

On the Approval of the Statute of the National Bank of the Republic of Belarus

Edict of the President of the Republic of Belarus No. 320 dated June 13, 2001

1. To approve the attached Statute of the National Bank of the Republic of Belarus.

1.1. Excluded.

2. To take necessary measures ensuring the execution by the National Bank of the Republic of Belarus of this Edict.

3. This Edict shall come into force as from the date of its signing.

A. LUKASHENKO

President of the Republic of Belarus

APPROVED
Edict of the President
of the Republic of Belarus
No. 320 (as amended by Edict
of the President of the Republic of Belarus
No. 285 dated June 19, 2007)

Statute of the National Bank of the Republic of Belarus

Chapter 1. General Provisions

1. The National Bank of the Republic of Belarus (hereinafter referred to as the "National Bank") is the central bank and a government agency of the Republic of Belarus operating exclusively in the interests of the Republic of Belarus.

2. In performing its activities, the National Bank shall be guided by the Constitution of the Republic of Belarus, the Banking Code of the Republic of Belarus, laws of the Republic of Belarus, regulatory legal acts of the President of the Republic of Belarus, and this Statute and shall be independent in its activities.

3. The National Bank shall be accountable to the President of the Republic of Belarus, the accountability meaning, inter alia, that:

- the President of the Republic of Belarus approves the Statute of the National Bank and modifications and/or amendments thereto;

- the President of the Republic of Belarus appoints, with the consent of the Council of the Republic of the National Assembly of the Republic of Belarus, the Chairperson and Members of the Board of the National Bank, and removes them from their positions notifying the Council of the Republic of the National Assembly of the Republic of Belarus accordingly;
- the President of the Republic of Belarus designates an audit organization to examine the annual accounting reports (financial statements) of the National Bank; and
- the President of the Republic of Belarus approves the annual report of the National Bank.

4. The main objectives of the National Bank shall be as follows:

- ensuring price stability;
- ensuring stability of the banking system of the Republic of Belarus; and
- ensuring efficient, reliable, and secure functioning of the payment system.

5. Gaining profit shall not be the main objective of the National Bank.

Chapter 2. Status of the National Bank

6. The National Bank is a legal person having its seal with the Coat of Arms of the Republic of Belarus and an inscription "Национальный банк Республики Беларусь" (National Bank of the Republic of Belarus). Its full name is:

- in Russian – "Национальный банк Республики Беларусь";
- in Belarusian – "Нацыянальны банк Рэспублікі Беларусь"; and
- in English – "National Bank of the Republic of Belarus".

7. The National Bank comprises the central office, organizational units, and organizations located in the Republic of Belarus and abroad.

8. Organizational units of the National Bank include Regional Main Departments and Training Center.

Organizational units of the National Bank shall abide by the regulations approved by the Board of the National Bank.

9. The National Bank shall be entitled, in consultation with the President of the Republic of Belarus, to establish organizations required to support its activities.

Organizations of the National Bank shall operate under statutes approved by the Board of the National Bank.

10. The National Bank is headquartered at:

20, Nezavisimosty Ave., 220008, Minsk, Republic of Belarus.

Chapter 3. Functions of the National Bank

11. The National Bank shall operate within the scope of authority granted thereto by the Constitution of the Republic of Belarus, the Banking Code of the Republic of Belarus, other legislative acts of the Republic of Belarus, and this Statute.

12. The National Bank shall perform the following functions:

- develop the Republic of Belarus Monetary Policy Guidelines and pursue, in concert with the Government of the Republic of Belarus, unified monetary policy of the Republic of Belarus in the manner prescribed by legislative acts of the Republic of Belarus;
- perform transactions required to attain the main objectives of the National Bank;
- act as the lender of last resort with respect to banks and provide refinancing thereof;
- issue money;
- issue the National Bank's securities;
- create the gold reserve stock and precious stones fund of the National Precious Metals and Precious Stones Foundation of the Republic of Belarus and manage it on a day-to-day basis within the scope of its authority;
- establish, in consultation with the President of the Republic of Belarus, gold and foreign exchange reserves and manage them within the scope of its authority;
- carry out foreign exchange regulation and foreign exchange control in accordance with legislation of the Republic of Belarus;
- establish the procedures for issuing permissions and submitting notifications required for foreign exchange regulation purposes, as well as issue permissions required for foreign exchange regulation purposes;
- regulate credit relations;
- regulate and organize money circulation;
- act as a financial agent for the Government of the Republic of Belarus and local executive and administrative bodies in the matters relating to the execution of the republican and local budgets;
- establish banking operations rules and procedures;
- give consent, in accordance with the procedures laid down thereby, for banks and non-bank financial institutions to engage in securities transactions in cases prescribed by law of the Republic of Belarus;

