

National Bank Act 1984

(Nationalbankgesetz 1984 - NBG)

Federal Law Gazette No. 50/1984,

as amended by the federal law promulgated in the

Federal Law Gazette No. 605/1987

Vienna, September 1990

The federal law of September 8, 1955, which redefines the legal status of the Austrian National Bank (National Bank Act 1955), entered into force on September 24, 1955. After being amended by the federal laws as promulgated in the Federal Law Gazettes No. 175/1963, No. 200/1967, No. 276/1969, No. 224/1972, No. 494/1974 and No. 47/1981, the National Bank Act 1955 was repromulgated by the official announcement of the Federal Chancellor and the Federal Minister of Finance from January 20, 1984 (Federal Law Gazette No. 50), as the National Bank Act 1984 (Nationalbankgesetz 1984 - NBG). The repromulgation went into effect on February 1, 1984.

The National Bank Act 1984 has subsequently been amended by the following federal law:

1) Criminal Law Amendment Act 1987 (Strafrechtsänderungsgesetz 1987), Federal Law Gazette No. 605/1987 (with effect from March 1, 1988).

The National Bank Act 1984 as amended by the above mentioned federal law is reproduced hereinafter, with superiors indicating the articles modified by the amendment.

Chapter I

GENERAL PROVISIONS

Article 1

The legal status of the Austrian National Bank shall be regulated under the terms of this federal law.

Article 2

(1) The Austrian National Bank is a joint stock company; it is the central bank of the Republic of Austria.

(2) It shall have the function of regulating the circulation of money in Austria and attending to the settlement of payments with foreign countries.

(3) It shall ensure with all the means at its disposal that the value of the Austrian currency is maintained with regard both to its domestic purchasing power and to its relationship with stable foreign currencies.

(4) It shall be under obligation to ensure within the framework of its credit policy that the credits it places at the disposal of the economy are distributed with due regard to the country's economic needs.

Article 3

Without prejudice to the preservation of its complete freedom of action in performing its functions within the framework of this federal law, the Austrian National Bank may participate organizationally and financially in international institutions that are concerned with co-operation between central banks or otherwise aim at and promote international co-operation in the field of monetary and credit policy; to the same ends it may also take part in its own name and on its own account in any measures or operations undertaken by such institutions in which a participating interest is held by it or by the Republic of Austria.

Article 4

In determining the general lines of monetary and credit policy to be followed by the Austrian National Bank in this field for the purpose of performing the functions incumbent upon it, due regard shall be paid to the economic policy of the Federal Government.

Article 5

(1) Banknotes and shares of the Austrian National Bank shall be signed by the Governor (Präsident), a member of the Governing Board (Generalrat) and the Chief Executive Director (Generaldirektor) appending their signatures to the Bank's name "Oesterreichische Nationalbank". If the Governor or the Chief Executive Director is prevented from doing so, their respective deputies shall sign.

(2) In the following cases the Bank's signature shall consist of the signatures of the Governor and of one other member of the Governing Board:

1. giving opinions on draft legislation (Article 21 item 1);
2. announcements concerning the fixing of the interest rate for discount and loan transactions (Article 21 item 2);
3. implementing regulations concerning minimum reserves (Article 21 item 4);
4. announcements in connection with the issue or withdrawal of banknotes (Article 21 item 9);
5. appointing, retiring on pension, giving notice to or dismissing the officials mentioned in Article 21 item 14.

(3) In all other cases the signature of the Bank shall consist of the signatures of two members of the Board of Executive Directors (Direktorium) placed beneath the name of the Bank and the word "Direktorium". Such signature shall bind the Bank even in cases where the law prescribes special authorization.

(4) The Board of Executive Directors shall stipulate in which cases and in what form signatures on behalf of the Bank's branches and departments are binding on the Bank and shall make this known by public notice displayed in the offices of the Bank.

(5) The Bank shall include in its seal the coat of arms of the Republic of Austria; it shall not be required to have its name or the names of its executives recorded in the Commercial Register.

Article 6

The Bank has its seat in Vienna, where the head office is located. Branch offices shall be established in the capitals of the Laender (Bundeslander). For the establishment of other branches or their closure the approval of the Federal Minister of Finance shall be required.

Article 7

(1) In so far as the Austrian National Bank is entrusted with executive functions in matters relating to money, credit and banking, the General Law on Administrative Procedure (Allgemeines Verwaltungsverfahrensgesetz) shall apply; unless expressly otherwise provided by statutory enactment, however, no appeal may be lodged against decisions of the Bank.

(2) General provisions issued by the Austrian National Bank are to be published in the Official Gazette (Amtsblatt zur Wiener Zeitung). Unless otherwise provided for therein, they shall enter into force on the day following their publication.

(3) Draft laws which contain provisions of importance for monetary and credit policy or which otherwise affect the interests of the Austrian National Bank shall, prior to being brought before the legislative body, be submitted to the Austrian National Bank for its opinion, an appropriate period of time being allowed for this purpose.

(4) With regard to the admissibility of the transmission of data as defined in Article 7 paragraph 2 of the Data Protection Act (Datenschutzgesetz), Federal Law Gazette No. 565/1978, to the Austrian National Bank, the Austrian National Bank shall be deemed to be equivalent to a federal institution.

Chapter II

CAPITAL AND SHAREHOLDERS

Article 8

(1) The capital of the Bank shall be 150 million schillings and shall be divided into 150,000 registered shares of 1,000 schillings each. The Bank may issue composite certificates in denominations of 100, 500 and 1,000 shares.

(2) The names of shareholders shall be entered in a shareholders' register at the Austrian National Bank.

(3) The transfer of the rights attaching to shares shall be effected by entry in the shareholders' register and simultaneous recording of the transfer on the share certificate.

(4) Profits accruing on the shares shall be distributed to the shareholders when due.

Article 9

(1) Only Austrian citizens or juristic persons and enterprises having their seat in Austria may be shareholders.

(2) Half of the capital shall be subscribed by the Federal Republic (Bund). The capital required for this purpose may be raised by reducing the countervalue of the monetary gold due to the National Bank - which is to be deducted from the federal debt - by the amount needed for subscription of the shares. (3) The Federal Government shall decide what persons and enterprises are to be permitted to subscribe the remaining capital of the Bank.

Chapter III

GENERAL MEETING

Article 10

(1) The ordinary general meeting of shareholders shall be held within the first four months of each financial year.

(2) At the written request of shareholders holding at least one fourth of the capital, arrangements shall be made to convene an extraordinary general meeting within thirty days.

(3) The general meeting shall be convened, pursuant to a resolution of the Governing Board (Generalrat), through an announcement to be made by the Bank at least twenty-one days before the meeting is to be held.

Article 11

Every shareholder recorded in the register as holding at least one hundred shares on the day the convening of the meeting is announced shall be entitled to take part in the general meeting.

Article 12

(1) Every one hundred shares shall confer one vote at the general meeting.

(2) Every shareholder entitled to vote may arrange to be represented by a proxy.

