



## **NATIONAL BANK OF THE REPUBLIC OF MACEDONIA**

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Pursuant to Article 7 paragraph 1 item 10 and Article 47 paragraph 1 item 6 of the Law on the National Bank of the Republic of Macedonia (Official Gazette of the Republic of Macedonia No. 158/10), Article 36 paragraph 3 and Article 45 paragraph 1 of the Law on the Foreign Exchange Operations (Official Gazette of the Republic of Macedonia No. 34/01, 49/01, 103/01, 51/03, 81/08, 24/11 and 135/11), the National Bank of the Republic of Macedonia Council adopted the following

### **DECISION on currency exchange operations („Official Gazette of the Republic of Macedonia“ No. 127/12)**

#### **I. GENERAL PROVISIONS**

1. This Decision shall prescribe the conditions, the manner, the procedure and the documentation necessary for obtaining a currency exchange operations license, the manner of conducting currency exchange operations and the supervision of the National Bank of the Republic of Macedonia (hereinafter referred to as: the National Bank).
2. Individual terms used in this Decision shall have the following meaning:
  - currency exchange operations shall include a purchase of cash foreign currency and checks denominated in foreign currency, from foreign and domestic natural persons, and a sale of cash foreign currency to domestic and foreign natural persons on the basis of repurchase;
  - licensed currency exchange operators shall include resident legal entities seated in the Republic of Macedonia who obtained a currency exchange operations license from the National Bank in compliance with this Decision. The licensed currency exchange operators may conduct currency exchange operations on their behalf and for their account, or on their behalf and for the account of a bank.
  - currency exchange office shall be the premise where the currency exchange operations are carried out;
  - cashier's desk shall be a part of the currency exchange office where the currency exchange operations are carried out;
  - authorized person shall be a person employed with the licensed currency exchange operator, reported and registered in the National Bank Registry as a person who will conduct currency exchange operations;
  - responsible person shall be the person who represents the legal entity by law;
  - authorized bank shall be the bank that was granted a founding and operating license by the Governor of the National Bank, and

- cash shall include cash foreign currency and checks, and Denars.

## **II. CONDITIONS AND NECESSARY DOCUMENTATION FOR OBTAINING A CURRENCY EXCHANGE OPERATIONS LICENSE**

3. To obtain a currency exchange operations license from the National Bank, the resident legal entity shall meet the following requirements:
  - be registered for the activity "66.12 Intermediation in securities operations and commodity contracts" in the Trade Registry or another registry with a competent body;
  - have an appropriate premise for conducting currency exchange operations;
  - legal entity that intends to perform currency exchange operations on its behalf and for the account of a bank shall conclude an agreement with the bank. The agreement shall regulate the mutual rights and responsibilities at least about the amount of commission, the required instructions and forms, the repurchase and sale, the exchange rate list of the currency exchange operations, the supervision, the mutual reporting and the reporting to the National Bank, the costs and the number of currency exchange offices of the legal entity;
  - have a vault for safekeeping of cash used exclusively for conducting currency exchange operations;
  - provide the premise of conducting currency exchange operations with appropriate equipment for protection and security of cash, property and employees;
  - have a telephone/fax installed in the premises of conducting currency exchange operations;
  - make sure that no misdemeanor sanction i.e. ban on performing a profession, activity or duty is imposed, nor effective court verdict for criminal act in the area of finance is pronounced against the responsible person of the legal entity and the authorized persons;
  - make sure that the authorized persons have at least a secondary education;
  - make sure that it is not in bankruptcy or liquidation proceedings.
4. For the purposes of obtaining a currency exchange operations license, the legal entity shall submit a written application to the National Bank that contains the following data:
  - a company and a main office of the applicant, a unique business and tax number;
  - name and surname, place and date of birth, address, ID card number and national identification number of the responsible person of the applicant;
  - address of the premise of currency exchange operations;

- telephone and fax number;
- name and surname, ID card number and national identification number of the authorized persons; and
- account for which the currency exchange operations will be conducted.

