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Instruction No. 1 THE MICRO FINANCE INSTITUTIONS (Updated December 18, 2005 according to Amendment No. 1 of 18 December 2005)

Concerns: Activity and Control of Micro Finance Institutions

The Central Bank of Congo, in accordance with Article 6 of Law No. 005/2002 of 7 May 2002 on its constitution, its organization and operation, adopt the following regulations related to l'activité and control Micro Finance institutions,

TITLE I:

GENERAL PROVISIONS

CHAPJTRE ER: DEFN | {{ONS

Article 1:

By "Micro Finance" means the provision of credit and / or savings to vulnerable economic agents are excluded from the traditional banking system, to enable them to carry out income-generating activities, create jobs and so Tutter against poverty.

Article 2:

The Micro Finance Institution (MFI) is a corporation that carries as usual occupation, activity Micro Finance as defined in Article 1 ".

Article 3:

For the purposes of this Instruction, the term:

1. "Network", a Micro Finance Institutions grouping approved by the Central Bank of Congo and animated by the same objective;

"Client" means any project wearer funded MFIs and / or

sparing with it, and / or recipient of services

Related;

3. "Officer" means any person who participates in the administration and management of a Micro Finance Institution;

"Credit institution" means any legal entity that performs as a regular business banking operations and is governed by Law No. 003/2002 from 02 February 2002 relating to the activity and supervision of credit institutions.

CHAPTER II: CATEGORIES

MICRO FINANCE INSTITUTIONS

Article 4:

The Micro Finance Institutions are divided into three categories, namely:

1. Enterprises of micro-credit

first class;

2 "Micro-credit companies

second category;

39.

Article 5:

Enterprises of microcredit first category are those that give a client micro-loans not exceeding the equivalent of USD 250 per cycle, not necessarily pursue a lucrative goal, but in conditions that ensure their profitability and sustainability,

Micro Finance Companies.

Enterprises of microcredit first category are destined to turn into micro-credit company

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second category or Micro Finance Company.

Enterprises of microcredit second category are those that grant micro-credits to customers for profit. They can collect savings only if they are authorized, based on an ancillary basis, by the Central Bank.

The Micro Finance Companies are those that collect public savings and the granting him microcredit.

CHAPTER II. OPERATIONS AND SERVICES MICRO FINANCE

Article 6:

Micro Finance Institutions are authorized, within the limits set by this Instruction, to do the following:

- The collection of savings; - The granting of micro-credits.

Article 7:

The Micro Finance Institutions can perform related operations and services to their teiles activity:

- Leasing operations; - The safe rental; - Training activities.

These operations and services must remain of limited importance in relation to all collection activities of savings and / or granting of micro-credits.

The Micro Finance Institutions with a resource surplus may invest in commercial banks or acquire debt securities issued by the State or the Central Bank of Congo.

Article 8:

1. Are considered as savings funds raised by the Institution

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Micro Finance with the public, in the form of deposits with the right to dispose of part of its activities, dependents to return at the request of the applicant;

2. Do not considered

Savings, money follows: - guarantee deposits; - Sums left by a customer

honoret to its commitments; - Loans from the

financial sector ; - Funds left in an account by

partners or shareholders.

The Micro Finance Institutions may receive other resources in compliance with their rules and standards adopted by the Central Bank of Congo,

Article 9:

Is a microcredit operation, any act by which a Micro Finance Institution offers or promises to make funds available to the customer.

Is likened to a microcredit operation, any act by which an institution of Micro Finance shall, in the interest of its customers, a commitment by signing such an endorsement, bond or other guarantee.

TITLE H;

INCORPORATION, CAPITAL MINIMUM APPROVAL APPROVALS, prohibitions and INCOMPATIBILITIES

Chapter ER: CONSTITUTION

Article 1:

The Microfinance Institution is necessarily constituted as a moral person.

Micro-credit companies first or second category have the freedom to choose the form that suits them

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while the Micro Finance companies can adopt the form of company limited liability company (LLC).

The Central Bank shall ensure the adequacy of the category of micro finance institution with the activity to exercise.

The minimum number of partners or shareholders is attached, as appropriate, to 2 for micro-credit companies first class or second class and 7 for Microfinance Companies.

CHAPTER II : MINIMUM CAPITAL

SOCIAL

Article 2:

The minimum capital of Micro Finance Institutions has set the manner hereinafter:

- 1) the equivalent in Congolese francs of USD 15,000 (fifteen thousand US dollars) for Companies of microcredit first category 2), Congolese Francs equivalent to USD 50,000 (fifty US dollars Hump) for Enterprises of microcredit second category; 3 °), the equivalent in Congolese francs of USD 100,000 (one hundred US dollars mile) for Micro Finance Companies;

This capital must be fully released to the constitution of the Micro Finance Institutions categories.

CHAPTER III: APPROVAL, WITHDRAWAL

ornamental

Article 12:

Before exercising their activity on the territory of the Democratic Republic of Congo, the Micro Finance Institutions must obtain the approval of the Central Bank subject to meet

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obligations under Articles 11 and 13 of this Instruction.

Article 13:

The application for approval submitted to the Central Bank of Congo, against receipt,

shall specify the requested category.

The accreditation application includes the information and documents:

1) the statutes and rules and regulations within the institution;

2) the minutes of the Assembly

Constitutive general; 3) the minutes of the Assembly

Elective General;

4 °) of

the CVs

leaders ; 5) the criminal records of

leaders ; 6) the good life and certificates

Inceurs leaders; -

the executive residence certificates;

7 °)

8 °) documents certifying payments made under subscription capital;

9) the activity forecasts,

of implantation and organization; 10) the details of the financial and technical means and human resources that the institution intends to implement in terms of its objectives (Business Plan); 11) the accounting and financial rules and procedures and credit policies and human resources; 12 °) a proof of payment of the application fee to the Central Bank of Congo.

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The Central Bank of Congo may eventually ask any other documents or information that could inform its decision.

Article 14:

The approval is notified by a decision of the Central Bank of Congo taken within 90 days. This period takes effect on the date of the notice of receipt issued by the Bank's management with consideration of applications for approval of Micro Finance Institutions in its functions, provided that the approval dossier is regular.

Except in cases of force majeure, after this Deadline, the Microfinance Institution is deemed approved.

The accreditation document is published at the expense of the institution, the Official Gazette and in at least one organ of great diffusion of the national press. It specifies the category in which the institution is classified and lists

ies and operations services Microfinance

that are allowed him.

The review of the application for approval may be entrusted to other structures or people under the conditions determined by the Central Bank of Congo.

The refusal of approval is notified to the applicant institution within the same period as that in the first paragraph,

The Central Bank prepares and maintains the list of approved Micro finance Institutions to which is assigned a registration number. This list and the amendments which it is subject are published annually in the Official Journal.

Microfinance institutions need to include their registration number on all correspondence or publication.

Article 15:

The withdrawal of approval is pronounced by the Central Bank of Congo where 'Microfinance Institution!:

- Renounces the authorization:
- No longer meets the conditions under which authorization subordinate e \$ t;
- Has not started operations within twelve months of obtaining its approval;
- Has ceased its activity since at least twelve months.

Withdrawal of approval may also be pronounced in case of serious or repeated with these provisions.

The withdrawal of authorization is motivated and notified to the Microfinance Institution by the Central Bank. The latter shall, at the expense of the institution, its publication in the Official Gazette and in at least one national newspaper of general circulation.

Any institution whose accreditation was withdrawn into liquidation is revoked and the lists of Micro Finance Institutions.

CHAPTER 1W; APPROBATON PRIOR BY THE CENTRAL BANK OF CONGO

Article 16:

Are subject to the prior approval of the Central Bank of Congo:

- a. any amendment to the articles
- a Microfinance Institution; b. any merger, absorption, division and the voluntary assignment of a Microfinance Institution or closing thereof;

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- c. opening or closing a window or agency by a Microfinance Institution;
- any change of category by Institution.

The approval is granted in les60 days of the date stated on the receipt issued by the Central Bank. If no decision on expiry of this period is approved.

