

KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-207 Prokor

Unofficial Translation

PRAKAS
on
Amendment to Prakas on Licensing of Commercial Banks

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the PRAKAS No B700-04 on the Licensing of Banks on January 10, 2000;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article One

Amendment to Article 9 of Prakas No B700-04 on the Licensing of Banks on January 10, 2000, as follows:

New Article 9

An indefinite license shall be provided by the National Bank of Cambodia to all commercial banks operating in the Kingdom of Cambodia.

Article Two

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking

and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article Three

This Prakas shall have effect from the signing date.

Phnom Penh, September 13, 2006
The Governor
Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
- The parties concerned as stated in Article Two
- File
- CM "for info"
- Administration of CM
"for publication in the National Gazette"

KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-208 Prokor

Unofficial Translation

PRAKAS
on
Amendment to Prakas on Licensing of Specialized Banks

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the PRAKAS No B700-05 on the Licensing of Rural Credit Specialized Banks on January 11, 2000;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article One

Amendment to Article 9 and Article 13 of Prakas No B700-05 on the Licensing of Rural Credit Specialized Banks on January 11, 2000, as follows:

New Article 9

An indefinite license shall be provided by the National Bank of Cambodia to all specialized banks operating in the Kingdom of Cambodia.

New Article 13

A licensed specialized bank shall maintain an amount equal to five (5) percent of its registered capital in a permanent account with the National Bank of Cambodia, and be subject to the following conditions:

- A. Deposits in Riel will bear interest at 1/2 of the refinancing rate set by the National Bank of Cambodia. The interest payment shall be settled semi-annually.
- B. Deposits in foreign currency will bear interest at 3/8 SIBOR. The interest payment shall be settled semi-annually. The National Bank of Cambodia will notify all Specialized Banks of the applicable rate for the relevant period.

The National Bank of Cambodia will only reimburse the capital deposit to a licensed Specialized Bank if it voluntarily liquidates and has no deposit liabilities.

Article two

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article Three

This Prakas shall have effect from the signing date.

Phnom Penh, September 13, 2006
The Governor
Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
- The parties concerned as stated in Article Two
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KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-209 Prokor

Unofficial Translation

PRAKAS
on
Amendment to of Prakas on Licensing of microfinance Institutions

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the PRAKAS No B700-06 on the Licensing of microfinancing Institutions on January 11, 2000;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article One

Amendment to Article 9 and article 13 of Prakas No.B7.00-06 on the Licensing of microfinancing Institutions on January 11, 2000, as follows:

New Article 9

An indefinite license shall be provided by the National Bank of Cambodia to all microfinance Institutions operating in the Kingdom of Cambodia.

New Article 13

A licensed microfinance Institutions shall maintain an amount equal to five (5) percent of its registered capital in a permanent account with the National Bank of Cambodia, and be subject to the following conditions:

- A. Deposits in Riel will bear interest at 1/2 of refinancing rate set by the National Bank of Cambodia. The interest payment shall be settled semi-annually.
- B. Deposits in foreign currency will bear interest at 3/8 SIBOR. The interest payment shall be settled semi-annually. The National Bank of Cambodia will notify all institutions of the applicable rate for the relevant period.

The National Bank of Cambodia will only reimburse the capital deposit to a licensed microfinance Institution if it voluntarily liquidates and has no deposit liabilities.

Article Two

A fee of KHR 10,000 shall be applied to Microfinance Institutions for each page of the Article of Association amended.

Article Three

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article Four

This Prakas shall have effect from the signing date.