(3) Documents authorizing proxies shall be presented eight days before the general meeting at the latest. Legal and statutory representatives need no special authorizing documents, but must produce evidence of their power of representation at the latest eight days before the general meeting.

Article 13

(1) The general meeting shall constitute a quorum only if attending shareholders or their proxies represent at least half the capital.

(2) If a duly convened general meeting does not constitute a quorum, a new general meeting shall be convened at once, for which the period of notice given need not be more than eight days. This newly convened general meeting shall be competent to transact business regardless of the amount of capital represented; however, decisions may only be taken in regard to matters contained in the original agenda.

Article 14

(1) Within the last eight days prior to an ordinary general meeting, the statement of account for the preceding financial year shall be exhibited for inspection at the head office of the Bank in Vienna.

(2) No later than eight days prior to each general meeting, the meeting's agenda shall be published. Motions introduced in due time by shareholders (Article 17) shall be included in the agenda.

Article 15

The chair at a general meeting shall be taken by the Governor of the Bank or, in his absence, by one of the Deputy Governors (Vizepräsidenten).

Article 16

The general meeting shall be empowered:

1. to receive the report of the Governing Board on the conduct of business during the previous financial year;
2. to approve the annual statement of account and grant exoneration to the Governing Board and the Board of Executive Directors after hearing the report of the Auditors (Rechnungsprüfer);
3. to decide on the allocation of any profits shown in the balance sheet and to fix the dividend to be distributed to shareholders;
4. to elect six members of the Governing Board and four Auditors;
5. to decide on any other motions introduced by shareholders.

Article 17

(1) Every shareholder who has the right to vote shall be entitled to introduce motions at the general meeting; decisions, however, may be taken only on motions relating to matters already on the agenda of the general meeting at which they are introduced.

(2) Private motions (Article 14), together with a statement of supporting reasons, have to be submitted to the Governor in writing at least fourteen days before the general meeting.

(3) If a request for an extraordinary general meeting is made in accordance with the terms of Article 10 paragraph 2, the motions to be presented at that meeting shall be submitted with this request.

Article 18

(1) For the purpose of the election of six members of the Governing Board by the general meeting (Article 22), shareholders other than the Federal Republic may propose one person for each 121/2 million schillings of capital represented by the shareholders. If no such proposals are made, the right of proposal shall rest with the Federal Republic. The term of office of these members of the Governing Board shall run until the fifth ordinary general meeting following their election (Article 10 paragraph 1).

(2) With regard to the election, the general meeting shall be bound by proposals made to it in accordance with paragraph 1 above.

Article 19

In so far as they do not fall under Article 18 paragraph 2, decisions of the general meeting shall be taken by a simple majority of votes.

Chapter IV

MANAGEMENT AND ADMINISTRATION OF THE BANK

A. Governing Board

Article 20

The Governing Board shall be charged with the supreme direction and supervision of the conduct of all the Bank's business and the administration of all its property. The Board of Executive Directors of the Bank (Articles 32 to 36) shall report to the Governing Board periodically, as a rule once a month, on the Bank's operations and their current state, on the conditions on the money, capital and foreign exchange markets, on important matters that have arisen in the course of business, on all developments of importance for an appraisal of the monetary and economic situation, on the arrangements made for supervising the Bank's financial conduct and on any other significant events affecting its operations.

Article 21

The following matters in particular shall be reserved for decision by the Governing Board:

1. laying down the general directives of monetary and credit policy and giving an opinion on draft legislation in so far as the latter concerns important questions of monetary and credit policy;
2. fixing the interest rate for discount and loan transactions (Articles 48 and 51);
3. setting the overall limit for open market operations as defined in Articles 54 and 55;
4. fixing the amount of minimum reserves to be held by institutions subject to minimum reserve requirements (Article 43) and laying down detailed regulations regarding the fulfilment of such requirements;
5. introducing and discontinuing lines of business;
6. establishing and closing down branch offices (Article 6);
7. the Bank's participation in international institutions and in measures or operations undertaken by such institutions as defined in Article 3;
8. referring matters to an Arbitration Tribunal in accordance with Article 41;
9. issuing new banknotes and setting time limits after which banknotes shall cease to be legal tender and within which banknotes that have been called in must be exchanged (Articles 61 and 66);
10. approving the annual statement of account for submission to the general meeting (Article 68) and approving the cost estimates for the next financial year;
11. purchasing and selling real property;

12. authorizing items of expenditure not provided for in the cost estimates for the year in question;
13. fixing the remuneration of the Governor and the expense allowances of the Deputy Governors;
14. appointing the Chief Executive Director, the Deputy Chief Executive Director, the other members of the Board of Executive Directors, the Director of the Securities Printing Works (Druckerei für Wertpapiere) and the Deputy Executive Directors, and retiring them on pension, giving them notice or dismissing them. Appointment shall be for a maximum period of five years; if appointments are made for a specified longer period, for an unspecified period or with no mention of the length of the appointment, they shall be effective for a period of five years. Reappointment is permissible;
15. deciding on the service and work regulations for members of the Bank's staff and the rules governing their remunerations and pensions (Article 38).
16. The Governing Board shall draw up its own rules of procedure and shall lay down rules of procedure for the Board of Executive Directors; in its own rules the Governing Board may provide that matters reserved for its decision, especially that referred to under item 3 of this article, shall be dealt with by a sub-committee appointed by it. Such subcommittees shall report at the meetings of the Governing Board.

Article 22

- (1) The Governing Board shall consist of the Governor, two Deputy Governors and eleven other members.
- (2) The Governor, the two Deputy Governors and five other members of the Governing Board shall be appointed; the remaining six members of the Governing Board shall be elected.
- (3) Only persons holding Austrian citizenship who are not debarred from voting in elections for the National Council (Nationalrat) may be members of the Governing Board. The members of the Governing Board shall be persons prominent in some branch of economic activity or jurists or economists. They shall include representatives of:
 1. banks,
 2. industry,
 3. trade and small business,
 4. agriculture, and
 5. salaried employees and wage-earners.
- (4) No person who is in the active service of the Federal Republic or of a Land or who is a member of the Nationalrat, the Federal Council (Bundesrat), a Parliament of a Land (Landtag), the Federal Government or the government of a Land may be a member of the Governing Board. The restriction with regard to persons in the active service of the Federal Republic shall not apply to university professors in law and economics. Not more than four members of the Governing Board may in their main occupation be members of the management of banks; such persons may not be Governor or Deputy Governor of the Bank.

(5) The body representing the employees under the provisions of Article 40 of the Labor Charter (Arbeitsverfassungsgesetz), Federal Law Gazette No. 22/1974, shall be entitled to send two representatives to participate in discussions on personnel, social and welfare matters. These representatives shall, in the exercise of their functions, have the same rights and duties as the members of the Governing Board.

Article 23

(1) The Governor of the Bank shall be appointed by the President of the Federal Republic for a period of five years. The outgoing Governor may be reappointed. During his period of office the Governor may be removed from his post by the President of the Federal Republic only if he has ceased to meet the requirements set for his appointment or if prevented for more than a year from performing his duties.

