

LAW N° 55/2007 OF 30/11/2007 GOVERNING THE CENTRAL BANK OF RWANDA

Article: 1 Name and nature

The National Bank of Rwanda, abbreviated as “BNR” in French terms and hereinafter referred to as “the Bank”, is a national institution with legal personality and which is independent in operational, administrative and financial areas.

It shall have the capacity to contract, to acquire or to own property and to sue or be sued.

Article: 2 Capital

The overall capital of the Bank shall be seven billion Rwandan francs (7 000 000 000 Frw). It shall be entirely subscribed by the Government of Rwanda.

The capital may be increased either by the capitalization of reserves on the decision of the Board of Directors of the Bank upon approval by a Presidential Order, or by new capital endowment by the Government of Rwanda.

Article: 3 Special legal status

The Bank shall be considered commercial in its relations with third parties. It shall be governed by the provisions of commercial legislation where the existing laws or special laws governing it do not provide otherwise.

The Bank shall not be subject to commercial registration, nor shall it be subject to the rules and regulations concerning public accounting. It shall be under the ordinary rules of commercial accounting.

Article: 4 Headquarters, branches, correspondents and representation

The headquarters of the Bank shall be in the City of Kigali, the Capital of the Republic of Rwanda. It may be transferred to any other locality in Rwanda if considered necessary.

The Bank may establish branches in any locality of the national territory.

It may have correspondents or representatives both in Rwanda and abroad.

Article: 5 Missions

Article 5: **Missions** The main missions of the Bank shall be:

- 1° to ensure and maintain price stability;
- 2° to enhance and maintain a stable and competitive financial system without any exclusion;
- 3° to support Government’s general economic policies, without prejudice to the two missions referred to in Paragraphs 1° and 2° above.

Article: 6 Duties

For the Bank to achieve its mission specified in Article 5, it shall perform the following duties:

- 1° to define and implement the monetary policy;
- 2° to organise, supervise and regulate the foreign exchange market;
- 3° to supervise and regulate the activities of financial institutions notably banks, micro finance institutions, insurance companies, social security institutions, collective placement companies and

pension funds institutions;
4° to supervise and regulate payment systems;
5° to mint and manage money;
6° to hold and manage official foreign exchange reserves;
7° to act as State Cashier;
8° to carry out any other task that this Law or any another Law may assign to it.

Article: 7 Publicising strategies of the monetary policy

The Bank shall periodically communicate to the public the strategies of the monetary policy and the ways of implementing them.

At the request of the Government or on its own initiative, the Bank shall make known its opinion on the domestic financial situation of the country and propose appropriate measures to take. The opinion of the Bank on the status of franc accession credit and the economy in general shall particularly be required in the event of any monetary or financial measure envisaged by the Government.

Title 2. ORGANS OF MANAGEMENT AND SUPERVISION

Article: 8 Administrative Organs

The Bank shall have the following administrative organs:

- 1° The Board of Directors ;
- 2° The Management.

The Bank shall be managed by the Board of Directors. The Board of Directors shall be managed by a Governor of the Bank. The supervision of its operations shall be carried out by a Board of Censors.

Chapter 1. THE BOARD OF DIRECTORS

Article: 9 Attributions and powers of the Board of Directors

The Board of Directors shall devise the Bank's general policy and supervise its implementation. It shall also have the following special powers:

- 1° to formulate policies regarding the effective execution of the Bank's functions;
- 2° to adopt the general regulations and directives that the Bank may enact in accordance with the existing laws;
- 3° under the existing laws, to take any decision pertaining to the supervision of financial institutions, particularly any decisions relating to the granting, suspension and withdrawal of accreditation of the banks and other financial institutions;
- 4° to deliberate and decide on the minting, issuing, withdrawal or exchange of bank notes and coins and their features and submitting them to Government for approval;
- 5° to approve any conventions before they are signed by the Bank;
- 6° to approve the Bank's Rules of procedures as well as the staff rules and staff salary payment conditions;
- 7° to approve the Bank's annual budget and to decide, where necessary on modifications thereof during the course of financial year;
- 8° to decide on receiving, giving away and selling of real estates and on the use of the Bank's own funds;
- 9° to approve the Bank's financial statements and decide on the distribution of the Bank's profits;
- 10° to approve the annual activity report that the Governor of the Bank submits to the President of

the Republic;

11° to decide on any other issue that this Law or any other Law has not explicitly entrusted to any other organ of the Bank.