CHAPTER V RESTRICTIONS AND

COMPATIBILITY in

Article # 7:

No one shall be leader of an institution, nor have the authority to sign on behalf of it, if:

- a. a dispute with the institution or with the Central on which the Institution is affiliated;
- is not of good conduct and good character;
- c. was sentenced in Democratic Republic of Congo or abroad as author or accomplice to attempt one of the following offenses;

4. counterfeiting;

contrefaçon or falsification of bank billets, treasury bills and brands;

6. counterfeiting or falsifying seals, stamps, dies and trademarks;

7, forgery and use:

8. theft, extortion, embezzlement or breach of trust, fraud, concealment or making off without payment;

9, simple or fraudulent bankruptcy, fictitious circulation effects

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issuance of bad check;

corruption or extortion;

money laundering.

has already lost as leader of an institution following a serious breach or gross negligence;

e. has been declared bankrupt, unless

rehabilitation in his favor;

ffa been blacklisted by the Central Bank of Congo, except rehabilitation in its favor:

g, took part in the administration, management or day management of an institution, credit or a Microfinance Institution whose forced liquidation was ordered or whose bankruptcy was declared.

When the decision result which any of the prohibitions referred to in this section is subsequently revoked or invalidated, "the ban expires by law, unless the new decision is subject to appeal."

Article L8:

No one can be director of a Microfinance Institution if he exercises the functions of responsibility in a competing institution, have entirely or partially the same corporate purpose,

Public administration career officials and agents of the Central Bank of Congo can not be leaders in a Microfinance Institution,

Article! |}

A manager of termination of a micro finance institution must be brought to the notice of the Central Bank of Congo by the institution concerned.

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Article 2 {}

It is prohibited to any entity other than a Microfinance Institution governed by this instruction to use a name, company name, advertising or general, equivocation that could create confusion about it.

Article 2!;

It is forbidden for a Microfinance Institution to perform operations other than those assigned to it under the category to which it belongs.

Article 22:

It is forbidden for individuals to exercise, as usual occupation, Micro finance l'activité defined in this Instruction.

However, Micro Finance Institutions may, in the exercise of their activity, collaborate with individuals called auxiliary as part of a sales contract, brokerage or commission.

A copy of the contract duly certified by the competent administrative authority is submitted to the Central Bank of Congo.

Title II ;

ORGANISATION ET FONCTIONNEMENT

Article 23:

The statutory bodies of Micro Finance Institutions depend on the legal form they have chosen at the time of their constitution; however, Microfinance companies are absolutely forced to be in the form of a company with limited liability (LLC).

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Article 24:

The rules of organization and functioning of a Microfinance Institution are determined in statutes and rules of procedure.

Article 25:

For the smooth functioning of the Institution activities Micro finance, cumulative functions of management and control, by the same body, is prohibited.

Article 26:

The leaders of a micro finance institution designated in accordance with statutory provisions.

TITLE IV:

PRUDENTIAL MANAGEMENT STANDARDS

Article 27:

Micro finance institutions shall observe the prudential management standards set by the Central Bank of Congo.

TITLE V:

CONSOLIDATION OF INSTITUTIONS AND MICRO FINANCE ASSOCIATION

PROFESSIONAL

CHAPTER II: CENTRAL microfinance institutions

Article 28:

Ten Microfinance Institutions of at least the same category, can come together in a network to form umbrella organization called "Central Micro Finance Institutions" in acronym & CIMIR X.

The Central Micro Finance Institutions shall, before exercising activities

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in the territory of the Democratic Republic of Congo, be authorized by the Central Bank

under the terms and conditions established by Articles 12 and following of this Instruction.

The provisions of this Instruction concerning the withdrawal of approval, the prudential management standards and control of micro finance institutions apply to Micro Finance Institutions of Central.

Article 29:

The minimum capital of a CIMF consists of shares subscribed and paid by member institutions,

The nominal value of the shares is determined by the statutes.

However, the total value of shares to be subscribed by each row Institution, may not be less than 20% of the minimum capital requirement for its class.

Article 30:

The Central Micro Finance Institutions is an institution with capital or appropriate staffing and ensures particular prerogatives below:

- The representation of the network with the Central Bank of Congo and others - la setting conditions for accession

Exclusion or withdrawal of affiliates; - {A definition and implementation of the necessary measures to ensure the cohesion of the network and ensure its financial stability, including respect for prudential management standards by institutions affiliated; - The exercise of disciplinary power and the implementation of agreed recovery measures and monetary penalties against a row,

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included in the network of the rules: - the definition of accounting standards and procedures related to the accounting profession Guide and the requirements of the Central Bank of

Congo - 1 éiaboration consolidated accounting records and other situations defined by centralie Bank; - Organizing resource management of surpluses

Affiliated institutions; - The preservation of liquidity

network; - The organization of financial solidarity between the affiliated structures in the event of failure of one or more affiliates, while ensuring the preservation of the financial balance

network: - the establishment of an internal control system network, accordance with the requirements of the Central Bank of Congo - The training of members,

|| CHAPTER: ASSOCIATION

PROFESSIONNELLE

Article 3 f:

Micro finance institutions are required to join a professional association,

The Professional Association in particular relates to:

- Defending the collective interests of micro finance institutions; "Inform and educate its members and the

public; - Investigate any matter of interest

Cofnmun; - Promote cooperation between members ;

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- Organizing and managing of
Services of common interest.

The statutes of the Professional Association must be submitted to the approval of the Central Bank of Congo.

TITLE VI:

INTERNAL CONTROL, EXTERNAL AUDIT AND OVERSIGHT

Article 32:

Control of the activity of the Micro Finance Institution is organized as follows:

- Internal control exercised within the institution and the network by its own organs or the apex;
- The external control by the Statutory Auditors and the External Auditors:
- The supervision exercised by the Bank

* Central Congo ---

CHAPTER | er: INTERNAL CONTROL

Article 33:

Any Microfinance Institution is required to have an internal control system capable of enabling him to ensure:

- Compliance of its operations, sor organization and its InterRes procedures, regulations, professional standards and practices and ethical guidelines as well as the executive and legislative bodies;
- Compliance with prudential management rules, notarrisnefit in the risk assessment as regards the granting of micro-credit and operations with other Micro Finance Institutions;

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- The quality of accounting and financial infortstation, particularly as regards the presentation, conservation and disclosure of that
information,

Article 34:

À The internal monitoring body

in particular to assess the financial policies and practices of Micro Finance Institutions, their internal control system and ensure the reliability of financial statements and compliance of this Instruction.

Article 35:

The Inspectors of Micro Finance Institutions are entitled under the inspection mission, the comarmunication of all documents and information necessary for the exercise of their function without professional secrecy being opposed them.

They are tenuis, following their mission to present a report with recommendations to the Confederation of Micro Finance Institutions effou the Board of Directors of the Microfinance Institution concerned. A copy of this report is for the Central Bank of Congo.

Article 36:

For investigation purposes, the Board of Directors of a microfinance institution and / or a Confederation of Micro Finance Institutions may suspend any officer following all serious matter affecting the interests of the institution or its shareholders or associated. This suspension may not exceed three months.

A copy of the suspension is transferred to the Central Bank of Congo.

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Article 37:

An officer may be removed from office, as appropriate, by the General Assembly or the Board of Directors, including breach of statutory, regulatory or statutory,

The Leader and removed from office, lose the right to exercise any other function within the institution and / or network,

Article 38:

For network organized institutions, the Confederation of Micro Finance Institutions (CIMF) is required to perform or have performed at least once a year, control of documents and on-site operations of affiliated institutions . To this end, the Central Micro Finance Institution is required to produce any manual procedures in accordance with standards issued by the Central Bank of Congo.

CHAPTER I: EXTERNAL AUDIT

Article 39:

The certification of financial statements of a Micro-trust institution is performed by one or more statutory auditors, appointed for a term of one year by the General Assembly.

The External Auditor may conduct the audit of the micro finance institution in which he holds an interest.

Article 40:

The standards for appointment of Statutory Auditors K. £ ill S {) r t l : determined by the Central Bank of Congo.

The function of cessation of the auditors of a micro finance institution must be paid by the latter and in writing, to the knowledge of the Central Bank,

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CHAPTER II: SUPERVISION

Article 41:

The Central Bank of Congo oversees the Micro Finance Institutions and their stations.

It launches or procures, at least once a year, to check on the spot and on of them.

This control also extends to any company in which the Micro Finance Institutions or the Central Micro Finance hold a participation,

Article 42:

Depending on the severity of the facts and after allowing the leaders of Micro Finance Institutions able to provide explanations, the Central Bank of Congo is:

contact the Micro Finance Institution and / or CIMF caution; "....."

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require them to take in a given period all appropriate corrective action;

take any precautionary measure deemed necessary including the appointment for a period not exceeding six months, an interim Representative;

to the administrative institution;

under management

impose disciplinary sanctions against the microfinance institutions and their leaders.