The written application under paragraph 1 of this item shall be accompanied by the following documentation:

- evidence that the legal entity has been registered for the activity "66.12 Intermediation in securities operations and commodity contracts" in the Trade Registry or another registry with a competent body. The certificate issued by the Trade Registry or any other registry shall not be more than 3 (three) months older than the date of submission of the application;
- evidence of ownership or lease agreement of the premise of conducting currency exchange operations;
- an agreement concluded with a bank, if the currency exchange operations are performed on own behalf, and for the account of a bank;
- evidence of having a vault;
- evidence of a separate cubical and alarm system or separate cubical protected with bulletproof glass in place;
- a certificate issued by a competent body confirming that no misdemeanor sanction, i.e. ban on performing profession, activity or duty has been pronounced against the responsible person of the legal entity and the authorized persons, not more than 6 (six) months older than the date of submission of the application;
- a copy of ID cards of the responsible person of the legal entity and the authorized persons;
- a certificate of residence and work permit for the Republic of Macedonia for a foreign natural person who is a responsible person of the legal entity or employed with the legal entity to conduct currency exchange operations;
- certificate that the authorized persons finished at least secondary education;
- questionnaire filled in and signed by the responsible person of the legal entity (Form 1), verified by an authorized person (notary public), not more than 6 (six) months older than the date of submission of the application;
- certificate issued by a competent body that the legal entity is not subject to bankruptcy or liquidation procedure.

Documentation accompanying the application for issuing a currency exchange operations license shall be submitted in original or a copy verified by authorized person (notary public). If the documentation in question is in a language other than Macedonian, translation in Macedonian language, verified by a certified court translator, shall be submitted together with the original.

5. To make a decision about the license application, the National Bank may request the submitted documentation to be completed or submission of additional documentation.
6. The National Bank shall, ex officio, provide evidence from the Ministry Interior that no effective court verdict for criminal act from the area of finance have been pronounced against the responsible person in the legal entity and the employees performing currency exchange operations.

If the responsible person of the legal entity or the person performing the currency exchange operations is a foreign person, they shall obtain this evidence from the competent institutions in the foreign country, which shall not be more than 6 (six) months older than the date of submission of the application.

If the regulations applicable in the domicile country of the foreign person regulate the subject matter referred to in item 6 paragraph 2 of this Decision differently, they shall submit an appropriate document, or legal opinion of a solicitor, proving the difference in regulations.

7. The National Bank shall make a decision on the application under item 4 of this Decision within 15 (fifteen) days from the date of submission of the complete application.

Complete application shall denote an application containing data and documentation specified under item 4 and documentation required by the National Bank in line with items 5 and 6 of this Decision.

8. A licensed currency exchange operator that obtained a currency exchange operations license from the National Bank shall, within 30 (thirty) days from the date of receipt of the decision:
  - display the name of the legal entity in each currency exchange office and a special inscription "exchange office" in Macedonian and in at least one of the following languages: English, German, French, Spanish and Italian. If other activities are conducted in the same exchange office, the inscription "exchange office" shall be also displayed in the part where the currency operations are performed;
  - provide evidence of holding at least Denar 200,000.00 on a Denar transaction account;
  - install an internet connection;
  - provide electronic signature certificate from authorized issuer of digital electronic signature certificates;
  - have anti-money laundering program in place in conformity with the AML/CTF regulations and evidence of the submission of such program to the Financial Intelligence Office for inspection and opinion.

The licensed currency exchange operator that obtained a decision to amend the decision on conducting currency exchange operations from the National Bank due to the change of address of the currency exchange office or opening a new

currency exchange office shall meet the additional requirement of paragraph 1 indent 1 of this item within 30 (thirty) days from receipt of the decision.

The licensed currency exchange operator shall notify and provide evidence to the National Bank on the fulfillment of the additional requirements.

9. The licensed currency exchange operator may open a Denar and foreign currency transaction account which shall serve exclusively for carrying out currency exchange operations.

When opening the accounts referred to in paragraph 1 of this item, the licensed currency exchange operator shall present to the authorized bank the decision for obtaining a license for conducting currency exchange operations issued by the National Bank.

10. The licensed currency exchange operator may open a Denar transaction account and foreign exchange account for conducting currency exchange operations in several authorized banks. The licensed currency exchange operator may open only one Denar transaction account and one foreign exchange account for performing currency exchange operations in one authorized bank.

If the currency exchange operations license of the currency exchange operator is revoked on any grounds, they shall close the special accounts opened for this purpose in the authorized banks, forthwith, or within 3 working days from receipt of the decision.

11. The National Bank shall, upon the written notification from the licensed operator or upon the expiration of the deadline determined in item 8 of this Decision, perform an examination in the currency exchange office to check the fulfillment of requirements under item 3 paragraph 1 indents 4, 5 and 6 and Article 8 of this Decision. If each currency exchange office has fulfilled these requirements, it shall issue a written label with the following inscription "the currency exchange office fulfills the requirements for conducting currency exchange operations".

After the label is obtained, the licensed currency exchange operator shall start conducting currency exchange operations within 3 (three) working days.