- authorize, in accordance with the procedures laid down thereby, banks and non-bank financial institutions to issue securities in cases prescribed by law of the Republic of Belarus;
- arrange for the activities of banks, non-bank financial institutions, and joint-stock company "Development Bank of the Republic of Belarus" involving the issuance and circulation of the bills of exchange, unless otherwise decreed by the President of the Republic of Belarus;
- engage in depositary activities in the manner prescribed by law of the Republic of Belarus;
- set requirements for banks, non-bank financial institutions, and joint-stock company "Development Bank of the Republic of Belarus" regarding execution of transactions involving forward and futures contracts, options, and other financial instruments thereby;
- regulate relations arising out of pooling monetary funds and/or securities in the bank management fund on the basis of agreements on trust management of the bank management fund and in the cause of functioning of this fund, as well as define essential terms of agreements, procedures for entering into the above-mentioned agreements, as well as the rights, liabilities, and responsibilities of the parties thereto;
- prescribe procedures for cash and non-cash settlements in the Republic of Belarus, including the limits of cash settlements in Belarusian rubles between the legal entities, their detached units, and independent entrepreneurs;
- arrange for collection and transportation of cash, precious metals, precious stones, and other valuables;
- arrange for settlement and/or cash services to the Government of the Republic of Belarus and organizations referred to in paragraph 16 hereof, and other organizations in cases prescribed by legislative acts of the Republic of Belarus;
- prescribe procedures for opening and maintaining precious metals accounts by banks and non-bank financial institutions in the Republic of Belarus, as well as the terms and conditions of opening such accounts by residents* with banks and other credit institutions outside the Republic of Belarus;
- establish procedures for money transfers via the money transfer systems; request the rules of functioning of the systems involved, agreements on participation therein, and other information on the

* For the purposes of this Statute, the term "resident" shall have the meaning defined in paragraph 7 of Article 1 of the Law of the Republic of Belarus "On Foreign Exchange Regulation and Foreign Exchange Control" dated July 22, 2003 (National Register of Legal Acts of the Republic of Belarus, 2003, No.85, 2/978).

functioning of money transfer systems from banks participating therein; collect, systematize, and analyze information on the transmitted and repaid money transfers, conditions and methods of their performance, and other relevant information in accordance with international agreements of the Republic of Belarus;

- regulate the banks' and non-bank financial institutions' activities;
- carry out banking supervision;
- supervise the activities of joint-stock company "Development Bank of the Republic of Belarus";
- establish, in accordance with legal acts of the Republic of Belarus, procedures for state registration of banks and non-bank financial institutions and carry out state registration thereof;
- license banking activities;
- monitor financial stability;
- organize the functioning of the payment system of the Republic of Belarus and carry out supervision thereof; organize the functioning of the Automated System of Interbank Settlements (ASIS), as well as set methods and procedures for fulfilling obligations arising in the course of interbank settlements on operations involving banking payment cards issued by banks;
- create and develop the single settlement and information space, define the procedures for functioning of the single settlement and information space, as well as establish the rights and responsibilities of its participants;
- ensure the development of the interbank identification system (hereinafter - the "identification system"), adopt regulatory legal acts governing the identification system's operation, the rights and obligations of identification system's participants and procedures for their connection to the identification system, procedures for interaction between participants of the identification system with regard to the provision of information within the identification system, receipt of information from the identification system and use of such information, as well as take other measures aimed at ensuring the functioning of the identification system;
- ensure implementation of the single state policy in the field of accounting and accounting reports (financial statements) by the National Bank, banks, non-bank financial institutions, and joint-stock company "Development Bank of the Republic of Belarus", and consolidated accounting reports (financial statements) by the banking groups and banking holding companies;
- carry out general methodological regulation in the field of accounting and accounting reports (financial) statements at the National Bank,

banks, non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus”, and consolidated accounting reports (financial) statements at the banking groups and banking holding companies, as well as exercise other powers in the field of accounting and accounting reports (financial) statements in accordance with legal acts of the Republic of Belarus;

- develop and approve the national accounting standards and accounting reports (financial statements) and other regulatory legal acts in the field of accounting and accounting reports (financial statements), including governing rules of accounting performed transactions and compiling individual and consolidated accounting and accounting reports (financial statements), which are binding on the National Bank, non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus”, banking groups and banking holding companies (excluding individual accounting reports (financial statements) of the head offices of the banking holdings being non-banks and non-bank financial institutions);
- prescribe for banks, non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus” the reporting forms on their activities and procedures for filling them;
- compile banking, monetary statistics, financial market statistics, statistics of the balance of payments, international investment position, gross foreign debt of the Republic of Belarus, financial stability statistics, as well as place official statistical data on the official website of the National Bank in the global computer network Internet;
- analyze the balance of payments and participate in the development of the balance of payments forecast by the government agencies;
- implement state policy in the field of security guard activities of banks, non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus”;
- analyze and forecast the trends in the monetary sphere and place corresponding analytical materials on the official website of the National Bank in the global computer network Internet;
- monitor institutions based on regular surveys conducted with a view to revealing the trends of economic processes and analyzing and forecasting them in conjunction with the monetary policy instruments;
- prescribe for banks, non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus” mandatory requirements to the safe operation of premises, safety of banking services provision, and protection of information resources and information the distribution and/or disclosure of which is restricted,

unless otherwise provided for by legislative acts of the Republic of Belarus;