The Central Micro Finance Institutions is aware of the initiative taken by the Central Bank of Congo to the place of its members,

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TITLE VII:

SANCTIONS

Article 43:

When an institution Micro Finance violated ~~酶阻登~~available regulation in relation to its activity, does not comply with an injunction, or ignores a warning, the Central Bank may impose its place, one of the following disciplinary sanctions:

- Warning;
- The biâme;
- The prohibition of certain transactions or engage in certain activities;
- Suspension or resignation

Leaders of office; - Dismissal of the Statutory
accounts ; - Withdrawal of approval.

Article 44:

Without prejudice

Article 43 above, the Central Bank may grant a Micro Finance Institution for a period:

- Comply with certain provisions
of this Instruction;
- Make the necessary adaptations to its organization and operation.

The institution which has not fulfilled these obligations within the time limit is punishable by an administrative fine of Congolese Francs equivalent to USD 100 (one hundred US dollars) to USD 1,000 (one thousand US dollars).

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Title V || ;

MISCELLANEOUS, TRAMNSTORES AND fnals

Article 45:

Each institution must provide, within 45 calendar days, a monthly activity report to the Central Bank, following the model annexed

It will be attached to this report, including: - the balance sheet and income statement; - Information on loans: the number, volume, the interest rate, the area of intervention and the distribution according to gender; - The record of credit applications not

honored; - The monthly volume of savings

customers: - IE monthly volume of withdrawals; - The investments with their rates

interest; - A statement of shareholdings;

- Other information on

jobs and the institution's resources. Article 46:

The Microfinance Institution is required to submit to the Central Bank its audited

financial statements (balance sheets and income statements) within 4 months following the closing of the previous year, in the forms and rules laid down by this last,

Article 47:

The Micro Finance Institutions in activity at the date of effect of this decision instruction are required to comply with its terms within a period of six months from its effective date.

Article 48:

This Instruction

force on the date of signature.

Done at Kinshasa, 18 December 2005

JC Masangu Mulongo Governor

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INSTRUCTION No. 002 RELATING TO STANDARDS PRUDENTELLES COOPERATIVE SAVINGS AND CREDIT INSTITUTIONS AND MICRO FINANCE

The Central Bank of Congo,

Considering Law No. 005/2002 of () May 7, 2002 relative the establishment, organization and functioning of the Central Bank of Congo, especially in Article 6;

Pursuant to Law n ° 003 / 2002 {2 February 2002 concerning the activities and supervision of Credit Institutions, especially in Title III;

Pursuant to Law No. 2/2002 { } 02 February 2002 provisions for Savings and Credit Cooperatives, especially in its Articles 58 to 61;

Given the instruction No. 1 for Micro Finance Institutions, especially in Article 27;

Stop prudential standards applicabies the Savings and Credit Cooperatives and Micro Finance Institutions under management.

Article "I":

This instruction applies to Savings and Credit Cooperatives and Micro Finance Institutions, hereinafter referred to as "taxable persons".

Article 2:

The subject S 0 ilt TEIUS individually comply £ 11 constantly prudential management standards set by the Central Bank of Congo,

When the Savings and Credit Cooperatives formed a network, the same standards apply on a consolidated basis, unless otherwise specified.

Title I: MINIMUM CAPITAL

Article 3:

The Micro Finance Institutions must have at any time a paid up share capital at least equal to the capital

minimum set by the Central Bank of Congo,

Article 4:

The Savings and Credit Cooperatives must have at any time a paid-up share capital.

This capital consists of shares

social whose nominal value is determined by the statutes.

Article 5:

Congo of the Central Bank reserves the right, at the time of approval, to require more reporting based on forecasts of activities submitted to it.

Taxpayers are required before approval, to fully release the capital in cash.

Article 6:

Every taxable person must at all
moment that its core capital are
at least equal to the minimum capital,

The standard is assessed on the basis of core capital as defined in section 7 below.

TITLE II ; CAPITAL

PRUDENTIAL

Article 7:

Regulatory capital consists of the sum of core capital and additional capital.

Article 8:

Basic own funds consist of the sum of components
listed in paragraph A, net of items listed in Section BA Includes:

- Capital (Count 10)
- Capital related bonuses (Sub

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Up! 10) (Sub-Account 1622) - legal reserves, statutory, - mutual guarantee fund (Sub
optional and other (sub-account account 172)

111) - Provisions for risks, charges - IES reports positive new (Sub and losses (Count 18)

120) - Come deducted

- Surpluses or profits not - subordinated claims meeting

affected (Sub-account 130) definitions of this - provisions for reconstitution: Instruction held
in other capital (Sub-account 144) Credit Institutions or other - hedge funds (Sub-Account
Financial Institutions (Sub-account

170) 255). - The trust funds (Sub-Account {} Article:

171) Funds provided for the issuance of securities or subordinated loans require B. Come
deducted prior approval of the Bank

- IE share capital undischarged Central Congo when they meet the

(Count 10) following minimum requirements:

- The initial term of the contract must be bare least five years. If no deadline is set, ia debt can
- Uncompensated losses or losses

(Sub-account 121)

.. The loss or deficit (Sub-account be refundable only with a

131) subject to five years;

- Intangible values - the prior approval of the immobilized Bank (Account 20) - Central Congo is formally

- Shares in the apex structures required to perform his (Sub-account 252) prepayment provided

that the institution's solvency

- Holdings to more than one year - - - - -

p p p not subject is not affected;

held in other establishments of credit or other institutions the loan agreement has no financial (Sub-Account 2510) clause providing that in

circumstances other than

Article 9: liquidation of the subject institution, Supplementary capital debt will become repayable before include: the agreed deadline;

- Account capital gains and provisions - in the event of a liquidation of controlled (Count 14) deducting the institution subject, these securities or made in the provision for loans may not be repaid capital replenishment (Sub- that after settlement of all account \$ 44) other debts - capital grants may not be counted as (Count 15) securities or subordinated loans only

- Subordinated loans and borrowings amounts actually received.

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If the remaining term to maturity of at least five years, an annual reduction of 20% of the remainder is carried to reflect the contribution less sensitive solvabilité the subject institution.

Article # #:

The additional own funds may be included in the prudential capital in the basic capital limits

Subordinated debt referred to in Articles 9 and 10 of this instruction may be included in supplementary capital within the limit of 50% of core capital.

TITLE III: THE SOLVENCY

Article 12:

The subject, except for Enterprise Micro Credit, must always respect the solvency ratio, the minimum standard is set at (%).

This ratio is the ratio of the amount of their regulatory capital and that of the overall risk-weighted assets,

Article 13:

The numerator of the ratio consists of the regulatory capital under the provisions of Title II of this Instruction,

Article 14:

The denominator of the ratio includes all assets and off-balance sheet commitments, excluding items deducted from own funds prudentiets accordance with Articles 8 and 9 of this statement.

I in calculating the solvency ratio, the assets and off-balance sheet commitments given are assigned weighting 0%, 20%, 25%

and 100% depending on whether they are at high risk, medium, moderate or low.

Article # 5:

The assets and off-balance sheet liabilities are classified according to risk as follows:

- Cash covered by a policy

Insurance: {}%:

- Not covered by a policy cash

Insurance: 20%:

- Banks, Financial Institutions

DRC: 25%;

- Customer loans net of security deposits on loans when they are accompanied by an account of merger agreement in case of default: 100%;

- Other assets and all liabilities

of funding given 100%.

TITLE IV LIQUIDITY

Article 16:

The subject, with the exception of Micro Credit Companies are required to comply at all times a minimum liquidity ratio of 20% between their availability and deposits called "quick ratio"

Article 7:

The numerator of the report consists of:

- Held in cash (Count 57) - at banks (Account 56)

Article L8:

The denominator consists of:

the report is

- Deposits (Sub-accounts 330

331, 332).

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TITLE V: RESERVATIONS

Article}}

The general reserve of the subject is fed by an annual levy of 15% on the minimum net surplus before dividend payments each year, if any, after allocation of any retained any deficit again.

Article 2 }

The monies in general reserve

can be shared between members, partners or shareholders.

Afrficie 21:

Staffing general reserve is mandatory, regardless of the level reached by the cumulative amount of the reserve compared to the share capital of the taxpayer.

TITLE VI: LIMITATION AND DIVISION OF RISKS

Article 22:

The risks facing a Cooperative Savings and Credit can not exceed twice the aggregate deposits of its members.

