

**The Act on the National Bank of Poland**  
**(Narodowy Bank Polski)**  
**of 29 August 1997**  
(Journal of Laws of 2013 item 908 as amended)<sup>1</sup>  
(consolidated version)

**Chapter 1**  
**General Provisions**

**Article 1**

The National Bank of Poland, hereinafter referred to as "the NBP", shall be the central bank of the Republic of Poland.

**Article 2**

1. The NBP shall have legal personality and the right to use a seal bearing the national emblem.
2. The NBP shall not be subject to entry into the register of state enterprises.
3. The activity of the NBP shall be conducted on the territory of the Republic of Poland.
4. The seat of the NBP shall be Warsaw.

**Article 3**

1. The basic objective of the activity of the NBP shall be to maintain price stability, while supporting the economic policy of the Government, insofar as this does not constrain the pursuit of the basic objective of the NBP.
2. The tasks of the NBP shall also include:
  - 1) organising monetary clearing,
  - 2) managing the foreign exchange reserves,
  - 3) conducting foreign exchange activities within the bounds stipulated by statutes,
  - 4) providing banking services to the state budget,
  - 5) regulating the liquidity of the banks and providing them with refinancing facilities,
  - 6) establishing the necessary conditions for the development of the banking system,
  - 6a) acting to sustain stability of Poland's financial system, as defined by Art. 2 subpara. 1 of the Act on Financial Stability Committee of 7 November 2008 (Journal of Laws No. 209, item 1317),

- 7) compiling the monetary and banking statistics, the balance of payments and international investment position,
- 8) performing other tasks as specified by statutes.

#### **Article 4**

The NBP shall have the exclusive right to issue the currency of the Republic of Poland.

#### **Article 5**

1. The NBP may:

- 1) be a member of international financial and banking institutions,
  - 2) cover the expenses related to the membership in the institutions referred to in point 1 from its own funds.
- 1a The NBP shall cover from its own funds the expenses related to the membership of the Republic of Poland in the International Monetary Fund.
- 1b The NBP shall be entitled to receive any amounts due to the Republic of Poland from the International Monetary Fund arising from resources financed by the NBP from its own funds, including claims for repayment, interest payments and other proceeds.
2. The NBP shall not hold shares in other legal persons, except those providing services solely to financial institutions and the State Treasury or relevant for the NBP in terms of acting to sustain stability of Poland's financial system referred to in Art. 3, para. 2, subpara. 6a.

### **Chapter 2**

#### **Organisational Structure of the NBP**

#### **Article 6**

The decision-making bodies of the NBP shall be:

- 1) President of the NBP,
- 2) Monetary Policy Council,
- 3) NBP Management Board.

#### **Article 7**

1. The NBP shall perform its tasks through its Head Office and other offices.
2. The NBP Management Board shall, by resolution:
  - 1) establish, reorganise and wind up organisational units at the NBP Head Office and other offices,

- 2) specify the scope of activity and internal organisational structure of the NBP Head Office and other NBP offices.

## **Article 8**

The activities of NBP offices shall be subject to internal audit, performed by a unit of the NBP Head Office, reporting to the President of the NBP.

### **A. President of the NBP**

## **Article 9**

1. The President of the NBP shall be appointed and dismissed by the Sejm, at the request of the President of the Republic of Poland.
2. The term of office of the President of the NBP shall be six years. The same person shall not serve as President of the NBP for more than two consecutive terms.
3. The President of the NBP shall assume his/her duties after taking the following oath before the Sejm:

"Assuming the duties of the President of the National Bank of Poland I do solemnly swear that I will strictly observe the provisions of the Constitution and other laws and that in all my actions I will pursue the economic development of our Homeland and the well-being of its citizens". This oath may be taken with the addition of the words, "So help me God".

4. The term of office of the President of the NBP shall expire:
  - 1) following a period of six years,
  - 2) in the event of his/her death,
  - 3) in the event of his/her resignation,
  - 4) in the event of his/her dismissal.
5. The President of the NBP may be dismissed if:
  - 1) he/she has been unable to fulfil his/her duties due to prolonged illness,
  - 2) he/she has been convicted of committing a criminal offence under a legally binding court sentence,
  - 2a) he/she has submitted a vetting statement deemed false by court in a binding ruling,
  - 3) the Tribunal of State has prohibited him/her from occupying managerial positions or holding posts of particular responsibility in state bodies.

## **Article 9a.**

1. Following the expiry of the term of office of the President of the NBP for the reason specified in Art. 9 para 4 point 1 the President of the NBP shall remain in office until a newly appointed President of the NBP assumes his/her duties.
2. Following the expiry of the term of office of the President of the NBP for the reasons specified in Art. 9 para 4 points 2-4 the Vice President of the NBP – the First Deputy

President of the NBP shall be the acting NBP President until a newly appointed President of the NBP assumes his/her duties.

## **Article 10**

1. The Vice President of the NBP – the First Deputy President of the NBP, in absence of the President of the NBP, shall act as his/her substitute.
2. [repealed].
3. The Vice Presidents of the NBP shall manage individual areas of the NBP activity, as assigned by the President of the NBP.