The Board of Directors may delegate some of the powers reserved for it to the Governor, in particular the powers of issuing directives and taking decisions, as mentioned in Paragraphs 2° and 3° of this Article.

Article: 10 Members of the Board of Directors and modalities for their selection

The Board of Directors are:

1° the Governor ;

2° the Vice Governor.

3° Other four (4) administrators appointed by the Prime Minister's Order and chosen among personalities with competence and wide experience in the monetary, financial and economic fields. At least thirty percent (30%) of the members of the Board of Directors shall be women. With exception of the Governor and the Vice Governor, Administrators shall be appointed for a renewable four-year term of office.

In appointing other members of the Board of Directors, continuity of the Bank's operations shall be taken into account.

Article: 11 Incompatibilities

The office of the member of the Board of Directors shall be incompatible with any legislative or executive function. A member of the Board of Directors shall also be excluded from any participation, gainful or not, in the activity of any financial institution.

A member of the Board of Directors and the company in which he or she is a shareholder shall not also bid for tenders issued by the Bank.

With exception of the Governor and the Vice Governor of the Bank, other members of the Board of Directors are not allowed to be members of staff of the Bank.

Article: 12 Requirements for being a member of the Board of Directors

A member of the Board of Directors shall:

1° be of a Rwandan nationality;

2° be entitled to enjoyment of all his or her rights in the country;

3° not have been definitively sentenced to a term of imprisonment equal to or exceeding six (6) months;

4° be of high moral integrity;

5° not have been characterized by genocide ideology.

Article: 13 Meetings of the Board of Directors

The ordinary meeting of the Board of Directors shall be held once in a term upon invitation by the Governor or the Vice Governor where the Governor is absent.

The invitation shall be submitted to the members of the Board of Directors in writing at least ten (10) working days before the meeting is held and the meeting shall be held when at least two thirds (2/3) of the members of the Board of Directors are present.

An extraordinary meeting shall be convened in writing and presided over by the Governor or by the Vice Governor where the Governor is absent at own initiative, or upon proposal by a half (1/2)

of the members of the Board of Directors.

The Governor shall indicate the points on agenda in the invitation letter.

Resolutions of the Board of Directors shall be taken upon consensus and in case of failure, by the majority vote of the members present. In case the majority vote of the members present is not obtained, the chairperson shall have a casting vote.

Article: 14 Resolutions and minutes of the meeting of the Board of Directors

Resolutions of the Board of Directors shall be signed by all members present at the meeting. The copy thereof shall be submitted to the Minister in charge of finance immediately at the completion of the meeting.

Each meeting, shall always be subject to a minute signed by the Chairperson of the meeting.

Article: 15 Sitting allowances

Sitting allowances for the members of the Board of Directors shall be determined by a Presidential Order.

Chapter 2. THE BANK'S MANAGEMENT

Section 1. Governor of the Bank

Article: 16 Appointment and Dismissal of the Governor

The Bank shall be headed by the Governor who shall be appointed and dismissed by a Presidential Order.

The Governor's term of office shall be six (6) years, renewable.

Article: 17 Governor's responsibilities

The Governor shall ensure the daily management and supervision of the Bank in accordance with this Law, other Laws and regulations related to the Bank as well as the resolutions of the Board of Directors.

The Governor shall have the following main responsibilities:

- 1° to represent the Bank before courts and all other organs;
- 2° to sign conventions and other documents the Bank is involved in including annual reports and balance sheets;
- 3° to sign on banknotes jointly with the Vice Governor;
- 4° to develop and define the Bank's organizational chart by specifying job description for each post and indicating its holder;
- 5° to establish the Bank's general regulations;
- 6° to perform any other duty as may be assigned to him or her by the Board of Directors.

Section 2. Vice Governor

Article: 18 Appointment and Dismissal of the Vice Governor

The Vice Governor shall be appointed and dismissed by a Prime Minister's Order. The Vice Governor's term of office shall be six (6) years, renewable.

Article: 19 Vice Governor's responsibilities

The Vice Governor shall assist the Governor in the accomplishment of the latter's mission and shall be answerable to him or her.