Article 23:

The numerator of this ratio comprises risk to the subject, namely:

- Distributed loans (accounts 30 39);
- Equity securities (Account 25) ;
- Balances with correspondents (Accounts 53 and 56);
- Commitments given by signature (All).

Can be deduced from these risks, guarantee deposits and commitments received by signing a financial institution for a period at least equal to that of the risks it covers.

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Article 24:

The denominator of this ratio consists of total deposits (accounts 33, 34, 35, 36 and Sub-account 373).

Article 25:

The subject may grant loans or guarantees to related parties amounting overall not exceeding 20% of Prudential capital as defined in Article 7 of this Instruction.

Article 26:

Total outstanding loans and bank guarantees granted to relatives of a Cooperative Savings and Credit can not exceed 20% of the aggregate deposits of its members.

Article 27:

Are considered related parties:

- Shareholders, founders, directors, officers and the person ies and their family members in the first degree;
- Corporations where the taxable person has interests;
- Legal persons belonging to one of those listed in the first indent;
- Legal persons where one of those mentioned in the first indent has special interests;
- Nonbank individuals linked to the institution by cross guarantee contracts or business contracts, ie outsourcing or franchise agreement.

Article 28:

The Micro Finance Institutions can not extend credit and

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signed commitments to a single customer or a single signature for a total amount exceeding 5% of regulatory capital.

For any credit or greater commitment to the ceiling referred to above Alimea,

"Micro Finance institution must apply to prior approval of the Central Bank of Congo.

By a single signature, means any person or entity acting on its own behalf and / or on behalf of another structure in which it holds directly or indirectly power of audit, including exclusive control, spouse or significant influence .

This standard also applies to assets or receivables from its correspondents.
Article 29

The Savings and Credit Cooperatives can not extend credit and signature commitments to one member for a total amount exceeding 10%

all of their own funds

Prudential.

This standard also applies to

assets or receivables from its

correspondents

Article 3 ¶

- The total amount of investments made by taxpayers in legal entities may not exceed 25% of their own funds prudencies as defined in Article 7 of this Instruction.

- This rule is not the interests of Cooperatives Savings and Credit in the Central Savings and Credit Cooperatives and the last in the Federations.

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TITLE VII: coverage JOBS MEDIUM AND LONG-TERM STABLE BY RESOURCES

Article 3 1:

Taxpayers are required to comply at all times a minimum ratio of 100% between the stable resources and Stabiae jobs.

For networks, applied to non-consolidated basis.

Article 32:

The numerator following elements:

is composed

- Capital that prudential teis

defined in Article 7; - Medium- and long-term deposits

(Count 34); - Special regime deposits (Account

35); - The borrowings medium and long terms (Count 16); deduction

made of subordinated loans (Sub-Account 1622).

Africle 33:

The denominator consists of the following elements:

- Net fixed assets

(Class 2):

- The medium- and long-term credit

(Accounts 31 and 30);

- The disputed loans for their

net (39 account).

TITLE VIII: COVERAGE OF FIXED ASSETS BY PRUDENTIAL EQUITY

Article 34:

Taxpayers are required to fund capital retained by their regulatory capital,
 Capital deductions
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calculated as follows:

- Net fixed assets (Class

2) Less: shares in other Credit Institutions and Financial Institutions (Sub-account 251)

less: subordinated debt in other Credit Institutions and Financial Institutions (Sub-Account
 255) - less intangible assets

immobilized (Count 20)

Article 35:

Capital deductions

Micro Finance Institutions can not exceed fifty percent (50%) of their regulatory capital.

Article 36:

Capital deduction of Savings and Credit Cooperatives may not exceed fifty percent (50%) of their regulatory capital.

For Cooperatives Savings and Credit approved at the date of entry into force of this instruction, the ratio should decrease from 100% to 75% and 50% at the end of each calendar year from the signing of this instruction.

For networks, the ratio is calculated from unconsolidated basis.

TITLE IX: LIMITATION OF OPERATIONS OTHER THAN ACTIVITIES SAVINGS AND credit

Article 37:

Taxpayers can not take stakes in companies whose object does not contribute directly to achieving their objects, with the exception of inmates following titles to collect a debt and for resale under short notice.

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They may, with prior approval of the Central Bank, hold investment securities in companies whose activities contribute to the realization of their operations, including:

- In companies with IT services and publishing

software; - In companies of transport

funds; - In supporting companies and training to entrepreneurs and farmers microphones;

- In companies whose sole object is the holding of real estate housing the operations of the reporting;

- For Cooperative Savings and Credit in the Central Savings and Credit Cooperatives and the last in the Federations.

Article 38: - - -

Are considered related operations and services, any activity not

included in the scope of the collection activities of savings and / or granting of loans,

Any transaction or related service requires the prior approval of the Central Bank of Congo.

Article 39:

Revenues related transactions shall not exceed 20% of the products of the previous year,

The numerator consists of the following Souscomptes:

- 721 Commissions and fees levied on money transfer
- 722 Commissions and costs incurred on means of payment
- 723 Foreign exchange gains - 727 Other Commissions

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- 7289 Other various services
- 74] Revenues of movable and Estate
- 748 Other accessories The

denominator is composed of:

- Class 7 Accounts products (year

N - i)

TITLE X: MONITORING OF EXCHANGE POSITIONS Article 40

In order to prevent risks related to fluctuations in exchange rates, taxpayers are required to adhere permanently:

- The ratio between the amount of their long or short position in each foreign currency and the amount of their own funds prudentiels must be within the range from - 5% and 5%. For the most used currency in their transactions, the maximum ratio is increased to 15%;

a maximum ratio of 15% between the amount of their long or short position in all currencies and the amount of their regulatory capital.

Article 4³:

The position is as long if foreign currency assets exceed the liabilities in foreign currencies,

Conversely, the position is as short if the foreign currency liabilities outweigh the assets in foreign currencies.

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Article 42:

The numerator of the ratio is the net foreign exchange position determined by the difference between assets and liabilities in foreign currencies.

The assets consist of assets denominated in foreign currencies, excluding corporelles, intangible and financial.

Commitments include:

- The liabilities in libeliés

foreign currencies;

- The items off in bilari fibellés

foreign currencies consist exclusively of commitment stâr securities accounts on foreign currency transactions and financial futures.

Article 43:

The denominator of the ratio is

consisting of regulatory capital calculated in accordance with Article 7 of this Instruction.

Rficle A # 44:

XH TITLE: PROVISIONS TRANSITORES ETFNALES

Any breach of the devices of the present Instruction entails application of sanctions under the equal texts and regulations in force.

Afficie 45:

This Instruction comes into force on 01st January 2013.

Done at Kinshasa, on 44 April 2012

JC, MASANGU Mulong ()

Governor

Journal Special- officially number 20 January 2013

INSTRUCTION No. 003 COÖPERATÉVES TO SAVINGS AND CREDIT INSTITUTIONS AND FOR MICRO FINANCE ON THE CLASSIFICATION AND CREDITS PROVISSIONNEMENT

The Central Bank of Congo,

Pursuant to Law n ° {} \$ / 2002 of 7 May 2002 on the establishment, organization and functioning of the Central Bank of Congo, especially in Article 6;

Pursuant to Law No. 003/2002 February 02 2 () {} 2 on the activities and supervision of Credit Institutions, especially in Title III;

Pursuant to Law No. 002/2002 from 02 February 2002 provisions for Savings and Credit Cooperatives, especially in its Articles 58 to 61;

Given Instruction No. i to the Micro Finance Institutions as amended December 18, 2005;

Stop the following provisions on the classification and provisioning of loans.

Article "";

Those subject to this Instruction arE:

- The Savings Cooperatives and credit; the Micro Finance Institutions.

- Article 2

- Credits are categorized into two groups, namely:

-

- Performing loans; - The disputed loans.

Article 3:

Performing loans are those that have no maturity in arrears.

Article 4:

The itigieux credits are those where recovery can not be achieved in accordance with the contractual conditions

Initial due to some failure of the beneficiaries, even with guarantees.

They include: - loans extended - unpaid credit - impaired loans; - Litigation credits;

- Unrecoverable loans.

Article 5:

The extended credits are those whose deadlines have been changed at the request of a member or customer and before or after the deadline,

The extension of credit is allowed only once.

It is forbidden to taxable grant

to members or customers a new credit

used to repay a credit totally or partially delayed.

Article 6:

The credits are deemed unpaid when due at least is in arrears for ur {} day or more,

Are treated as unpaid loans, current sound loans made to members or customers who in the same establishment a disputed credit.