Phnom Penh, September 13, 2006
The Governor
Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
- The parties concerned as stated in Article Three
- File
- CM "for info"
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KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-210 Prokor

Unofficial Translation

PRAKAS
on
Amendment to Prakas on
Fee for Increase of Capital of Banks and Financial Institutions

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the PRAKAS No B797-147 Pro Kor on Conditions for Banks and Financial institutions on December 29, 2006,
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article One

Amendment to Section 3.2 of Article 3 of the Prakas No B797-147 Pro Kor on Conditions for Banks and Financial institutions on December 29, 2006, as follows:

New Article 3

New Section 3.2. Banks and Financial Institutions shall seek permission from the National Bank of Cambodia prior to the increase of capital. Each increase of capital is subject to a processing fee of 0.03% of the increased amount.

Article Two

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking

and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article Three

This Prakas shall have effect from the signing date.

2006

Phnom Penh, September 13,

The Governor
Signed and sealed: Chea Chanto

cc:

- The parties concerned as stated in Article Two
- File
- The Members of the Board of Directors
- CM "for info"
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"for publication in the National Gazette"

KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-211 Prokor

Unofficial Translation

PRAKAS
on

Reporting date for Commercial Banks and Specialized Banks

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the Regulation No B795-02 BBG on the Late submission of the commercial banks' reports on March 30, 1995;
- With reference to the Circular No B795-02 SRNN on the due date of submission of commercial banks' reports to the National Bank of Cambodia on March 31, 1995;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article 1

Commercial and Specialized banks shall submit all periodic reports to the National Bank of Cambodia in line with the date as set in the following:

- Daily report shall be submitted every morning of the next working day;
- Weekly report shall be submitted every Tuesday of the following week;

- Monthly report shall be submitted no later than on the 10th of the following month;
- Quarterly report shall be submitted no later than on the 15th of the first month of the following quarter;
- Annual report (audited financial statement) shall be submitted no later than on 31 March of the following year;
- Report on reserve requirement shall be submitted following the annual schedule set by of National Bank of Cambodia;
- Publication of annual audited of financial statements shall be submitted no later than on the 30th June of the following year.

Article 2

Commercial and Specialized banks shall reply to the letters on the date specified by the National Bank of Cambodia.

Article 3

Commercial and applicable banks are allowed to submit reports on the next working day in the case that the date mentioned in Article 1 and Article 2 falls on a weekend or public holiday.

Article 4

Commercial and Specialized banks which do not comply with Articles 1 and 2 above shall be subject to the following fines:

a. For report:

<u>No. of days late</u>	<u>Amount</u>
- From 1 to 5 days	1,000,000 Riels per day
- From 6 to 10 days	7,500,000 Riels per day
- From 11 to 15 days	15,000,000 Riels per day
- From more than 16 days, Commercial and Specialized banks will be subject to a written warning and public announcement.	

b. For replies letters and other information:

<u>No. of days late</u>	<u>Amount</u>
- From 1 to 5 days	500,000 Riels per day
- From 6 to 10 days	1,000,000 Riels per day
- From more then 11 days, Commercial and Specialized banks will be subject to a written warning and public announcement.	

Article 5

The Regulation No.B795-02 BBG on the late submission of the Commercial banks' reports created on March 30, 1995, and the Circular No.B795-02 SRNN on the due date of submission of commercial banks' reports to the National Bank of Cambodia created on March 31, 1995, are hereby repealed.

Article 6

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article 7

This Prakas shall have effect from the signing date.

2006

Phnom Penh, September 13,

The Governor
Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
- The parties concerned as stated in Article 6
- File
- CM "for info"
- Administration of CM
"for publication in the National Gazette"

KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-212 Prokor

Unofficial Translation

PRAKAS
on
Reporting date for microfinance Institutions
The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the September 04, 2006, meeting.

DECIDES

Article 1.

The microfinance institutions shall submit all periodic reports to the National Bank of Cambodia in line with the date as set in the following:

- Daily report shall be submitted every morning of the next working day;
- Weekly report shall be submitted every Tuesday of the following week;
- Monthly report shall be submitted no later than on the 15th of the following month;
- Quarterly report shall be submitted no later than on the 15th of the first month of the following quarter;
- Annual report (audited financial statement) shall be submitted no later than on 30 April of the following year;
- Report on reserve requirement shall be submitted following the annual schedule set by the National Bank of Cambodia;
- Publication of annual audited of financial statements shall be submitted no later than on the 30 June of the following year.