Particularly, the Vice Governor shall replace the Governor where the latter is absent or has not yet been appointed.

Section 3. Common provisions for both the Governor and the Vice Governor

Article: 20 Incompatibilities with the duties of the Governor and the Vice Governor

The duties of the Governor and the Vice Governor shall be incompatible with elective post or any other post as may be assigned to them by the Government.

The Governor and the Vice Governor shall neither exercise any other public or private duties nor receive any remuneration for the work rendered or advice provided.

However, the provisions of this law shall not apply to participating in economic commissions, in the operations of international agencies or in academic duties, as well as in the production of scientific, literary or artistic works.

During their tenure of office, the Governor and the Vice Governor shall not be allowed to receive or acquire, either personally or through third parties, a share or any interest whatsoever from a private enterprise, except upon the authorization by the President of the Republic.

Article: 21 Salary and other benefits for the Governor and Vice Governors

Salaries and other benefits entitled to the Governor and the Vice Governor shall be determined by a Presidential Order and shall be paid for by the Bank.

Article: 22 Benefits of Governor and Vice Governor after the end of the term of their office

The Governor and the Vice Governor shall continue to be entitled to their salary and benefits for a two (2) year and a one (1) year periods respectively as of the termination of their duties. At the same time, it is prohibited for them to receive any remuneration for any work or offer advice to a private institution, or receive a prize due to any service or a piece of advice offered unless authorized to do so by the President of the Republic.

If, during the respective periods mentioned above, a public office is assigned to the Governor or the Vice Governor, his or her new remuneration shall correspond at least to the salary and other benefits to which he/she were entitled during his or her tenure of office. In case these salaries and other benefits are less than those he receives, the difference shall be paid for by the Bank.

The Governor or the Vice Governor shall not be entitled to the benefits stipulated in provided for by this article if they have been sued in court and sentenced for an offence they committed while on Bank duties

Article: 23 Debt agreements that Governor and Vice Governor cannot sign

No agreement bearing the Governor or Vice Governor's signature that shall be accepted as collateral for refinancing purposes by the Central Bank

Article: 24 Considerations for the appointment and dismissal of Governor and Vice

Governor

The appointment or the dismissal of the Governor or the Vice Governor shall take into account the continuity of the Bank's operations.

Chapter 3. BOARD OF CENSORS

Article: 25 Appointment of Censors and duration of their term of office

The supervision of the Bank shall be carried out by three (3) members of the Board of Censors appointed by an Order of the Minister in charge of finance. They shall be selected for their competence in financial, economic and legal matters among civil servants. They shall be appointed for a three-year renewable term of office.

A Prime Minister's Order appointing members of the Board of censors shall also designate its Chairperson who shall be at least in the category of a Director.

Article: 26 Responsibilities and functioning of the Board of Censors

The Board of Censors shall be responsible for the supervision of all the operations of the Bank. Censors shall have the powers to verify and audit cash, registers and the portfolio of the Bank whenever necessary or upon request by the Minister in charge of finance, and such verification and audit shall be carried out at least once in three months.

While conducting audit, Censors may seek assistance from the staff of the Bank where necessary.

The Bank's records and any other property belonging to the Bank shall be verified from where they are.

Article: 27 Report of the Board of censors and its recipients

After each verification and audit, the Board of Censors shall prepare a report and submit it to the Minister in charge of Finance, and reserves a copy to the Board of Directors.

The report shall indicate the recommendations of the audit and shall provide advice regarding what should be done.

Article: 28 The right to attend the meetings of the Board of Directors

The Chairperson of the Board of Censors or one of its members he or she designates shall attend the Board of Directors' meetings in advisory capacity but shall not have voting rights.

Article: 29 Audit of accounts and special audit

The Board of Censors shall audit accounts at the end of the financial year before they are approved by the Board of Directors. It shall also submit to the Board of Directors results of audit in writing and recommendations.

At the end of each financial year, the Board of Censors shall submit to the Minister in charge of Finance a report on annual accounts, and reserves a copy to the Board of Directors.

The Minister in charge of Finance may, whenever necessary, require from the Board of Censors, a report on a specific issue relating to the management of the Bank.