- prescribe requirements to the technical capacities of banks non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus”, their branches, organizational units, and remote work places for carrying out banking operations, as well as organize technical rate setting and standardization in the field of banking;
- exercise control over assurance of security and protection of information resources in banks non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus”; give its consent with respect to the nominees to the positions of the heads of security and economic security services and other organizational units performing similar functions (if any) of banks non-bank financial institutions, and joint-stock company “Development Bank of the Republic of Belarus” and set procedures for such approval;
- prescribe requirements to the reproduction of images of banknotes and coins;
- form credit histories on the basis of the information on credit transactions provided by the sources of credit histories formation and provide credit reports to the users and entities of credit histories;
- enter into agreements with central (national) banks and credit institutions of foreign countries;
- regulate, in accordance with legal acts of the Republic of Belarus, leasing activities and exercise control over compliance with legislation on leasing activities;
- arrange for the work aimed at improving households’ financial literacy;
- regulate relations coming out from granting and attracting microloans by microfinance institutions;
- exercise control over compliance by microfinance institutions with legislation regulating procedures for granting and attracting microloans, including by means of carrying out audits at the National Bank’s offices involving the examining of the documents, reporting forms and other information obtained thereby in line with legislation, without demanding the production of other documents from the microfinance institution (in-house audit);
- consider, in accordance with legislation on citizens’ and legal persons’ appeals, the appeals of the consumers of services provided by microfinance institutions related to the infringement of rights of these consumers, and gives binding orders to the microfinance institutions on the termination of the infringement of the consumer’s rights;

- consider, in accordance with legislation on citizens' and legal persons' appeals, the appeals of the consumers of services provided by leasing companies related to the infringement of rights of these consumers, and gives binding orders to the leasing companies on the termination of the infringement of the consumer's rights;
- consider, in accordance with legislation on citizens' and legal persons' appeals, the appeals of the consumers of services provided by banks non-bank financial institutions, and joint-stock company "Development Bank of the Republic of Belarus" in the course of performance of banking transactions related to the infringement of rights of these consumers, and takes measures aimed at protecting these rights in the manner established thereby;
- establish procedures for selling commemorative banknotes, commemorative and ingot (investment) coins which are legal tender of the Republic of Belarus, as well as cases thereto, by banks;
- establish procedures for examining authenticity of banknotes upon a natural person's request;
- define the procedures for functioning of the system of centralized exchange of interbank correspondence;
- establish procedures for building-up the required reserves fund which is placed with the National Bank by banks;
- carry out control over the activities of banks, non-bank financial institutions, joint stock company "Development Bank of the Republic of Belarus", joint stock company "Belarusian Currency and Stock Exchange" with regard to its performance of separate banking operations in line with legislative acts, leasing and microfinance companies, including lombards in terms of their activities aimed at attracting and granting microloans, forex companies, the National Forex Center as part of their compliance with the legislation on the prevention of money laundering, terrorist financing and financing proliferation of weapons of mass destruction;
- establish for the National Bank, banks, non-bank financial institutions, and joint stock company "Development Bank of the Republic of Belarus" the procedures for using the printed forms of securities and documents with a specified degree of protection, as well as the documents with a specified degree of protection;
- conduct the regulation of operations involving non-deliverable over-the-counter financial instruments initiated by natural and legal persons (activities in the over-the-counter forex market) in line with legislation;
- control the compliance with legislation regulating the procedures for and terms of activities aimed at carrying out operations involving non-

deliverable over-the-counter financial instruments initiated by natural and legal persons (activities in the over-the-counter forex market)

- organize the conduct of scientific researches on the issues of the National Bank's activities and the banking sector of the Republic of Belarus; and
- perform other functions prescribed by the Banking Code of the Republic of Belarus and other legislative acts of the Republic of Belarus.

13. In order to perform its functions, the National Bank may establish representative offices in foreign countries.

Chapter 4. Operations of the National Bank

14. Operations performed by the National Bank include:

- lending to banks by way of refinancing;
- providing settlement and/or cash services to the Government of the Republic of Belarus, organizations referred to in paragraph 16 hereof, and other organizations in cases provided for by legislative acts of the Republic of Belarus;
- rediscounting of bills;
- securities market transactions;
- transportation of cash, precious metals, precious stones, and other valuables;
- management of gold and foreign exchange reserves within the scope of its authority, as well as transactions involving precious metals, including commemorative and bullion (investment) coins that are legal tender of foreign states and/or precious stones in any form and condition, including purchase, sale, and exchange thereof in the Republic of Belarus and abroad;
- opening and maintaining precious metals accounts in the Republic of Belarus and abroad;
- transfers of precious metals in the form of ingots on a gratuity basis in cases prescribed by law;
- acceptance as deposits of temporarily surplus budgetary funds, monetary funds of banks and non-bank financial institutions, as well as of the organization responsible for guaranteeing repayment of the natural persons' bank deposits;
- acceptance of monetary funds of joint stock company "Belarusian Currency and Stock Exchange" to the accounts and/or as deposits, open and maintain banking accounts of this company, as well as carry out foreign exchange operations therewith;

