



NATIONAL BANK OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 64 paragraph 1 item 22 of the Law on the National Bank of the Republic of Macedonia ("Official Gazette of the Republic of Macedonia" no. 3/2002, 51/2003, 85/2003, 40/2004, 61/2005 and 129/2006) and Article 31 paragraph 1 of the Law on Consumer Protection in Consumer Loan Agreements ("Official Gazette of the Republic of Macedonia" no. 63/2007), the National Bank of the Republic of Macedonia Council passed the following

DECISION

on the method and procedure for supervision of banks and savings houses related to consumer protection in consumer loan agreements ("Official Gazette of the Republic of Macedonia" no. 105/2007)

I. GENERAL PROVISIONS

1. This Decision sets forth the method and procedure for supervision of the implementation of the Law on Consumer Protection in Consumer Loan Agreements by consumer loan lenders subject to supervision and inspection of the National Bank of the Republic of Macedonia (hereinafter referred to as National Bank).

For the purposes of this Decision, any bank and savings house granted a founding and operating license by the Governor of the National Bank shall be considered consumer loan lender subject to supervision and inspection of the National Bank (hereinafter referred to as: lenders).

2. The National Bank shall supervise any lender through:

- on-site supervision and
- off-site supervision, by gathering and analyzing reports and data submitted by the lenders, as specified by items 5 and 6 of this Decision.

The method and procedure for on-site and off-site supervision of the lenders' operations shall be defined by the Banking Law and the relevant bylaws.

3. The supervision under item 2 of this Decision shall determine and evaluate:

- the compliance of the lender's operations with the provisions of the Law on Consumer Protection in Consumer Loan Agreements and
- application of the Decision on the methodology for calculation of the annual percentage rate of total costs.

4. The National Bank may also conduct on-site supervision of the lenders' credit intermediaries.

5. The lender shall, by March 31 in the current year, notify the National Bank on all loan intermediaries to whom they vested a written authorization for intermediation, including data on the type and the volume of activities of each loan intermediary carried out in the previous calendar year. The notification shall be made by submission of the KP Form enclosed with this Decision.

On special request of the National Bank, the lender shall also submit KP Form for other period different from the one specified under paragraph 1 of this item.

6. The lender's Internal Audit Department shall at least once a year audit the activities of the lender and its loan intermediaries and the implementation of the loan intermediation agreements. The audit report shall at least contain data on the type and the volume of activities of each loan intermediary in the period under audit.

The lender shall submit to the National Bank all audit reports referred to in paragraph 1 of this item, within 30 days after the audit.

III. TRANSITIONAL AND FINAL PROVISIONS

7. The provisions of this Decision shall also apply to foreign bank branches operating in the Republic of Macedonia, as specified by the Banking Law.

8. This Decision shall enter into force eight days after its publishing in the "Official Gazette of the Republic of Macedonia", and shall start to be applied on January 1, 2008.

**D. No. 02-15/VIII-1/2007
August 29, 2007
Skopje**

**Petar Goshev, MSc.
Governor

President
of the National Bank of the Republic
of Macedonia Council**

Full name of bank / savings house

Registry number	Tax number	Name of credit intermediary	Head office / address	Validity period of authorization		Number of effectuated intermediations	Number of credits extended by lender on the basis of effectuated intermediations
				valid from	valid to		

Prepared by: _____

Accountable person: _____

