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Regulation on banks open foreign exchange position, approved by the DCA of the no. 126 of November 28, 1997

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Approved by the Decision no.126
of the Council of Administration
of the National Bank of Moldova
as of November 28, 1997

REGULATION
on bank's open foreign exchange position

Amended by:

DCA of the NBM, no. 196 of July 16, 1998, Official Monitor of the Republic of Moldova no.19-20 of February 24, 2000

DCA of the NBM, no. 356 of November 25, 1998, Official Monitor of the Republic of Moldova no.114-115 of December 24, 1998

DCA of the NBM, no. 430 of December 29, 1998, Official Monitor of the Republic of Moldova no.7-9 of January 28, 1999

DCA of the NBM, no. 248 of September 22, 1999, Official Monitor of the Republic of Moldova no.106-108 of September 30, 1999

DCA of the NBM, no. 7 of July 16, 2000, Official Monitor of the Republic of Moldova no. 11-12 of January 17, 2002

DCA of the NBM, no. 83 of April 09, 2003, Official Monitor of the Republic of Moldova no.67-69 of April 11, 2003

DCA of the NBM, no. 215 of September 04, 2003, Official Monitor of the Republic of Moldova no.196-199 of September 12, 2003

DCA of the NBM, no. 37 of February 19, 2004, Official Monitor of the Republic of Moldova no.35-38 of February 27, 2004

DCA of the NBM, no. 142 of June 17, 2004, Official Monitor of the Republic of Moldova no.100-103 of June 25, 2004

DCA of the NBM, no. 97 of March 31, 2005, Official Monitor of the Republic of Moldova no.55-58 of April 08, 2005

DCA of the NBM, no. 145 of June 08, 2006, Official Monitor of the Republic of Moldova no.91-94 of June 16, 2006

DCA of the NBM, no. 208 of August 15, 2007, Official Monitor of the Republic of Moldova no.131-135 of August 24, 2007

DCA of the NBM, no. 133 of July 17, 2008, Official Monitor of the Republic of Moldova no.157-159 of August 19, 2008

DCA of the NBM, no. 171 of September 11, 2008, MO al R. Moldova nr 180-181 of October 3, 2008

DCA of the NBM, no. 33 of February 05, 2009, Official Monitor of the Republic of Moldova no. 30-33/114 of February 13, 2009

DCA of the NBM, no. 266 of November 24, 2011, Official Monitor of the Republic of Moldova no.206-215/1834 of December 02, 2011

DCA of the NBM, no. 194 of August 23, 2012, Official Monitor of the Republic of Moldova no.181-184 of August 31, 2012

DCA of the NBM, no. 184 of September 25, 2014, Official Monitor of the Republic of Moldova nr.293-296 /1385of October 03, 2014

DCA of the NBM, no. 185 of July 9, 2015, Official Monitor of the Republic of Moldova nr.185-189/1320 of July 17, 2015

I. SCOPE

1.1. This Regulation is worked out in accordance with the authorities of the National Bank of Moldova as stipulated in Art.11, 44, 46, 51, 52 of the Law on the National Bank of Moldova no.548-XIII of 21.07.1995 and Art.28 of the Law on Financial Institutions no.550-XIII of 21.07.1995.

II. MAIN OBJECTIVE

2.1. In order to mitigate and supervise foreign exchange risks, the National Bank of Moldova shall establish,

by this Regulation, the following with regard to licensed banks of the Republic of Moldova: the limits of open foreign exchange position ratio, the rules of calculation and administration of open foreign exchange position, as well as the reporting to the National Bank of open foreign exchange position.

(Item 2.1 amended by the Decision of the NBM no.171 of 11.09.2008)

III. MAIN DEFINITIONS

The following definitions shall be used in this Regulation:

3.1. Foreign exchange position – the balances of bank`s foreign exchange assets and liabilities that generate the risk of obtaining additional incomes or expenditures upon the modification of exchange rates.