Article 7:

Impaired loans are debts of any kind, even with guarantees, which represent a risk of total or partial recovery from the 31st day.

Receivables current accounts without any significant credit movement of more than 30 days are included in the credits

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doubtful

Article 8:

Litigation credits are outstanding receivables whose records are the subject of a resolution at the amiable or justice.

Article 9:

The credits are irrécupérables bad debts over 12 months.

Article 10:

Sunk credits are recognized loss on the balance sheet at 31 December and tracked out bilan,

Article 11:

The Hon regulated interest on disputed loans are monitored in off balance sheet.

They are recorded in the account of the products when actually perdu\$,

Article 12:

ry

سنة

The disputed loans are subject to provisions to be made each month.

The amount of the provision on the disputed loans is determined as follows:

- 1-30 days late: 5% stake outstanding;
- 31 to 60 days of delay: 25% outstanding capital;
- 61-90 days late: 50% outstanding capital;
- 91-180 days late: 75% capital remaining due;
- More than 180 days overdue: # 00%

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of capital outstanding.

The extended credits are accrued as of the disputed loans from their initial schedule.

Article # 3:

Accounting entries credits to his endowment and the reversal of provisions defined by the Accounting Plan of Savings and Credit Cooperatives and the Micro Finance Institutions.

The Central Bank of Congo may impose any provision or procurement in additional loss as it deems necessary.

Article 14:

Taxable persons who do not meet the specific funding level and are subject to a monthly penalty equal to 1% of the inadequacy between the required level and the level recorded at the end of each month.

The penalties provided for in this Article come into force on January 1, 2013.

Article 15:

Any breach of the provisions of this instruction entails the application of sanctions under the laws and regulations on the matter.

Article 16:

This Instruction shall enter into force on the date of signature.

Done at Kinshasa, on 14 April. 2012 AD. MASANGU Mulong ()

Governor

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INSTRUCTION No. 004 THE COOPERATIVE SAVINGS AND CREDIT AND MICROFINANCE INSTITUTIONS ON PERFORMANCE INDICATORS

The Central Bank of Congo,

Pursuant to Law No. 5 / 2002 of 7 May 2002 on the establishment, organization and functioning of the Central Bank of Congo, especially in Article 6;

Pursuant to Law No. 03/2002 of 02 February 2002 relating to the activity and supervision of credit institutions, specifically in Article 34:

Pursuant to Law n ° 2 / 2002 of (92 February 2002 provisions for Savings and Credit Cooperatives, especially in Article 66;

Given Instruction No. 1 to microfinance institutions, its first spécialement article 45-46;

Stop the performance indicators applicable to the Savings and Credit Cooperatives and Micro Finance Institutions, hereinafter referred to as "reporting"

Article 7 ":

This Instruction is intended to set performance indicators to be complied with under the management of institutions subject.

Article 2

Taxpayers must ensure compliance of the performance indicators included in the Instruction to determine the effectiveness and sustainability of their activities.

Article 3:

The indicators referred to in this statement include:

- Portfolio quality; efficiency
- and productivity;
- The profitability and sustainability;
- Balance sheet management,

Article 4:

portfolio quality indicators are used to provide information on the percentage of non-performing assets which eroded the institution's revenue and have a negative impact on its cash position.

The ratios to be respected are two types, namely:

- Portfolio at Risk;
- Ratio you abandon debts.

Article 5

Efficiency and productivity indicators measure the ability of micro finance institution to control the costs of its operations.

The ratios to be respected are the two types, namely:

- Operational efficiency; - The number of borrowers by agent credit.

Article 6

profitability and sustainability indicators measure the ability of the subject to cover its operating expenses by its products to maintain its operations and ensure growth in the future.

The ratios to be respected are four types, namely:

- The return on equity; - The return on assets; - Portfolio Return;
- Operational self-sufficiency.

Article 7

managing the balance sheet indicators are interested in the degree of adequacy

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great masses of the state of the financial situation of the total balance sheet puts grant.

The ratios to be respected are three types, namely:

- The rate of surplus cash; - The outstanding rate of loans;
- The rate of capital

Article 8:

The method of calculation of the above indicators is annexed as an integral part of this Instruction

Article 9

This Instruction comes into force on 1 January 2013.

Done at Kinshasa, April 14, 2012

} C. MASANGU MULONGO

Governor

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Instruction 4 (banks)

Amendment No. 76, enacted on

Concerns: Money Market Operations

CHAPTER I: CENTRAL BANK OF CONGO

TITLE I: GENERAL PROVISIONS

Article 1:

Under the provisions of Article 8 of its statutes, the Central Bank of Congo provides two banks refinancing counters, ie counters of "short term loan" and "standing facilities".

Article 2:

The refinancing of banks to the Central Bank is subject to collateral effects and public and private investment grade.

SECTION 1: Pledge of effects and

Treasuries

Article 3:

By effects and public securities, means the bills and securities of different maturities issued by the Treasury and the Central Bank.

This is "Securities of Treasury debt;

- Debt Securities of the Central Bank (cash money).

Article 4:

The collateral effects and public securities is made to the Directorate of Banking Operations and Markets prior to any refinancing application,

Article 5:

Paragraph 1:

The collateral value of notes

and public securities issued by the State is their nominal amount decreased by 50%

Paragraph 2:

The collateral value of government securities and securities issued by the Central

Bank corresponds to their nominal amount.

To be admissible hantissement, the debt securities of the Central Bank shall have an initial maturity of at least 7 days and number of days remaining greater than or equal to the duration of the loan requested.

SECTION 2: Collateral effects and

private securities,

Article 6:

Paragraph 1:

The Central Bank of Congo, Operations Branch Banking and Markets, accepts bills and private securities as collateral to the extent that it has been furnished by the Bank approved, the record established at the time of opening of discount credit in accordance with Section 6.

These effects and titles can be:

"Letters of exchange;

> The promissory notes;

"Other effects and private securities benefiting from the State guarantee.

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Paragraph 2:

To be admissible collateral, private effects are:

Being established on standardized formula; Being caused; Being created within thirty days from the date of invoice or contract; Being domiciled in a bank or an authorized financial institution; Have at least thirty days to run; Must have a deadline of 5, 10, 20 and 30 days of the month and month-end; Wear at least three valid signatures motoirement which at least one must be a licensed bank or an authorized financial institution. These signatures must be preceded by the name and quality of the signatories.

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Article 7:

The collateral value of notes and private securities is fixed in accordance with Instruction No. 6, on the effects eligible for refinancing with the Central Bank of Congo.

Article 8:

After verification, the value of the collateral effects and accepted private securities is recorded in the account of the applicant in the fivres Bank of the Central Bank.

SECTION 3: effects and Restitution

mantis titles.

Article 9:

Paragraph 1:

At the request of an authorized bank, the Central Bank of Congo renders all affected pledge collateral, exceeds the outstanding refinancing in force.

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Paragraph 2:

If damping effects and pledged securities, the authorized bank shall replace, before maturity, effects and securities pledged by other bills and securities of the same nature and the same nominal value.

TITLE II: STOP LENDING A COURf TERM

{{Item}}

The short-term lending operations consist of reverse transactions in Congolese francs by the Central Bank of Congo to banks licensed to a maturity of up to 7 days, renewable at the discretion of the Central Bank,

*Article 11:***Paragraph 1:**

The refinancing agreement in short-term lending window to the Central Bank of Congo is evidenced by a document entitled "DOWNSTREAM" on which specifies the refinancing window, the amount of the transaction, the interest rate, the value date, maturity and nature of the guarantee,

Paragraph 2:

On presentation of the duly coated Aval two authorized signatures of the Directorate of Banking Operations and Markets, including that of a Branch Manager, the loan amount is credited to the account of the Bank authorized applicant.

Paragraph 3:

The granting of short-term loan requested through the TV off is approved after submission of a duly avai coated with two authorized signatures of the Directorate of Banking Operations and Markets, including that of a Head

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Branch, consistent with digitized by the plaintiff bank.

Article 12:

Operations in short-term lending window are made at the rate of the Central Bank of Congo. This rate is communicated to banks by separate and published in the press letter. It is the same with other rates of the Central Bank of Congo,

Article # 3:

Before any intervention, the Central Bank of Congo, Operations Branch Banking and Markets, ensures the existence of mantissement.

Article 14:

Interest relating to short-term lending operations shall be deducted.