- sale of commemorative banknotes and commemorative and bullion (investment) coins that are legal tender of the Republic of Belarus in the Republic of Belarus and abroad at prices equal to or above their face value;
- issuance, with the authorization of the President of the Republic of Belarus, of bank guarantees and sureties for investment projects;
- inter-bank settlements, including settlements with non-bank financial institutions, joint stock company “Development Bank of the Republic of Belarus”, and joint stock company “Belarusian Currency and Stock Exchange” ;
- safekeeping of valuables;
- remittance of money and other settlement transactions;
- purchase and sale of foreign exchange and other foreign exchange operations stipulated by law, including documentary operations and lending in foreign exchange;
- foreign exchange purchase/sale transactions with natural persons, organizations referred to in paragraph 16 hereof, and other organizations in cases provided for by legislative acts;
- banking services to foreign governments, central (national) banks and financial bodies of foreign countries, as well as international organizations;
- intermediary services as a financial agent of the Government of the Republic of Belarus for placement of government securities; and
- servicing public debt of the Republic of Belarus.

The National Bank shall not be allowed to provide banking services to the legal persons that do not hold banking licenses and to the natural persons, save for the cases stipulated in this paragraph.

The National Bank shall not be allowed to extend credits to finance budget deficit and acquire government securities at a time of their initial public offering, save for cases stipulated in the banking Code of the Republic of Belarus as well as law on the republican budget for the next fiscal year, and/or decreed by the President of the Republic of Belarus.

15. Unless otherwise provided for by legislative acts of the Republic of Belarus, the National Bank shall perform banking operations for a fee.

16. The National Bank shall arrange for the provision of settlement and/or cash services to the Ministry of Finance (Main State Treasury) and the State Institution "Agency for Guaranteed Repayment of Natural Persons' Bank Deposits".

Chapter 5. Operation of the National Bank

17. The National Bank shall perform its activities on the basis of the Monetary Policy Guidelines approved by the President of the Republic of Belarus annually.

18. The National Bank, in concert with the Government of the Republic of Belarus, shall annually submit the country's Monetary Policy Guidelines for the subsequent year to the President of the Republic of Belarus by October 1 of the current year.

19. The National Bank shall, on a quarterly basis, inform:

- the President of the Republic of Belarus and the Government of the Republic of Belarus on the volume of currency issue and on implementation of the Republic of Belarus Monetary Policy Guidelines. The relevant information for the last quarter of the year shall be reported by as part of the annual report of the National Bank; and
- the President of the Republic of Belarus on the size of gold and foreign exchange reserves established in line with objectives and tasks stipulated in the Republic of Belarus Monetary Policy Guidelines.

20. The National Bank shall not be liable for the obligations of the Government of the Republic of Belarus. The Government of the Republic of Belarus shall not be liable for the obligations of the National Bank, except in cases provided for by legislative acts.

21. The National Bank and the Government of the Republic of Belarus shall inform each other of any anticipated actions of nationwide significance, coordinate their efforts, and hold regular consultations.

22. Government agencies shall have no right to interfere in the activities of the National Bank conducted within the scope of its authority, save government agencies authorized by legislative acts.

23. The National Bank shall not be liable for the obligations of banks, non-bank financial institutions, and joint stock company "Development Bank of the Republic of Belarus", unless the National Bank assumes such liability.

Banks, non-bank financial institutions, and joint stock company "Development Bank of the Republic of Belarus" shall not be liable for the obligations of the National Bank, unless they assume such liability.

24. With a view to improving monetary policy and developing the banking system of the Republic of Belarus, an Advisory Council shall be established under the National Bank which will be responsible for rendering expert, information, and advisory services to the National Bank.

The order of establishment and authority of the Advisory Council shall be set forth in the Regulations thereon approved by the Board of the National Bank.

The Advisory Council shall be headed by the Chairperson of the Board of the National Bank.

25. For the purposes of transporting cash, precious metals and precious stones, and other valuables, the National Bank shall be entitled to:

- acquire, in the manner prescribed by legislative acts, civilian and service weapons and ammunition thereto to be used, correspondingly, by employees of the valuables transportation services and employees engaged in the transportation of cash, precious metals, precious stones, and other valuables; and
- lease, in the manner prescribed by the President of the Republic of Belarus, individual types and models of combat weapons and ammunition thereto so that these employees could perform their duties.

It is prohibited to use combat weapons leased by the National Bank for the purposes other than those stipulated by the law.

