be made by specified persons and shall be verified in a specified manner.

(4) Nothing in this Law shall be construed as requiring the Financial Secretary to pay any sum otherwise than in sterling or otherwise than in the Colony, and any provision of this Law requiring the Financial Secretary to pay any sum to any person shall, where that sum is in a specified currency, be construed as a provision that the Financial Secretary shall pay to that person the amount in sterling which he would have received for the specified currency if he had sold it to an authorised dealer in pursuance of an offer made under section 4 at the time when the said sum is paid.

(5) The obligations and prohibitions imposed by this Law shall, subject to the express limitations contained therein, apply to all persons, notwithstanding that they are not British subjects.

#### PART I.

#### GOLD AND FOREIGN CURRENCY.

3.—(1) Except with the permission of the Financial Secretary, no person, other than an authorised dealer, shall, in the Colony, buy or borrow any gold or foreign currency from, or sell or lend any gold or foreign currency to, any person other than an authorised dealer.

Deals in  
gold and  
foreign  
currency,

(2) Except with the permission of the Financial Secretary, no person resident in the scheduled territories, other than an authorised dealer, shall, in the Colony, do any act which involves, is in association with or is preparatory to buying or borrowing any gold or foreign currency from, or selling or lending any gold or foreign currency to, any person outside the Colony.

(3) Where a person buys or borrows any gold or foreign currency in the Colony, or, being a person resident in the scheduled territories does any act which involves, is in association with or is preparatory to the buying or borrowing of gold or foreign currency outside the Colony, he shall comply with such conditions as to the use to which it may be put or the period for which it may be retained as may from time to time be notified to him by the Financial Secretary.

(4) In this Law—

(a) the expression “foreign currency” does not include any currency or notes issued by the government or under the law of any part of the scheduled territories, but, save as aforesaid, includes any currency other than sterling and any notes of a class which are or have at any time been legal tender in any territory outside the Colony, and any reference to foreign currency, except so far as the context otherwise requires, includes a reference to any right to receive foreign currency in respect of any credit or balance at a bank; and

(b) the expression “the scheduled territories” means the territories specified in the First Schedule, so, however, that the Financial Secretary may at any time by order amend the said Schedule, either by the addition or exclusion of territories or otherwise, and the said expression shall be construed accordingly.

First  
Schedule.

Surrender of  
gold and  
foreign  
currency.

4.—(1) Every person in the Colony who is entitled to sell, or to procure the sale of, any gold, or any foreign currency to which this section applies, and is not an authorised dealer, shall offer it, or cause it to be offered, for sale to an authorised dealer, unless the Financial Secretary consents to his retention and use thereof or he disposes thereof to any other person with the permission of the Financial Secretary.

The foreign currency to which this section applies is such foreign currency (hereafter in this Law referred to as “specified currency”) as may from time to time be specified by order of the Financial Secretary.

(2) If a person who has obtained the consent of the Financial Secretary to his retention and use of any gold or specified currency, and has stated in an application for the consent that he requires it for a particular purpose, no longer requires the gold or currency for that purpose, sub-section (1) shall thereupon apply to him in relation to that gold or currency as if the Financial Secretary had revoked his consent to his retention and use thereof.

(3) A person who acquires any gold or specified currency from an authorised dealer shall be treated for the purposes of this section as if the Financial Secretary had consented to the retention and use by him of that gold or currency (subject, however, to any conditions notified to him in accordance with sub-section (3) of section 3, and as if any statement made by him in an application for that gold or currency as to the purpose for which he requires it had been made by him in an application for the Financial Secretary's consent to his retention and use thereof.

(4) Where a person has become bound under this section to offer or cause to be offered any gold or specified currency for sale to an authorised dealer, he shall not be deemed to comply with that obligation by any offer made or caused to be made by him, if the offer is an offer to sell at a price exceeding that authorised by the Financial Secretary, or without payment of any usual and proper charges of the authorised dealer, or otherwise on any unusual terms.

(5) Where a person has become bound under this section to offer or cause to be offered any gold or specified currency for sale to an authorised dealer and has not complied with that obligation, the Financial Secretary may direct that that gold or currency shall vest in the Financial Secretary, and it shall vest in the Financial Secretary accordingly free from any mortgage, pledge or charge, and the Financial Secretary may deal with it as he thinks fit, but the Financial Secretary shall pay to the person who would but for the direction be entitled to the gold or currency such sum as he would have received therefor if he had sold it to an authorised dealer in pursuance of an offer made under this section at the time when the vesting occurred.

(6) In any proceedings in respect of a failure to comply with the provisions of this section, it shall be presumed, until the contrary is shown, that the gold or currency in question has not been offered for sale to an authorised dealer.

5.—(1) Every person in the Colony by whom or to whose order (whether directly or indirectly) any gold or any specified currency in the form of notes is held in the Colony but who is not entitled to sell it or procure its sale shall notify the Financial Secretary in writing that he so holds that gold or currency.

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gold and  
foreign  
currency.

(2) The Financial Secretary may direct any person in the Colony by whom or to whose order (whether directly or indirectly) any gold or any specified currency in the form of notes is held in the Colony, whether or not he is entitled to sell it or procure its sale, to cause that gold or currency to be kept at all times in the custody of such banker as may be specified in the direction.

6.—(1) This section applies to any document of a kind intended to enable the person to whom the document is issued to obtain foreign currency from some other person on the credit of the person issuing it, and in particular to any traveller's cheque or other draft or letter of credit so intended.

Travellers'  
cheques, etc.