12. If the National Bank's on-site examination shows that the requirements under item 3 paragraph 1 indents 4, 5 and 6 and item 8 of this Decision are not fulfilled, it shall not issue a written label to the licensed currency exchange operator and shall revoke the currency exchange operations license.

13. The licensed currency exchange operator shall notify and provide documentation to the National Bank about each change in the requirements under item 3, indents 3, 7 and 9 and in the data and documents of item 4 paragraph 1 indents 4, 5 and 6 and paragraph 2, indents 3, 6, 7, 8 and 11, including the termination of currency exchange operations by returning the written label, within 5 (five) working days after the change occurred.

The licensed currency exchange operator shall notify and provide documentation to the National Bank on any change of address of the premises of conducting currency exchange operations, at least five (5) working days before the change occurs.

Depending on the data changed and the submitted documentation for such data and for the termination of the currency exchange operations, the National Bank shall issue adequate decision or notification to the licensed currency exchange operator, within 15 (fifteen) days from the receipt of the completed notification.

Upon obtaining the necessary documentation, the National Bank shall issue a decision, ex officio, on the changes of data and documents of item 4 paragraph 1 indents 1 and 2.

14. The authorized bank shall obtain the authorization for conducting currency exchange operations from the National Bank, along with the founding and operating license, or its amendments.

15. The authorized bank shall notify the National Bank on the address of each opened or closed currency exchange office, i.e. for each change in address of the currency exchange office, at least 5 (five) working days before the change occurs.

The National Bank shall issue a written label to the bank under paragraph 1 of this item for each opened currency exchange office, i.e. it shall withdraw the issued label for each closed currency exchange office.

16. The National Bank shall maintain a registry of issued decisions, which contains:

- number and date of the issued decision;
- company and main office of the licensed currency exchange operator;
- name of the bank, if the licensed currency exchange operator concluded an agreement with a bank;
- address of the exchange office;
- label number;
- name, surname and national identification number of the responsible person of the legal entity and the authorized persons who conduct currency exchange operations;
- national identification and tax number of the licensed currency exchange operator, and
- address of residence of the responsible person of the legal entity.

### **III. MANNER OF CONDUCTING CURRENCY EXCHANGE OPERATIONS**

17. When performing currency exchange operations, the licensed currency exchange operator shall:

- display the label in the premise of conducting currency exchange operations;
- display a notification in the premise of conducting currency exchange operations, written in capital printed letters which will read as follows:

"Pursuant to item 17 paragraph 1 indent 5 of the Decision on the currency exchange operations adopted by the National Bank of the Republic of Macedonia, the licensed currency exchange operator shall issue a certificate of purchase/sell of cash foreign currency and checks on MT1 Form, for each concluded transaction".

- perform currency exchange operations only with natural persons;
- display, at all times, the bid and ask rates of the currencies it purchases/sells;
- prepare a certificate of purchase/sell of cash foreign currency and checks for each purchase/sell of cash foreign currency on an MT1 Form in two copies, one for the natural person, and the other shall be kept in the own records;
- record each transaction of purchase/sale of cash foreign currency in a cash journal;
- keep a cash journal daily;
- submit an aggregated 10-day report on IMR1 Form to the National Bank within two working days after the expiration of the 10-day period;
- perform currency exchange operations in the currency exchange offices licensed by the National Bank and registered in the NBRM Registry;
- make sure that currency exchange operations are carried out only by authorized persons who are reported and registered in the National Bank Registry;
- make sure that there are no differences between the turnover documents and the factual amount of cash on the cashier's desk;
- not keep cash in the cashier's desk that does not originate from currency exchange operations;
- keep currency exchange operations documentation from the last three months, in the premise of currency exchange operations;
- sell cash foreign currency to residents only on the basis of repurchase;
- when purchasing cash foreign currency and checks from residents in an amount exceeding Euro 10,000.00 in Denar denomination, it shall request and keep a written confirmation for entered cash foreign currency and checks in the Republic of Macedonia issued by the Customs Administration of the Republic of Macedonia, or a document proving that they have been withdrawn from the account opened with the authorized bank, in original;
- display an inscription "currency exchange office", at all times, in Macedonian and one of the following languages: English, German, French, Spanish and Italian in the premise of currency exchange operations;
- display a label indicating the working hours and rest breaks in the premise of currency exchange operations, and adhere thereto.

The licensed currency exchange operator shall, in respect of the measures and actions to detect and prevent money laundering and financing of terrorism, act in accordance with the AML/CTF regulations.