(2) The Governor shall draw from the funds of the Bank a salary the amount of which shall be fixed by the Governing Board and approved by the Federal Minister of Finance.

(3) The Governor shall act as chairman at all meetings of the Governing Board. He shall see to it that decisions of the Governing Board are implemented, and shall on behalf of the Board superintend at all times the administration of the Bank's property and the conduct of all of its business. He may raise objections to decisions of the Board of Executive Directors upon matters concerning the current conduct of business and internal administration. If no agreement is reached between the Governor and the Board of Executive Directors, the matter shall be referred to the Governing Board for decision.

(4) The officials authorized to act in the Governor's name and stead during his absence or disability are the first Deputy Governor or the second Deputy Governor in that order.

Article 24

(1) The first and the second Deputy Governor shall be appointed by the Federal Government for a period of five years. An outgoing Deputy Governor may be reappointed. During his period of office a Deputy Governor may be removed from his post by the Federal Government only if he has ceased to meet the requirements set for his appointment or is prevented for more than a year from performing his duties.

(2) The Deputy Governors shall draw from the funds of the Bank an expense allowance the amount of which shall be fixed by the Governing Board and approved by the Federal Minister of Finance.

Article 25

(1) Five members of the Governing Board shall be appointed by the Federal Government for a period of five years. Outgoing members of the Governing Board may be reappointed.

(2) If an appointed member of the Governing Board leaves the Board before the end of his term of office, a new member shall be appointed by the Federal Government.

(3) If a member elected by the general meeting leaves the Board before the end of his term of office, a new member shall be elected by the general meeting. The provisions of Article 18 shall apply analogously to such election.

(4) The order of retirement of the members of the Governing Board shall be governed by their term of office. Former members of the Governing Board may be re-elected.

(5) Any member of the Governing Board who ceases to meet the requirements set for his appointment or election shall be deemed to have relinquished his seat.

Article 26

(1) The members of the Governing Board shall serve without remuneration.

(2) They shall be duly reimbursed for travel expenses incurred in the course of their official duties out of the Bank's funds.

Article 27

(1) Upon taking office the Governor, the Deputy Governors and the other members of the Governing Board shall swear a solemn oath to strictly observe this federal law, at all times to further the fulfilment of the functions incumbent upon the Bank, and to maintain secrecy with regard to negotiations of the Bank, its affairs and institutions, and in particular its business operations.

(2) The Governor and the Deputy Governors shall swear such oath before the President of the Federal Republic; the other members of the Governing Board shall swear it to the Governor of the Bank, corroborating it by handshake and attesting it by signing a document.

Article 28

(1) The Governing Board shall be convened by the Governor, as a rule once a month.

(2) A meeting of the Governing Board must be called within eight days of a request in writing from four members of the Governing Board, or of a request from the Chief Executive Director or the State Commissioner (Staatskommissar).

(3) All the members of the Board and the State Commissioner shall be invited to meetings of the Board by a registered or personally delivered letter, which shall also notify them of the agenda.

Article 29

(1) The Governor, or the Deputy Governor representing him, shall act as chairman at meetings of the Governing Board. Should the Governor and both Deputy Governors be unable to attend, the oldest person who is a member of the Board shall preside.

(2) A member of the Governing Board may arrange to be represented by another member of the Board. A request for proxy shall be submitted in writing for each session. No member of the Board may exercise more than two votes in addition to his own.

(3) The Governing Board shall constitute a quorum if all its members have been invited in due time and if, including the Chairman, at least seven members are present or represented.

(4) Resolutions shall be taken by a simple majority of votes. In the case of an equality of votes the Chairman shall have the casting vote.

Article 30

(1) The names of the members of the Governing Board present or represented and the decisions adopted shall be recorded in the minutes. The State Commissioner and every member of the Governing Board who is present shall be entitled to have his opinion, should it dissent from the majority decision, recorded in the minutes.

(2) The minutes shall be signed by the Chairman, by the Chief Executive Director and by the State Commissioner, if he attended the meeting.

Article 31

(1) If in matters that are reserved for decision by the Governing Board (Article 21) it becomes evident that urgent action is necessary, such action may be taken by decision of an executive committee composed of the Governor, the two Deputy Governors, the Chief Executive Director and the Deputy Chief Executive Director. Meetings of this committee shall be called by the Governor, on his own initiative or on a motion of one of its members. The committee shall constitute a quorum if the Governor and one Deputy Governor, or the two Deputy Governors, and either the Chief Executive Director or the Deputy Chief Executive Director are present. Decisions of this committee shall be taken by majority vote.

(2) Decisions so taken shall be made known to the Governing Board at its next meeting; the Board shall be entitled to adopt a new decision on the matter in accordance with Article 21.

B. Board of Executive Directors

Article 32

(1) The Board of Executive Directors shall be responsible for the overall running of the Bank and shall conduct the business of the Bank in accordance with this federal law and the directives issued by the Governing Board. It shall take decisions independently on all matters concerning the running of the Bank and the conduct of business that are not reserved for decision by the Governing Board (Article 21).

(2) The Board of Executive Directors shall submit to the Governing Board the reports provided for in Article 20 and any other reports that may be required of it, and shall be entitled to submit, through the Chief Executive Director, proposals of any kind to the Governing Board.

(3) The Board of Executive Directors shall appoint the Bank's staff in so far as this is not reserved to the Governing Board. The Board of Executive Directors shall also be responsible for retiring on pension, serving with notice or dismissing members of the Bank's staff.

(4) The Board of Executive Directors shall represent the Bank both in courts of law and extrajudicially.

Article 33

(1) The Board of Executive Directors shall be composed of the Chief Executive Director, the Deputy Chief Executive Director and at least two but not more than four Executive Directors.

(2) Members of the Board of Executive Directors are under obligation to carry out conscientiously and to the best of their ability the business and duties assigned to them and to conduct the Bank's operations in such a manner as to enable it to perform the functions incumbent upon it under this federal law. The Executive Directors shall swear a solemn oath to the Governor, affirmed by handshake, to perform their duties and shall sign a document attesting that oath, the wording of which document shall be determined by the Governing Board. Members of the Board of Executive Directors shall attend meetings of the Governing Board in an advisory capacity.

Article 34

(1) The Chief Executive Director shall be charged with the supreme control of all the departments of the Bank. He shall report at meetings of the Governing Board, and shall submit to the Governing Board proposals by the Board of Executive Directors on matters that are reserved for decision by the Governing Board.

(2) The Chief Executive Director shall report to the Governor on the development of the Bank's business, on its working funds and on its general position, and shall notify him in due time of all proposals that are to be submitted by the Board of Executive Directors to the Governing Board.

(3) The officials authorized to act in the Chief Executive Director's name and stead during his absence or disability are the Deputy Chief Executive Director or the member of the Board of Executive Directors with the highest seniority in that order.

Article 35

(1) The business dealt with by the Board of Executive Directors shall be allocated to various departments, each headed by an Executive Director.

(2) The individual Executive Directors shall be independently responsible for handling and settling the business for which they are assigned competence by the rules of procedure for the Board of Executive Directors, by decisions of the Board of Executive Directors, or by order of the Chief Executive Director.