(Item 3.1 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.1 amended by the Decision of the NBM no.248 of 22.09.1999)

3.1^1. Foreign exchange assets – bank`s balance-sheet assets in foreign currency and those in Moldovan Lei indexed to the foreign currency exchange rate, as well as contingent (off-balance-sheet) assets pertaining to transactions involving foreign currency conversion.

(Item 3.1^1. introduced by the Decision of the NBM no.33 of 05.02.2009)

3.1^2. Foreign exchange liabilities – bank`s balance-sheet liabilities in foreign currency and those in Moldovan Lei indexed to the foreign currency exchange rate, as well as contingent (off-balance-sheet) liabilities pertaining to transactions involving foreign currency conversion.

(Item 3.1^2. introduced by the Decision of the NBM no.33 of 05.02.2009)

3.2. The foreign exchange position shall be considered closed in the event when foreign exchange assets in a certain foreign currency are equal to foreign exchange liabilities in the respective foreign currency.

(Item 3.2 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.2 amended by the Decision of the NBM no.248 of 22.09.1999)

3.3. The foreign exchange position shall be considered open in the event when foreign exchange assets in a certain foreign currency are not equal to foreign exchange liabilities in the respective foreign currency.

(Item 3.3 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.3 amended by the Decision of the NBM no.248 of 22.09.1999)

3.4. The value of the open foreign exchange position shall represent the difference between the amount of foreign exchange assets in a certain foreign currency and the amount of foreign exchange liabilities in the respective foreign currency.

(Item 3.4 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.4 amended by the Decision of the NBM no.248 of 22.09.1999)

3.5. The open foreign exchange position shall be long in the event when the amount of foreign exchange assets in a certain foreign currency exceeds the amount of foreign exchange liabilities in the respective foreign currency.

(Item 3.5 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.5 amended by the Decision of the NBM no.248 of 22.09.1999)

3.6. The open foreign exchange position shall be short in the event when the amount of foreign exchange liabilities in a certain foreign currency exceeds the amount of foreign exchange assets in the respective foreign currency.

(Item 3.6 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 3.6 amended by the Decision of the NBM no.248 of 22.09.1999)

3.7. The foreign exchange position ratio shall represent the percentage ratio between the value of the open foreign exchange position (recalculated in Moldovan lei) and the value of the total regulatory capital of the

bank.

3.8. The limits of the open foreign exchange position shall represent the ceilings of the open foreign exchange position (as set by the National Bank of Moldova) that banks shall comply with.

(Item 3.8 amended by the Decision of the NBM no.37 of 19.02.2004)

3.9. The notions of “spot transaction”, “forward transaction” and “foreign exchange swap transaction” are as defined in the Regulation on the performance of transactions on the interbank foreign exchange market of the Republic of Moldova, approved by the DCA of the NBM no.8 of January 24, 2013, Official Monitor of the Republic of Moldova no.36-40, Art. 234 of February 22, 2013.

(Item 3.9 introduced by the Decision of the NBM no.185 of 09.07.2015)

IV. GENERAL PROVISIONS

4.1. The banks shall have the right to hold open foreign exchange position, if Decisions of the Council of Administration of the NBM and the documents with remedy measures for a certain bank issued by the National Bank of Moldova do not provide otherwise. In order to have an open foreign exchange position, banks shall maintain a relevant system on administration and supervision of foreign exchange risks.

(Item 4.1 in the wording of the Decision of the NBM no.248 of 22.09.1999)

4.2. The operations that have an impact upon the value of open foreign exchange position shall be, as follows:
4.2.1. Calculation of the interest incomes in foreign currency and the receipt of operational incomes in foreign currency;
4.2.2. Calculation of interest expenditures in foreign currency and payment of operational expenditures in foreign currency;
4.2.3 Transactions of foreign currency purchase-sale against Moldovan Lei, from the account of bank’s means, transactions of foreign currency purchase against other foreign currency, i.e. foreign currency conversion operations (spot, forward etc.);
4.2.4. Other foreign exchange operations, which involve the exchange (conversion) of foreign currencies and/or Moldovan Lei.
4.2.5. Operations with assets and liabilities indexed to the foreign currency exchange rate (assets and liabilities in Moldovan Lei indexed to the foreign currency exchange rate), i.e. those assets and liabilities in Moldovan Lei (e.g., extended /received credits in Moldovan Lei), the balances of which, according to the conditions set up in the relevant contracts concluded by the bank, are changing depending on the evolution of the exchange rate of Moldovan Lei against foreign currency, which it is indexed to.