Article 1.5:

Any reliance by banks ies in short-term lending window to the last working week of the month is prohibited.

TITLE HI: STOP STANDING FACILITIES

Article 16:

In order to ensure the smooth unwinding in clearing operations, banks can use to stop standing facilities of the Central Bank to cover all such liability position remaining on their accounts in the books of the Institute of end Issue the first session

of compensation, subject to appropriate collateral.

Article # 7:

The money is lent on a daily basis, the maturity is increased beyond 24 hours taking into account non working days.

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Article # 8:

The standing facilities operations desk are made at interest rate plus a margin,

Article 9:

Paragraph 1:

The refinancing agreement at the counter of the standing facilities at the Central Bank of Congo is evidenced by a document entitled "DOWNSTREAM" on which specifies the refinancing window, the amount of the transaction, the interest rate, the date value, timing and nature of the guarantee.

Paragraph 2:

On presentation of the duly coated DOWNSTREAM two authorized signatures of the banking and markets Directorate, including that of a responsible management, the loan amount is credited to the account of the Bank approved.

Paragraph 3:

The grant of the permanent facility requested by means of tele compensation is approved after submission of a duly coated downstream of two authorized signatures of the banking and markets Directorate, including that of a responsible Direction, consistent with digitized by the plaintiff bank.

Article 2 }

Interest on standing facilities operations are collected in arrears.

Article 2! :

'# Ny facility extended beyond the guarantees that will be taxed the rate standing facilities plus half.

Article 22:

Any recourse by banks to the standing facility window at the last business day of the month is prohibited.

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Article 23:

Alimea 1:

To cover the liability position of a bank clearing house to a day other than the last days of the month, the Institute of Emission grant ex officio, ex-post, a standing facility rate standing facilities plus of 100% and a repayment rate of Opinion of principal and interest payments, accompanied by a downstream regularization shall be submitted to the Clearing House the following day.

Paragraph 2:

To cover the liability position of a bank in clearing non couverte spent the last day of the month, the Central Bank of Congo, grant automatic permanent facility in the standing

facility rates increased by 200% and Flow Notice repayment of principal and interest
paientient,

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accompanied by a downstream regularization has ...

be presented to the next day the Clearing House.

CHAPTER III: ON INTERBANK,

Article 25:

Only licensed banks participating in the interbank market.

Article 26:

The interbank interest rate is determined by the market,

Article 27:

Participants in the interbank market are free to require the counterparty to the
collateral effects and public and private investment grade coverage of their loans.

Article 28:

For statistical purposes, banks transmit daily to the Central Bank of Congo, Branch
Banking and Markets, information on transactions in the interbank market. . .

CHAPTER III: FINAL PROVISIONS

Article 29:

All previous provisions contrary to this instruction are repealed.

Done at Kinshasa, 14 March 2012 JC MASANGU MULONGO,

Governor.

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**# NS'ÉTRUCTION No. 005 THE COOPERATIVE SAVINGS AND CREDIT AND INSTI'TÜ '#
{ } NS MICRO FINANCE ON THE CAPITAL FUNDING**

The Central Bank of Congo,

VII {ia Act No. 005 / 20Q2 07 May 2002 concerning the establishment, organization and functioning of the Central Bank of Congo, especially in Article 6:

Pursuant to Law No. 003/2002 of { } 2 February 2002 concerning the activities and supervision of Credit Institutions, especially in Title III;

Pursuant to Law No. 002/2002 from 02 February 2002 provisions for Savings and Credit Cooperatives, especially in Articles 58 to 6i:

Given the instruction No. 1 for Micro Finance Institutions as amended on 18 December 2005, especially in Article 27;

Stop the following provisions in capital funding matters
by the Savings and Credit Cooperatives
and the Micro Finance Institutions hereinafter "reporting".

Article 1:

The assets represent assets and securities intended to remain permanently in the subject institution They are composed of intangible assets, and financial corporelies,

Financial assets are non-current financial assets such as equity securities, other long-term investments (over a year) and loans and long-term receivables.

Article 2:

Taxpayers are required to fund capital held by their funds
Prudential.

Capital assets are retained
calculated as follows:

- Net fixed assets (Class
2)
- Less: shares in other Credit Institutions and Financial Institutions (Sub-account 251)

Article 3:

- Less: subordinated debt in other Institutions of Credit and Financial Institutions (Sub-account 255)
- Less incorporeiles values
immobilized (Count 20)

Capital deductions Micro Finance Institutions can not exceed fifty percent (50%) of their regulatory capital.

Article 4: -

Capital deduction of Savings and Credit Cooperatives may not exceed fifty percent

(50%) of their regulatory capital.

For Cooperatives Savings and Credit approved at the date of entry into force of this instruction, the ratio should decrease from 100% to 75% and 50% at the end of each calendar year from the signing of this instruction.

For networks, the ratio is calculated from unconsolidated basis.

Article 5:

Taxpayers are required to comply with the provisions of this
; Instruction. Article 6

Failure by the subject of the provisions of this Instruction exposes offenders to the penalties prescribed by the laws and

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regulations on the matter. signature.

Article 7: Made in Kinshasa, April 4, 2012

The provisions of this AD, MASANGU MULONGO

Instruction shall become effective on the date of Governor

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INSTRUCTION No. 5 TO BANKS AND OTHER AGENCIES

CREHDHT

Amendment No. 2 - into force March 15, 1999

Subject: Central Credit

Article 1;

Paragraph 1:

Banks and other credit organizations hereinafter referred to as "Participants" are affiliated to the Central Office of Risk of the Central Bank of Congo hereafter called "Central".

Paragraph 2:

Participants must communicate to the Central Credit grants, surcharges, renewals and deletions of credit lines and uses these signs and unpaid in accordance with the requirements of Regulation subject to Annex I referred to hereinafter " the rule ". - - - - -

Article 2:

Based on the information collected, the Central informed the participants about the overall indebtedness of their clients.

A "global debt" all the credits obtained by a customer from all participants.

Article 3:

Any exchange of information and correspondence between the Central and the Participants must be surrounded by absolute secrecy.

To observe this secret, the Central and the Participants comply with the procedure laid down in the Regulations.

Article 4:

The Central Bank of Congo is to charge banks and other credit institutions operating costs of the Central.

The amount so charged to the Participants will be subject to a communication from the Central to each of them.

Central Bank of Congo

Jean Claude. MASANGU Mulong ()

Governor

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APPENDIX E TO EDUCATION No. 5

Regulations for the Central**Article H ":**

This Regulation establishes the operating rules of the Central and defines the rights and obligations of participants and the Central,

It specifies the norms to be observed in order to preserve the confidentiality of communications.

Section for: Reporting**Participants at the Central****I. Contents of statements****Article 2:****Paragraph 1 :**

Participants must declare to the Central by customer: - -

- a) loans granted;
- b) the date used when the amount awarded is equal to or greater than the height set by the Credit Branch of the Central Bank of Congo;
- c) unpaid: any outstanding credit when due, any payment to account or unloaded from a customer in the absence of provision or prior agreement, without limitation amount,

Paragraph 2:

A credit is considered authorized as soon as the competent body of the Participant made the final and absolute decision to grant the credit.

Article 3:

Credit operations in déclarer englobení tGut disbursement: {}): U t commitment to account or discharge of a client, regardless of the quality of the recipient and form of committed facilities,

The loans must be reported even if it comes to facilities granted by funds and for third parties.

It may not be first carried out a compensation between accounts receivable and accounts payable, whatever the nature of the latter.

Article 4:**. . Paragraph 1:**

Three statements are made by the client, the first for authorizations (CR 2), the second uses (3 CR), and the third outstanding (4 CR).

Paragraph 2:

When credit is granted jointly to several people involved vis-à-vis a participant, one statement is to do for this credit. If one of coengagés also benefits from an individual credit falling within the scope of Article 2 of this Regulation, a separate declaration shall be made for this credit.

Paragraph 3:

Where several participants have jointly granted to the same customer credit falling within the scope of Article 2, each declare the amount of its participation, even if it is less than the amount referred to in Article 2

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cited above, paragraph 1, however in noting that it is a credit consortium.

||: Statements Frequency

Article 5:

Paragraph 1: Appropriation

Even by mail to the customer and at the latest on Friday, participants will transmit to the Central statements for new authorizations of credit and changes in force authorizations for the 7-day period ending the previous Friday.

Paragraph 2: Expended

Any credit use must be declared at the end of each month.

The statements are to be transmitted in one or more times before the 20th of the following month.

