

Rules for calculating and publishing interbank interest rate on the deposit market (SKIBOR)

I General provisions

Article 1

These rules shall set forth the manner of calculating (fixing) and publishing the interbank interest rate SKIBOR and the procedure for the reference banks selection.

Article 2

These Rules shall be aimed at enabling transparent trade and development of the interbank deposit market.

Article 3

The terms used in these Rules shall have the following meaning:

SKIBOR - Skopje Interbank Offer Rate -	interbank interest rate for selling Denar deposits calculated on the basis of the reference banks quotes.
Reference bank -	a bank which fulfills the terms and the conditions set forth in Article 5 of these Rules.
Quotation -	interest rate at which the reference bank is prepared to sell uncollateralized Denar deposits to another reference bank.
Europoint Systems-	Europoint Systems Banking Package - office Belgrade i.e. service provider for calculating and publishing SKIBOR.

II Selection of reference bank

Article 4

The selection of the reference bank shall be performed by the Reference Banks Control Board (hereinafter referred to as: Board).

The Board shall consist of three members, two of which appointed by the Presidency of ACI Macedonia - Financial Markets Association (hereinafter referred to as: ACI Macedonia) and one member shall be appointed by the Banking Association within the Economic Chamber of Macedonia.

The Board members should be directly involved in, or held liable for operations in the area of financial markets in the banks. The members have to be independent and impartial in the execution of their activities set forth in these Rules.

The Board members' term of office shall be one year, with possibility for their reelection two consecutive times, at most. Each member shall have one vote, and the decision shall be adopted with simple majority of votes.

For the purpose of monitoring the reference banks activities, the Board shall hold meetings on a monthly basis, and more frequently if needed.

Article 5

In order to obtain a status of a reference bank, the bank should meet at least one of these criteria:

- to be active participant on the interbank deposit market with minimal share of 5% as seller, i.e. buyer of deposits in the registered turnover during the preceding year, and/or
- to be classified in the group of large or medium-size banks according to the total assets value, in conformity with the last data published by the National Bank of the Republic of Macedonia.

Despite this, the bank should:

- set quotes for buying and/or selling deposits;
- possess Europoint information system;
- be proposed by at least four reference banks;
- be consent with the provisions of these Rules.

Article 6

For the purpose of obtaining status of a reference bank, the bank shall submit written request to the Board.

The Board shall make a decision within 30 days from the receipt of the request and formally notifying the bank on the decision.

Article 7

The Board can decide on the cessation of reference bank status:

- upon a written request of the reference bank;
- if the reference bank ceases to fulfill the terms and the conditions set forth in Article 5 of these Rules.

The Board shall formally notify the bank on the decision on cessation of the reference bank status.

Article 8

The number of reference banks should equal at least eight in order to provide adequate presentation of the activities on the deposit market.

The Board shall prepare a *List of reference banks*, which shall be published on the web site of ACI Macedonia, the Economic Chamber of Macedonia, the National Bank of the Republic of Macedonia and Europoint Systems.

The list shall be revised at least once a year in order to monitor the fulfillment of the terms and conditions set forth in Article 5 of these Rules.

III Calculation and publishing of SKIBOR

Article 9

The interbank interest rate SKIBOR shall be calculated on the basis of the quotes for selling uncollateralized Denar deposits by reference banks.

Article 10

The reference banks shall be required to quote the interest rates for selling uncollateralized Denar deposits for each of the following standard maturities:

- overnight	SKIBORO/N
- 1 week	SKIBOR1W
- 1 month	SKIBOR1M
- 3 months	SKIBOR3M
- 6 months	SKIBOR6M
- 9 months	SKIBOR9M
- 12 months	SKIBOR12M

If the deposits maturity date is a non-working day, then it shall be transferred to the following working day.

Article 11

The quotes shall be calculated according to the actual/360 convention (calendar number of days in the month and 360 days in the year) by applying proportional method and shall be rounded to 2 decimal places.

Article 12

The reference banks shall quote interest rates for buying and/or selling deposits on Europoint Systems during the entire working day, and for the purpose of SKIBOR calculation it shall post quotes on Europoint Systems until 10:45 a.m. The change in the quotes by the reference banks shall be allowed until 11:00 a.m. at the latest.

Until the moment of publishing SKIBOR, access to own quotes shall be available for the reference bank only.

Article 13

SKIBOR shall be calculated as an arithmetical mean of the quotes for standard maturities and it shall be rounded to two decimal places.

The calculation of SKIBOR, for each maturity individually, shall be made as follows:

- the quotes shall be ranged according to the ascendant order;
- if eight or more reference banks submitted quotes, the two highest and lowest quotes shall be excluded;
- if at least six, but less than eight reference banks submitted quotes, the highest and the lowest quote shall be excluded;
- if at least four, but less than six reference banks submitted quotes, all quotes shall be included in the calculation;
- if less than four reference banks submitted quotes, SKIBOR shall not be calculated.

Article 14

SKIBOR for each maturity, as well as the quotes of each reference bank shall be published on Europoint Systems until 11.30 a.m. at the latest.

SKIBOR for each maturity shall be published on the web sites of ACI Macedonia, the Economic Chamber of Macedonia, the National Bank of the Republic of Macedonia and Europoint Systems.

The total turnover and the weighted average interest rates on the interbank deposits market by maturities for the previous day shall also be disclosed on Europoint Systems.

IV Closing provisions

Article 15

The Rules shall become effective after their signing by authorized person in the involved institution.

The Rules shall be signed in four copies, one of which for ACI Macedonia, Banking Association within the Economic Chamber, Europoint Systems and the National Bank of the Republic of Macedonia.

Each reference bank shall receive a copy of the signed Rules.

Signatories:

1.	ACI Macedonia Financial Markets Association - President	
2.	Banking Association within the Economic Chamber - President	
3.	Europoint Systems - Manager	