Weapons and ammunition shall be issued to the employees of the valuables transportation service by the decision of the Chairperson of the Board of the National Bank or persons who are authorized thereby and to whom said employees are subordinate, following adequate training and provided there are no grounds precluding authorization to acquire civilian weapons. Said employees shall be periodically tested in order to verify whether they are fit for performing their duties in an environment warranting the use of firearms and must be licensed by the bodies of internal affairs to keep and carry service weapons.

The employees of the valuables transportation service shall be provided with uniforms, footgear, weapons equipment, and individual protective equipment in the manner prescribed by law.

Said employees shall be authorized to use weapons in cases and in the manner prescribed by law.

26. The National Bank shall have the right to ensure protection of property of its organizational units, organizations, and regular staff in the manner prescribed by law.

27. The National Bank shall ensure, where appropriate, confirmation of banknotes and coins authenticity and fitness for use as currency, confirmation of the National Bank's ingots authenticity, as well as performance of analysis designed to confirm purity and

assessment of precious stones, as well as issue quality certificates for diamonds in the cases and in the manner set thereby.

28. Bankauski Vesnik, information, analytical, scientific, and practical journal, is the official periodical of the National Bank.

The National Bank shall provide professional training, re-training, and skill enhancement for its employees, implement extended education programs for adults, as well as carry out other income-generating activities in line with legislation.

Chapter 6. Property of the National Bank

29. Property of the National Bank shall be owned by the Republic of Belarus and shall be assigned to the National Bank on a day-to-day management basis.

30. The National Bank shall be authorized to possess, use, and dispose of the property assigned thereto, including the gold and foreign exchange reserves, in accordance with its objectives and in the manner prescribed by law. Seizure and encumbrance of the National Bank's property shall be prohibited, except in cases stipulated by legislative acts.

30¹. The disposal of state property, assigned to the National Bank on the basis of a day-to-day management, shall be carried out in cases and in the manner established by legislative acts, by decision of:

- The Board of the National Bank – in respect of capital structures (buildings and constructions), isolated premises, parking spaces, unfinished conserved capital structures, other immovable property, unfinished unpreserved capital structures, shares in the right of common ownership thereof, machinery, equipment, vehicles, other movable property related to fixed assets and intangible assets; and
- The Chairperson of the Board of the National Bank or his/her Deputy, the head of the structural unit (on the basis of the order of the Chairperson of the Board of the National Bank) – with respect to the movable property not related to fixed assets.

Chapter 7. Authorized Capital of the National Bank

31. The authorized capital of the National Bank shall be designed to ensure the functioning and fulfillment of obligations of the National Bank.

32. The authorized capital of the National Bank shall be made up of its profits, targeted receipts, and funds from other sources which are not prohibited by legislation.

33. The size of the authorized capital of the National Bank shall be 25,000,000 (twenty five million) Belarusian rubles.

Chapter 8. Reserve Fund and Other Funds of the National Bank

34. The National Bank shall set up a reserve fund and other funds to support its activity.

With a view to covering potential losses on its operations the National Bank shall make special provisions on general bank risks, assigning the amounts of made provisions to expenses.

35. The reserve fund shall be used to cover potential losses on the National Bank's operations in respect of which provisions covering general bank risks, including those relating to the issuance of guarantees, are not established.

Transfers to the National Bank's reserve fund shall be made out of its profits for the year under review and other sources not restricted by the legislation.

Chapter 9. Profit (Loss) of the National Bank

36. The National Bank shall derive its profit (loss) from activities performed in accordance with the Banking Code of the Republic of Belarus and other legislative acts.

37. The National Bank shall annually transfer the profit determined on the basis of its annual financial statements, which is audited in accordance with the legislation, to cover losses, increase (create) the authorized fund, reserve fund and other funds.

38. The National Bank shall derive its income from operations specified in paragraph 14 hereof, other activities which bring profit, as well as other income provided for by legislative acts.

39. Expenses of the National Bank shall consist of expenditures relating to:

- the payment of interest on loans and deposits as well as on securities issued by the National Bank;
- the use of funds on the accounts of organizations referred to in paragraph 16 hereof;
- securities transactions;
- foreign exchange transactions and transactions involving precious metals and precious stones;

- staff costs; and
- other expenses relating to the operation of the National Bank.

40. The National Bank shall incur current expenses and make capital investments within the budget of expenditures approved by the Board of the National Bank.

The National Bank shall incur maintenance expenses and make capital investments in consultation with the President of the Republic of Belarus.

Long-term investments and capital investment costs shall be financed, in consultation with the President of the Republic of Belarus, from sources other than the National Bank's own capital.

41. Invalid.

42. Profits of the National Bank's organizations shall be subject to taxation in accordance with legislation.

Chapter 10. Board of the National Bank. Chairperson of the Board of the National Bank. Staff of the National Bank

43. The supreme governing body of the National Bank shall be the Board of the National Bank, a collective body that establishes key areas of activity of the National Bank and administers and governs it.

The membership of the Board of the National Bank shall consist of nine persons.