## **Article 11**

1. The President of the NBP shall be the superior of all NBP staff. The rights and duties of the NBP staff shall be as laid down in the Labour Code and in the staff regulations set out in separate legislation.
2. The President of the NBP shall chair the Monetary Policy Council, the NBP Management Board, and shall represent the NBP externally.
3. The President of the NBP shall represent the interests of the Republic of Poland within international banking institutions, and, unless the Council of Ministers decides otherwise, within international financial institutions.
4. While issuing regulations subject to publication and administrative decisions, the President of the NBP shall be entitled to use a seal bearing the national emblem.
5. The President of the NBP shall:
  - 1) determine, with the approval of the minister competent for internal affairs, the principles for the safekeeping of monetary values at banks and at undertakings producing banknotes and coins, and transportation of these values by banks and such undertakings;
  - 2) perform tasks resulting from the provisions on the universal duty to defend the Republic of Poland.

## **B. Monetary Policy Council**

## **Article 12**

1. The Monetary Policy Council, hereinafter referred to as "the Council", shall set the annual monetary policy guidelines and submit them for the information of the Sejm alongside the submission of the Draft Budget Act by the Council of Ministers. Within 5 months following the end of the budget year, the Monetary Policy Council shall submit a report on monetary policy implementation to the Sejm.
2. While acting in accordance with monetary policy guidelines, the Council shall, in particular:
  - 1) set the NBP interest rates,
  - 2) set the minimum reserve requirement ratio for banks and set the remuneration rate on the reserve holdings,

- 3) set ceilings on the liabilities arising from the NBP borrowings from foreign banking and financial institutions,
- 4) approve the NBP financial plan and the report on the activity of the NBP,
- 5) accept the annual financial statements of the NBP,
- 6) set the principles for open market operations.

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  - 2) set the minimum reserve requirement ratio for banks and credit unions and set the remuneration rate on the reserve holdings,**
  - 3) set ceilings on the liabilities arising from the NBP borrowings from foreign banking and financial institutions,**
  - 4) approve the NBP financial plan and the report on the activity of the NBP,**
  - 5) accept the annual financial statements of the NBP,**
  - 6) set the principles for open market operations.**
3. The Council shall assess the activity of the NBP Management Board with regard to its performance of monetary policy guidelines.
4. [repealed].

**Article 13**

**1. The Council shall be composed of:**

- 1) the Chairperson of the Council who shall be the President of the NBP,
- 2) nine members appointed in equal numbers by the President of the Republic of Poland, the Sejm and the Senate, from among specialists in the field of finance.

**2. The term of office of a Council member shall be six years. The post of the Council member may not be held for more than one term.**

**3. The appointment of new Council members should take place no later than on the day the term of office of the previous members expires.**

**4. Prior to assuming their duties on the Council, a Council member shall take the following oath before the appointing body:**

" Assuming the duties of a member of the Monetary Policy Council I do solemnly swear that I will act with full impartiality, pursuant to the knowledge and experience I possess with respect to monetary policy, and in accordance with the objectives of the NBP activity."

The oath may be taken with the addition of the words, "So help me God".

**5. The bodies authorised to appoint a member of the Council shall dismiss him/her solely in the event of:**

- 1) his/her resignation from the post,
  - 2) illness which permanently prevents him/her from performing his/her responsibilities,
  - 3) a conviction of a criminal offence under a legally binding court sentence,
  - 3a) his or her submitting an untrue vetting statement, as pronounced by a binding court ruling
  - 4) the circumstances referred to in Art. 14, para. 2.
6. In the event of the death of a Council member, the appointing body shall declare the expiry of his/her mandate.
7. Where a seat on the Council is vacated for the reasons specified in paras. 5 and 6, the body authorised to appoint a member of the Council shall do so no later than within three months of the dismissal of the Council member concerned or declaration of expiry of the Council member's mandate.
8. [repealed].

#### **Article 14**

1. During his/her term of office, a Council member shall not hold any other positions nor engage in profit-gaining or public activity other than academic work, teaching or writing, although the Council may adopt a resolution (without the participation of the person concerned) expressing its consent for a member to engage in activities of international organisations.
2. A Council member being a member of a political party or trade union is required to suspend the activity in that party or union for his/her term of office as Council member, on pain of dismissal from the Council.
3. The Members of the Council shall be entitled to remuneration equivalent to that of the NBP Vice Presidents. Such remuneration shall also be due for a period of three months following  
  
the expiry of the term of office, except where the reason for the dismissal of the member is a conviction of a criminal offence under a legally binding judgment of a court.

#### **Article 15**

The Vice Presidents of the NBP shall participate in the meetings of the Council without the right to vote.

#### **Article 16**

1. Meetings of the Council shall be convened by the Chairperson at least once a month. A meeting of the Council may also be convened at a written request of at least 3 members of the Council.
- 1a. In the absence of the Chairperson one of the Council members shall preside at meetings.
2. The mode of the Council's operation and the procedure for electing the member to preside at the meeting in the absence of the Council Chairperson shall be laid down in by-laws adopted by the Council by a majority vote.

3. The Council shall rule in the form of resolutions adopted by a majority vote, when at least five members are present, including the Chairperson of the Council. In the event of a tied vote, the Chairperson of the Council shall have a casting vote.
4. The positions taken by Council members during votes shall be announced in the Court and Commercial Gazette (*Monitor Sądowy i Gospodarczy*) after a period of six weeks, but not later than three months from the date of adopting the resolution.

### **C. The NBP Management Board**

#### **Article 17**

1. The activity of the NBP shall be directed by its Management Board.
2. The NBP Management Board shall be composed of: the President of the NBP - as a Chairperson, and six to eight Board members, including two Vice Presidents of the NBP.
  - 2a The members of the NBP Management Board shall be appointed and dismissed by the President of the Republic of Poland, at the request of the President of the NBP.
  - 2b The members of the NBP Management Board shall be appointed for the period of 6 years. The provisions of Art. 9 para. 2, Art. 13 para. 3 and paras. 5-7 shall apply accordingly.
3. The NBP Management Board shall:
  - 1) implement the resolutions of the Council,
  - 2) adopt resolutions on matters not reserved by the present Act for the exclusive competence of other bodies of the NBP.
4. The scope of activities of the NBP Management Board shall include, in particular:
  - 1) [repealed],
  - 2) performing tasks concerning the exchange rate policy,
  - 3) performing periodic assessments of the circulation of currency, monetary clearing and foreign exchange operations,
  - 4) supervising open market operations,
  - 5) assessing the operation of the banking system, 5 a)  
analysing stability of Poland's financial system,
  - 6) adopting the NBP plan of activity and financial plan,
  - 7) determining the commissions and banking fees to be charged by the NBP and specifying their rates
  - 8) specifying the principles for the management of NBP funds,
  - 9) determining the organisational structure and division of responsibilities within the NBP,
  - 10) determining the NBP personnel and staff compensation policies,
  - 11) adopting the annual report on the activity of the NBP,
  - 12) drawing up the annual financial statements of the NBP,

- 13) drawing up accounts of the national balance of payments,
- 14) preparing and examining draft resolutions and other materials to be submitted to the Council.

### **Article 18**

Members of the NBP Management Board shall not hold any other positions nor engage in profit-gaining or public activity other than academic work, teaching or writing. The provision of Art. 14, para. 2 shall apply accordingly.

### **Article 19**

Resolutions of the NBP Management Board shall be adopted by an absolute majority vote, and in the event of a tied vote, the President of the NBP shall have a casting vote.

### **Article 20**

The detailed procedure for the activity of the NBP Management Board shall be laid down in the by-laws adopted by the Management Board.

## **Chapter 3**

### **The NBP and State Authorities**

### **Article 21**

In performing its tasks, the NBP shall collaborate with the competent State bodies with regard to developing and implementing the state economic policy, while striving to ensure the proper implementation of monetary policy guidelines, and in particular it shall:

- 1) submit the monetary policy guidelines as well as reports on the implementation of monetary policy and on the situation within the banking system to State bodies,
- 2) collaborate with the Minister of Finance in developing financial plans of the State,
- 3) present its opinion on draft legislation relating to economic policy,
- 4) present its opinion on draft laws concerning the activity of banks and draft legislation of significance to the banking system.

### **Article 22**

1. The President of the NBP may attend the sessions of the Sejm.
2. The President of the NBP and other representatives of the NBP bodies referred to in Art. 6 are required to submit information and provide explanations on monetary policies and activity of the NBP to the Sejm and the Senate, as well as to their commissions.

### **Article 22a**

The President of the NBP shall be a member of the Financial Stability Committee.



## Article 23

1. Acting on behalf of the Council, the President of the NBP shall:

1) provide the Sejm and the Council of Ministers with the following:

- a) quarterly reports on the balance of payments,
- b) annual statement on the international investment position,

2) provide the Council of Ministers and the Minister of Finance with draft monetary policy guidelines, opinions on the Draft Budget Act, balance of payments forecasts and the Council's decisions,

3) draw up periodic reports on transfers of (payments from) profit.

2. Supreme State authorities, bodies of central and local government, banks and other legal persons, organisational entities which are not legal persons and other entrepreneurs shall:

1) provide the NBP with data necessary to set the monetary policy and to make periodical assessments of the monetary standing of the State,

2) the entities participating in foreign trade – shall provide the NBP with data necessary to draw up the balance of payments and the international investment position.

2a Entities participating in monetary clearing and interbank settlements shall provide, at the request of the NBP, data necessary for assessing the monetary clearing and interbank settlements.

2b Following consultations with the President of the NBP, the Minister competent for financial institutions shall specify, by regulation, the procedure, scope and dates of performing the duty referred to in para. 2a taking into account the need to ensure access for the NBP to information necessary to carry out its duties under this Act and separate provisions.

2c Following consultations with the President of the NBP and the Chairman of the Polish Financial Supervision Authority, the Minister competent for financial institutions shall specify, by regulation, the way, detailed scope and dates of submitting data by these entities that are required for setting the monetary policy and making periodical assessment of the monetary standing of the State while taking into account the position, share in the financial market and the significance for the analysis of the activities of entities referred to in para. 2 other than banks, and the need to ensure access for the NBP to information necessary to carry out its duties under this Act and duties arising from the participation in the European System of Central Banks.

3. Banks shall additionally provide, at the request of the NBP, data necessary to assess their financial standing and the risks to the banking system.

4. The procedure and specific principles for the provision of data referred to in paras. 2 and 3 shall be laid down in a relevant resolution of the NBP Management Board.

4a. The obligation to provide the NBP with data necessary to carry out its tasks under this Act as well as arising from participation in the European System of Central Banks also applies to data protected under separate laws, including information subject to banking secrecy.

5. Individual data referred to in paras. 2, 2a and 3 may solely be used for the purpose of preparing statistical statements, studies, assessments, balances and to draw up the

international investment position, and shall not be disclosed to third parties without prejudice to paras 6 - 8.

6. Statistical statements, studies and assessments containing individual data referred to in paras. 2, 2a and 3, which enable to link the data with a particular entity or to identify a particular entity – in particular, if data concerning less than three entities have been used for the compilation of the statement, study or assessment, or the data concerning one entity, used in the statement, study or assessment, represent more than three quarters of the whole information - shall not be disclosed to third parties.
7. Individual data referred to in paras. 2, 2a and 3, and the statements, studies and assessments specified in para. 6, shall be made accessible by the NBP to:
  - 1) the European Central Bank – in the conduct of duties related to the NBP participation in the European System of Central Banks,
  - 2) other foreign entities – in the performance of international obligations of the Republic of Poland
  - 3) entities other than those listed in subparas 1 and 2 – pursuant to separate provisions.
8. Individual data referred to in para. 3 may be made accessible to the Minister of Finance and the Polish Financial Supervision Authority to the extent necessary for the pursuit of goals and tasks of the Financial Stability Committee.
9. The provisions of para. 8 shall apply accordingly to the data containing information subject to protection pursuant to other laws, including information subject to banking secrecy.
10. The NBP and the Central Statistical Office (GUS) shall mutually exchange, free of charge, individual data and statistical data at their disposal to the extent necessary to perform their respective statutory duties.
11. Detailed scope and mode of exchanging data referred to in para. 10 shall be laid down in the agreement on information sharing concluded between the President of the NBP and the President of GUS.

## **Article 23a**

1. Data necessary to:
  - 1) compile the balance of payments and the international investment position,
  - 2) set the monetary policy and make periodical assessment of the State's monetary standing,
  - 3) assess banks' financial standing and banking sectorrisk shall be submitted to the NBP in electronic form.
2. Data in electronic form shall be submitted using appropriate certificates issued at the NBP or other forms of authentication applied at the NBP.
3. Submitting data in a way incompatible with the requirements referred to in paras. 1 and 2 shall be tantamount to failure to submit them.

#### **Article 24**

1. The NBP shall implement the foreign exchange policy laid down by the Council of Ministers in consultation with the Council.
2. The principles for setting the exchange rate of the złoty against foreign currencies shall be laid down by the Council of Ministers in consultation with the Council.
3. The NBP shall announce current exchange rates for foreign currencies and for other types of foreign exchange values.

### **Chapter 4**

#### **Banking Supervision**

#### **Article 25**

[repealed].

#### **Article 26**

[repealed].

#### **Article 27**

[repealed].

#### **Article 28**

[repealed].

#### **Article 29**

[repealed].

#### **Article 30**

[repealed].

### **Chapter 5**

#### **Issue of Currency**

#### **Article 31**

The currency of the Republic of Poland shall be banknotes and coins denominated in złoty and grosz.

### **Article 32**

Banknotes and coins issued by the NBP shall constitute legal tender on the territory of the Republic of Poland.

### **Article 33**

1. The design and denomination of banknotes, and the design, denomination, alloy, fineness and weight of coins, as well as the volume of issues of banknotes and coins, together with the dates on which they are to be brought into circulation, shall be specified by the President of the NBP by regulation.
2. The President of the NBP may withdraw particular banknotes and coins from circulation. As of the date set by the President of the NBP, such banknotes and coins shall cease to be legal

tender on the territory of the Republic of Poland, and shall be subject to replacement at banks designated by the President of the NBP.

### **Article 34**

1. The banknotes and coins which do not fulfil the conditions set by the President of the NBP because of being worn or damaged, shall cease to be legal tender on the territory of the Republic of Poland and shall be subject to replacement.
2. The President of the NBP shall specify, by regulation, the detailed principles and procedure for the replacement of banknotes and coins referred to in para. 1.

### **Article 35**

1. Counterfeit banknotes and coins shall be subject to forfeiture without compensation.
2. The provision of para. 1 shall apply accordingly to counterfeit banknotes and coins denominated in foreign currencies.
3. The President of the NBP shall specify, by regulation, the principles and procedure for forfeiting banknotes and coins (the authenticity of which is suspect) and the procedure for handling counterfeit banknotes and coins. This regulation shall be agreed with the Minister of Justice and the minister competent for internal affairs.

### **Article 36**

The NBP may sell, in Poland and abroad, coins, banknotes and numismatic items for collection and other purposes, on terms and according to principles specified by the NBP Management Board by resolution.

### **Article 37**

The NBP shall organise the management of banknotes and coins of the Republic of Poland.

## **Chapter 6**

## **Monetary Policy Instruments**

### **Article 38.**

1. For the purpose of influencing the money supply and lending activity, the NBP shall accumulate the required minimum reserves of the banks.
2. The banks' required minimum reserves shall constitute a portion, expressed in złoty, of the złoty and foreign currency funds held in bank accounts; of the funds obtained from the sale of securities, with the exception of mortgage secured securities with the redemption period of over 5 years and mortgage bonds with the redemption period of over 5 years; and of other repayable funds taken by banks, with the exception of funds taken from another domestic bank, as well as funds taken from a foreign bank pursuant to agreements concluded prior to

the entry into force of the present Act, or funds obtained from abroad for a period of at least two years, funds obtained pursuant to the contracts for maintaining individual retirement accounts and the contracts for maintaining individual retirement savings accounts within the meaning of the provisions on individual retirement accounts and on individual retirement savings accounts.

3. Cooperative banks shall hold their required minimum reserves at the affiliating bank, to which they are affiliated. The affiliating bank shall hold the required minimum reserves of the affiliated cooperative banks in its own account at the National Bank of Poland, in the amount corresponding to the minimum reserve requirements of the affiliated banks and its own minimum reserve requirements.

### **Article 38<sup>1</sup>**

1. **For the purpose of influencing the money supply and lending activity, the NBP shall accumulate the required minimum reserves of the banks, credit unions and the National Credit Union.**
- 2.<sup>2</sup> **The banks' required minimum reserves shall constitute a portion, expressed in złoty, of the złoty and foreign currency funds held in bank accounts; of the funds obtained from the issue of debt securities and of other repayable funds taken by banks, with the exception of:**
  - 1) **funds taken from another domestic bank, credit unions and the National Credit Union;**
  - 2) **funds taken from a foreign bank pursuant to agreements concluded prior to the entry into force of the present Act;**
  - 3) **funds obtained from abroad for a period of at least two years;**
  - 4) **funds obtained pursuant to the contracts for maintaining individual retirement accounts and the contracts for maintaining individual retirement savings accounts within the meaning of the provisions on individual retirement accounts and on individual retirement savings accounts.**
  - 5) **funds obtained from the sale of mortgage secured securities with the redemption period of over five years and mortgage bonds with the redemption period of over five years.**
- 3.<sup>3</sup> **The credit unions' required minimum reserves and the National Credit Union's required minimum reserve shall constitute a portion, expressed in złoty, of the złoty and foreign currency funds held in the credit union accounts and the National Credit**

**Union's account; of the funds obtained from the issue of debt securities and of other repayable funds, with the exception of funds taken from another credit union, the National Credit Union or a domestic bank.**

- 4. Cooperative banks shall hold their required minimum reserves at the affiliating bank, to which they are affiliated. The affiliating bank shall hold the required minimum reserves of the affiliated cooperative banks in its own account at the National Bank of Poland, in the amount corresponding to the minimum reserve requirements of the affiliated banks and its own minimum reserve requirements.**
- 5. Credit unions shall hold their required minimum reserves at the National Credit Union. The National Credit Union shall hold the required minimum reserves of the credit unions in its own account at the National Bank of Poland, in the amount corresponding to the minimum reserve requirements of the credit unions and the minimum reserve requirement of the National Credit Union.**

#### **Article 39**

1. The minimum reserve requirement ratio may vary according to contractual deposit maturity, the type of currency concerned, as well as the kind of conducted financial operations constituting the source of proceeds.
2. The total of the required minimum reserves shall not exceed:
  - 1) 30% of the total funds referred to in Art. 38, para. 2, in the case of demand deposits,
  - 2) 20% of the total funds referred to in Art. 38, para. 2, in the case of term deposits.
3. The NBP Management Board may exempt a bank from satisfying the minimum reserve requirement during the implementation of a rehabilitation programme.
4. Amounts due as interest on required minimum reserves shall be transferred to the banks, subject to para. 5.
5. The following funds shall be transferred to a separate account at the NBP:
  - 1) 80 % of the amounts due as interest on required minimum reserves held in 2004,
  - 2) 60 % of the amounts due as interest on required minimum reserves held in 2005,
  - 3) 50 % of the amounts due as interest on required minimum reserves held in 2006- for the purpose of making a contribution to the European Union Guarantee Fund (*Fundusz Porgczeń Unijnych*), established under the Act of 16 April 2004 on the European Union Guarantee Fund (Journal of Laws of 2004, No. 121, item 1262).
6. The detailed procedure and manner of transferring the amounts due as interest on required minimum reserves shall be specified in a contract concluded between Bank Gospodarstwa Krajowego and the National Bank of Poland.