(Item 4.2 amended by the Decision of the NBM no.33 of 05.02.2009)

(Item 4.2 amended by the Decision of the NBM no.248 of 22.09.1999)

4.3. The foreign exchange position shall occur on the date of concluding the operations /transactions referred to in items 4.2.3 - 4.2.5 of this Regulation, as well as on the date of calculation of the interest incomes/expenditures and entry in/ charge-off from the account of other incomes /expenditures in foreign currency.
The date of operation/transaction conclusion shall be considered the date of reaching by parties of an agreement (using all methods provided by the acting legislation of the Republic of Moldova and the international practice) on the essential conditions of operation /transaction (name of currencies, exchange rate, amounts of exchanged funds, value date) and other conditions upon the request of one of the parties.

(Item 4.3 in the wording of the Decision of the NBM no.33 of 05.02.2009)

(Item 4.3 in the wording of the Decision of the NBM no.248 of 22.09.1999)

4.4. For the purpose of this Regulation, the foreign exchange assets /liabilities in a certain foreign currency shall represent the balance-sheet assets /liabilities in a certain foreign currency, the contingent assets /liabilities in the respective foreign currency (those related to transactions that involve foreign currency conversion), as well as the balance-sheet assets / liabilities in Moldovan Lei indexed to the exchange rate of

the foreign currency.

(Item 4.4.included by the Decision of the NBM no.33 of 05.02.2009)

V. LIMITS ON OPEN FOREIGN EXCHANGE POSITION

(the name modified by the Decision of the NBM no.37 of 19.02.2004)

5.1. In order to reduce banks' foreign exchange risk, the National Bank of Moldova shall set the following limits:
5.1.1. on open foreign exchange position ratio:
a) the long open foreign exchange position ratio for each foreign currency shall not exceed "+10%";
b) the short open foreign exchange position ratio for each foreign currency shall not be less than "-10%",
c) the sum of long open foreign exchange position ratios for all currencies shall not exceed "+20%";
d) the sum of short open foreign exchange position ratios for all currencies shall not be less than "-20%".
5.1.2. The ratio between the amount of balance-sheet foreign exchange assets and the amount of balance-sheet foreign exchange liabilities shall not exceed "+25%" or be less than "-25%".
The limit stipulated in this item shall not be applied to banks which amount of balance-sheet foreign exchange assets and the amount of balance–sheet foreign exchange liabilities will not exceed, separately for each of them, 10% of the value of the total regulatory capital.

[Item 5.1. amended by the Decision of the NBM no.33 of 05.02.2009]

[Item 5.1. amended by the Decision of the NBM no.37 of 19.02.2004]

[Item 5.1. amended by the Decision of the NBM no.215 of 04.09.2003]

[Item 5.1. amended by the Decision of the NBM no.83 of 09.04.2003]

(Item 5.1. amended by the Decision of the NBM no.356 of 25.11.1998)

5.2 The banks shall comply with the limits mentioned in item 5.1 at the end of each working day.

[Item 5.2. amended by the Decision of the NBM no.37 of 19.02.2004]

5.3. The banks, that have branches and other subdivisions, shall set independently the sub-limits of the open foreign exchange positions for the head office and mentioned subdivisions of the bank and shall monitor the compliance with these sub-limits. The sub-limits shall be set in such a way as all bank's open foreign exchange positions do not exceed the limits indicated in item 5.1 of this Regulation.

[Item 5.3. amended by the Decision of the NBM no.184 of 25.09.2014]

[Item 5.3. amended by the Decision of the NBM no.33 of 05.02.2009]

[Item 5.3. amended by the Decision of the NBM no.37 of 19.02.2004]

5.4. The foreign exchange positions opened by banks during the day shall not be covered by this Regulation and shall be monitor independently by the licensed bank, based on the assessment of foreign exchange risk.