(3) Should a member of the Board of Executive Directors be unable to carry out his duties, the Deputy Executive Director appointed by the Governing Board shall deputize for him in all the duties for which he is responsible as head of a department of the Bank. Should the Deputy Executive Director also be unable to carry out these duties, the Board of Executive Directors shall decide who is to act as deputy.

Article 36

(1) The Board of Executive Directors shall be convened by the Chief Executive Director whenever necessary and shall meet under his chairmanship. The Governor has the right to attend these meetings and, if he does so, shall take the chair. The attendance of Deputy Governors at meetings of the Board of Executive Directors shall be regulated by the rules of procedure.

(2) The Board of Executive Directors shall constitute a quorum if at least two Executive Directors and the Chairman are present.

(3) The Chief Executive Director and each of the Executive Directors (or, in the absence of an Executive Director, his deputy) shall have one vote each. In the case of an equal vote at meetings

presided over by the Chief Executive Director, the Chief Executive Director shall have the casting vote. At meetings presided over by the Governor the latter shall have a vote only if there is an equality of votes.

Chapter V

AUDITORS

Article 37

(1) The general meeting shall each year elect four Auditors, two of them on the proposal of the Federal Government. The Auditors shall audit the annual balance sheet and shall render a written report on the results of their audit.

(2) The Auditors shall be entitled to ask the Board of Executive Directors for any information they require for the performance of their duties, and in particular they shall have the right to inspect the books of the Bank.

(3) The Auditors are under obligation to carry out their audit conscientiously and impartially, and to maintain secrecy.

Chapter VI

STAFF OF THE BANK

Article 38

(1) The Bank staff's employment status shall be governed by private law.

(2) The terms of appointment, the official duties and rights, and the remuneration and pensions of persons employed by the Bank shall be governed by the rules and regulations laid down by the Governing Board. The emoluments payable in accordance with these rules and regulations shall, for purposes of taxation and social insurance legislation, be treated in the same way as emoluments paid in accordance with statutory provisions.

(3) Persons employed by the Austrian National Bank who are entitled under the Bank's pension regulations to retirement and surviving dependents' benefits (pension) shall be exempt from participating in the accident, disability and employees' insurance scheme (pension insurance).

Article 39

(1) Persons employed by the Bank are under obligation to observe secrecy with regard to the negotiations and all individual transactions of the Bank, especially with regard to the amounts of credits granted by the Bank, the names of the owners of moneys, pledges and other deposits held by the Bank, and the number, nature and value of the latter.

(2) The Board of Executive Directors shall be responsible for supervising the entire staff of the Bank and shall decide upon taking disciplinary actions against members of the Bank's staff. The method of conducting such disciplinary inquiries shall be prescribed in the service regulations issued by the Governing Board.

Chapter VII

RELATIONSHIP TO THE FEDERAL REPUBLIC, THE LAENDER AND THE LOCAL AUTHORITIES

Article 40

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Article 41

(1) The Federal Republic, the Laender and the local authorities (Gemeinden) must not for their own purposes draw on the funds of the Bank in any way, either indirectly or directly, without providing the countervalue in gold or foreign exchange. To facilitate the administration of the Federal Government's cash resources, however, the Bank shall, at the request of the Federal Minister of Finance, discount short-term Federal Treasury certificates up to an amount that must not exceed 5 percent of the Federal Republic's gross annual receipts from taxation according to the latest published provisional budget results.

(2) During the period of the Bank's activity the Federal Republic must not issue any paper currency or adopt measures which are liable to hinder the Bank in the performance of the functions entrusted to it.

(3) If there is an infringement of any of the prohibitions laid down in the two preceding paragraphs, the Governing Board as a whole or any individual member thereof may appeal to an Arbitration Tribunal, which within three days shall give a decision, which shall be final, as to whether the disputed actions may or may not stand.

(4) The Arbitration Tribunal shall be composed of the President of the Supreme Court, who shall preside, and four members, two of whom shall be appointed by the Federal Government and two by the Bank.

(5) After hearing the Federal Minister of Finance and the Governing Board, the Arbitration Tribunal shall take its decisions by an absolute majority of votes.

(6) The provisions of the Code of Civil Procedure shall apply analogously to the proceedings of the Arbitration Tribunal.

Article 42

(1) The Austrian National Bank is under obligation to carry out all banking transactions affecting the federal administration that are permitted by this federal law. However, no transaction may involve the granting of any loan or credit by the Bank to the Federal Republic. The Bank may also carry out other transactions on a commission basis for account of the federal administration in so far as such transactions do not result in any balance to the debit of the federal administration.

(2) The Bank is under obligation to give, as far as its holdings allow, divisional coins in exchange for its banknotes, and divisional coins in exchange for other divisional coins, and also to give, without limitation as to amount, banknotes in exchange for divisional coins.

(3) The federal administration shall as far as possible concentrate its monetary transactions at the Bank and entrust the Bank with the execution of its gold and foreign exchange transactions.

Chapter VIII

RELATIONSHIP TO BANKS

Article 43

(1) The Austrian National Bank may, for the fulfilment of the objectives laid down in Article 2 paragraphs 2 to 4, require institutions that are engaged in banking business (hereinafter referred to as "institutions subject to minimum reserve requirements") to hold certain assets as minimum reserves in accordance with the provisions of the following paragraphs.

(2) The amount of the minimum reserves shall be determined as a percentage (minimum reserve ratio) of the liabilities of institutions subject to minimum reserve requirements resulting from the acceptance of moneys from outside sources, excluding liabilities toward other institutions that are subject to minimum reserve requirements under these regulations. Liabilities resulting from the acceptance of moneys from outside sources shall be deemed to include liabilities resulting from the issue of securities, provided that such securities do not confer any shareholders' rights upon the holder ("keine Anteilsrechte verkörpern") and provided that the issue does not fall within the Securities Issue Act (Wertpapier-Emissionsgesetz), Federal Law Gazette No. 65/1979. Liabilities in real foreign currency shall be taken into account for purposes of minimum reserve calculation only to the extent that they exceed, in the reporting period, the sum total of the claims in real foreign currency of the individual institution subject to minimum reserve requirements.

(3) The basis for the calculation of minimum reserves shall be the total of liabilities subject to minimum reserve requirements; in the case of liabilities in foreign currency it may - should special liquidity neutralization be necessary - be the increase in, as well as the total of, such liabilities.

(4) The minimum reserve ratios shall be fixed by the Austrian National Bank, taking into account the monetary and credit situation prevailing at the time. They must not exceed 25 percent in the case of sight liabilities or 15 percent in the case of time liabilities and savings deposits. In the case of liabilities in foreign currency, the minimum reserve ratio may be fixed at up to 25 percent when the minimum reserve requirement applies to the total of such liabilities and at up to 50 percent of the increase in such liabilities when, in addition, a minimum reserve requirement is applied to such increase. Within the limits laid down in this paragraph, the Austrian National Bank may fix different minimum reserve ratios for individual groups of institutions subject to minimum reserve requirements according to their structure, sphere of activity, size and functions, and for individual categories of liability, according to their term or their availability to the creditor, and in customs exclaves according to the particular economic and financial circumstances prevailing in such zones. In customs exclaves, the offsetting provided for in paragraph 2 shall not apply to the inclusion of the minimum reserve calculation of liabilities expressed in the foreign currency used in such zones.