Article 2

The microfinance institutions shall reply to the letters on the date specified by the National Bank of Cambodia.

Article 3

A microfinance institution is allowed to submit reports on the next working day in the case that the date mentioned in Article 1 and Article 2 falls on a weekend or public holiday.

Article 4

The microfinance institutions which do not comply with Articles 1 and 2 above shall be subject to the following fines:

a. For report:

<u>No. of days late</u>	<u>Amount</u>
- From 1 to 5 days	50,000 Riels per day
- From 6 to 10 days	300,000 Riels per day
- From 11 to 15 days	700,000 Riels per day
- From more than 16 days, microfinance institutions will be subject to a written warning and public announcement.	

b. For replies letters and other information:

<u>No. of days late</u>	<u>Amount</u>
- From 1 to 5 days	50,000 Riels per day
- From 6 to 10 days	300,000 Riels per day
- From more than 11 days, microfinance institutions will be subject to a written warning and public announcement.	

Article 5

Other previous provisions contrary to this Prakas are hereby repealed.

Article 6

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas.

Article 7

This Prakas shall have effect from the signing date.

2006

Phnom Penh, September 13,

The Governor
Signed and sealed: Chea Chanto

cc: - The Members of the Board of Directors
- The parties concerned as stated in Article 6
- File
- CM "for info"
- Administration of CM
"for publication in the National Gazette"

KINGDOM OF CAMBODIA
NATIONAL RELIGION KING



NATIONAL BANK OF CAMBODIA
Number B7.06-209 Prokor

Unofficial Translation

PRAKAS
on

Controlling Banking and Financial Institutions' Large Exposures

The Governor of the National Bank of Cambodia

- With reference to the Constitution of the Kingdom of Cambodia;
- With reference to the Royal Kram NS/RKM/0196/27, dated January 26, 1996, promulgating the Law on the Organization and conduct of the National Bank of Cambodia;
- With reference to the Royal Kram NS/RKM/1199/13 of November 18, 1999, promulgating the Law on Banking and Financial Institutions;
- With reference to the Royal Decree NS/0904/244 of 7 September 2004 on the appointment of His Excellency **Chea Chanto** as Governor of the National Bank of Cambodia, as equivalent to Senior Minister;
- With reference to the Prakas B7-00-52, dated February 17, 2000, on Controlling Bank's Large Exposures;
- Pursuant to the request of the General Directorate;
- Pursuant to the recommendation made by the National Bank of Cambodia management during the November 02, 2006, meeting.

DECIDES

Article 1

Large exposure is defined as the overall gross exposure resulting from banking and financial institution's operations with one single beneficiary, where such exposure exceeds 10 percent of the institution's net worth. Exposure means the higher of the two following items:

- a - the outstanding loan or commitment
- b - the authorized loan or commitment.

Article 2

Banking and Financial Institutions shall maintain at all times a ratio not exceeding 20 percent between their overall exposure resulting from their operations with each individual beneficiary and their net worth.

Article 3

For the purposes of this Prakas, the net worth shall be calculated in accordance with the provisions of the Prakas B7-00-47, dated February 16, 2000, on the calculation of the institution's net worth.

For the purposes of this Prakas, exposures, which are liable to the risk of counterparty default, shall be weighted items as defined in Article 3 of the Prakas B7-00-46, dated February 16, 2000, relating to the solvency ratio. However, items deducted in calculating the net worth in accordance with the provisions of the Prakas on the calculation of the bank's net worth shall not be counted as exposures.

Article 4

Individuals or legal entities that are interconnected in such a way that financial problems experienced by one or more of them would necessarily entail serious financial problems for the other or all of them shall likewise be deemed to constitute a single beneficiary.