Paragraph 3: Unpaid

Any unpaid is immediately even declare that the changes made.

Paragraph 4:

Corrective statements should be made to the Central when an error is detected.

||: Statements Form

Article 6:

The statements in the centrate must be made by means of which printed matter in Annex III, as provided in Annex V.

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Section 2: Communications at the Central 1.1 X Participants

Article 7:

Paragraph 1:

Central communicates automatically to each participant's overall indebtedness of the customer for which introduced II declarations under Article 5 This communication takes place within fifteen days of the month in which the statements were transmitted uses at Central.

Paragraph 2:

At any time, upon justified request of the Participant, the Central communicate the overall indebtedness of a potential customer,

The justification for a request for information is made either by a copy of the credit facility application letter or a copy of the letter in which the potential client is aware its appropriation request is or the review by which it is sought to provide the necessary documentation for the processing of the application.

It will be given to requests for information that if copies are signed or countersigned by the qualified personnel to sign requests for information. A list of names and surnames of persons authorized for that purpose, accompanied by a specimen signatures, will first be sent to the Central.

Section 3: Transmission mode of communication between the Central and Participants

Article 8:

For correspondence between the Central and the Participants, it must be used exclusively and envelopes

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other appropriate means accepted by the person shall disclose amounts relating to Central. I debt of a client in - communication where its identity is taken, Article 9: * می

other than by a code. To save the character

confidential communications, is ii

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23:

INSTRUCTION No. 06 {} COOPERATÉVES TO SAVINGS AND CREDIT AND MICRO FINANCE INSTITUTIONS RELATÈVE THE USE OF ACCOUNTING PLAN COOPERATIVE SAVINGS AND CREDIT INSTITUTIONS AND MICRC) FINANCE (CICP)

The Central Bank of Congo,

Pursuant to Law n ° 005/2002 of 7 May 2 {} {} 2 on the establishment, organization and functioning of the Central Bank of Congo, especially in Article 6:

Pursuant to Law n ° {} {} 3/2002 of 92 February 2002 concerning the activities and supervision of Credit Institutions, especially in Articles 33 and 34:

Pursuant to Law No. 002/2 {} {} 2 from 02 February 2002 provisions for Savings and Credit Cooperatives, especially in Articles 64 to 66;

I saw no instruction to Micro Finance Institutions as amended on 18 December 2005, especially in its Articles

45 and 46 - - - - -

Stop the following provisions regarding the use of the Accounting Plan of Savings and Credit Cooperatives and the Micro Finance Institutions.

Article! :

There shall be a specific GAAP to Savings and Credit Cooperatives and the Micro Finance Institutions referred Accounting Plan of Savings and Credit Cooperatives and

Micro Finance Institutions, in acronym "CCP! "Attached to this Instruction.

Article 2:

The Savings and Credit Cooperatives and the Micro Finance Institutions are required to

organize their accounts in accordance with the provisions of the CICIP.

Article 3:

Cooperative Savings and Credit or the institution of Micro Finance who plans to perform an operation, the nomenclature is not included in a sub account provided in the CICIP, must solicit the prior approval of the Central Bank Congo for its creation,

Article 4:

This Instruction comes into force from its date of signature.

Done in Kinshasa on] April 4 2 {} 12

3-C, MAS ANGUM (JLONGO

Governor

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INSTRUCTION No. 6 (TO CREDIT INSTITUTIONS)

Amendment No. 5, coming into force May 27, 2009

Concerns: effects eligible for refinancing with the Central Bank

Article 1:

Chartered Credit institutions are required to provide in advance to the Central Bank of Congo, Credit and Financial Markets, records of economic agents beneficiaries barcaires contest for which the effects can be presented to mantissement refinancing operations Bank Centrade of Congo, according to the ratio determined in the Annex to this instruction.

Article 2:

The file submitted to the Central Bank of Congo includes the following:

- The information sheet, so

now that its leaders;

- The following printed Pian Congolese General Accountant (PCGC): A: For economic agents first class subject to the general provisions: 1. Certified the balance conforming to the December 3;

2. Table I simplified income training and certified at 31 December;

B. For economic agents

second category with simplified provisions: The balance sheet certified compliant by 31 December;

2. Simplified income training table and certified at 31 December;

C. For economic agents of third category subject to the reduced provisions:

1, the table of revenue and expenditure;

Congo

2. Table of situation.

Article 3:

The financial statements submitted to the Central Bank of Congo must be accompanied by:

- Analysis of the form of financial statements of economic agents including the following:

financial autonomy, capacity

repayment, profitability and overall liquidity;

- Opinions and considerations

! credit institution on the economic agent, mainly in 1 ○ ○ ○選öflé management, organization and future prospects of the company.

Article 4:

The transmission of information set out in Articles 2 and 3 at the Central Bank of Congo takes place annually within six months of the end of the financial year.

Article 5:

paragraph 1

Based on the financial statements GHG

beneficiaries of bank overdrafts,

Central Bank of Congo proceeds

particularly risky analysis

Credit institutions following the Annex | and lists of economic agents

the effects of which are eligible for refinancing

paragraph 2

Are accepted as collateral for money market operations as the effects of economic agents whose

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rations of financial autonomy, repayment capacity, profitability and overall liquidity are satisfactory and for which the bank loans have been declared in advance to the Central risks and bilaris,

Alimea 3

In assessing the effects eligible for refinancing, it is also taken into account guarantees, ostracized, any payment incidents over the past three years and the signatures of officers

economic hit banking or judicial ban

Article 6:

This Instruction shall enter into force on the date of signature and annuie all previous provisions, Made in Kinshasa, May 27, 2009

JC MASANGU Mulong ()

Governor

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Appendix to instruction No. 6

A. Listing of bank loans to beneficiary companies

- The listing of companies is carried out on

basic four following ratios:

- financial autonomy:

- Repayment capacity;
- Profitability;
- General liquidity.

1. Ratio of financial autonomy

This ratio assesses the effort of capitalization of shareholders, in other words is important in equity compared to the overall financial resources of the company.

The ratio of financial autonomy is calculated by the ratio of Own Resources and the General Total Liabilities Balance Sheet,

Own resources + 10: capital (capital + share premiums) + 1; ; legal reserves and other reserves + 12: retained earnings + 13 outcome kept by the agent

Economic +14: gains and regulated provisions + 15: Equipment subsidies

- Unpaid capital shareholders
- Property charges

The minimum standard required for this ratio is 20% II. Repayment capacity ratio

This ratio measures the company's ability to meet its deadlines without resorting to external financing; it strengthens the relationship between financial debt and total cash flow and corresponds to nomibre years capacity

self-financing that debt.

Financial liabilities (borrowings)

16; Long-term borrowings + 17: Medium-term borrowings which portion due within one year + 13 outcome begins to distribute

+ 40; + 44 suppliers: customers and advances received
represent

+ 42: 43 + staff: State + 44: 45 + owners and partners: affiliates + 46: 50 + sundry creditors: debt within one year + 53: effects and warrant liabilities +. banks (overdrafts) Cash flow globaie (Gross margin from operations) 85: Net income before contribution + 68: depreciation and amortization - 78: times on depreciation and provisions

The standard required for this ratio must be less than or equal to 4. HIA, profitability ratio

It measures company performance by the ratio between net income for the year and revenue outside
your XE8.

j] is defined as Follows: 83 Net operating income

70 Sale of goods The profitability ratio should be positive IV. Current ratio

It allows to assess the risk of bankruptcy of the company from its operating items.

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It is defined by the ratio of current assets (available cash and circulating values) and current liabilities.

1. CURRENT ASSETS A) Cash at 56: Banks and financial institutions + 57; fund B) Value circulating 30: rriarchandises + 3}: materials and supplies + 32: embailages commerciatux + 33: semi-products + 34: 35 + finished goods: goods and work in progress + 36: Stocks

outside

+ 279: part of loans and other medium-term loans to cash within one year

+ 40: suppliers, advance payments

+ 41: Guest

+ 42: staff

+ 43: State "

44: owners and partners

+ 45

+ 46

: Related companies: miscellaneous receivables + 51: loans within one year + 52: short-term securities + 54: effects and warrants to receive + 55: vouchers and coupons to cash 2.

Passifcirculant³ 3: Net income for distribution + 40: + 41 suppliers: customers (deposits and advances) + 42:

+ 43

+44 + 45: 46 affiliates +): + 50: loans within one year + 53: effects and warrant to pay + 56: banks (overdrafts)

Staff: State: owners and partners

sundry creditors

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+ 179: part of the long and medium term loan payable in a month

The higher standard to 1. B. Rating System

The findings of the review of the rating file is recorded in code form for a quick read of the appreciation of the Central Bank of Congo.