(5) The date from which the increase in liabilities is to be calculated shall be fixed by the Austrian National Bank; it must not be more than one year prior to the entry into force of the minimum reserve requirement applicable to such increase.

(6) The minimum reserves shall, except in so far as otherwise provided below, be held in the form of balances with the Austrian National Bank. Balances held by institutions subject to minimum reserve requirements on postal check accounts shall count toward the minimum reserves. Institutions subject to minimum reserve requirements that are affiliated to a central institution must hold their minimum reserves at their respective central institutions. The Austrian Postal Savings Bank and the central institutions must, for the minimum reserves maintained with them, hold an

equivalent total of minimum reserves in the form of balances with the Austrian National Bank or Federal Treasury certificates issued under the terms of Article 41, the respective proportions being laid down by the Austrian National Bank taking into consideration the degree of liquidity neutralization necessary at the time.

(7) The Austrian National Bank shall ascertain whether the institutions subject to minimum reserve requirements are holding assets of the types described in paragraph 6 above (actual minimum reserve) to the extent required by their obligation to maintain minimum reserves (minimum reserve obligation). The minimum reserve obligation for a specific period is met if the actual minimum reserve is at least equal to it.

(8) The Austrian National Bank shall order institutions subject to minimum reserve requirements that fail to meet their minimum reserve obligation as defined in paragraph 7 above to pay interest on the shortfall, for every thirty-day period, at a rate up to 5 percent per annum above the discount rate at that time.

(9) The Austrian National Bank is authorized to issue implementing regulations concerning the more precise purport of the concepts used in connection with the minimum reserve procedure as described in the provisions above, the calculation of the minimum reserve obligation and of the actual minimum reserve, and the holding of minimum reserves. These regulations must also specify what liabilities may, by reason of their nature, be disregarded in calculating the minimum reserve obligation for the purpose of fulfilling the objectives referred to in paragraph 1 above.

Article 44

(1) The Austrian National Bank shall be entitled to ask Austrian banks, private and public insurance companies and institutions, public funds and investment companies for any information and documents it may require for the performance of its duties, and to prescribe the form and breakdown of returns to be furnished by them and when such returns must be submitted, and - for statistical purposes - to process the information thus acquired, without revealing the names of the institutions, companies, etc., concerned. If the information or documents provided are not sufficiently instructive, or if there is reason to doubt their accuracy or completeness, the Austrian National Bank shall be entitled to ask for appropriate explanations or substantiating evidence.

(2) The authority granted to the Austrian National Bank under the provisions of paragraph 1 above shall also cover the statistical data on which the Bank shall obtain information on behalf of the Federal Government or in connection with statistical surveys made by international organizations.

Chapter IX

GOVERNMENT SUPERVISION

Article 45

(1) The Federal Minister of Finance shall see to it that the Bank acts in accordance with the law and shall appoint a State Commissioner and a deputy for the purpose of exercising this right of supervision. If the State Commissioner and his deputy are prevented from carrying out their duties, a second deputy may be temporarily appointed. To defray the cost of such government supervision, the Federal Minister of Finance may require the Bank to pay a supervision fee.

(2) The State Commissioner shall be entitled to attend general meetings and meetings of the Governing Board in an advisory capacity, and to demand all information necessary for the performance of his duties.

(3) He may not be denied the right to examine the conduct of the Bank's business as required for the purpose of carrying out his supervisory functions.

(4) The State Commissioner shall have the right to raise objections to decisions of the Governing Board if he considers any such decision to be in conflict with existing legislation. Objection by the State Commissioner to a decision of the Governing Board shall have suspensive effect.

Article 46

(1) The State Commissioner's objection shall cease to have effect if it is revoked by the Federal Minister of Finance within seven days, or upon the expiration of that period. In the latter case an Arbitration Tribunal shall decide within three days whether or not the decision of the Governing Board is in conformity with the law and whether or not its implementation is therefore permissible. The Board's decision may under no circumstances be implemented before the Tribunal has given its ruling.

(2) With respect to the composition of the Arbitration Tribunal and the procedure to be adopted at its hearings Article 41 paragraphs 4 to 6 shall apply.

Chapter X

OPERATIONS OF THE BANK

Article 47

The Bank shall be empowered:

1. to discount and negotiate bills of exchange, securities and interest coupons (Articles 48 and 49);
2. to grant loans against collateral (Articles 51 to 53);
3. to buy and sell in the open market fixed-interest-bearing bonds admitted to official stock exchange dealings, and Treasury certificates and Treasury bills issued by the Federal Republic (Article 54), and to issue and redeem its own cash certificates (Article 55);
4. to buy and sell gold;
5. to effect transactions in foreign bills and foreign exchange (Article 56);
6. to take valuables into safe custody, to accept deposits and to effect giro transactions (Articles 57 to 59);
7. to execute transactions on a commission basis (Article 60).

A. Discount Transactions

Article 48

(1) The Bank shall be empowered to discount drafts and promissory notes presented by banks. In so doing it shall as far as possible discount only bills of exchange or promissory notes resulting from merchandise transactions. The bills or promissory notes discounted by the Bank must be expressed in the legal currency of Austria, must be payable in Austria within three months and must bear the signatures of at least two parties of known solvency. Subject to the above conditions, bills or promissory notes issued by enterprises belonging to the Federal Republic, the Laender or the local authorities may also be discounted, provided that such enterprises are entered as traders in the Commercial Register or are managed separately from public administration as independent undertakings.

(2) The Bank's discount operations shall be effected at the discount rate fixed by the Governing Board, which shall be published.

(3) The Bank may, without stating a reason, refuse to discount a bill or promissory note.

Article 49

(1) The Bank shall be empowered to discount all securities that are eligible as collateral for loans from the Bank (Article 51) and the interest coupons of such securities, provided they are payable within three months.

(2) Anyone presenting securities or interest coupons for discount shall be liable with his whole property for their payment at the due date.

Article 50

(deleted)

B. Lending Transactions

Article 51

(1) The Bank shall be empowered to grant loans against collateral to banks for no longer than three months.

(2) The following shall be eligible as collateral:

1. gold;
2. securities officially quoted on the Vienna Stock Exchange, excluding shares of all kinds;
3. bills of exchange and promissory notes payable within or outside Austria and expressed in Austrian or foreign currency which have no more than six months to run to maturity and conform in all other respects to Article 48;
4. foreign bills and foreign exchange;
5. warehouse warrants to order issued by officially authorized warehouses.

(3) The Governing Board shall fix the conditions for granting loans against gold, bills of exchange and promissory notes, and shall specify against which securities, up to what percentage of their

quoted value and, where applicable, up to what total sum loans may be granted. In the case of warehouse warrants to order, the quoted value shall be replaced by the estimated value or market value of the stored goods.