[Item 5.4. amended by the Decision of the NBM no.171 of 11.09.2008]

VI. CALCULATION OF OPEN FOREIGN EXCHANGE POSITION

6.1. While determining the bank's open foreign exchange position, the values and ratios of open foreign exchange positions shall be calculated separately for each foreign currency. The aggregate calculation for all foreign currencies shall also be made: separately for long open foreign exchange positions and for short open foreign exchange positions.

6.2 At the end of each working day, the bank shall compile an internal document on the open foreign exchange position, which the following data shall include:
A. *The value of total regulatory capital*, which shall coincide with the value of this indicator reflected in the

Report on the calculation of total regulatory capital compiled and submitted to the National Bank of Moldova in accordance with the provisions of the Instruction on the procedure of compiling and submitting by banks of reports for prudential purposes, approved by the Decision of the Council of Administration of the National Bank of Moldova no.279 of December 1, 2011 (Official Monitor of the Republic of Moldova, 2011, no.216-221, Art.2008).
For calculation of "Open Foreign Exchange Position Ratio" indicator, the value of total regulatory capital shall be used during the reporting month, as follows:
a) for the period from the 1st day of the reporting month until the deadline for submission to the National Bank of Moldova of the Report on the calculation of total regulatory capital for the month previous to the reporting one, the value of total regulatory capital calculated at the end of the last working day of the month preceding the month previous to the reporting one shall be used;
b) for the remained period of the reporting month, the value of total regulatory capital calculated at the end of the last working day of the month previous to the reporting one shall be used.

(Sub-item A in the wording of the Decision of the NBM no.184 of 25.09.2014)

(Sub-item A amended by the Decision of the NBM no.194 of 23.08.2012)

(Sub-item A amended by the Decision of the NBM no.33 of 05.02.2009)

B. For each foreign currency:
B.1. the amount of foreign exchange assets in a certain foreign currency;
B.2. the amount of foreign exchange liabilities in a certain foreign currency;
B.3. the value of the open foreign exchange position of a certain foreign currency, which shall be determined as the difference between the amounts referred to in the previous sub-items (B.1.-B.2.);
B.4. the ratio of open foreign exchange position for a certain foreign currency (B.3./A.).

(Sub-item B amended by the Decision of the NBM no.33 of 05.02.2009)

(Sub-item B amended by the Decision of the NBM no.248 of 22.09.1999)

C. For the total of foreign currencies:
C.1. the amount of values of long open foreign exchange positions;
C.2. the amount of values of short open foreign exchange positions;
C.3. the ratio of long open foreign exchange positions, calculated as the ratio between C.1./A or as the sum of ratios of long open foreign exchange positions for all foreign currencies;
C.4. the ratio of short open foreign exchange positions, calculated as the ratio of C.2./A or as the sum of ratios of short open foreign exchange positions for all foreign currencies;
C.5. the amount of balance-sheet foreign exchange assets;
C.6. the amount of balance-sheet foreign exchange liabilities;
C.7. the ratio between the balance-sheet foreign exchange assets and the balance-sheet foreign exchange liabilities calculated in accordance with the formula: (C5./C.6.)x100-100.

(Sub-item C amended by the Decision of the NBM no.33 of 05.02.2009)

(Sub-item C supplemented by the Decision of the NBM no.37 of 19.02.2004)

If the value of total regulatory capital is equal to zero or it is negative, the ratio of the open foreign exchange position shall not be calculated.

[Last paragraph introduced by the Decision of the NBM no.248 of 22.09.1999]

6.2[1]. In the event of transactions/operations of purchase/sale of foreign currency against Moldovan Lei recorded in the off-balance sheet accounts at the calculation of the open foreign exchange position, only the transactions/operations, the residual maturity of which does not exceed one year, shall be included and shall contain contractual clauses providing:
a) completion of the transaction/settlement operation and
b) penalty of not less than 10% of the transaction/operation, applied to parties to the transaction/operation for failure to fulfill the assumed obligations.

