

*(Legislative Supplement No. 54)*

LEGAL NOTICE NO. 148

## THE CENTRAL BANK OF KENYA ACT

*(Cap. 491)*

IN EXERCISE of the powers conferred by section 57 of the Central Bank of Kenya Act, the Central Bank of Kenya makes the following Regulations—

THE CENTRAL BANK OF KENYA (CURRENCY HANDLING)  
REGULATIONS, 2008

1. These Regulations may be cited as the Central Bank of Kenya (Currency Handling) Regulations, 2008.

Citation.

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

Interpretation.

“coin” means Kenya currency minted coins of any denomination issued by the Bank for current use, and includes all coins previously issued by the Bank at any given time and from time to time; and

“note” means Kenya currency printed banknotes of any denomination issued by the Bank for current use, and includes all banknotes previously issued by the Bank at any given time and from time to time.

3. (1) No person shall make use of currency notes or coins, current or historical, for publication or promotional or other purposes other than as currency without the prior written approval of the Bank.

Use of currency notes and coins.

(2) No person shall make use of images of currency notes or coins for publication or promotion or other purposes without prior written approval of the Bank.

(3) Any person desirous of making use of currency or images of currency notes or coins in any publication or for any other purpose shall apply in writing to the Bank for approval.

(4) An application made under paragraph (3) shall provide full information on the manner and purpose for which images of notes or coins are intended to be used including—

- (a) full names and address of the applicant;
- (b) nationality of the applicant;
- (c) purpose for which the images are intended to be used;
- (d) specimen of the works over which such use is intended;
- (e) a declaration that the intended use would not infringe on the Bank's copyright over the notes or coins.

(5) An application for authority to make use of images of notes

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or coins shall be considered by the Bank within fourteen days of the date of receipt of the application and the applicant shall then be notified of the Bank's decision in writing.

(6) The Bank's decision under paragraph (5) shall be final and the Bank shall not be obliged to render the reasons upon which any decision was reached.

Licensing of cash  
defacement  
devices.  
Cap. 63

4. (1) Notwithstanding section 367A of the Penal Code, a person may apply to the Bank in the manner set out in paragraph (2), for a licence to use or operate a cash defacement security device in the transit of notes and coins.

(2) An application under paragraph (1) shall be made in the form provided for in the Schedule.

(3) The Bank shall, upon satisfaction that an applicant meets the criteria set out in the application form, and upon payment of the prescribed fee, register the applicant and grant a licence to use or operate a cash defacement security device.

(4) A licence granted under this regulation shall be renewable annually upon fulfilment of the conditions of grant and payment of the prescribed renewal fees.

(5) The Bank may, at any time during the currency of a licence, suspend the licence for breach of any of the terms of licensing.

Exchange of  
defaced notes or  
coins.

5. (1) The Bank shall have the sole right and discretion to exchange notes or coins in the case of such notes or coins—

- (a) having become unserviceable owing to ordinary and natural wear and tear;
- (b) having been mutilated, defaced or soiled accidentally and the Bank having, in its sole discretion, agreed to make an exchange based on the circumstances of the accident;
- (c) having been deliberately defaced by a person licensed to operate a cash defacement device under these Regulations.

(2) An application for exchange of mutilated or defaced notes or coins shall be made to the Bank in writing at the nearest branch of the Bank and shall, in the minimum, require the following information to be provided—

- (a) number and total value of the mutilated or defaced notes or coins;
- (b) denominations of the mutilated or defaced notes or coins;
- (c) cause of the mutilation or defacement.

(3) Upon receipt of an application for exchange of mutilated or defaced currency under paragraph (2), the Bank shall either—

- (a) on the face of the information provided, agree to exchange the notes or coins;