A representative of the Government of the Republic of Belarus may participate in the meetings of the Board of the National Bank in an advisory capacity.

44. Excluded.

45. The Chairperson and the members of the Board of the National Bank shall be appointed for a term of five years by the President of the Republic of Belarus with the consent of the Council of the Republic of the National Assembly of the Republic of Belarus in the manner prescribed by legislative acts of the Republic of Belarus.

One and the same person may be appointed the Chairperson and the Member of the Board of the National Bank for no more than two consecutive terms.

46. The Chairperson and the members of the Board of the National Bank shall be government officials – employees of the National Bank and may not hold other government offices in other government agencies and may not be affiliated with a political party unless otherwise provided for by the Constitution and other legislative acts of the Republic of Belarus.

47. Deputies of the Chairperson of the Board of the National Bank shall be appointed (relieved of their positions) by the President of the Republic of Belarus upon the recommendation of the Chairperson of the Board of the National Bank.

48. The President of the Republic of Belarus may remove from office with notification of the Council of the Republic of the National Assembly of the Republic of Belarus:

- the Chairperson of the Board of the National Bank in cases provided for by the Banking Code of the Republic of Belarus and the civil service legislation of the Republic of Belarus; and
- the member(s) of the Board of the National Bank in cases provided for by the Banking Code of the Republic of Belarus and the civil service legislation of the Republic of Belarus upon the recommendation of the Chairperson of the Board of the National Bank.

49. Excluded.

50. The Board of the National Bank shall:

50.1. review the country's Monetary Policy Guidelines for the subsequent year and submit them, in concert with the Government of the Republic of Belarus, to the President of the Republic of Belarus by October 1;

50.2. submit the National Bank's annual report, no later than April 15 of the year following the year under review, to the President of the Republic of Belarus;

50.3. fix, in consultation with the President of the Republic of Belarus, the rate (quota) of foreign capital participation in the banking system of the Republic of Belarus;

50.4. review and submit to the President of the Republic of Belarus proposals on amending and modifying this Statute, including changes in the size of the authorized capital of the National Bank;

50.5. review, by December 1 of the previous year, the National Bank's operating and capital investment budget for the subsequent year, submit it, within 10 days, to the President of the Republic of Belarus for confirmation, and approve it within three days after the confirmation of the above-mentioned budget by the Head of the State;

50.6. review and approve amendments and modifications to the National Bank's operating and capital investment budget, excluding the costs of maintenance and capital investments of the National Bank are approved after consultation with the President of the Republic of Belarus;

50.7. approve rules of procedure of the Board of the National Bank;

50.8. establish organizational structure of the Central Office and organizational units of the National Bank;

50.9. establish conditions of employment, relieve of positions, remuneration of labour, and rights and responsibilities of the National Bank's employees and conditions of remuneration of labor of the employees of its organizations in accordance with legislation;

50.10. establish procedures for setting up reserves of banks and non-bank financial institutions;

50.11. establish procedures for managing the National Bank's risks;

50.12. establish, in accordance with legislative acts of the Republic of Belarus, procedures for applying supervisory sanctions against banks and non-bank financial institutions;

50.13. take decisions on:

- regulation of credit relations, regulation and organization of money circulation, establishment of settlement procedures, and foreign exchange regulation and control;
- state registration of establishment, reorganization, and liquidation of banks and non-bank financial institutions in cases and in the manner prescribed by legislation;
- issuance of special permits for carrying out banking activities (banking licenses);
- participation in international organizations;
- regulation of activity of banks and non-bank financial institutions;
- establishment, in consultation with the President of the Republic of Belarus, of organizations supporting the National Bank activities and/or participation therein;
- putting banknotes and coins being legal tender in the Republic of Belarus into circulation;
- withdrawing banknotes and coins issued by the National Bank from circulation;
- coordination of the issuance of securities by banks and non-bank financial institutions in cases provided for by legislation;
- granting consent for performance of operations involving securities by banks and non-bank financial institutions in cases provided for by legislation;
- size of required reserves deposited with the National Bank;
- limits on interest rates on the banks' transactions involving the natural and legal persons' monetary funds; and
- management of state property assigned to the National Bank on the basis of operational management in the order prescribed by legislative acts, including this Statute;

50.14. approve:

- in a prescribed manner, the size of and procedures for setting up and using the reserve fund, other funds (save authorized capital), as well as provisions for covering general bank risks of the National Bank;
- procedures for carrying out operations by the National Bank;
- national accounting standards, accounting reports (financial statements) and other regulatory legal acts regulating accounting and reporting, including governing rules of accounting performed transactions and compiling individual and consolidated accounting and accounting reports (financial statements), which are binding on the National Bank, banks, non-bank financial institutions, banking groups and banking holding companies (excluding individual accounting reports (financial statements) of the head offices of banking holdings which are not banks and non-bank financial institutions);
- annual consolidated financial statements of the National Bank compiled in line with the International Financial Reporting Standards and audited by the audit company;
- list of categories of the National Bank's employees that are entitled to wear uniform, carry and keep weapons in accordance with legislation;
- procedures for developing the National Bank's staff list;
- provisions on organizational units, statutes of the National Bank's organizations, and provisions on the organizational units of the National Bank's central office;
- provisions on the National Bank's collective bodies (committees) coordinating the activities of the organizational units of the National Bank's central office aimed at implementing Republic of Belarus Monetary Policy Guidelines for the subsequent year and related to the urgent issues of the banking system development;
- technical regulatory legal acts in the field of banking; and

50.15. consider and tackle other issues arising in connection with the National Bank's activities within its competence.