Article: 30 Priveleges of the members of the Board of Censors

Benefits of the members of the Board of Censors shall be determined by an Order of the Minister

in charge of Finance and shall be paid for by the Bank.

Article: 31 Notifying the President of the Republic about the resolutions of the Board of Censors meeting

The Minister in charge of Finance shall inform the President of the Republic in writing about the results of the inspection and audit of the Board of Censors.

Article: 32 Establishment of a special commission for audit

The President of the Republic may establish an ad hoc special audit commission for auditing the Bank.

Title 3. SPECIFIC RESPONSIBILITIES AND OPERATIONS OF THE BANK

Chapter 1. MONETARY UNIT AND PRIVILEGE OF ISSUE

Article: 33 Monetary unit and the value of the franc

The monetary unit of the Republic of Rwanda shall be the Rwandan franc in abbreviated “FRW”, hereinafter referred to as “the franc”.

The value of the franc in terms of foreign exchange shall be determined by the foreign exchange market in accordance with a system set up by the Bank.

However, where economic, monetary or financial conditions are likely to cause depreciation on the Rwandan currency, the President of the Republic, upon a request by the Bank and upon approval of the Cabinet, may fix the exchange rate of the franc for a given period.

Article: 34 Privilege to issue money

The privilege of issuing banknotes and coins on behalf of the State shall rest exclusively with the Bank.

Article: 35 Legal tender in the Republic of Rwanda

Banknotes and coins issued by the Bank shall be sole legal tender on the territory of the Republic of Rwanda.

Article: 36 Features of bank notes and coins

The features of banknotes and coins issued by the Bank shall be published in the Official Gazette of the Republic of Rwanda.

Article: 37 Legal tender status of banknotes and coins

Banknotes issued by the Bank shall have unlimited legal tender. For each type of coin, the legal tender shall be limited to a hundred (100) times its unitary face value, except when so accepted by the creditor. Coins shall, however, be accepted without limits by the Bank, by public cashiers and by banks and other financial institutions authorized to receive funds from the public.

Article: 38 Repression of Counterfeit and forged francs

Counterfeiting and forgery of banknotes and coins issued by the Bank or any other foreign monetary authority, as well as the introduction, use, sale, hawking and the distribution of such forged or counterfeit bank notes or coins, if committed deliberately, shall be punished under the

provisions of the penal code.

Article: 39 Demonetization of money and modalities of its publication

The Bank may declare that certain types of bank notes or coins shall cease to be legal tender with effect from a specified date. Except in exceptional circumstances, such a declaration shall be published in the Official Gazette of the Republic of Rwanda and through other possible means of publication.

Such a notice shall specify conditions under which exchange transactions of old bank notes and coins against new ones shall take place. After the date specified in the notice, the Bank shall decide on all applications submitted to it.

After the closing of the exchange exercise, the equivalent amount of banknotes and coins not in use, which will not have been exchanged within the fixed period, shall be deposited into the account of the public Treasury. The cost of possible future exchange shall be borne by the Government.

Article: 40 Exemption from responsibility

No objection may be notified to the Bank in the case of loss or theft of bank notes issued by the Bank.

Article: 41 Payment and responsibility of banknotes and coins

The Bank shall set conditions under which it may pay for mutilated, defective or damaged banknotes or coins.

The Bank shall not be responsible for any compensation for destroyed, lost, forged or counterfeited banknotes or coins.

Chapter 2. MANAGEMENT OF OFFICIAL FOREIGN EXCHANGE RESERVES AND TRANSACTIONS IN GOLD AND FOREIGN CURRENCIES

Article: 42 Management of foreign exchange reserves

The Bank shall centralize the management of official foreign exchange reserves, including Special Drawing Rights (SDR), as well as the position of foreign reserves at the International Monetary Fund (IMF).

Article: 43 Foreign currency management

The Bank may: 1° buy, sell or hold foreign currency in any form; 2° sell or borrow foreign currency from banks and financial institutions or agents;
3° hold accounts in foreign currency with banks abroad;
4° open accounts, interest-bearing or not, in foreign currency in the name of any bank, institution or financial agency;
5° undertake investments of treasury in easily negotiable securities;
6° carry out, for its own interest or for the interests of third parties, any transaction in gold, means of payment and securities denominated in foreign currency;
7° issue or accept guarantees denominated in foreign currency.