(4) The Bank may, without stating a reason, refuse applications for loans against collateral.

Article 52

If a loan is not repaid at maturity, the Bank shall be entitled, without consulting the borrower and without judicial proceedings, to sell the collateral, either wholly or in part, for the purpose of obtaining indemnification and to hold any surplus remaining after full settlement of the Bank's claims in respect of principal, interest and any charges and expenses at the disposal of the debtor on non-interest-bearing deposit for his account or to entrust it to a court at the expense and risk of the owner. The Bank, however, shall not be obliged to proceed to such a sale, and if it does not do so on maturity of the loan, there shall be no period of limitation for the Bank's claims in respect of principal, interest and any charges and expenses.

Article 53

The Bank shall regard the holder of a certificate of pledge issued by its head office or one of its branches as entitled to make any changes in the collateral that are in any way permissible and to redeem such collateral. The Bank shall not investigate the authenticity of the required signatures, and shall not assume any responsibility with regard to their authenticity.

C. Open Market Operations

Article 54

(1) The Austrian National Bank shall be empowered to buy and sell in the open market for reasons of monetary policy:

1. fixed-interest-bearing bonds of the Federal Republic, the Laender and the local authorities which are admitted to official stock exchange dealings, and fixed-interest-bearing bonds, guaranteed by any of the above mentioned entities, which are admitted to official stock exchange dealings;
2. short- and medium-term interest-bearing and non-interest-bearing Treasury certificates or Treasury bills of the Federal Republic;
3. other fixed-interest-bearing bonds admitted to official stock exchange dealings which have been declared eligible as collateral security by decision of the Governing Board.

(2) The Bank shall lay down, according to the prevailing monetary situation, the conditions for such purchase or sale.

(3) Purchases effected in accordance with paragraph 1 above must not serve to provide credit assistance for the Federal Government, the governments of the Laender or the local authorities contrary to Article 41 paragraph 1.

Article 55

(1) The Austrian National Bank shall be empowered to issue interest-bearing or non-interest-bearing bonds (cash certificates) expressed in schillings for purposes of conducting open market transactions.

(2) The Bank shall lay down, according to the prevailing monetary situation, the conditions for the issue and redemption of such securities.

D. Transactions in Foreign Bills and Foreign Exchange

Article 56

The Bank shall be empowered to buy and sell in Austria or abroad bills of exchange, promissory notes, checks and orders payable abroad, foreign notes and coin, and bills of exchange or promissory notes payable within Austria but not expressed in Austrian currency, to issue checks and drafts payable abroad, to hold accounts for foreign payments transactions, to effect collections and make payments in foreign countries for account of other parties, to hold such balances as are required for these lines of business and to effect such business transactions as may be necessary for the profitable investment of such balances.

E. Safe Custody, Deposit and Giro Transactions

Article 57

(1) The Bank shall be empowered in accordance with rules to be drawn up by the Board of Executive Directors to accept precious metals, money, securities and documents for safe custody, and securities for management.

(2) If a written request to a depositor to withdraw a deposited item has not been complied with within fourteen days, the Bank may obtain discharge from liability by entrusting the item to a court at the expense and risk of the owner.

Article 58

(1) In connection with giro transactions the Bank shall accept money on current account without paying interest.

(2) The Bank may, without stating a reason, refuse a request to open a giro account or give notice to the holder of an existing account.

(3) In order to facilitate cashless transfers, the Austrian National Bank shall be empowered to establish clearing offices at its head office and branches, and to lay down business rules to regulate their activity.

Article 59

(1) The Bank shall be empowered, after cover has been provided in advance, to certify checks drawn upon itself. It is thereby placed under an obligation to make payment on them to the bearer. It is also liable to the drawer and to any endorser for payment.

(2) Payment of a certified check may not be refused, even if in the meantime bankruptcy or composition proceedings have been instituted with regard to the drawer's property. The liability

arising from certification shall cease if the check is not presented for payment within eight days after having been drawn. With regard to proof of presentation, the law on checks shall apply.

(3) Any claim arising from certification shall lapse two years after expiration of the period set for presentation of the check.

(4) The rules governing jurisdiction and procedure in cases relating to bills of exchange apply *mutatis mutandis* to the legal enforcement of claims arising from certification.

F. Transactions on a Commission Basis

Article 60

The Bank shall be empowered to effect collections on a commission basis, to purchase for account of other parties, after receipt of cash cover, securities of all kinds, precious metals, foreign bills and foreign exchange, and to sell them after they have been delivered.

Chapter XI

BANKNOTES

Article 61

(1) The Bank shall have the exclusive right to issue banknotes.

(2) The notes of the Bank shall be legal tender and must be accepted at their full nominal value without restriction, unless a liability is to be met in specified currency.

(3) The denominations of individual banknotes must be fixed in agreement with the Federal Minister of Finance.

(4) Before issuing a new form of banknote the Bank must publish a precise description of the note in the Official Gazette.

Article 62

(1) The total circulation, i. e. the note circulation together with the cash certificates issued by the Bank and the sight liabilities shown in its books, must, in so far as it is not covered by the federal debt, be fully covered by the following assets:

1. gold;
2. foreign bills and foreign exchange;
3. claims of the Austrian National Bank arising out of participations, measures or operations as defined in Article 3;
4. discounted bills of exchange and promissory notes, and other discounted securities (Articles 41, 48 and 49);
5. loans granted against collateral (Article 51);

6. bonds, Treasury certificates and Treasury bills purchased (Article 54);

7. bills of exchange and promissory notes payable within Austria which are expressed in foreign currency but in other respects are in conformity with Article 48;

8. the Bank's holdings of current Austrian divisional coins.

(2) The Austrian National Bank must hold stocks of gold and foreign exchange in such amount as may be required for settling payments transactions with foreign countries and for maintaining the value of the currency.

Article 63

(1) Notes issued by the Bank which have not returned to its tills shall be deemed to be in circulation.

(2) Banknotes, however, which have been called in but which have not been presented for exchange within the conversion period shall be considered no longer to be in circulation and shall be deducted from the amount in circulation.

(3) The amount so deducted from the note circulation shall accrue to the Federal Government except in so far as it is placed by the Federal Minister of Finance at the disposal of the Austrian National Bank for the redemption of called-in notes over a maximum period of twenty years as from the date on which such notes cease to be legal tender. The amount shall be used for extraordinary redemption of the federal debt.

Article 64

(1) The Bank shall be under obligation to exchange its notes at its head office and branches for notes of other denominations as required by the persons presenting them.

(2) Banknotes may not be declared void, nor may any reservation or prohibition be placed on them.

Article 65

(1) The Bank shall give notes fit for circulation in exchange for incomplete banknotes if the piece of note tendered by the presenter is larger than half of the whole banknote or if it is proved that the missing part of the note has been destroyed.