51. The Board of the National Bank shall hold its meetings on an as-required basis but at least once a month. Its meetings shall be deemed competent if attended by at least seventy per cent of the members, the attendance of the Chairperson (or alternate thereof) of the Board of the National Bank being mandatory.

Decisions of the Board of the National Bank shall be taken by a simple majority of votes of the members of the Board of the National Bank participating in its meeting. If the votes are equally divided, the decision voted by the Chairperson of the Board shall be deemed taken.

Decisions of the Board of the National Bank shall be taken in the form of resolutions. Decisions on the separate issues which do not include regulatory prescriptions may be executed in the form of protocols of the meetings of the Board of the National Bank.

52. The activities of the Board of the National Bank shall be governed by rules of procedure.

53. Excluded.

54. Excluded.

55. Excluded.

56. Excluded.

57. Excluded.

58. Excluded.

59. Excluded.

60. Excluded.

61. The Chairperson of the Board of the National Bank or, on his/her instruction, one of his/her deputies may participate in the meetings of the Presidium of the Council of Ministers of the Republic of Belarus in an advisory capacity.

62. The Chairperson of the Board of the National Bank shall direct day-to-day activities of the National Bank, represent it as a government agency and central bank of the Republic of Belarus, and bear personal responsibility for performing functions entrusted to the National Bank.

63. In the absence of the Chairperson of the Board of the National Bank, his/her functions shall be performed by the First Deputy of the Chairperson of the Board of the National Bank, or, in his/her absence, by one of the Deputies of the Chairperson of the Board of the National Bank.

64. The Chairperson of the Board of the National Bank shall:

64.1. act on behalf of the National Bank and represent its interests without any power of attorney in relations with government agencies, credit institutions, foreign states' organizations, as well as international and other organizations;

64.2. inform the President of the Republic of Belarus about the main areas of the activity of the National Bank and its key decisions;

64.3. take chair at the meetings of the Board of the National Bank with the casting vote in case of a tie vote;

64.4. sign:

- regulatory legal acts adopted in concert with the Government of the Republic of Belarus, as well as jointly with republican bodies of state administration;
- resolutions adopted by the Board of the National Bank;

- minutes of the Board of the National Bank meetings;
- international treaties concluded by the National Bank; and
- annual accounting reports (financial statements) of the National Bank, which have been audited in line with legislation of the Republic of Belarus.

64.5. give recommendation to the President of the Republic of Belarus on appointing for the office (relieving of the office) Deputies of the Chairperson of the Board of the National Bank, and allocate responsibilities among them;

64.6. Excluded.

64.7. approve the staff list of the National Bank;

64.8. set salary rates for the National Bank's employees in accordance with legislation;

64.9. issue orders (directions) and give instructions binding upon all the National Bank's employees and its organizations; and

64.10. ensure fulfillment by the National Bank of its functions in accordance with the Banking Code of the Republic of Belarus and this Statute.

65. The power of attorney on behalf of the National Bank (including receipt, transportation or disbursement of cash, precious metals, precious stones and other property valuables) shall be issued (canceled) under the signature of the Chairperson of the Board of the National Bank, his/her Deputies or heads of structural units of the National Bank.

The power of attorney for receiving, transporting or disbursing cash, precious metals, precious stones and other property valuables shall also be signed by the Chief Accountant of the National Bank, or in cases provided for by the Board of the National Bank, other employees of the central office or structural units of the National Bank responsible for accounting.

66. The National Bank's staff shall include both civil servants and non-civil service employees performing maintenance and supporting the National Bank's operations.

67. The legal status of the National Bank's civil servants shall be provided for by civil service legislation of the Republic of Belarus.

68. In addition to restrictions imposed by civil service legislation of the Republic of Belarus, the National Bank's civil servants may not acquire in person or via an intermediary the shares (stakes) in banks or non-bank financial institutions.

The National Bank's employees may obtain credits from other banks.

69. Matters pertaining to the social development of the National Bank, including improvements in the conditions of labor and medical services, shall be regulated by the collective bargaining agreement concluded in accordance with law.

Chapter 11. Regulatory Legal Acts of the National Bank

70. The National Bank shall, within the scope of its competence, adopt (issue) regulatory legal acts (resolutions of the Board of the National Bank) binding upon the republican bodies of state administration, local government and self-government, all banks and non-bank financial institutions, other legal persons operating in the Republic of Belarus, as well as natural persons.

