

RULES

Amending the Rules on Foreign Exchange, no. 565/2014

Article 1

The following amendments shall be made to Article 2 of the Rules:

a. Article 2 shall be amended to include a new paragraph, Paragraph 2, which shall read as follows:

Cross-border movement of capital deriving from the sale by a non-resident of a financial instrument issued in domestic currency that is not included in the exemption lists according to Paragraph 1 but in which investment was undertaken prior to 7 March 2015, on the basis of a comparable exemption pursuant to Act no. 87/1992 and/or rules set on the basis of that Act, shall be exempted from the prohibitions contained in Article 13(b), Paragraph 3 of Act no. 87/1992, provided that payment of the purchase price was made by withdrawal from an account with a financial undertaking in Iceland. Payment for the sale according to the first sentence shall take place in domestic currency, by withdrawal from the purchaser's account with a financial undertaking in Iceland.

b. The word "resale" in Paragraph 3 shall be replaced by: sale.

c. The following shall be inserted after the words "pursuant to Paragraph 1" in Paragraph 3: and Paragraph 2.

Article 2

The following amendments shall be made to Article 3 of the Rules:

a. Article 3 shall be amended to include a new paragraph, Paragraph 2, which shall read as follows:

Cross-border movement of capital deriving from the sale of a financial instrument issued in domestic currency that is not included in the exemption lists according to Paragraph 1 but in which investment was undertaken prior to 7 March 2015, on the basis of a comparable exemption pursuant to Act no. 87/1992 and/or rules set on the basis of that Act, shall be exempted from the prohibitions contained in Article 13(b), Paragraph 3 of Act no. 87/1992, provided that payment of the purchase price was made by withdrawal from an account owned by a foreign financial undertaking (Vostro account).

b. The word "resale" in Paragraph 2 shall be replaced by: sale.

c. The following shall be inserted after the words "pursuant to Paragraph 1" in Paragraph 2: and Paragraph 2.

Article 3

These Rules are set pursuant to the authority contained in Article 13(b), Paragraph 4 of Act no. 87/1992, with subsequent amendments. These Rules shall take effect immediately.

Reykjavík, 6 March 2015

Central Bank of Iceland

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