(2) The Bank is not required to provide any compensation or replacement for banknotes lost or destroyed; it may also confiscate without compensation any banknotes that have been altered in their external appearance, in particular banknotes which have been written on, which have been overprinted or overpainted, to which any adhesive matter has been applied, or which have been stamped or perforated. If, however, the Bank by way of exception exchanges such banknotes, it shall be entitled to make a charge for expenses incurred.

Article 66

In the event of the withdrawal from circulation of individual or all categories of banknotes, the Governing Board shall fix the period after expiration of which the said banknotes shall cease to be legal tender. The banknotes called in may, however, be exchanged for legal tender at the counters of

the Bank within a further period to be fixed by the Governing Board, which may not exceed twenty years.

Chapter XII

ANNUAL STATEMENT OF ACCOUNT AND WEEKLY RETURNS

Article 67

(1) The Bank's financial year shall begin on January 1 and end on December 31.

(2) The balance sheet and profit and loss account shall be drawn up in accordance with general business principles as per December 31 of each year. In this connection the securities held by the Bank shall be entered in the balance sheet at the market price ruling on December 31; if, however, this price is higher than the price at which the securities were purchased, the latter shall be applied for purposes of the balance-sheet entry.

Article 68

(1) Not later than on March 31 of the calendar year following the financial year the Board of Executive Directors shall present to the Governing Board for approval a report on the preceding financial year and the annual statement of account audited by the Auditors.

(2) After they have been approved by the Governing Board, the report and the annual statement of account shall be submitted to the general meeting for adoption.

Article 69

(1) From the Bank's total earnings for the year the following amounts shall be deducted, irrespective of the business results, and not entered in the profit and loss account:

1. the exchange profits accrued during the year, as shown by the books (i. e. the difference between the book value and the buying price of foreign currency holdings); these profits shall be transferred directly to a reserve fund which shall serve to cover any foreign exchange risks connected with the holding of foreign currency items;

2. the earnings from the assets in which the pension reserve, i. e. the reserve fund serving to cover the pension rights of the Bank's staff, has been invested, and which shall be paid into that reserve fund;

3. the amounts of interest which, pursuant to the agreement between the Austrian National Bank and the ERP Fund concluded in accordance with Article 3 paragraph 4 of the ERP Fund Act (Federal Law Gazette No. 207/1962), were credited during the year to the 'temporary reserve account for blocked funds at the National Bank';

4. the earnings from the assets in which the Fund for the Promotion of Scientific Research and Teaching (Jubilaumsfonds der Oesterreichischen Nationalbank zur Forderung der Forschungs- und Lehraufgaben der Wissenschaft) set up by the Bank is invested, and which shall be appropriated to that fund.

(2) From the net profit thus ascertained ten percent shall be allocated to the general reserve fund and ten percent to the pension reserve. When the general reserve fund has reached ten percent of the total circulation as defined in Article 62 paragraph 1, as per December 31, and the pension reserve has reached an amount equal to the capital sum required - according to actuarial calculation - to cover the pension rights of the Bank's staff, no further allocations shall be made to these reserves.

(3) Of the remaining net profit, the Federal Republic shall first receive one third; of the then remaining net profit, the shareholders shall, by decision of the general meeting, receive a dividend of up to ten percent of their share of the capital. Of the portion which then remains, the Federal Republic shall receive one half and the balance shall be appropriated as decided by the general meeting.

Article 70

(1) The Bank shall publish a statement of its assets and liabilities as per the seventh, fifteenth, twenty-third and last day of each month, no later than the seventh working day after these dates (weekly returns).

(2) The statement of the Bank's assets and liabilities to be so published shall contain:

1. on the assets side:

- a) holdings of gold;
- b) holdings of foreign exchange and currency;
- c) claims arising out of participations, measures or operations as defined in Article 3;
- d) holdings of Austrian divisional coins;
- e) holdings of discounted bills of exchange and promissory notes and of other discounted securities;
- f) the amount of lombard loans;
- g) holdings of discounted Federal Treasury certificates;
- h) holdings of bonds, Treasury certificates and Treasury bills purchased in accordance with Article 54;
- i) the amount of the federal debt;
- j) any other assets.

2. on the liabilities side:

- a) capital;
- b) reserve funds;
- c) the amount of banknotes in circulation;
- d) deposits on giro accounts and other sight liabilities shown in the Bank's books;
- e) liabilities resulting from cash certificates issued (Article 55);
- f) any other liabilities.

Chapter XIII

SPECIAL RIGHTS OF THE BANK

Article 71

Statutory provisions limiting interest rates shall not be applicable to the Austrian National Bank.

Article 72

- (1) Transactions falling under Articles 8, 54 and 84 of this federal law shall be exempt from taxes on capital transactions.
- (2) Transactions effected and documents issued by the Austrian National Bank pursuant to Article 2 paragraph 2 of this federal law, and transactions effected and documents issued by it exclusively in the public interest, shall be exempt from stamp duties and other legal dues.
- (3) Furthermore, with regard to the import and export of gold, the Bank shall be exempt from payment of the foreign trade promotion levy
- (4) The Bank shall, moreover, be completely exempt from payment of postal charges for moneys sent between its offices and in connection with business transacted with public cash offices.

Article 73

The books of the Bank and extracts therefrom bearing the Bank's signature shall have the same evidential force as have public documents.

Article 74

- (1) The Bank shall give information about the securities it has sold and about moneys or securities deposited with it only to the respective owners.
- (2) The Bank is not under obligation to give information about credits granted by it.
- (3) The foregoing provisions shall be without prejudice to the right of the ordinary courts or other authorities to require information on the basis of the laws in force.

Article 75

- (1) Actions against the Bank may be brought only at the Commercial Court in Vienna.
- (2) For the purpose of annulling securities or other documents issued by the Bank, the Provincial Court for Civil Cases (Landesgericht für Zivilrechtssachen) in Vienna shall have jurisdiction.

Article 76

- (1) Rights to forbid payment, rights of lien, or rights of execution for moneys or securities deposited with the Bank or of claims against such moneys and securities may be granted only without prejudice to any rights of the Bank for said assets.
- (2) If such rights are asserted, the Bank shall be entitled to deposit in court the moneys or securities, or the amount claimed, at the expense of the owner or the rightful claimant.
- (3) If the owner of moneys or securities deposited with the Bank is declared bankrupt or dies, the person representing the estate of the bankrupt or deceased person shall be responsible for informing the Bank thereof through the appropriate court and for notifying the Bank of the persons who are authorized to dispose of said moneys or securities. In the absence of such information, the Bank shall not be liable for any loss resulting therefrom to the estate of the bankrupt or deceased person.

(4) If delivery of moneys or securities deposited with the Bank has been made contingent on the return of documents issued in connection with them, such moneys or securities shall in all cases be delivered only against surrender of these documents, even to judicially authorized third parties.

Article 77

(1) The Bank shall have an unconditional preferential right to use any moneys, bills of exchange or other valuables in its possession in settlement of its own claims or as collateral for such claims.

(2) The Bank shall enjoy this preferential right not only for such moneys, bills of exchange and other valuables as have been delivered to it for the purpose of securing its claims, but without discrimination for all movable property of the debtor which has come into the possession of the Bank at whatever time and for whatever purpose.