(Item 6.2[1]. introduced by the Decision of the NBM no.185 of 09.07.2015)

6.2[2]. In calculating the bank's open foreign position, the amount of foreign exchange assets and the amount of foreign exchange liabilities shall be reduced by the amount of off-balance sheet accounts related to transactions/operations of purchase/sale of foreign currency against Moldovan Lei recorded in off-balance sheet accounts, which do not comply with the conditions indicated in item 6.2[1] (including as result to

changes in contractual clauses) and the transactions/operations of purchase/sale of foreign currency against Moldovan Lei/against foreign currency recorded in off-balance sheet accounts, which have not been completed with settlements. This reduction shall be made for the entire period: from the conclusion of the transaction/operation until the date of occurrence of the circumstance that will lead to the non-compliance of transaction/operation with the provisions at item 6.2^1 or the non-completion de facto of the transaction/operation with settlements.
For the purpose of this Regulation, transactions/operations of purchase/sale of foreign currency recorded in off-balance sheet accounts, the maturity of which has been extended, shall be considered transactions/operations that have not completed with settlements.

(Item 6.2^2. introduced by the Decision of the NBM no.185 of 09.07.2015)

6.2^3. Transactions/operations of purchase/sale of foreign currency, which according to provisions of items 6.2^2 and 8.3 are not included in the calculation of open foreign exchange positions, shall be reflected in Table D "Contingent assets/liabilities in foreign currency, which are not included in the calculation of open foreign exchange positions" of Attachment no.1 of this Regulation.

(Item 6.2^3. introduced by the Decision of the NBM no.185 of 09.07.2015)

6.3. The amount of foreign exchange assets, the amount of foreign exchange liabilities and the value of the open foreign exchange position for each foreign currency shall be calculated, at the bank's discretion, in foreign currency and /or in Moldovan Lei equivalent. If the amount of foreign exchange assets, the amount of foreign exchange liabilities and the value of open foreign exchange position are calculated in foreign currency, the value of the open foreign exchange position shall be recalculated in Moldovan Lei at the official exchange rate of Moldovan Lei valid for the day, at the end of which the open foreign exchange position is calculated. If the amount of foreign exchange assets and the amount of foreign exchange liabilities are calculated in Moldovan Lei equivalent, then, in order to determine the open foreign exchange position, this equivalent (including for the assets and the liabilities in Moldovan Lei indexed to the foreign currency exchange rate) shall be calculated by applying the official exchange rate of Moldovan Lei valid for the day, at the end of which the open foreign exchange position is calculated.

(Item 6.3. in the wording of the Decision of the NBM no.33 of 05.02.2009)

6.4. The form and structure of the internal document on open foreign exchange position shall be established by the bank independently, taking into account the provisions stated in item 6.2 and items 6.2^1 – 6.2^3. Nevertheless, the bank shall be obligated to submit to the National Bank of Moldova the required reports as provided in Chapter VII "Reports" of this Regulation.

(Item 6.4. supplemented by the Decision of the NBM no.185 of 09.07.2015)

(Item 6.4 amended by the Decision of the NBM no.196 of 16.07.1998)

VII. REPORTS

7.1. In order to supervise the observance by banks of limits of open foreign exchange position, banks shall submit to the National Bank of Moldova the report ORD 3.19 "Bank`s Open Foreign Exchange Position", as in accordance with the provisions of this Regulation.

(Item 7.1 amended by the Decision of the NBM no.184 of 25.09.2014)

(Item 7.1 amended by the Decision of the NBM no.33 of 05.02.2009)

7.2. The banks shall submit daily to the National Bank of Moldova reports on open foreign exchange position, which shall be compiled in Moldovan Lei as in accordance with the form and provisions from Attachment no.1 and Attachment no.2 of this Regulation.