In particular, such connections exist between two or more individuals or legal entities where:

- a - one of them directly or indirectly exercises control over the other;
- b - they are subsidiaries of the same parent company;
- c - they come under the same *de facto* management;
- d - one of them has an equity interest in the other exceeding 10 percent and they are bound by reciprocal guarantee agreements or have a special business relationship which each other such as sub-contracting, franchise, etc.

The National Bank of Cambodia may regard a group of customers as constituting a single beneficiary if the connections between them are aforementioned.

Article 5

For exposures guaranteed by another bank or international financial institution agreed by the National Bank of Cambodia, with the prior approval of the NBC, the weighting referred to in Article 3 of this Prakas may be reduced by half, under the following conditions:

a - The letter provided by a bank or international financial institutions as the guarantor shall include a formal commitment to repay the total outstanding loans when one of the following events occurs:

- one instalment is unpaid on due date, or
- these loans become non-performing.

b - The guarantee letter shall be signed and acknowledged by the foreign supervisory authority of the bank or by the international financial institution's headquarters that issued this guarantee letter.

Article 6

At the Banking and Financial Institution's request, the National Bank of Cambodia may increase the maximum ratio described in Article 2 of this Prakas, up to an extra-large exposure limit, which cannot exceed 35 percent of the net worth, under the following conditions:

a - The Banking and Financial Institution's financial condition is considered "satisfactory" by the National Bank of Cambodia, based on National Bank of Cambodia's internal rating or benefits from a rating "investment grade" by an international rating agency;

b - The borrower's financial situation is strong, which includes good business perspectives, solvency, profitability and management. The Banking and Financial Institutions shall provide the National Bank of Cambodia with audited financial reports, a credit analysis report and other related documents when applying for approval of exposures exceeding a ratio as described in Article 2 of this Prakas.

Article 7

Banking and Financial Institutions shall be required to maintain at all times a maximum ratio of 300 percent between the total of their large exposures, as defined in Article 1 of this Prakas, and their net worth.

Article 8

The exposures defined in Article 1 shall be subject to internal management and supervision procedures, in particular by the setting of limits on the delegation of loans or commitment decisions in such a way that the maximum amount of the ratios set forth in Articles 2 through 7 is respected at all times.

Banking and Financial Institutions shall take all necessary steps in keeping a complete centralized record of their commitments, in particular those granted to interconnected beneficiaries falling within the scope of Article 4 of this Prakas.

The National Bank of Cambodia may ask to be provided with a report on the steps taken.

Article 9

Banking and Financial Institutions shall file monthly declarations of their large exposures in accordance with the annex model attached with this Prakas.

Article 10

This Prakas shall not apply to microfinance institutions.

Article 11

The Prakas B7-00-52, dated February 17, 2000, on Controlling Banks' Large Exposures, and all other provisions contrary to this Prakas are hereby repealed.

Article 12

The General Directorate, the General Secretariat, the General Inspection, the General Cashier, all Departments of the National Bank of Cambodia, and all Banking and Financial Institutions under the National Bank of Cambodia's supervisory authority shall strictly implement this Prakas effectively from the signing date.

Phnom Penh, November 03, 2006

The Governor

Signed and sealed: Chea Chanto

cc:

- The Members of the Board of Directors
- The parties concerned as stated in Article 12
- File
- CM "for info"
- Administration of CM
"for publication in the National Gazette"

Name of Bank and Financial Institution:

Reference date:

Net worth:

Large Exposures

All amounts expressed in million riels

No	Name of Borrower	Date of NBC's approval	Approved limit	Outstanding balance	Overdraft	Loans	Off balance commitments	Total gross exposure	Weighting	Total Weighted Exposure	Total Weighted exposure/NW	Maximum %	Excess
Total large exposures												300%	

Date of reporting:

Prepared by

Verified by

Manager

Phone number: