

The National Bank Law, 1955 ¹

NOTE:—The Privileged Austrian National Bank (Die Privilegierte Oesterreichische Nationalbank) was founded by virtue of two Imperial Letters Patent of June 1, 1816. The Bank's Charter or *Privilegium* was subsequently extended for the periods 1841-1862 and 1862-1878. In October 1878, the Bank was replaced by the Austro-Hungarian Bank (Die Oesterreichisch-Ungarische Bank), which functioned as a central bank in the territory of the Austro-Hungarian Empire until the armistice of November 11, 1918. Pursuant to Art. 1 of Law No. 44 of January 12, 1923, it was confirmed that the authorization accorded to the Austrian branch of the Austro-Hungarian Bank by virtue of Law No. 574 of December 20, 1919 had expired on January 1, 1923, the date the Austrian National Bank commenced operations.

The guiding principles for the new bank of issue were set forth in Protocol No. III (Declaration), signed at Geneva on October 4, 1922, which provided in Paragraph 6(c) that "the statutes of the Bank of Issue shall assure its complete autonomy in its relations with the Government. The Bank shall be responsible for the cash transactions of the State, it shall centralize the [Government's] receipts and payments and shall furnish periodic financial statements at the dates and in the form which may be determined in agreement with the Commissioner-General [of the League of Nations]." Under Paragraph 6(b), the Austrian Government pledged to surrender any right to issue paper money and undertook not to negotiate or conclude loans, except in conformity with the financial reconstruction program of the League and with the authorization of the Commissioner-General.

From 1922 to March 1938 the Austrian National Bank (Oesterreichische Nationalbank) was governed by Federal Law No. 823 of November 14, 1922, amending and supplementing Federal Law No. 490 of July 24, 1922 regarding the establishment

¹ Bundesgesetz vom 8. September 1955 zur Neuordnung der Rechtsverhältnisse der Oesterreichischen Nationalbank (Nationalbankgesetz 1955), *Bundesgesetzblatt* Nr. 184/1955; Federal Law of September 8, 1955 for Revising the Legal Status of the Austrian National Bank (National Bank Law, 1955), as amended through July 1, 1966. The Law entered into force on September 24, 1955. In the version published here, the word Chapter corresponds to the word *Artikel*, and the word Article (Art.) to the sign §, in the Austrian text.

of a bank of issue (Notenbank). The Bank was deemed to be in liquidation as a consequence of a Decree of March 17, 1938 and related measures issued on behalf of the German Reich; these were repealed by Chapter III of the Central Bank Transition Law of July 3, 1945 (see below, p. 32). The Bank is at present governed by the National Bank Law, 1955.

CHAPTER I. GENERAL PROVISIONS

Art. 1. The legal status of the Austrian National Bank (by virtue of the Federal Law of November 14, 1922, *Bundesgesetzblatt* No. 823, amending and supplementing the Federal Law of July 24, 1922, *Bundesgesetzblatt* No. 490, regarding establishment of a central bank as provided for by the Federal Laws contained in *Bundesgesetzblatt* No. 18/1925, 242/1925, 417/1925, 114/1927, 87/1930, 136/1931, 255/1932, and further by virtue of the Law contained in the *Staatsgesetzblatt* No. 45/1945 and of the Federal Law contained in the *Bundesgesetzblatt* No. 122/1946) shall be revised in accordance with the provisions of this Federal Law.

Art. 2.—(1) The Austrian National Bank shall be a joint stock company; it shall be the central bank [*Notenbank*] of the Republic of Austria.

(2) It shall have the function of regulating the circulation of money in Austria and undertaking 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 obligated 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 requirements of the economy.

Art. 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 cooperation between central banks or otherwise aim at and promote international cooperation in the field of monetary and credit policy.

Art. 4. In determining the general directives on monetary and credit policy which the Austrian National Bank is to observe in this field for the purpose of performing the functions incumbent upon it, due regard shall be had for the economic policy of the Federal Government.

Art. 5.—(1) Bank notes and shares of the Austrian National Bank shall be signed by means of the President, a Director [*Generalrat*], and the General Manager appending their signatures to the bank's name, Oesterreichische Nationalbank. If the President or the General Manager is prevented from doing so, their respective deputies shall sign.

(2) In all other cases the name of the Bank, with the addition of the word *Direktorium* [Board of Managers], shall be signed by two members of the Board of Managers. Such signature of its name shall bind the Bank even in cases where the law requires a special power of attorney.

(3) The Board of Managers shall stipulate in which cases and in what form signatures on behalf of the Bank's branches [*Bankanstalten*] and departments are binding on the Bank and shall make this known by public notice displayed in the offices of the Bank.

(4) 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 those of its executives recorded in the Commercial Register [*Handelsregister*].

Art. 6. The Bank shall have its seat in Vienna, where the head office shall be located. Branch offices [*Zweiganstalten*] shall be established in the capital cities of the Bundesländer. For establishing or closing down other branch offices approval of the Federal Ministry of Finance shall be required.

Art. 7.—(1) Insofar as the Austrian National Bank is entrusted with executive functions in matters relating to money, credit and banking, the provisions of the General Law on Administrative Procedure shall be applicable. However, unless expressly otherwise provided by statutory enactment, no appeal may be lodged against decisions of the Bank.

(2) General Orders of the Austrian National Bank shall be published in the *Amtsblatt zur Wiener Zeitung*. Unless otherwise provided for therein they shall enter into force on the day following their publication.

CHAPTER II. CAPITAL AND SHAREHOLDERS

Art. 8.—(1) The capital of the Bank shall be one hundred and fifty million schillings and shall be divided into one hundred and fifty thousand registered shares of one thousand schillings each. The Bank may issue composite certificates in denominations of one hundred, five hundred, and one thousand shares.

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

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

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

Art. 9.—(1) Only Austrian citizens, or juridical persons and enterprises having their seat in Austria, may be shareholders.

(2) Half of the capital shall be subscribed on behalf of the Federal Republic. The capital required for this purpose may be derived 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 determine the persons or enterprises that may subscribe to the remaining capital of the Bank.

CHAPTER III. GENERAL ASSEMBLY

Art. 10.—(1) The General Assembly of Shareholders shall meet 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 Assembly within thirty days.

(3) The General Assembly shall be convened by virtue of a resolution of the Board of Directors of which an announcement shall be made by the Bank at least twenty-one days before the Assembly is to be held.

Art. 11. Every shareholder who on the date of the convening announcement is recorded in the shareholders' register as holding at least one hundred shares shall be eligible to participate in the General Assembly.

Art. 12.—(1) Every one hundred shares shall confer one vote at the General Assembly.

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

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

Art. 13.—(1) The General Assembly shall constitute a quorum when the attending shareholders or their proxies represent at least half the capital.

(2) If a duly convened General Assembly does not constitute a quorum, a new General Assembly shall be convened at once, to meet within a period not to exceed eight days. This newly convened General Assembly shall

constitute a quorum regardless of the amount of capital represented; however, only decisions in regard to matters contained in the original agenda may be adopted.

Art. 14.—(1) Within the last eight days prior to a regular General Assembly, the statement of account for the preceding financial year shall be exhibited for inspection at the head office of the Bank in Vienna.

(2) Not later than eight days prior to each General Assembly, its agenda shall be published. Motions introduced in due time by shareholders (Article 17) shall be included in the agenda.

Art. 15.—(1) The President of the Bank—or if he is unable, one of the Vice-Presidents—shall be chairman of the General Assembly.

(2) Decisions shall be taken by a simple majority of votes.

Art. 16. The scope of the General Assembly's functions shall include:

- (a) receiving the report of the Board of Directors on the conduct of business during the previous financial year;
- (b) approving the annual statement of account and granting a discharge from liability to the Board of Directors and the Board of Managers after hearing the report of the Auditors;
- (c) deciding on the allocation of any profits shown on the balance sheet and fixing the dividend to be distributed to shareholders;
- (d) electing six members of the Board of Directors and four Auditors;
- (e) deciding on other motions introduced by shareholders.

Art. 17.—(1) Every shareholder who has the right to vote shall be eligible to introduce motions at the General Assembly; however, at the General Assembly at which they are introduced only decisions on motions relating to matters on the agenda may be taken.

(2) Independent motions (Article 14) together with a statement of supporting reasons shall be submitted to the President in writing at least fourteen days before the General Assembly.

(3) If in the sense of Article 10(2) it is requested that an Extraordinary General Assembly be convened, the related motions shall be submitted with the request.

Art. 18.—(1) For the election of six members to the Board of Directors (Article 22) by the General Assembly, shareholders other than the Federal Government may propose one person for each twelve million five hundred thousand schillings of capital represented by them. Insofar as such proposals are not made, the right of proposal shall belong to the Federal Government.

The term of office of these members of the Board of Directors shall be five years.

(2) In connection with the election the General Assembly shall be bound by proposals made to it in accordance with paragraph (1).

Art. 19.—(1) Members of the Board of Directors (Article 22) and the Auditors (Article 37) shall be elected by a relative majority of votes [*relativer Stimmenmehrheit*].²

(2) Election results shall be determined by the tellers, who are to be elected by the General Assembly.

CHAPTER IV. MANAGEMENT AND ADMINISTRATION OF THE BANK

A. BOARD OF DIRECTORS

Art. 20. The Board of Directors shall be charged with the supreme direction and supervision of the Bank's entire conduct of its business and the administration of all its property. The Board of Managers of the Bank (Articles 32-36) shall report to the Board of Directors periodically, as a rule once a month, on the conduct and state of the Bank's business; on the situation in the money, capital and foreign exchange markets; on important occurrences in the business sector; on all events of importance for judging the monetary and economic situation; on arrangements made for controlling the entire conduct of the Bank's business; and on any other significant events affecting the operations of the Bank.

Art. 21. The following matters in particular shall be reserved for decision by the Board of Directors:

1. establishing general directives on monetary and credit policy in accordance with Article 4, including expression of an opinion in all cases where, under legislation regulating the credit system, the opinion of the Austrian National Bank is to be obtained;
2. fixing the interest rate for discount and loan transactions (Articles 48 and 51);
3. fixing the amount of bonds, Treasury certificates or Treasury bills to be bought on the open market (Article 54);
4. fixing the amount of the minimum deposits which credit institutions must maintain at the Austrian National Bank, and issuing detailed regulations to this effect (Article 43);
5. instituting and discontinuing lines of business;
6. establishing and closing down branches (Article 6);

² Schwarzer considers this provision redundant, since Art. 15(2) of the Law expressly provides that decisions of the General Assembly shall be taken by a simple majority of votes [*einfacher Stimmenmehrheit*]. See Alfred Schwarzer, *Österreichisches Währungs- und Devisenrecht* (Vienna, 1957), p. 208.

7. appointing the censors (Article 50);
8. the Bank's participation in international institutions in the sense of Article 3;
9. invoking an Arbitration Tribunal in accordance with Article 41;
10. setting time limits within which bank notes that have been called in must be redeemed (Article 66);
11. approving the annual statement of account with a view to its presentation to the General Assembly (Article 68), and approving the budget for the next financial year;
12. purchasing and selling real property;
13. authorizing items of expenditure not provided for in the budget for the year concerned;
14. fixing the remuneration of the President and the expense allowances of the Vice-Presidents;
15. appointing the General Manager, the Deputy General Manager, the other members of the Board of Managers, the manager of the securities printing department [*Wertpapierdruckerei*], the deputy managers and the managers of the branches, as well as taking charge of their retirement, resignation or dismissal.
16. deciding on employment and work regulations that apply to the Bank's staff and on rules governing salaries and pensions of persons employed by the Bank (Article 38);
17. drawing up a set of Rules and Regulations [*Geschäftsordnung*] for itself and another for the Board of Managers;³ in its Rules and Regulations it may provide that matters reserved for its decision, especially those mentioned in item 3 of this Article, shall be dealt with by a subcommittee selected by the Board of Directors; such subcommittees shall report at meetings of the Board of Directors.

Art. 22.—(1) The Board of Directors shall consist of the President, two Vice-Presidents and eleven other members.

(2) The President, the two Vice-Presidents and five other members of the Board of Directors shall be appointed; the remaining six members of the Board of Directors shall be elected.

(3) Only persons holding Austrian citizenship who are not excluded from the right to vote in elections for the Nationalrat may be members of the Board of Directors. Members of the Board of Directors shall be economic experts or outstanding persons in the business community. They shall include one representative of each of the following:

1. institutions that are engaged in the banking business;
2. savings banks carrying on savings business in accordance with applicable regulations;
3. industry;
4. trade and small business;
5. agriculture; and
6. one representative each of salaried employees and labor.

³ See below, pp. 34-39 and 40-46.

(4) Persons in the active service of the Federal Republic or a Land and members of the Nationalrat, the Bundesrat, a Landtag, the Federal Government, or the government of a Land may not be members of the Board of Directors. Of the members of the Board of Directors, not more than four may as their main occupation be executives of institutions engaged in banking; such persons may not be President or Vice-President of the Bank.

(5) The Staff Council and the Workers' Council of the Bank shall each be entitled to send one representative from among their members to attend proceedings dealing with personnel matters relating to salaried employees and workers. These representatives shall, in the exercise of their functions, have the same rights and duties as members of the Board of Directors. However, each shall be entitled to vote only on matters relating to the section of the staff that he represents.

Art. 23.—(1) The President of the Bank shall be appointed by the President of the Federal Republic for a period of five years. The outgoing President may be reappointed. During his term of office the President of the Bank may be dismissed by the President of the Federal Republic only if he ceases to meet the requirements of his appointment or is prevented for more than a year from performing his functions.

(2) The President shall from the funds of the Bank draw a salary, the amount of which shall be fixed by the Board of Directors and approved by the Federal Ministry of Finance.

(3) The President shall act as chairman at all meetings of the Board of Directors. He shall see to it that decisions of the Board of Directors are implemented and shall on behalf of the Board continually supervise the administration of the property of and the entire business of the Bank. He may raise objections to decisions of the Board of Managers on matters concerning the current conduct of business and internal administration. If no agreement is reached between the President and the Board of Managers, the matter shall be referred to the Board of Directors for decision.

(4) If unable to carry out his duties, the President shall be represented in all his functions by the First Vice-President, or, in the latter's absence, by the Second Vice-President.

Art. 24.—(1) The First and Second Vice-Presidents shall be appointed by the Federal Government for a period of five years. An outgoing Vice-President may be reappointed. During his period of office a Vice-President may be dismissed by the Federal Government only if he has ceased to meet the requirements of his appointment or if he is prevented for more than a year from performing his functions.

(2) A Vice-President shall draw from the funds of the Bank an expense allowance, the amount of which shall be fixed by the Board of Directors and approved by the Federal Ministry of Finance.

Art. 25.—(1) Five members of the Board of Directors shall be appointed by the Federal Government for a period of five years. Outgoing members of the Board of Directors may be reappointed.

(2) If an appointed member of the Board of Directors retires during his term of office, the Federal Government shall appoint a new member to the Board of Directors.

(3) If a member elected by the General Assembly of Shareholders retires during his term of office, the General Assembly shall elect a new member. In connection with such an election the provisions of Article 18 shall apply as appropriate.

(4) At each of the first, second, third and fourth regular General Assemblies, two members of the Board of Directors, to be determined by lot, shall retire. The term of office of the remaining members of the Board of Directors elected for the first time by virtue of this Law shall expire at the end of the fifth regular General Assembly. Thereafter the order of retirement shall be governed by the term of office. Former members of the Board of Directors may be re-elected.

(5) Any member of the Board of Directors who ceases to meet the requirements of his appointment or election shall be deemed to have left the Board.

Art. 26.—(1) Members of the Board of Directors shall serve without remuneration.

(2) They shall be paid out of the Bank's funds a reasonable compensation for traveling expenses which they may have incurred.

Art. 27.—(1) The President, the Vice-Presidents and the other members of the Board of Directors on entering upon their office shall make a solemn affirmation to conform exactly to the provisions of this Federal Law, always to promote the performance of the functions incumbent on the Bank, and to maintain secrecy with regard to negotiations of the Bank, its affairs and institutions, and in particular all operations of the Bank.

(2) The President and the Vice-Presidents shall make the affirmation before the President of the Federal Republic, and the other members of the Board of Directors before the President of the Bank. They shall corroborate their affirmation by handshake and by signing a document.

Art. 28.—(1) The Board of Directors shall as a rule be convened once a month by the President.

(2) At the written request of four members of the Board of Directors or at the request of the General Manager or the State Commissioner, a meeting of the Board of Directors shall be called within eight days.

(3) All members of the Board of Directors as well as the State Commissioner shall be invited to meetings of the Board by registered or personally delivered letter containing the agenda.

Art. 29.—(1) The President, or the Vice-President representing him, shall act as chairman at the meetings of the Board of Directors. If the President and both Vice-Presidents should be unable to attend, the member of the Board most senior in age shall preside.

(2) A member of the Board of Directors may have himself represented by another member of the Board. Such authorization shall be given in writing at each meeting. No member of the Board of Directors may represent more than two votes in addition to his own.

(3) The Board of Directors shall constitute a quorum if all its members were invited in due time and if in addition to the chairman at least eight members are present or represented.

(4) Except as otherwise provided in this Federal Law, decisions shall be taken by an absolute majority of votes [*absolute Stimmenmehrheit*]. In case of a tie, the chairman shall have a deciding vote.

Art. 30.—(1) The names of the members of the Board of Directors present or represented and the decisions adopted shall be recorded in the minutes. Every member of the Board of Directors and the State Commissioner shall be entitled to have an opinion dissenting from the majority decision recorded in the minutes.

(2) The minutes shall be signed by the chairman and by the General Manager, and by the State Commissioner if he attended the meeting.

Art. 31.—(1) If in matters that are reserved for the decision of the Board of Directors (Article 21) it becomes evident that action is urgently needed, such action may be taken by decision of an Executive Committee composed of the President, the two Vice-Presidents, the General Manager and the Deputy General Manager. Meetings of this Committee shall be called by the President on his own initiative or on a motion of one of its members. The Committee shall constitute a quorum when at least the President and one Vice-President, or both Vice-Presidents and the General Manager or the Deputy General Manager, are present. Decisions of the Committee shall be adopted by a majority of votes.

(2) Decisions so taken shall be made known to the Board of Directors 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 MANAGERS

Art. 32.—(1) The Board of Managers shall conduct the entire operation of the Bank and shall manage its business in conformity with this Federal

Law and the directives issued by the Board of Directors. It shall take decisions independently on all matters relating to operation and management that are not reserved for decision by the Board of Directors (Article 21).

(2) The Board of Managers shall submit to the Board of Directors the report provided for in Article 20 and any other reports that may be required of it and shall be authorized to submit, through the General Manager, motions of any kind to the Board of Directors.

(3) The Board of Managers shall be authorized to establish, in localities it considers suitable, sub-offices of the Bank to carry out discount transactions, and to dissolve such sub-offices.

(4) The Board of Managers shall appoint persons to be employed by the Bank, provided that their appointment is not reserved to the Board of Directors. The Board of Managers shall also be in charge of the retirement, resignation or dismissal of persons employed by the Bank.

(5) The Board of Managers shall represent the Bank both in courts of law and extrajudicially.

Art. 33.—(1) The Board of Managers shall be composed of the General Manager, the Deputy General Manager and at least two but not more than four Managers.

(2) Members of the Board of Managers shall be obligated to attend conscientiously and to the best of their ability to the transactions and responsibilities which are assigned to them, and to carry out all operations so as to enable the Bank to perform the functions entrusted to it by this Federal Law. The Managers shall make an affirmation by handshake before the President to perform their duties and shall sign the document attesting to their affirmation, the wording of which shall be prescribed by the Board of Directors. Members of the Board of Managers shall attend meetings of the Board of Directors in an advisory capacity.

Art. 34.—(1) The General Manager shall assume supreme control of all aspects of the Bank's business. He shall make reports at meetings of the Board of Directors and shall submit to the Board of Directors proposals by the Board of Managers on matters that are reserved for decision by the Board of Directors.

(2) The General Manager shall report to the President on the course of the business, working capital and position of the Bank and shall notify him in due time of all proposals that are to be submitted by the Board of Managers to the Board of Directors.

(3) The General Manager, if he is unable to carry out his duties, shall be represented in all his functions by the Deputy General Manager or, in the latter's absence, by the member of the Board of Managers with the highest seniority.

Art. 35.—(1) The work of the Board of Managers shall be distributed among the various departments, each under the direction of one member of the Board of Managers.

(2) The individual Managers shall be responsible for handling and settling those matters which have been assigned to them by the Rules and Regulations of the Board of Managers, by decisions of the Board of Managers, or by order of the General Manager.

Art. 36.—(1) The Board of Managers shall meet whenever necessary. The President shall have the right to attend meetings of the Board of Managers, in which case he shall act as chairman. Participation by the Vice-Presidents in meetings of the Board of Managers shall be regulated by the Rules and Regulations.

(2) The Board of Managers shall constitute a quorum if at least two Managers and the chairman are present.

(3) The General Manager and all the Managers (or in the absence of a Manager, his deputy) shall have one vote each. In case of a tie at a meeting presided over by the General Manager, the deciding vote shall be that of the General Manager. At a meeting in which the President acts as chairman, the chairman shall vote only in case of a tie.

CHAPTER V. AUDITORS

Art. 37.—(1) The General Assembly 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 result of their audit.

(2) The Auditors shall be entitled to ask the Board of Managers for all explanations necessary for the performances of their functions, and in particular they shall have the right to inspect the books of the Bank.

(3) The Auditors shall be obligated to carry out their audit conscientiously and impartially, and to maintain secrecy.

CHAPTER VI. STAFF OF THE BANK

Art. 38.—(1) Persons employed by the Bank shall be in an employment status governed by private law.

(2) The terms of appointment, the duties and rights connected with employment, and the salaries and retirement pay, of persons employed by the Bank shall be governed by rules made by the Board of Directors.

(3) Persons employed by the Austrian National Bank who under the Bank's pension regulations have a claim to retirement and survivors' benefits (pension) shall be exempt from participating in the accident, disability and insurance plan (pension insurance) for employees. By virtue of their

employment by the Austrian National Bank they shall be insured against illness, exclusively with the Health Insurance Institute for Federal Employees under the provisions of the Federal Employees Health Insurance Law of 1937 (*Bundesgesetzblatt* No. 94).

Art. 39.—(1) Persons employed by the Bank shall be obligated to maintain secrecy with regard to the proceedings and individual transactions of the Bank: especially the amount of credit granted to private persons and firms; the names of the owners of cash, pledges and deposits held by the Bank; and the number, nature or value of the latter.

(2) It shall be the function of the Board of Managers to supervise the entire staff of the Bank; the Board shall decide on instituting disciplinary investigations against staff members of the Bank. The method of carrying out such disciplinary investigations shall be prescribed in the regulations governing the terms of service issued by the Board of Directors.

CHAPTER VII. RELATIONSHIP TO FEDERAL REPUBLIC, LÄNDER AND MUNICIPALITIES

Art. 40. From the time this Federal Law enters into force, interest shall be paid on the Federal debt that arose by virtue of the Central Bank Transition Law (*Staatsgesetzblatt* No. 45/1945) and the Central Bank Transition Amending Law (*Bundesgesetzblatt* No. 122/1946). An agreement shall be reached between the Federal Republic and the National Bank regarding the rate of interest, which may not exceed the Bank's current rate of discount, and regarding redemption of the Federal debt.

Art. 41.—(1) The Federal Republic, the Länder and the municipalities may 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. For purposes related to the administration of the Federal Government's cash holdings and disbursements, however, the Bank may, at the request of the Federal Ministry of Finance, discount short-term Federal Treasury certificates up to a maximum amount of one billion schillings.⁴

(2) During the period of the Bank's activity the Federal Republic may not issue any government paper currency or adopt measures of such a nature as to hinder the Bank in the performance of the functions entrusted to it.

⁴ The Federal Law of March 18, 1959 Concerning Contributions of the Republic of Austria to International Financial Institutions (*Bundesgesetzblatt* No. 74/1959) provides in Art. 2 as follows: "The Austrian National Bank is empowered to include among its assets as cover for the note circulation its claims arising from this credit [from the National Bank to the Republic of Austria]. The credit to be granted by the Austrian National Bank shall not be included in the ceiling provided for in Article 41(1) of the National Bank Law, 1955."

(3) Upon infringement of any of the prohibitions set forth in the two preceding paragraphs, the Board of Directors as a whole or any individual member thereof may invoke an Arbitration Tribunal, which, to the exclusion of any further appeal, shall decide within three days whether the disputed actions are to be voided or upheld.

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

(5) The Arbitration Tribunal shall take its decisions by an absolute majority of votes [*absolute Stimmenmehrheit*], after hearing the Federal Ministry of Finance and the Board of Directors.

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

Art. 42.—(1) The Austrian National Bank shall be obligated to carry out all bank transactions affecting the Federal Administration [*Bundesverwaltung*] to the extent that they are permissible under this Federal Law. However, no transaction may involve the granting of any loan or credit by the Bank to the Federal Administration. The Bank may also carry out other transactions on a commission basis for account of the Federal Administration, insofar as such transactions do not result in any balance to the debit of the Federal Administration.

(2) The Bank shall be obligated to exchange its notes for small coins and small coins for other small coins as far as its stocks permit, and small coins for bank notes without limit.

(3) The Federal Administration shall as far as possible center its money transactions at the Bank and shall entrust the Bank with carrying out its gold and foreign exchange transactions.

CHAPTER VIII. RELATIONSHIP TO CREDIT INSTITUTIONS

Art. 43.—(1) The Austrian National Bank may require credit institutions to maintain with it deposits of a specified minimum amount.

(2) The minimum amount of deposits in the sense of paragraph (1) shall, depending on the monetary and credit situation, be fixed as a percentage of the deposits on current or savings account of the individual credit institution. This percentage may not exceed 15 per cent of the said deposits for individual credit institutions. Within this limit the minimum amount may be fixed differently for various categories or groups of credit institutions.

(3) Credit institutions which are attached to a central institute shall maintain the prescribed minimum deposit at their central institute.

(4) Deposits maintained by a credit institution with a central institute (paragraph (3)) or with the Austrian Postal Savings Institution shall be

taken into account to the extent that they are necessary, for the purpose of fulfilling the individual credit institution's minimum deposit requirement (paragraph (1)). The central institutes shall on their part maintain at the Austrian National Bank, in respect of the deposits covered, balances in amounts fixed with regard to the monetary and credit situation, and shall moreover use these balances for the purpose of maintaining their cash position and of acquiring discountable Federal Treasury certificates. The Board of Directors of the Austrian National Bank may determine with regard to the monetary and credit situation of the country the percentage to be allocated to cash holdings and to the acquisition of discountable Federal Treasury certificates.

(5) The Austrian National Bank may issue regulations for the purpose of ascertaining the amount of deposits on current and savings account.

(6) The minimum deposits shall be counted toward the balance of liquid resources that must be maintained by virtue of other regulations.

(7) The Austrian National Bank may require credit institutions to pay interest at a rate of up to 3 per cent above its current rate of discount on any amounts by which they may fall short of their required minimum balance.

Art. 44. As far as is necessary for the performance of its functions the Austrian National Bank shall be empowered to request information from the Austrian credit institutions and to prescribe the dates by which they must render returns and the form and classification to be used in such returns.

CHAPTER IX. GOVERNMENT SUPERVISION

Art. 45.—(1) The Federal Ministry of Finance shall see to it that the Bank acts in accordance with the law and shall for the purpose of exercising this right of supervision appoint a State Commissioner and his deputy. If the deputy is prevented from carrying out his duties, a second deputy may be appointed temporarily. For the purpose of meeting the cost of such government supervision, the Federal Ministry of Finance may require the Bank to pay a fee.

(2) The State Commissioner shall have the right to attend the General Assemblies and the meetings of the Board of Directors in an advisory capacity and to demand all explanations necessary for the performance of the functions of his office.

(3) He may not be denied the exercise of his right to supervise the conduct of business of the Bank through necessary inspection.

(4) The State Commissioner shall have the right to raise objections to decisions of the Board of Directors if in his opinion such a decision conflicts with existing legislation. Objection by the State Commissioner to a decision of the Board of Directors shall have suspensive effect.

Art. 46.—(1) The State Commissioner's objection shall cease to have effect if it is revoked by the Federal Ministry of Finance within seven days or upon expiration of that period. In the latter event an Arbitration Tribunal shall decide within three days whether the decision of the Board of Directors is in conformity with the law and whether or not its implementation is therefore permissible. The Board decision may under no circumstances be implemented before the Arbitration Tribunal has handed down a decision.

(2) With respect to the composition of the Arbitration Tribunal and to procedures connected with it, the provisions of Article 41 (4)-(6) shall apply.

CHAPTER X. OPERATIONS OF THE BANK

Art. 47. The Bank shall be empowered:

- (a) to discount bills of exchange, securities and interest coupons, and to transfer them to other parties (Articles 48-49);
- (b) to grant loans against collateral (Articles 51-53);
- (c) for the purpose of regulating the money markets, to buy and sell on the open market fixed-interest-bearing bonds that are admitted to official stock exchange dealings and also Treasury bills and Treasury certificates issued by the Federal Republic (Article 54);
- (d) to buy and sell gold coin and bullion;
- (e) to carry on transactions involving foreign bills and foreign exchange (Article 55);
- (f) to engage in acceptance of deposits as well as cash and giro transactions (Articles 56-59);
- (g) to carry out brokerage transactions (Article 60).

A. DISCOUNT TRANSACTIONS

Art. 48.—(1) The Bank shall be empowered to discount bills of exchange and promissory notes. In so doing it shall as far as possible discount only bills or promissory notes related to merchandise transactions. Bills or promissory notes discounted by the Bank shall be denominated in the lawful currency of Austria, shall be payable within three months in Austria, and shall bear the signature of at least two parties of known solvency.

(2) Subject to these conditions the Bank may also discount bills and promissory notes that by the public authorities entitled to collect them are presented for discount in respect of deferred claims for customs duties or other dues.

(3) Similarly, and subject to the same conditions, bills or promissory notes of enterprises belonging to the Federal Republic, the Länder or municipalities may also be discounted, if such enterprises are recorded as

merchants in the Commercial Register [*Handelsregister*] or are otherwise managed independently of the public administration as separate entities.

(4) Discounts by the Bank shall be effected at the rate of interest which has been fixed and publicly announced by the Board of Directors.

(5) Discounts may be refused without stating the grounds for such action.

Art. 49.—(1) The Bank shall be empowered to discount all securities that are eligible as collateral on loans (Article 51) as well as interest coupons of such securities, provided that the securities or coupons are payable within three months.

(2) The person who discounts shall be liable with his entire property for payment to the Bank on the due date of discounted securities and interest coupons.

Art. 50.—(1) Bills of exchange and promissory notes presented for discount shall as a rule be examined and assessed by a Committee of Censors.

(2) The Board of Directors shall appoint as censors persons who are familiar with local conditions in commerce, industry, small business and agriculture. The appropriate representative bodies of industry, trade, small business and agriculture, as well as of the employees and workers at the place in question, shall be consulted prior to the appointment of the censors; however, the Board of Directors shall not be bound by any suggestions made by these representative bodies.

(3) The censors shall be appointed for a term of three years and may after expiration of that period be reappointed for an additional three years. They shall perform the duties of their office without remuneration.

(4) In assessing the bills and promissory notes presented for discount the censors shall act with strict impartiality and shall maintain secrecy with regard to the proceedings of the Committee of Censors. On taking office they shall make an affirmation to this effect in writing.

(5) No member of the Committee of Censors shall express an opinion regarding his own bills or promissory notes, or regarding bills or promissory notes of a firm to which he belongs in any capacity.

B. LOANS

Art. 51.—(1) The Bank shall be empowered to grant loans against collateral for not longer than three months.

(2) The following shall be suitable for collateral:

1. gold coin and bullion;
2. securities officially quoted on the Vienna Stock Exchange, except shares of all kinds;

3. bills of exchange and promissory notes denominated in Austrian or foreign currency and payable in Austria or abroad within a period not exceeding six months, and which in other respects conform to the provisions of Article 48;
4. foreign bills and foreign exchange;
5. warehouse receipts to order issued by officially authorized warehouses.

(3) The Board of Directors shall determine 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, if applicable, up to what total amount, loans may be granted. With respect to warehouse receipts 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 requests for loans against collateral.

Art. 52. If a loan is not repaid when due, the Bank shall be entitled, without consulting the borrower and without judicial proceedings, to sell the collateral either in whole or in part, for the purpose of obtaining indemnification, and to hold as non-interest-bearing deposits for the account of the debtor at his disposal or to entrust to a court at the expense and risk of the owner any surplus that may remain after full settlement of the Bank's claim in respect of principal, interest and possible charges or expenses. The Bank shall, however, not be obligated to proceed to such a sale; and if after the loan falls due the Bank does not do so, no period of prescription shall begin in respect of the Bank's claim for principal, interest and possible charges or expenses.

Art. 53. The Bank shall regard the holder of collateral certificates issued by its head office or one of its branches as having the right to effect all 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 assume no liability for their authenticity.

C. PURCHASE OF SECURITIES ON OPEN MARKET (OPEN MARKET POLICY)

Art. 54.—(1) For purposes of regulating the money market, the Austrian National Bank may buy and sell on the open market:

- (a) fixed-interest-bearing bonds of the Federal Republic, Länder and municipalities admitted to official stock exchange dealings; and fixed-interest-bearing bonds guaranteed by any of the aforementioned entities and admitted to official stock exchange dealings;
- (b) short-term and medium-term interest-bearing or non-interest-bearing Treasury certificates or Treasury bills of the Federal Republic;

(c) other fixed-interest-bearing bonds admitted to official stock exchange dealings and declared eligible by decision of the Board of Directors.

(2) Such purchases shall, however, not serve to provide credit assistance to the Federal Republic, the Länder or municipalities contrary to the provisions of Article 41.

(3) The portfolio of purchased securities shall not exceed the amount fixed by the Board of Directors.

(4) The President of the Bank shall be chairman at meetings of the Board of Managers at which a decision is to be taken on matters relating to the purchase or sale of securities in accordance with paragraphs (1)-(3).

(5) For the purpose of assessing the value of securities purchased on the open market in accordance with paragraph (1) of this Article, the provisions of Article 67 shall not apply. Net profits or losses arising from such transactions at the end of a financial year shall be credited or debited to the Federal Republic.

D. FOREIGN BILLS AND FOREIGN EXCHANGE TRANSACTIONS

Art. 55. The Bank shall be empowered to buy and sell in Austria or abroad bills of exchange, promissory notes, checks, and drafts payable abroad, foreign notes and coins, and bills of exchange or promissory notes payable in Austria but not expressed in Austrian currency; to sell checks and orders payable abroad; to effect collections and make payments in foreign countries for account of other parties; to maintain abroad such assets as are required for the conduct of these lines of business and to effect transactions that may be necessary for the profitable use of these assets.

E. ACCEPTANCE OF DEPOSITS AND GIRO TRANSACTIONS

Art. 56.—(1) The Bank shall be empowered in accordance with regulations to be drawn up by the Board of Managers to accept coined and uncoined precious metals, money, securities and documents for safekeeping and securities for management.

(2) If a written request to a depositor to withdraw his deposit meets no response within fourteen days, the Bank may obtain discharge from the liability incumbent upon it by entrusting the deposit to a court at the expense and risk of the owner.

Art. 57. The Bank shall be empowered to accept cash in Austrian or foreign currency against cash certificates for fixed or undetermined periods with or without interest.

Art. 58.—(1) In connection with giro transactions the Bank shall accept cash on current account without interest.

(2) The Bank may refuse a request to open a giro account and may, without stating a reason, give notice to the holder to close an account that has been opened.

Art. 59.—(1) After cover has been provided in advance, the Bank may certify checks drawn upon itself. The Bank shall thereby be placed under obligation to make payment on them to the owner. It shall also be liable for payment to the drawer or to any endorser.

(2) Payment of a certified check may not be refused even if in the meantime bankruptcy or composition proceedings have been instituted against 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 respect to proof of presentation, the provisions of the Law on Checks shall apply.

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

(4) The rules governing jurisdiction and procedure in bills of exchange matters shall apply correspondingly to the enforcement of claims arising out of certification.

F. BROKERAGE TRANSACTIONS

Art. 60. The Bank shall be authorized to make collections on a commission basis upon receipt of cash cover; and to purchase for the account of others and, after they have been delivered, to sell securities of all kinds, precious metals, foreign bills and foreign exchange.

CHAPTER XI. BANK NOTES

Art. 61.—(1) The Bank shall have the exclusive right to issue bank notes.

(2) The notes of the Bank shall be legal tender and shall be accepted at their nominal value without limitation, unless the particular monetary obligation is to be settled in specified means of payment.

(3) The denomination of individual bank notes shall require the concurrence of the Federal Ministry of Finance.

(4) The Bank shall seize, against receipt but without compensation, any counterfeit or altered bank notes (Article 79) that may be discovered.

(5) Before a new form of bank note is issued the Bank shall publish its precise description in the *Amtsblatt zur Wiener Zeitung*.

Art. 62.—(1) The note circulation plus liabilities arising from giro transactions and other demand liabilities, that is to say the total circulation, insofar as it is not covered by the Federal debt and by Federal Treasury certificates discounted or taken over in accordance with Article 2(1) of the

Central Bank Transition Amending Law (*Bundesgesetzblatt* No. 122/1946) and Article 27(2) of the Law for the Protection of the Currency (*Bundesgesetzblatt* No. 250/1947), shall be fully covered by the following assets:

1. gold coin and bullion;
2. foreign bills and foreign exchange;
3. discounted bills of exchange or promissory and other discounted securities (Articles 48 and 49);
4. loans granted against collateral (Article 51);
5. purchased bonds, Treasury certificates and Treasury bills (Article 54);
6. bills of exchange or promissory notes that are payable within Austria and are denominated in foreign currency but in other respects conform to the provisions of Article 48;
7. the Bank's holdings of current Austrian subsidiary coins.

(2) The Austrian National Bank shall maintain a supply of gold and foreign exchange in such amount as may be required for regulating payment relations with foreign countries and for maintaining the value of the currency.

Art. 63.—(1) Notes issued by the Bank that have not been returned to its vaults shall be deemed to be in circulation.

(2) Bank notes, however, which have been called in and which after expiration of the period fixed for exchange have not been exchanged shall be deemed no longer to be in circulation and shall be deducted from the circulation.

(3) The amount so deducted from the note circulation shall accrue to the Federal Treasury and shall be used for redemption of the Federal debt.

Art. 64.—(1) The Bank shall be obligated to exchange its notes at its head office and its branch offices [*Zweiganstalten*] for notes of other categories, as requested by the party presenting them.

(2) Bank notes may not be declared void, nor may any annotation or prohibition be effected on bank notes.

Art. 65.—(1) The Bank shall exchange parts of bank notes for ones that are legal tender if the portion of the note presented is larger than half of a whole bank note or if it is proved that the missing piece of the note has been destroyed.

(2) The Bank shall not be required to provide any compensation for or to replace destroyed or lost bank notes; it may also seize without compensation any bank notes that have been altered in their external appearance, in particular bank notes on which textual additions have been made or that have been overprinted or overpainted or to which an adhesive matter, stamp or perforation has been applied. If, however, the Bank by way of exception exchanges such bank notes, it shall be entitled to charge a sum as compensation for expenses incurred.

Art. 66. In connection with the withdrawal from circulation of particular or of all categories of bank notes, the Board of Directors shall determine the period after expiration of which the bank notes lose their legal-tender status. Bank notes so withdrawn may, however, be exchanged for legal tender at the counters of the Bank within an additional period to be fixed by the Board of Directors.

CHAPTER XII. ANNUAL STATEMENT OF ACCOUNT AND WEEKLY RETURNS

Art. 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 according to general business principles as at December 31 of each year. On this occasion the securities in the possession of the Bank, other than those purchased in accordance with Article 54, shall be entered in the balance sheet at the price current on December 31; if, however, this price is higher than the price at which the securities were bought, the latter price shall be recorded in the balance sheet. Securities purchased on the open market (Article 54) shall always be entered in the balance sheet at their purchase price.

Art. 68.—(1) By not later than March 31 in the calendar year following the financial year, the Board of Managers shall present to the Board of Directors for approval a report on the financial year ended and on the annual statement of account audited by the Auditors.

(2) Following approval by the Board of Directors, the report and the annual statement of account shall be submitted to the General Assembly for approval.

Art. 69.—(1) From the Bank's total earnings for the year, irrespective of business results, the following amounts shall be deducted and not entered in the profit and loss account:

- (a) the exchange profits accrued during the year as recorded in the books (that is, the difference between the book value and the buying price of the foreign currency holdings); these profits shall promptly be allocated to a reserve fund, which shall serve to cover any risks involved in transactions in gold, foreign bills and foreign exchange;
- (b) income resulting from assets in which the Pension Reserve (that is, the reserve fund serving to cover the pension rights of persons employed by the Bank) has been invested and which accrues to said Pension Reserve;
- (c) the amount of interest set aside in accordance with the provisions concerning re-employment of interest and redemption installments resulting from reconstruction loans.

(2) From the net profits thus ascertained, ten per cent shall be allocated to the General Reserve Fund and ten per cent to the Pension Reserve. As soon as the General Reserve Fund has reached ten per cent of the bank note circulation and the giro liabilities as at December 31, and the Pension Reserve has reached an amount corresponding to the capital required according to actuarial calculations for covering the pension rights of persons employed by the Bank, further allocations shall cease.

(3) Of the remaining net profit the Federal Republic shall receive one third. Out of the remainder the shareholders shall by decision of the General Assembly receive a dividend of up to six per cent of their share of the capital. Of the portion which then remains, the Federal Republic shall receive half and the balance shall be allocated as determined by decision of the General Assembly.

Art. 70.—(1) The Bank shall publish a statement of its assets and liabilities as at the seventh, fifteenth, twenty-third and last day of each month, not later than the seventh working day after these dates (weekly returns).

(2) This statement of the Bank's assets and liabilities, intended for publication, shall contain, on the assets side:

- (a) cover in the form of coin and bullion;
- (b) cover in the form of foreign bills and foreign exchange;
- (c) holdings of Austrian subsidiary coins;
- (d) holdings of discounted bills and promissory notes, and other discounted securities;
- (e) the amount of loans against collateral;
- (f) holdings of discounted Federal Treasury certificates and the amount of loans granted against the securities of such Treasury certificates;
- (g) holdings of bonds, Treasury certificates or Treasury bills purchased in accordance with Article 54;
- (h) the debt of the Federal Government;
- (i) other assets;

and on the liabilities side:

- (a) capital;
- (b) reserve funds;
- (c) amount of bank notes in circulation;
- (d) balances of giro account and other demand liabilities;
- (e) other liabilities.

CHAPTER XIII. SPECIAL RIGHTS OF THE BANK

Art. 71. Statutory provisions limiting interest rates shall not be applicable to the Austrian National Bank.

Art. 72.—(1) Transactions under the provisions of Articles 8, 54 and 83 of this Federal Law shall be exempt from taxes on capital transactions.

(2) Transactions carried out and documents issued by the Austrian National Bank in accordance with Article 2(2) of this Federal Law, as well as transactions carried out and documents issued by the Bank exclusively in the public interest, shall be exempt from stamp duties and other legal fees.

(3) Operations of the Austrian National Bank under Article 56(1) and Article 60 of this Federal Law shall be exempt from the turnover tax.

(4) The Bank shall, moreover, be completely exempt from paying postal charges in respect of cash sent between its offices, branches and agencies or in connection with business transacted with government or other public cash departments or offices.

Art. 73. The books of the Bank and excerpts from these books bearing the Bank's signature shall have the same evidentiary force as public documents.

Art. 74.—(1) The Bank shall give information about securities it has issued and about money or securities deposited with it only to their owners.

(2) The Bank shall not be obligated to give information about credits it has granted.

(3) The right of courts [*ordentliche Gerichte*] or other authorities to require information on the basis of the laws in force shall not be affected by the foregoing provisions.

Art. 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 in Vienna shall have jurisdiction.

Art. 76.—(1) Rights of garnishment, lien or execution in respect of cash or securities deposited with the Bank or claims against the Bank may be granted only without prejudice to any rights of the Bank to these assets.

(2) If such rights are asserted, the Bank shall be entitled to deposit in court the cash or securities or the amount of the claim at the expense of the owner or of the party having a claim.

(3) If the owner of cash or securities deposited with the Bank is declared bankrupt or has died, it shall be incumbent on the person representing the estate of the bankrupt or deceased to inform the Bank thereof through the appropriate court and to notify the Bank of the persons who are authorized to dispose of said cash and securities. Failing such communication the Bank shall not be liable for any damage caused to the estate of the bankrupt or deceased.

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

Art. 77.—(1) The Bank shall have an unconditional preferential right to use cash, bills of exchange and other valuables in its possession in the settlement of its claims or as collateral for such claims.

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

(3) The Bank shall be entitled, without authorization by or intervention of any court, to use in payment to itself in a manner it may deem suitable the proceeds of the above-mentioned settlements, even independently of any solvency proceedings which have been instituted in respect of the funds of the debtor; and the Bank may not be impeded or hindered in the exercise of this preferential right by any claim of any other party, not even by ownership claims or other previously acquired rights, if the bank has accepted cash, bills of exchange or other valuables as property belonging to the debtor and if the aforesaid ownership or other claims were not clearly recognizable at the time of such acceptance.

(4) This preferential right accorded to the Bank shall not apply to minimum deposits pursuant to Article 43.

CHAPTER XIV. LIQUIDATION OF THE BANK

Art. 78.—(1) The Austrian National Bank may be liquidated only by Federal Law.

(2) In case of liquidation, the shareholders shall be reimbursed for the paid-up capital. The remaining assets and liabilities of the Bank shall be transferred to the agency charged with carrying on central banking functions.

(3) A closing balance sheet shall be drawn up at the date the Bank is taken over.

CHAPTER XV. PENAL PROVISIONS

Art. 79. Counterfeiting or altering notes issued by the Austrian National Bank shall be punishable as the crime of forging public credit documents; counterfeiting or altering all other documents issued by the Bank shall be punishable as equivalent to counterfeiting or altering public documents in accordance with the provisions of the penal laws.

Art. 80.—(1) Anyone who without authorization of the Austrian National Bank makes or distributes copies of its bank notes or objects resembling the notes of the Bank, and anyone who without authorization of the Austrian National Bank makes or acquires plates, dies or other technical devices that are exclusively or primarily intended for making such objects, shall, if the act does not constitute the crime of forging public credit documents (Article 79) or any other act carrying a more severe penalty, be punishable by the district administrative authority, or, in the jurisdiction of a Federal police authority, by the latter, with a fine of up to thirty thousand schillings or imprisonment of up to four weeks. The materials that are the object of the punishable act shall be declared forfeit. Businessmen may furthermore have their trade licenses revoked.

(2) Authorization in accordance with paragraph (1) may be granted if the respective copies, objects or devices are of such a nature that there is no reason to anticipate that, in normal circumstances and with average vigilance, they may be confused with bank notes or improperly used.

Art. 81.—(1) Any person who puts into circulation or accepts monetary instruments [*Geldzeichen*], such as emergency money [*Notgeld*], non-interest-bearing bonds, or money orders payable to bearer, shall, if the act is not by virtue of another provision subject to more severe penalties, be guilty of a misdemeanor and subject to a fine of up to one hundred thousand schillings; if, however, the normal monetary or material value of the documents which have been put into circulation exceeds ten thousand schillings, the fine shall be up to ten times their nominal value. Documents which constitute the object of the punishable act shall be declared forfeit.

(2) If it is not possible to prosecute or sentence a particular person, 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 such a judicial order (Article 114 of the Code of Criminal Procedure).

(3) Prosecution shall take place only at the instigation of the Austrian National Bank. Once such instigation has been made, no further motion by the Bank is necessary to put into motion the independent forfeiture procedure (paragraph (2) of this Article).

(4) The Provincial Court for Penal Cases in Vienna shall have exclusive jurisdiction in carrying out the penal procedure and the independent forfeiture procedure.

CHAPTER XVI. TRANSITIONAL AND CONCLUDING PROVISIONS

[**Art. 82.**—(1) To facilitate the financing of investment projects connected with implementation of the European Recovery Program, the Austrian National Bank may discount and use as note cover finance bills issued for this purpose and maturing within three months, up to such total amounts as the Federal Republic has placed at the Bank's disposal for this purpose by way of deduction from the Federal debt. To this amount may be added the interest received on the above-mentioned bills, provided that the interest so received is used to finance further investment projects.

(2) Such bills shall bear the signature of at least the borrowing enterprise and a credit enterprise approved for that purpose by the Austrian National Bank and shall furthermore be guaranteed by the Federal Republic. The discounting of these bills may be prolonged until such time as the credit granted has been repaid or converted into some other form.]⁵

Art. 83.—(1) Holders of shares of the Austrian National Bank that have not been converted in accordance with the Ordinance of April 23, 1938 (*Reichsgesetzblatt* I, page 405) into four and a half per cent Treasury bonds of the German Reich shall receive a sum of five hundred schillings a share against the surrender of such shares at the Austrian National Bank.

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

Art. 84.—(1) Subscriptions to capital in accordance with Article 9 and the first appointments in the sense of Articles 23, 24 and 25 of this Federal Law shall be made by October 31, 1955. Following that date, but not later than December 31, 1955, a General Assembly shall be held which shall elect six members of the Board of Directors (Article 18), and four Auditors for the purpose of auditing the annual statement of account (including the annual balance sheet) for the financial year 1956. The first regular General Assembly shall take place in 1957.

(2) Not later than the end of January 1956 the Board of Directors appointed in accordance with the Central Bank Transition Law (*Staatsgesetzblatt* No. 45/1945) shall decide on the annual statement of account (including the annual balance sheet) for the financial year 1955 and the

⁵ The authority of the Austrian National Bank to extend credit through the discounting of finance bills [*Finanzwechsel*] for the purposes set forth in Art. 82 of this Law has been terminated by virtue of Art. 3(1)(e) of the ERP Funds Law of June 13, 1962 (*Bundesgesetzblatt* No. 207/1962). Under Art. 1(1) of that Law, the *ERP Fonds* was established with juridical personality. Under Art. 3(1), all properties and rights which had accrued to the Federal Government as a result of the European Recovery Program were transferred to the *ERP Fonds* as of the time the Law entered into force. Under Art. 3(2), the ceiling for credits by the *ERP Fonds* was fixed at S 4,705,404,000.

allocation of net profits. The provisions of Article 69 shall not be applicable to the determination or distribution of net profits for that financial year.

(3) After a decision on the annual statement of account has been taken and the net profit for the financial year 1955 has been allocated, the term of office of the President, the Vice-Presidents, and the members of the Board of Directors who were appointed in accordance with the Central Bank Transition Law shall end, and the term of office of officials appointed for the first time and elected by virtue of the present Federal Law shall begin.

Art. 85. With the coming into force of this Federal Law the previous Statutes of the Austrian National Bank and the provisions of Chapter II of the Central Bank Transition Law (*Staatsgesetzblatt* No. 45/1945), except Article 4, shall cease to have effect.

Art. 86. The Federal Ministry of Finance shall be entrusted with implementing this Federal Law.