Article: 44 Foreign exchange market organization

The Bank shall be responsible for the organization of the foreign exchange market, ensure the application of foreign exchange regulations and amend them, if need be, in order to improve the

functioning and efficiency of the foreign exchange market.

However, if exceptional circumstances so require, the foreign exchange system can be determined by a law

Article: 45 Management of the franc exchange rate fluctuations

Profits and losses on exchange resulting from the normal fluctuations of franc exchange rates shall be charged to the profit and loss account of the Bank.

However, profit or losses resulting from a revaluation of reserve exchange holdings or international commitments recorded in the balance-sheet of the Bank due to a revision of the foreign exchange system or a modification of the exchange value of the franc decided by the Government shall be recorded in a special account entitled “Revaluation Account”.

It shall not be deposited to the annual profit and loss account of the Bank. The Government shall guarantee the Bank against any loss that results from such a revaluation.

At the request of the Bank, the State will issue it with non negotiable non interest-bearing Treasury Bills, for an amount equivalent to the debit balance of revaluation account. Such Treasury Bills will be refundable by deduction from part of the Bank’s profits due to the State, according to a schedule agreed upon with the Minister in charge of Finance.

If the revaluation account presents a credit balance at the end of the financial year, its twenty percent (20%) shall be paid to the State.

Article: 46 Foreign currency projections

The Bank shall prepare statistics on external payments and national revenue and expenditure projections in foreign currency. In this connection, concerned services and agencies shall provide it with any information it considers necessary.

Chapter 3. RELATIONS OF THE BANK WITH THE GOVERNMENT AND OTHER PUBLIC BODIES

Article: 47 Management of Government’s accounts

The Bank shall be the State’s financial agent for banking, withdrawing and credit transactions. It shall keep free of charge in its books, the Treasury’s current account according to an agreement concluded with the Ministry in charge of Finance.

At the request of the Minister in charge of Finance, the Bank may open other State accounts under special provisions.

The credit balances referred to in the two preceding paragraphs shall not be interest-bearing.

Article: 48 Treasury securities

The Bank shall participate in the issuing and distribution of treasury securities and carry out transactions relating to public debt servicing.

Article: 49 Advances or loans to the State

The Bank shall not grant direct advances or other loans to the State before it is approved by Law.

However, in order to ensure the smooth functioning of the State Treasury and considering the gap that could occur between public revenue and public expenditure, the debit balance of the current account of the Treasury cannot exceed eleven per cent (11%) of the State current revenue collected during the previous financial year.

The Bank shall levy on these debit balances interests computed at the daily average rate of the inter-bank market.

Article: 50 Management of current accounts of other institutions

The Bank may, in accordance with laws in force and its general rules, open and keep a current account for any public institution, State organ, other central banks, international organizations and diplomatic missions.

In no case may such accounts post a debit balance. Credit balances on these accounts opened with the Bank shall not be interest-bearing.

Chapter 4. RELATIONS OF THE BANK WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

Article: 51 Management of accounts of other banks and of other financial institutions

The Bank may, under the conditions it shall determine, open accounts on behalf of banks and other financial institutions.

Article: 52 Granting of advances or loans

The Bank may, under the existing laws and the general rules, determine grant advances or loans to banks and other financial institutions under its supervision in considerations of planned operations.

Article: 53 Control and supervision of financial institutions

Financial institutions under the supervision of the Bank shall be required to furnish the Bank with any documents, information or necessary justifications for the analysis of their position. They shall make statements of payment risks and payment incidents which are centralized at the Bank.

Any failure to disclose information or giving inaccurate information shall be liable to sanctions by the Board of Directors after hearing the bank or the financial institution concerned and according to existing laws.

Chapter 5. INTERVENTIONS ON MONEY MARKET

Article: 54 Money market organization

The Bank shall set forth rules pertaining to the organization and functioning of the money market. It shall designate notably specific agencies that are authorized to intervene, and shall define instruments that can be negotiated therein.

It shall ensure the smooth functioning of the interbank market and ensure its monitoring and supervision

Article: 55 Interventions of the Bank on money market

In order to achieve monetary policy objectives, the Bank may intervene on money market especially for lending, borrowing, selling, buying liquid assets with option of repurchase or of pension of public or private effects or any other negotiable instrument.