71. The National Bank shall be entitled to adopt (issue) regulatory legal acts jointly with the Government of the Republic of Belarus or with the republican bodies of state administration.

72. Regulatory legal acts of the National Bank must be consistent with legislative acts of the Republic of Belarus. If a regulatory legal act of the National Bank contradicts any legislative act of the Republic of Belarus, the latter shall prevail.

73. Regulatory legal acts of the National Bank shall be subject to inclusion in the National Register of Legal Acts of the Republic of Belarus.

74. Regulatory legal acts of the National Bank shall be forwarded to the National Center of Legal Information of the Republic of Belarus for inclusion in the National Register of Legal Acts of the Republic of Belarus in the manner and within the time frame prescribed by legislation.

Regulatory legal acts adopted (issued) by the National Bank jointly with the Government of the Republic of Belarus or with the republican bodies of state administration shall be forwarded to the above Center by the agency that is indicated as being the first to adopt (issue) the regulatory legal act, unless otherwise stipulated by legislation.

75. The regulatory legal acts of the National Bank referred to in paragraph 74 of this Statute shall be accompanied by the opinion of the Ministry of Justice incorporating a well-grounded conclusion on compliance of the regulatory legal act with the requirements prescribed by legislation and permissibility of its inclusion in the National Register of Legal Acts of the Republic of Belarus taken on the evidence of mandatory legal examination conducted in the manner prescribed by the Council of Ministers of the Republic of Belarus.

76. Regulatory legal acts of the National Bank shall enter into force in the order provided for by legislative acts of the Republic of Belarus.

77. Excluded.

Chapter 12. Participation of the National Bank in Activities of Legal Persons and International Organizations

78. The National Bank, unless otherwise decreed by the President of the Republic of Belarus, may not participate in business companies and other legal persons, with the exception of individual banks, non-bank financial institutions, organizations responsible for repaying deposits of natural persons, organizations supporting the National Bank's activities, including those trading on the securities market, effecting inter-bank settlements, financing and/or developing and introducing banking technologies, as well as international organizations developing cooperation in the monetary, foreign exchange, and banking spheres.

79. Participation of the National Bank in organizations referred to in paragraph 78 of this Statute shall be decreed by the President of the Republic of Belarus.

80. The National Bank shall be entitled to establish, in the manner prescribed by legislation, mass media and act as an editorial board and distributor.

81. Subject to legislation, the National Bank may participate in activities of international banking foundations, unions, and associations.

82. The National Bank shall represent the Republic of Belarus in international organizations on the issues pertaining to monetary policy, foreign exchange regulation, and other matters within the scope of its competence.

83. Relations between the National Bank and credit institutions of foreign countries shall be established in compliance with international treaties of the Republic of Belarus, including inter-agency agreements, and other legislative acts.

Chapter 13. National Bank's Financial Statements

84. The annual reporting period for the National Bank shall be from January 1 through December 31.

85. Every year, before April 15, the National Bank shall submit to the President of the Republic of Belarus its annual report for the previous year.

86. The annual report of the National Bank shall include the following:

- report on the activity of the National Bank and implementation of the Republic of Belarus Monetary Policy Guidelines; and
- annual accounting reports (financial statements) (balance-sheet; statement of profit and losses; statement of earned profit and allocation thereof; statement of capital changes; statement of funds establishment and usage; statement of expenses relating to the upkeep of the National Bank; statement of capital investments budget execution, and notes to the statements) which have been audited in line with legislation of the Republic of Belarus.

87. Once approved by the President of the Republic of Belarus, the annual report of the National Bank shall be placed on the National Bank's official website.

87¹. The National Bank shall prepare annual consolidated financial statements in accordance with international financial reporting standards on an annual basis.

The annual consolidated financial statements of the National Bank, compiled in accordance with international financial reporting standards, after approval thereof by the Board of the National Bank shall be placed together with an audit report on the official website of the National Bank in the global computer network Internet.

Chapter 14. Auditing Annual Financial Statements and Internal Audit of the National Bank

88. Annual accounting reports (financial statements) and annual consolidated financial statements of the National Bank shall be audited in compliance with international financial reporting standards in the order provided for by legislation of the Republic of Belarus.

An audit organization for auditing the National Bank's annual financial statements and annual consolidated financial statements in accordance with international financial reporting standards shall be chosen by the President of the Republic of Belarus for a term not exceeding five years out of several institutions proposed by the National Bank.

89. The National Bank must, pursuant to a contract concluded with the audit organization, provide all required statements and information.

90. The audit contract shall envisage the volume of information to be provided as well as the audit organization's liability for disclosure of this information to a third party.

91. Internal audit at the National Bank, including inspections of the safekeeping of cash and other valuables in the National Bank's vaults, shall be exercised by the internal audit function in the order established by the Board of the National Bank.

The National Bank's organizations shall be examined in accordance with legislation of the Republic of Belarus.