#### **Article 39<sup>4</sup>**

- 1. The minimum reserve requirement ratio may vary according to contractual deposit maturity, the type of currency concerned, as well as the kind of conducted financial operations constituting the source of proceeds.**
- 2. The total of the required minimum reserves shall not exceed:**

- 1) **30% of the total funds referred to in Art. 38, para. 2 and 3, in the case of demand deposits,**
- 2) **20% of the total funds referred to in Art. 38, para. 2 and 3, in the case of term deposits.**
3. **The NBP Management Board may exempt a bank, credit union or the National Credit Union from satisfying the minimum reserve requirement during the implementation of a rehabilitation programme.**
4. **Amounts due as interest on required minimum reserves shall be transferred to the banks, credit unions and the National Credit Union.**

#### **Article 39a.**

Banks shall deduct from the amount of required minimum reserves the amount equivalent to 500,000 euro, calculated according to the average exchange rate, as announced by the NBP on the last day of the base month for the calculation of the minimum reserve requirement; in the event such rate is not announced on that day - according to the last rate announced before that day

#### **Article 39a<sup>5</sup>**

**Banks, credit unions and the National Credit Union shall deduct from the amount of required minimum reserves the amount equivalent to 500,000 euro, calculated according to the average exchange rate, as announced by the NBP on the last day of the base month for the calculation of the minimum reserve requirement; in the event such rate is not announced on that day - according to the last rate announced before that day.**

#### **Article 40.**

1. The NBP Management Board shall set:
  - 1) the principles and procedure for calculating and holding the required minimum reserves,
  - 2) the types of funds which are not subject to the minimum reserve requirement,
  - 3) the principles for calculating interest on the required minimum reserves and for transferring the amounts due as such interest.
2. The NBP Management Board may determine the amount of vault cash, held in złoty that will be deemed to be the equivalent of the required minimum reserves held at the NBP.
3. The principles determined for banks regarding the transfer of amounts due as interest on the required minimum reserves shall apply to the transfer of funds referred to in Art. 39 para. 5.

#### **Article 40<sup>6</sup>**

##### **1. The NBP Management Board shall set:**

- 1) **the principles and procedure for calculating and holding the required minimum reserves,**
- 2) **the types of funds which are not subject to the minimum reserve requirement,**

- 3) the principles for calculating interest on the required minimum reserves and for transferring the amounts due as such interest.**
- 2. The NBP Management Board may determine the amount of vault cash held, in zloty, at a bank, credit unions and the National Credit Union that will be deemed to be the equivalent of the required minimum reserves held at the NBP.**

#### **Article 41.**

1. In case of violation of the minimum reserve requirement specified in Art. 40, the bank shall pay interest to the NBP on the difference between the balance it is required to hold on accounts and the balance actually held on accounts.
2. The interest referred to in para. 1 shall be calculated at a rate set by resolution of the NBP Management Board, which shall not be higher than twice the lombard rate.
3. The NBP Management Board may give its consent to a bank not to pay the interest referred to in para. 1 if the bank has had its operations suspended, is under liquidation or has been declared bankrupt.

#### **Article 41<sup>7</sup>**

- 1. In case of violation of the minimum reserve requirement specified in Art. 40, the bank, the credit union or the National Credit Union shall pay interest to the NBP on the difference between the balance it is required to hold on accounts and the balance actually held on accounts.**
- 2. The interest referred to in para. 1 shall be calculated at a rate set by resolution of the NBP Management Board, which shall not be higher than twice the lombard rate.**
- 3. The NBP Management Board may give its consent to the bank, the credit union or the National Credit Union not to pay the interest referred to in para. 1 if the bank, the credit union or the National Credit Union has had its operations suspended, is under liquidation or has been declared bankrupt.**

#### **Article 42**

1. The NBP may grant refinancing loans to banks, in zloty, in order to replenish their money holdings.
2. In granting refinancing loans, the NBP shall consider the capability of the bank to repay the loan together with interest, on the contractual repayment dates, subject to the reservation indicated in para. 3.
3. The NBP may also grant a refinancing loan to a bank for the purpose of implementing a rehabilitation programme.
4. Refinancing facilities may be granted:
  - 1) up to a specified amount, as a line of credit,
  - 2) against pledge of securities, up to an amount corresponding to a specified proportion of the nominal value of such securities (lombard facilities),
  - 3) in other forms, as specified by the NBP Management Board.



5. The contract for a refinancing loan may be terminated by each of the parties with a seven-day notice.
6. If the financial situation of the bank using the refinancing facilities has worsened to the extent that a timely repayment of the loan is at risk, or if such a bank fails to observe the essential provisions of the loan contract, the NBP may terminate the contract for refinancing loan and demand an earlier repayment of the loan, partial or total, within a period shorter than stipulated in such a contract.
7. The provisions of the Banking Act of 29 August 1997 (Journal of Laws of 2002, No. 72, item 665, as amended) shall apply to the contract for refinancing loan, subject to modifications resulting from the present Act.

### **Article 43**

1. The NBP may grant short-term loans to the Bank Guarantee Fund (*Bankowy Fundusz Gwarancyjny*) in the cases stipulated in the Act on the Bank Guarantee Fund of 14 December 1994 (Journal of Laws of 2009, No. 84, item 71) and the Act of 5 November 2009 on Credit Unions (Journal of Laws of 2012, items 855 and 1166 and of 2003, item 613).
2. In the event of a threat to the liquidity of credit unions, the NBP may grant a short-term loan to the National Credit Union for making a contribution to the stabilisation fund referred to in Art. 55 para.1 of the Act of 5 November 2009 on Credit Unions, where there is a risk that funds held in the stabilisation fund may be exhausted and provided that adequate collateral has been established.
3. The Polish Financial Supervision Authority shall, at the request of the NBP, communicate its opinion on the situation of the credit union sector and its ability to repay the loan referred to in para. 2 with interest.
4. Funds from the loan referred to in para. 2 may solely be National Credit Union only for the purpose of granting loans to credit unions to replenish their cash resources.

### **Article 44**

1. The NBP may accept bills of exchange from banks for discount and rediscount.
2. The NBP Management Board shall specify the types of bills of exchange eligible for discount and rediscount at the NBP, and shall determine, by resolution, the principles and procedure for their discounting and rediscounting.

### **Article 45**

[repealed].

### **Article 46**

Should the implementation of monetary policy be jeopardised, the Council may resolve to:

- 1) restrict the volume of funds granted to borrowers by banks,
- 2) require the holding of non-interest-bearing deposits with the NBP against foreign funds used by banks and domestic entrepreneurs.

#### **Article 47**

Loans and advances drawn by the NBP from foreign banking and financial institutions may be earmarked for extending foreign currency loans to domestic banks.

#### **Article 48** The

NBP may:

- 1) issue and sell securities,
- 2) purchase and sell debt securities under open market operations,
- 3) organise trading in the securities it issues and securities issued or guaranteed by the Treasury,
- 4) open term deposit accounts for banks.

#### **Article 49**

The NBP may be entrusted with the servicing of central government loan drawn in through the issue of securities.

#### **Article 50**

The NBP may accept securities, including those issued by itself, for safekeeping and custody, and as collateral.

#### **Article 50a**

In the event of securing the claims of the NBP, the satisfaction of the claims of the NBP acting as a pledgee shall be performed in a manner provided for in the Civil Code, or – if stipulated in the contract with the pledgor – by sale of the pledged assets by the NBP on the pledgor's behalf or its appropriation by the NBP.

### **Chapter 7**

#### **Operation of Bank Accounts**

#### **Article 51**

1. The NBP shall operate accounts for:

- 1) banks,
- 2) the State budget,
- 3) the Bank Guarantee Fund,
- 3a) the National Credit Union,
- 4) other legal persons, with the consent of the President of the NBP.

2. The NBP Management Board shall specify, by resolution, the terms and conditions for opening and operating accounts for banks.

## **Chapter 8**

### **Foreign Exchange Activity**

#### **Article 52**

1. The NBP shall perform its function of central foreign exchange banking institution by holding and managing the foreign exchange reserves, conducting banking operations and taking other measures to ensure the safety of foreign exchange operations and the payment liquidity of the country.
2. The President of the NBP shall perform control tasks as determined by the provisions of foreign exchange act.
3. The NBP may act as the financial agent to the Government in concluding and carrying out loan contracts and servicing the country's foreign debt; the NBP shall not be liable for the obligations of the State Treasury in this respect. The detailed procedure applicable shall be specified in each case in an agreement between the NBP and the Minister of Finance.
4. The NBP may hold foreign exchange and trade in foreign exchange, both on its own behalf and for its own account, and for the account of other parties, and may also conduct foreign exchange operations in Poland and abroad, including granting and drawing foreign loans and advances, and granting and accepting bank guarantees and suretyship in international operations.
5. [repealed].

## **Chapter 9**

### **Specific Rights and Duties of the NBP**

#### **Article 53**

The monetary policy guidelines, the report on the implementation of the monetary policy guidelines and normative acts issued by the NBP bodies – with the exception of acts referred to in Art. 54, para. 1 – shall be published in the Official Gazette of the Republic of Poland “Monitor Polski” (*Dziennik Urzędowy Rzeczypospolitej Polskiej „Monitor Polski”*).

#### **Article 54**

1. The President of the NBP shall publish the Official Journal of the National Bank of Poland (*Dziennik Urzędowy Narodowego Banku Polskiego*), where the following shall be published:
  - 1) acts of the NBP bodies concerning the functioning of banks,
  - 2) balance sheet and profit and loss account of the NBP,
2. The President of the NBP may also order the publication of legal acts and announcements other than those referred to in para. 1.

#### **Article 54a**

1. The title and layout of the masthead of the Official Journal of the National Bank of Poland shall not be used by entities other than the NBP, in particular for commercial purposes in publications, or other forms of dissemination of legal acts.
2. The provisions of Art. 2a, Art. 3, Art. 4, Art. 6, Art. 7, Art. 15-18, Art. 20, Art. 20b, Art. 23a, Art. 27 and Art. 28a of the Act of 20 July 2000 on the publication of normative acts and some other legal acts (Journal of Laws of 2010, No. 17, item 95 and of 2011, No. 117, item 676, as amended) shall apply accordingly to the publication of the Official Journal of the National Bank of Poland and the publication of legal acts therein.

#### **Article 55**

Staff of the NBP and members of the Council and consultative and advisory bodies at the NBP Management Board, shall be bound by an obligation not to disclose to unauthorised persons any information acquired when carrying out their duties, including information that constitutes banking secrecy pursuant to the Banking Act of 29 August 1997, information subject to protection according to the provisions on the protection of confidential information, as well as other information protected by statute. This obligation shall continue after terminating their employment or membership in the Council or the above-mentioned bodies.