In no case shall the transactions be made for the benefit of the Treasury or other issuing agencies.

Chapter 6. REGULATORY POWERS OF THE BANK

Article: 56 Regulations, directives and decisions

Regarding the provisions of this Law or other specific Laws, the Bank may issue the following regulatory instruments: 1° regulations;

2° directives;

3° decisions.

Regulations shall be normative acts that clearly define modalities of application of provisions of this Law.

The Bank's directives shall be orders or prohibitions of acting in a certain manner designed for one or more private individuals or legal entities.

Decisions shall be resolutions taken after examination of a dossier or a certain issue arising from a given activity. Such decisions shall be taken for a smooth running of the activity and may have a negative or positive effect on those to whom they are addressed.

The Bank's regulations, directives and decisions shall be respected by the concerned.

In the event of a dispute, they shall not be suspended before the final judgement rendered by a competent court.

Article: 57 Publication of regulations

Regulations issued by the Bank shall enter into force as from the day of their publication in the Official Gazette of the Republic of Rwanda.

Article: 58 Penalties

The Bank shall, through regulations, determine penalties for breach of its regulations, directives and decisions.

Chapter 7. OTHER INTERVENTIONS AND OPERATIONS

Article: 59 The Bank's involvement in relations between the State and international financial organizations

The Bank shall assist the central administration in its relations with international financial organizations. It may represent the Central Government both in these organizations and in international conferences.

It shall, in collaboration with the central administration, participate in the negotiations of foreign loans on behalf of the State and may represent the latter in such negotiations.

It shall assist the State in the negotiations of international payments, foreign exchange and clearing agreements and be responsible for their implementation

Article: 60 Restrictions to Bank's investments

The value of immovables, Bank's investments, the book value of medium and long term debt securities issued or guaranteed by the State or listed on the stock market may not exceed the total amount of the Bank's own funds.

Title 4. MONTHLY AND ANNUAL ACCOUNTS AND THEIR PUBLICATION

Article: 61 Approval and publication of the status of accounts

Each month, the Bank shall approve the status of its accounts and shall publish them in the Official Gazette of the Republic of Rwanda.

Article: 62 Preparing the balance sheet and appointing an independent auditor

The Bank shall approve the balance sheet, the profit and loss account and the status of profit distribution as of December 31 of each year.

Before the end of the year, the Bank shall appoint an independent auditor with a responsibility of auditing and certifying accounts of that year.

An audit report for the previous year shall be submitted to the Board of Directors in the first quarter of the following year.

Article: 63 Control of financial statement

The Board of Censors shall, in the first quarter of the following year, control the financial statements for the previous year certified by an independent auditor and shall submit the same report to the Minister in charge of finance, with a copy to the Board of Directors.

Article: 64 Publication of the financial statement

The financial statement and the use of finances certified by an external auditor shall be published by the Bank in the Official Gazette of the Republic of Rwanda within six (6) months of the year that follows the closing of each financial year.

Article: 65 Annual activity report

Within four months after the closing of each financial year, the Governor shall submit to the President of the Republic the Bank's annual activity report, the balance sheet and the use of its finances in the framework of the State finances of the same year.

Article: 66 Profits and their use

Revenue, after deducting all charges, including depreciation and estimated liabilities, shall constitute net profits.

From these profits, there shall be deducted twenty per cent (20%) to be credited to the general reserve fund.

After the allocation of other appropriations deemed necessary by the Board of Directors, notably to special reserves, the balance shall be paid to the Public Treasury.

Article: 67 Amortization of the loss

If the annual accounts indicate a loss, such a loss shall be amortized by charging it on the general

reserve fund. If the balance of the general reserve fund does not allow amortizing fully the loss, the outstanding amount shall be paid by the State.

Article: 68 Publication of statistical data reports as well as economic and financial studies

The Bank may publish reports containing statistical data as well as economic and financial studies.

In this connection, the Bank may require banks and other financial institutions as well as public and private agencies or any other person to provide it with statistics and information needed for the analysis, especially of the economic, monetary, credit, balance of payments and external debt conditions.

It may also establish direct relationship with enterprises and professional groupings capable of providing it with such information.

In the case of refusal to provide such information, the Bank may impose financial penalties according to a scale that shall be determined by means of a directive.