(Item 7.2 amended by the Decision of the NBM no.133 of 17.07.2008)

(Item 7.2 amended by the Decision of the NBM no.145 of 08.06.2006)

(Item 7.2 amended by the Decision of the NBM no.196 of 16.07.1998)

7.3. If the ratio of the open foreign exchange position (long or/and short) on other free convertible currencies

(table C lines 5 and 6 col.3 of the report) and on other foreign currencies (table C lines 5 and 6 col.7 of the report) exceeds the limits set in sub-items a) and b) item 5.1.1, the bank shall send, simultaneously with the report in electronic form, the paper-based internal document on the daily open foreign exchange position, containing the data on each foreign currency separately.

(Item7.3 amended by the Decision of the NBM no.184 of 25.09.2014)

(Item 7.3 amended by the Decision of the NBM no.33 of 05.02.2009)

(Item 7.3 amended by the Decision of the NBM no.133 of 17.07.2008)

(Item 7.3 amended by the Decision of the NBM no.37 of 19.02.2004)

(Item7.3 amended by the Decision of the NBM no.196 of 16.07.1998)

7.4. The bank shall submit to the National Bank of Moldova the daily report on open foreign exchange position (as in accordance with Attachment no.1) that reflects detailed information as at the end of the working day. The deadline for daily report submission shall be 12:00 of the next working day.

(Item 7.4 in the wording of the Decision of the NBM no.196 of 16.07.1998)

7.5. The daily report shall be submitted in the electronic form in accordance with the Instruction on submission of reports in electronic form by banks to the National Bank of Moldova (approved by the Decision of the Council of Administration of the National Bank of Moldova no.132 of July 17, 2008). The deadline for report submission shall be 12:00 of the next working day.

(Item 7.5 amended by the Decision of the NBM no.133 of 17.07.2008)

(Item 7.5 amended by the Decision of the NBM no.145 of 08.06.2006)

7.6. In the event when modifications are operated in the accounts from the bank`s balance-sheet that are used for calculation of the open foreign exchange position, the bank shall be obligated to introduce the relevant modifications in the daily report on open foreign exchange position for the respective day and shall submit to the National Bank of Moldova, within three working days from the reporting day, the modified daily report.

(Item 7.6 amended by the Decision of the NBM no.33 of 05.02.2009)

(Item 7.6 in the wording of the Decision of the NBM no.196 of 16.07.1998)

7.6[1]. By derogation from item 7.6, while calculating the bank's open foreign exchange position for the days in which there have been included the amounts of off-balance sheet account related to transactions/operations indicated in item 6.2[2], the bank shall be obliged to recalculate the open foreign exchange position and submit to the NBM the modified reports within three working days from the date on which the transaction/operation falls under the provisions of item 6.2[2]. In these cases, changes shall not be introduced in the bank's balance sheet, unless it is provided by the regulations on bookkeeping.

(Item 7.6[1]. introduced by the Decision of the NBM no.185 of 09.07.2015)

7.7. The bank shall submit the report on open foreign exchange position starting with the day it obtains the NBM license to carry out financial activity.

(Item 7.7 amended by the Decision of the NBM no.184 of 25.09.2014)

(Item 7.7 amended by the Decision of the NBM no.171 of 11.09.2008)

7.8. The reports shall contain data (information) on all subdivisions of the bank.

(Item 7.8 amended by the Decision of the NBM no.184 of 25.09.2014)

(Item 7.8 amended by the Decision of the NBM no.33 of 05.02.2009)

7.9. All report items shall be filled in. Completions and modifications in reports shall not be allowed.

(Item 7.9 amended be the Decision of the NBM no.133 of 17.07.2008)

(Item 7.10 excluded by the Decision of the NBM no.184 of 25.09.2014)

(Item 7.11 and 7.12 excluded by the Decision of the NBM no.133 of 17.07.2008)

(Item 7.12 excluded by the Decision of the NBM no.145 of 08.06.2006 and other items renumbered)

(Item 7.12 amended by the Decision of the NBM no.196 of 16.07.1998)

(Item 7.12 excluded by the Decision of the NBM no.133 of 17.07.2008)

7.13. Data for compiling the report on open foreign exchange position shall be selected from analytical bookkeeping.

(Items 7.14 and 7.15 excluded by the Decision of the NBM no.133 of 17.07.2008)

VIII. RESPONSIBILITY

8.1. In the event when the set limits on open foreign exchange position are exceeded at the end of the day, unless the excess was due to the recalculation of open foreign exchange position according to item 7.6[1], the licensed bank shall be obliged, as follows:
a) to eliminate the excess during the next working day;
b) to submit any document upon the request of the National Bank of Moldova.