#### **Article 56**

1. The following persons shall be authorised to make declarations with respect to proprietary rights and obligations of the NBP:
  - 1) the President of the NBP, or
  - 2) two of the following persons, acting jointly:
    - a) Vice Presidents of the NBP or other members of the NBP Management Board, and
    - b) proxies appointed by the NBP Management Board, or by a person so empowered by the Board, within the bounds of the power of attorney granted.
2. The persons mentioned in para. 1 may appoint a proxy to act independently, within the bounds of the power of attorney granted, in performing specific actions or actions of a particular type.

#### **Article 57**

1. The NBP shall be treated on a par with budgetary units and shall be subject to exemption from taxes as well as stamp duty.
2. The enforced collection of monetary debts from the NBP may be performed where the creditor has served a judicial or administrative debt collection order on the NBP, and where the payment due under that order is not made within one month of the order having been served. The provisions of Art. 1060 of the Code of Civil Procedure shall apply accordingly to enforcement proceedings against the NBP.

#### **Article 58**

The NBP cannot be declared bankrupt.

## **Article 59**

The NBP may initiate and organise scientific research, as well as undertake publishing and promotional activity.

## **Chapter 10**

### **The NBP Finances**

## **Article 60**

The NBP's own funds shall consist of statutory fund and reserve fund.

## **Article 61**

The statutory fund of the NBP shall amount to 1.5 billion złoty.

## **Article 62**

1. The reserve fund shall be created by the NBP profit write-offs, executed within 14 days from the day the NBP annual financial statements have been approved, until the reserve capital reaches the amount equivalent to the amount of the statutory fund.
2. The write-offs referred to in para. 1 shall amount to 5% of annual profit.
3. The reserve fund may be allocated solely to cover the balance sheet losses of the NBP.

## **Article 63**

[repealed].

## **Article 64**

The NBP shall manage its finances on the basis of an annual financial plan.

## **Article 65**

The NBP shall create a provision against the foreign exchange risk of the złoty. The principles for creating and releasing such a provision shall be laid down by the Council.

## **Article 66**

1. Funds to be assigned to staff remuneration shall be set annually in the NBP financial plan, taking into account the level of salaries in the banking sector.
2. The principles for the NBP staff remuneration shall be laid down by the NBP Management Board.

3. The remuneration of the President and Vice Presidents of the NBP shall be set based on the provisions on remuneration for persons appointed to executive posts in the state administration.

#### **Article 67**

The NBP accounting principles should conform to the standards applied in the European System of Central Banks.

#### **Article 68**

1. The annual financial statements of the NBP shall consist of:
  - 1) balance sheet,
  - 2) profit and loss account,
  - 3) additional information.
2. The calendar year shall be the accounting (fiscal) year at the NBP.
3. The NBP accounting principles, the terms of reference for the balance sheet and for profit and loss account, and the contents of the additional information shall be specified by the Council.

#### **Article 69**

1. The annual financial statements of the NBP shall be audited by an external auditor selected by the Council.
2. The NBP shall bear the costs of the audit referred to in para. 1.
3. The President of the NBP shall submit the annual accounts of the NBP to the Council of Ministers for approval until 30 April of the year following the fiscal year.
4. A portion of the annual profit of the NBP (payment from the NBP profit) shall be remitted to State budget within 14 days following the approval of the annual financial statements of the NBP by the Council of Ministers.

#### **Article 70**

The President of the NBP shall submit the annual report on the activity of the NBP to the Sejm within five months following the end of the budget year.

### **Chapter 11**

#### **Interim and Final Provisions**

#### **Article 71**

On the day the present Act enters into force, the unused balances of the following funds that remain after the statutory fund has been increased, shall be transferred to the reserve fund: the capital expenditure fund, foreign exchange fund, risk fund, technical & economic progress fund and part of the fixed assets fund.

## **Article 72**

In the Act amending the Budget Act of 1 August 1992 (Journal of Laws No. 64, item 322), Art. 3 is hereby deleted.

## **Article 73**

The NBP should dispose of its holdings in registered commercial companies by the end of the year 2002.

## **Article 74**

1. Until the issuance of the secondary legislation stipulated for in this Act, the previous secondary legislation shall remain in force, unless it is at variance with the provisions of the present Act.
2. Within six months of the entry into force of this Act, the President of the NBP shall announce the list of secondary legislation in force in the Official Journal of the National Bank of Poland.
3. The NBP staff members authorised to conduct banking supervision under the provisions hitherto in force may fulfil the duties of inspectors of banking supervision until 31 December 2000.

## **Article 75**

The Act on the National Bank of Poland of 31 January 1989 (Journal of Laws of 1992, No. 72, item 360; of 1993 No. 6, item 29; of 1994 No. 1, item 2; No. 80, item 369; No. 121, item 591; No. 136, item 703; of 1996 No. 106, item 496; of 1997 No. 79, item 484; No. 111, item 740; and No. 121, item 770) is hereby repealed.

## **Article 76**

This Act shall enter into force on 1 January 1998.