Title 5. MISCELLANEOUS PROVISIONS

Article: 69 Professional secrecy and penalties related to non compliance

Members of the Board of Directors, members of the Board of Censors, the personnel of the Bank and any person involved in the activities of the Bank, even occasionally, shall be required to keep professional secrecy and non compliance shall be punishable by the penal code.

Any person liable to a punishment provided for in the previous Paragraph shall be removed from his or her duties as a member of the Board of Directors or of the Board of Censors.

In case it is one of the censors, who is penalized by the sanction provided for under this Article, he or she shall be prohibited from exercising any functions of an independent auditor in a financial institution which receives funds from the public.

Article: 70 Restrictions to the outgoing censor

Any previous member of the Board of Censors shall not be given another post in the Bank before five (5) years from the day of his or her cessation of the membership in the Board of Censors.

Article: 71 Exchange of confidential information

The Bank shall be authorised to share confidential information with foreign banks, foreign supervisory authorities, foreign legal financial regulators as well as international institutions, on condition that such information shared by the Bank shall be under the obligation of secrecy or discretion by the receiving entities.

Article: 72 Cooperation agreements with other supervisory authorities

In the execution of its functions as provided for by this Law or by other specific Laws, the Bank shall be authorised to engage in co-operation relationship with foreign central banks, foreign supervisory authorities, foreign regulators and international institutions.

Article: 73 Exemption from liability of Bank's organs and personnel in exercising their duties

The Governor, the Vice Governor, members of Board of Directors, members of the Board of

Censors and the staff of the Bank may not be held responsible by third parties for damage caused to them during the execution of their duties.

However, the Bank may demand damages from the aforementioned persons for any damage caused to third parties where such damage might be the result of fraud or error that is attributable to them.

Article: 74 Tax system applicable to the Bank

The Bank shall be considered as the State with regard to the rules of tax liability and tax payment pertaining to all taxes levied for the benefit of the State and its administrative entities.

Article: 75 Exemption from court fees and security for costs and penalty

In the course of any legal proceedings, the Bank shall be considered as the State; therefore, it shall be exempted from paying bail or advance in all cases where the law stipulates this obligation for concerned parties. It shall be exempted from all legal fees and taxes charged for the State.

Article: 76 Execution of the pledges received by the Bank

Subject to any existing provisions more favourable to pledge holders, the Bank shall be allowed, for the execution of the pledge received as creditors' guarantee, to proceed as follows:

1° in case of failure to repay at maturity date the amounts due to it, the Bank may, notwithstanding any objection and fifteen (15) days after a notarized summons served to the debtor, auction the collateral for total repayment of amounts due in capital, interests, commissions and expenses without prejudice to other legal proceedings that could be on-going against the debtor; 2° the auction shall be ordered by the competent jurisdiction on request by the Bank;

3° the auction shall be carried out on the stock exchange market for securities or listed materials; for securities or materials not listed on the stock exchange market, it shall be carried out by a bailiff at the order of the judge at a place, on a day and at an hour fixed by that judge, by fixing notices or publication in the press;

4° the Bank shall be paid its financial claims, the principal amount and incidental expenses, directly and without other formalities, from the proceeds of the sale.

Article: 77 Security of Bank's property

The State shall provide free of charge, security and protection of the premises and properties of the Bank, as well as the necessary escorts for the transfer of funds or securities.

However, if considered necessary, the Bank may seek assistance from other security experts.

Article: 78 Right to negotiate

The Bank shall be authorized to negotiate for the recovery of its credits and administrative penalties that may be imposed.

Article: 79 Modification of missions or dissolution of the Bank

Modification of missions or dissolution of the Bank may only be declared by a law.

Title 6. TRANSITIONAL AND FINAL PROVISIONS

Article: 80 Notes and coins which are legal tender

Bank notes and coins which are legal tender in the Republic of Rwanda shall retain their value until the Bank decides otherwise.

Article: 81 Repealing provisions

Law n° 11/97 of 26/07/1997 regarding Statutes of the National Bank of Rwanda as amended to date as well as all other previous legal provisions contrary to this Law are hereby repealed.

Article: 82 Commencement

This Law shall come into force on the date of its publication in the Official Gazette of the Republic of Rwanda.