(3) The Bank shall be entitled to obtain payment out of the abovementioned resources in such manner as it may think fit, without the authorization or intervention of any court and even independently of any insolvency proceedings that may have been instituted in respect of the debtor's property; the Bank may not be restrained or hindered in the exercise of this preferential right by any claim of another party, not even by claims of ownership or other previously acquired rights, provided that the Bank accepted the moneys, bills of exchange or other valuables as property belonging to the debtor and that the abovementioned claims of ownership or other claims of other persons were not clearly apparent to the Bank at the time of acceptance.

(4) This preferential right accorded to the Bank shall not apply to balances held by the Bank as minimum reserves pursuant to Article 43.

Chapter XIV

LIQUIDATION OF THE BANK

Article 78

(1) The Austrian National Bank may be liquidated only by federal law.

(2) In the event of liquidation, the paid-up capital shall be repaid to the shareholders. Otherwise the assets and liabilities of the Bank shall be transferred to such institution as shall take over the function of central bank. In particular, this institution shall also take over the staff of the Bank with all their rights and duties as well as the Bank's pension commitments.

(3) A closing balance sheet must be drawn up as per the date of take-over.

Chapter XV

PENAL PROVISIONS

Article 79

(1) The counterfeiting or falsification of notes issued by the Austrian National Bank shall be punished as counterfeiting money and the counterfeiting or falsification of any other document issued by the Bank shall be punished as equivalent to the counterfeiting or falsification of public documents, in each case in accordance with the provisions of the penal code.

(2) The Austrian National Bank, the banks and the public cash offices are under obligation to withhold for examination and verification against a certificate of receipt any national or foreign notes and coins coming into their hands in any way whatsoever which are fit for circulation and are suspected of being counterfeit or of having been tampered with and, if such notes or coins are found to be counterfeit or to have been tampered with, to confiscate them without compensation. The authority competent to undertake or arrange such an examination shall be, in the case of notes and foreign coins, the Austrian National Bank and, in the case of national coins, the Austrian State Mint.

(3) Gold and silver coins out of circulation which are found to be counterfeit or to have been altered may be confiscated by the Austrian National Bank, the banks and the public cash offices only if compensation equivalent to their gold or silver value is provided; if they are to be handed back, they must first be rendered unfit for use.

(4) All notes and coins fit for circulation which are found to be counterfeit or to have been tampered with must be surrendered to the police authorities. The Austrian National Bank or, in the case of national coins, the Austrian State Mint must be notified thereof.

Article 80

(1) Anyone who, without the authorization of the Austrian National Bank, manufactures or distributes copies of its banknotes in circulation (Article 63 paragraphs 1 and 2) or of parts thereof, or who manufactures or distributes documents resembling the Bank's notes shall, provided that the act does not constitute the crime of forging public credit instruments (Article 79 paragraph 1) or some other offense carrying a more severe penalty, be guilty of an offense subject to administrative jurisdiction.

(2) Any person who, without the authorization of the Austrian National Bank, manufactures or acquires printing blocks or other technical devices intended for the production of the copies or documents referred to in paragraph 1 above shall also, provided that the act does not constitute an offense carrying a more severe penalty, be guilty of an offense subject to administrative jurisdiction.

(3) The offenses subject to administrative jurisdiction defined under paragraphs 1 and 2 above shall be punishable by the district administrative authority with a fine of up to 30,000 schillings or imprisonment of up to four weeks. The materials constituting the object of the offense shall be declared forfeit. Persons engaged in business may, in addition, have their business licences revoked.

(4) The authorization referred to in paragraphs 1 and 2 above may be granted if the manufacture or production of the copies, documents or technical devices specified in the foregoing provisions and the distribution or acquisition thereof are in the interest of safeguarding the currency.

Article 81

(1) Anyone who puts into circulation or accepts in payment documents that could be used in place of monetary tokens (emergency money, non-interest-bearing bonds, orders payable to bearer) shall be sentenced by the court, provided that the act is not subject to a more severe penalty under any other provision, to a fine of up to 400,000 schillings, or, if the monetary or material value at which the documents put into circulation or accepted in payment by the offender are expressed, exceeds 250,000 schillings, to a fine of up to twice their face value. The term of imprisonment imposed in lieu of the aforementioned fines shall not exceed one year. Documents which form the object of such offenses are to be forfeited.

(2) If the prosecution or sentencing of any particular person is not possible, the "Ratskammer"*) , on the motion of the Public Prosecutor, shall independently adjudicate the forfeiture by judicial order. The parties concerned shall have the right to appeal against such an order (Article 114 of the Code of Criminal Procedure).

(3) Prosecution proceedings shall be started only if petitioned by the Austrian National Bank. Once such petition has been lodged, no further action by the Bank is necessitated for instituting, where necessary, the independent forfeiture proceedings (paragraph 2 above).

(4) The Provincial Court for Penal Cases (Landesgericht für Strafsachen) in Vienna shall have exclusive jurisdiction for conducting the penal proceedings and the independent forfeiture proceedings.

*) A senate of Austrian courts of first instance which supervises preliminary investigations and proceedings before trial.

Article 82

Anyone who, by refusing information, fails to comply with the obligation to supply information in accordance with Article 44 or in accordance with instructions issued pursuant to the provisions of that Article, or who deliberately gives incomplete or incorrect information, shall be guilty of an offense subject to administrative jurisdiction which shall be punishable by a fine of up to 30,000 schillings or imprisonment of up to four weeks. Where aggravating circumstances prevail, both a fine and a term of imprisonment may be imposed.

Chapter XVI

TRANSITIONAL AND CONCLUDING PROVISIONS

Article 83

(1) To facilitate the financing of ERP investment credits, the Austrian National Bank may discount and use as cover, as defined in Article 62 paragraph 1, three-month finance bills up to the maximum sum laid down in Article 3 paragraph 2 of the ERP Fund Act (Federal Law Gazette No. 207/1962).

(2) The bills must bear the signatures of the borrower and of a bank duly authorized in accordance with Article 13 of the ERP Fund Act. Discounts of these bills may be renewed until the credit made available has been repaid or has been converted into some other form of finance.

Article 84

(1) Holders of shares of the Austrian National Bank which have not been exchanged pursuant to the ordinance of April 23, 1938, (Law Gazette of the Reich 1, page 405) for 4 1/2% Treasury bonds of the German Reich shall receive the sum of 500 schillings per share upon the surrender of such shares at the Austrian National Bank.

(2) Increases in assets resulting from compensation payments for shares surrendered in accordance with paragraph 1 above shall not be subject to taxes on income and earnings.

Article 85

After September 23, 1955, the previous statutes of the Austrian National Bank and, with the exception of Article 4 Chapter II of the Central Bank Transition Act (State Law Gazette No. 45/1945) shall cease to have effect.

Article 86

The Federal Minister of Justice shall be entrusted with the execution of Article 79 paragraph 1 and Article 81 of this federal law; the Federal Minister of Finance shall be entrusted with the execution of all other provisions of this federal law.