(Item 8.1 supplemented by the Decision of the NBM no.185 of 09.07.2015)

(Item 8.1 amended by the Decision of the NBM no.171 of 11.09.2008)

(Item 8.1 amended by the Decision of the NBM no.37 of 19.02.2004)

(Item 8.1 amended by the Decision of the NBM no.248 of 22.09.1999)

(Item 8.1 amended by the Decision of the NBM no.196 of 16.07.1998)

8.2. The excess of the limits on open foreign exchange position at the end of the day shall be considered as a violation of this Regulation, notwithstanding the cause of this excess.

(Item 8.2 amended by the Decision of the NBM no.37 from 19.02.2004)

8.2[1]. In the event of excess of the limits on open foreign exchange position at the end of respective days, due to the open foreign exchange position recalculation under item 7.6[1], the licensed bank shall be obliged to submit to the National Bank of Moldova, at its request, any documents concerning these transactions/operations.

(Item 8.2[1] introduced by the Decision of the NBM no.185 of 09.07.2015)

8.3. In the event of violation of the provisions of this Regulation, including the excess of the limits on open foreign exchange position, due to its recalculation as stipulated in item 7.6[1], , the National Bank of Moldova may impose sanctions and remedial measures referred to in Art.38 of the Law on Financial Institutions, including the prohibition to licensed banks on including the amounts of foreign exchange assets and liabilities from the off-balance sheet accounts for a period of 12 months in the calculation. .

(Item 8.3 in the wording of the Decision of the NBM no.185 of 09.07.2015)

(Item 8.3 amended by the Decision of the NBM no.171 of 11.09.2008)

8.4. The violation by licensed banks of the limits on open foreign exchange position and of provisions of this Regulation shall be taken into account by the National Bank of Moldova while taking the decision regarding the activity of the respective bank.

(Item 8.4 amended by the Decision of the NBM no.171 of 11.09.2008)

IX. FINAL PROVISIONS

9.1. This Regulation shall enter into force on January 1, 1998.

9.2. The first report on bank's open foreign exchange position as in accordance with Attachments to this Regulation shall be submitted to the National Bank of Moldova as at the end of December 31, 1997.

9.3 On the date of entering into force of this Regulation the following shall be abrogated:

9.3.1. Norms 10018-16-1 on calculation and administration of the open foreign exchange position by the authorized banks of Moldova, approved by the Decision of the Council of Administration of the NBM on 17.03.1995, Minutes no.9;
9.3.2. Amendment no.1 (the NBM letter no.10009-5/260 of 19.06.1995);
9.3.3. Amendment no.2 (the NBM letter no.10009-5/306 of 24.07.1995);
9.3.4. Amendment Annex no.3 (Decision of the Council of Administration of the NBM of 26.12.1995, Minutes no.40);
9.3.5. Decision of the Council of Administration of the NBM of 04.07.1996, Minutes no.31 on the temporary modifications of norms on open foreign exchange positions;
9.3.6. Modifications no.4-31/10-01 (Decision of the Council of Administration of the NBM of 18.09.1996, Minutes no.43);
9.3.7. Modifications no.5-47/10-01 (Decision of the Council of Administration of the NBM of 24.011997, Minutes no.5);
9.3.8. The NBM letter no.10-01509/39 of 07.02.1997;
9.3.9. The NBM letter no.10-01509/322 of 10.10.1997.

annexes.pdf [1]

See also

Tags

foreign exchange position [2]

Foreign exchange assets [3]

The foreign exchange position ratio [4]

The limits of the open foreign exchange position [5]

CALCULATION OF OPEN FOREIGN EXCHANGE POSITION [6]

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