#### **IV. SUPERVISION**

18. The National Bank shall supervise the implementation of the Law on the Foreign Exchange Operations and this Decision through:

- off-site supervision by collecting, monitoring and verifying reports and documentations submitted by the licensed currency exchange operators to the National Bank according to this Decision and
- on-site supervision of the currency exchange operations of the licensed currency exchange operator.

19. The licensed currency exchange operator shall enable the authorized supervisors of the National Bank a smooth supervision, insight in the entire performance of the currency exchange operations and upon their request, put the entire necessary documentation on their disposal.

20. The authorized supervisors from the National Bank shall prepare a report on supervision.

The report on supervision shall be classified information of the National Bank and the licensed currency exchange operator shall keep it. The licensed currency exchange office may quote or otherwise state the contents of the report to third parties only after a prior written approval of the National Bank.

The licensed currency exchange operator may submit a complaint against the report on the supervision within 8 (eight) days of the day of receipt.

21. The provisions of items 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 17 paragraph 1 indents 2, 6, 7, 10, 11, 12, 13 and 17 and items 19 and 20 of this Decision shall not apply to authorized banks having obtained a founding and operating license from the Governor of the National Bank.

#### **V. TRANSITIONAL AND CLOSING PROVISIONS**

22. The Governor of the National Bank shall adopt Instructions for implementing this Decision.

23. Applications for currency exchange operations licenses submitted to the National Bank before the implementation of this Decision shall be decided upon according to the Decision on the terms and the manner for obtaining license and conducting currency exchange operations (Official Gazette of the Republic of Macedonia No. 31/09, 34/09, 66/09, 157/09 and 73/10).

24. This Decision shall enter into force the eighth day from the date of its publication in the Official Gazette of the Republic of Macedonia.



Notwithstanding paragraph 1 of this item, item 13 paragraphs 1 and 4 of this Decision shall apply from 1 January 2013.

Before the start of application of paragraph 2 of this item, the licensed currency exchange operator shall notify the National Bank and provide appropriate documentation for each change in the requirements under item 3, indents 1, 3, 7 and 9 and data and documents of item 4, paragraph 1, indents 1, 2, 4, 5 and 6 and paragraph 2, indents 1, 3, 6, 7, 8 and 11, including the termination of currency exchange operations by returning the written label, within 5 (five) working days of the change.

25. Once this Decision enters into force, the Decision on currency exchange operations (Official Gazette of the Republic of Macedonia No. 31/09, 34/09, 66/09, 157/09 and 73/10) shall become void.

**D. no. 02-15/X-2/2-2012**  
**4 October, 2012**  
**Skopje**

**Dimitar Bogov**  
**Governor**  
  
**President**  
**of the National Bank of the Republic**  
**of Macedonia Council**

**QUESTIONNAIRE**

**for the responsible person of the legal entity**

1. Personal data:

1.1 Name and surname

1.2 Home address

1.3 Address in the Republic of Macedonia (for foreign natural person with a temporary residence in the Republic of Macedonia)

1.4 Date and place of birth

1.5 Citizenship

1.6 ID card number

1.7 National identification number

1.8 Telephone/fax

2. Has the legal entity \_\_\_\_\_, with a unique business identification number \_\_\_\_\_, seated at \_\_\_\_\_, that submits the application for currency exchange operations license, been revoked the currency exchange operations license on any ground, as from the date of submitting the application?

Yes \_\_\_\_\_

No \_\_\_\_\_

3. Has/have the founder/founders \_\_\_\_\_, of the legal entity with a national identification number \_\_\_\_\_, who submits application for currency exchange operations license, been a founder or a member of a managing body of a company whose currency exchange operations license has been revoked on any ground in the previous 10 (ten) years, as from the date of submitting the application?

Yes \_\_\_\_\_

No \_\_\_\_\_

If yes, please indicate the name of the company, the national identification number and the position of such founder, and the ground for revoking the license:

\_\_\_\_\_.

4. Has/have the member/members of the managing body of the legal entity that submits the application for currency exchange operations license \_\_\_\_\_, with a national identification number \_\_\_\_\_, been founder or member of the managing body of a company whose currency exchange operations license have been revoked on any ground, as from the date of submitting the application?

Yes \_\_\_\_\_

No \_\_\_\_\_

If yes, please state the name of the company, the national identification number and the position of such member and the ground for revoking the license:

\_\_\_\_\_.

I hereby declare, under full moral, material and criminal liability, that the information contained in this Questionnaire and the documentation that the legal entity submits as a part of the application for currency exchange operations license, is true and does not contain forged data and documents.

Place and date

Signature of the responsible person

\_\_\_\_\_

\_\_\_\_\_