It comprises two elements that are listed and under, minimase must be

The rating is in the first position of the grid and shows the quality of the signature.

The A rating is a rating of excellence, awarded to deserving recipients credit the better appreciation of the Central Bank of Congo,

The credit rating B beneficiaries: is assigned to

for non-compliance of one of four ratios and

whose financial situation requires some improvements; - Have satisfied the two ratios profitability and repayment capacity and whose growth prospects are Rass určin {es.

The dimension C is attributed to credit beneficiaries whose agreements have been suspended following a banking ban, including blacklisting or court and those whose agreements have expired and have not been the subject of 'reconsideration.

The D rating is assigned to credit beneficiaries did not meet the criteria of the Central Bank of Congo.

The topic is the second element of the grille and takes into account the payment incidents and / or blacklisting through three (3) categories:

- Heading 0 is retained in case of lack of payment problems;

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- Item 1 represents the occurrence of one (1) payment incident;
- Category P is assigned when more than one (1) payment incident is recorded in the last three years.

Thus, the display A 0 means a company receiving bank loans that meets all the eligibility criteria without any specific conditions and having also recorded no incident of payment. (0)

C. Quotity collateral effects and private securities

The collateral value of notes and private securities corresponds to their nominal amount less any discount below:

i, effects and securities issued by the companies benefiting from the State guarantee

- Dimension A 0 and A 1: 10%

- Side B {3} and the 20%

2. Effects and securities issued by companies not benefiting from the State guarantee

- Dimension A} and {A}: 15%

- Grade B () and B | : 25%

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HNSTRUCTION No. 007 THE COOPERATIVE SAVINGS AND CREDIT AND MICRO FINANCE INSTITUTIONS ON THE

GOVERNANCE

The Central Bank of Congo, malfunctions,

Pursuant to Law No. 5/2002 {} {} of (7 May 2002 - on the establishment, organization and title H: roles and responsibilities for the operation of the Central Bank of Congo BODIES, especially in Article 6, Article 3:

Pursuant to Law No. 3/2002 {} {} {02 February 2002 concerning the activities and supervision of Credit Institutions, especially in its articles 12, 14, 25, 29, 36, 51 and 52;

Pursuant to Law No. 002/2002 of (2 February 2002 on the provisions applicable to Savings and Credit Cooperatives, especially in HI titer and Articles 15, 58 to 65;

Given Instruction No. 1 to Micro Finance Institutions as amended December 18, 2005 in Articles 12 to 19 and Titles III, IV and VI;

Establishes good practices

governance within the Savings and Credit Cooperatives and the Institutions of Microfinance.

Title; DEFINITION AND PRINCIPLES

GENERAL

Article 7 ":

Those subject to this Instruction ŠOrlt:

- The Savings Cooperatives and credit:

- The Micro Finance Institutions.

Article 2:

The governance of reporting is the set of mechanisms by which the actors (officers or shareholders, management or direction) define and pursue the mission of the institution and ensure its sustainability by adapting to the environment, by preventing and managing crises and

Taxable persons to ensure their sustainability, should acquire the legislative bodies of management, and control.

These bodies are:

- For the Savings and Credit Cooperatives:

- The General Assembly of members;

board of directors ;

- The Supervisory Board;

- Credit Committee;

- Its Management.

- * "For Institutions of Micro Finance:

- The General Meeting of

shareholders;

- board of directors ;

- The Audit Committee:

- the general direction.

(Chapter I MEETING

GENERAL

Article 4:

The General Assembly is the meeting of providers of capital, members or shareholders entitled to take part.

It is convened and held according to the statutory provisions.

Article 5:

The Central Bank of Congo may refuse a capital provider, member or shareholder, in the Cooperative Savings and Credit or the Institution of Micro

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Finance if the latter does not have the qualities required to play an active role in statutory bodies in relation to the need to ensure the sound and prudent management of the institution.

CHAPTER H: CONSEQUENCES, ON D'ADMINISTRATION

Article 6:

The Board of Directors is the collegial body that represents all capital contributors or elected and which imposes an obligation to act in all circumstances in the interest of the subject institution.

Administrators, elected or appointed by the General Assembly, shall collectively be responsible to the said meeting,

The Board of Directors shall be composed of members or directors with experience in the banking and financial field and in corporate governance.

The appointment of directors is subject to the assessment and prior approval of the Central Bank of Congo.

Article 7:

The Board works in combination, but also in complete independence from the management or direction of the subject institution,

Article 8:

The composition and organization of the Board's work should be appropriate to the capital structure and the size and nature of the subject institution's activities,

Article 9:

The Board of Directors shall not participate in the daily management of the institution subject. However, it should

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receive all the information to judge the quality of management.

Article 1 ():

The Board's mission is to:

- Appoint the officers (President, Vice President and Secretary) at the first meeting after the General Assembly;

- Decide on the general organization and

strategic objectives;

- Define risk management policies and monitoring their implementation by the authorized bodies;

- Determine the range of products and services à offer membres/ciients

3

- Decide on the acquisition, construction and sale of assets immobilisés beyond thresholds set by the manual procedures related to fixed assets;

- Authorize investments and

loans;

- Designate the persons authorized to sign contractual agreements and the various documents in the name of the subject institution;

- Authorize the hiring of employees and

set wage conditions and working conditions;

- Adopting and monitoring the annual budget

and the business plan;

- Follow the financial performance of the institution subject and adopt the necessary adjustments;

- Adopt and monitor implementation of policies and administrative expenses

services:

- Convene, organize and make recommendations to the General Assembly;

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- Determine the corrective measures to bring under inspection report, the auditor or auditor;
- Approve and monitor the plan

recovery, if any;

- Grant monitoring the observations, recommendations and opinions from the Supervisory Board or the Audit Committee;
- Admit Věžily flŭlĭ. members / clients or delegate to people the authority to do so, if necessary.

Article! ! :

The Board of Directors must: - meet in the forms provided by the statutes and rules of procedure;

- Define the subject institution's resource management policy;
- Ensure compliance with the requirements

legal, regulatory and statutory:

- Promote the work of inspectors and any review mission by the Central Bank or the ridge, as applicable;
- Promote, by any measure, economic education, social and cooperative members;
- Decide appeals on decisions of the Credit Committee at the place of a member;
- Propose solutions for a settlement of disputes;
- Implement decisions

the General Assembly;

- Report annually on its mandate to the General Assembly, as provided by the statutes and rules of procedure,

Article 12:

When the reporting institution

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formed a management or a general direction, as Chairman of the Board and the management or senior management must be assigned to different persons, namely a passive member or administrator and a member or active administrator in order to ensure adequate separation of functions of the two bodies.

CHAPTER III: {} {OUNCIL

MONITORING COMMITTEE 0bŭ D'Aŭ ĩ iT

Article 13:

In the Savings and Credit Cooperatives, the monitoring function is performed by the Supervisory Board.

The Board of Directors in the Micro Finance Institutions is assisted in its oversight role by an Audit Committee.

Article 14:

The Supervisory Board or the Audit Committee shall:

- Include only members with no management responsibility
- subject institution; - Include members with the

more experience in banking and finance;

- Ensure the adequacy of the internal control system to subject the institution's activities;
- Monitor and control the function

internal control ;

- Consider the activity report

Internal audit;

- Ensure full coverage of the institution's activities secured by the internal and external audits;

- Overseeing the review and approval of the public rendered financial statements

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the subject institution.

The Supervisory Board or the Audit Committee has the authority to recommend to the Board the recruitment or dismissal of external auditors and oversee relations

external auditors with the institution

subject.

CHAPTER IV COMMITTEE

CREDIT

Article # 5:

Credit Commission for the Savings and Credit Cooperatives has the responsibility to manage the distribution and collection of loans in accordance with established policies and procedures in this area.

The decisions of the Credit Committee are taken unanimously.

Article! 6:

The Commission must die Credit:

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- Meet in the forms provided by:
the statutes and rules of procedure;
- Appoint the officers (President and Secretary) at the first meeting after the General Assembly;
- Report annually fate mandate to the Council Administration and the General Assembly;
- Authorize the issuance of credits at
limits in force;
- Check the level of delinquent loans and ensuring the triggering of recovery efforts.

Islands Member of the Credit Committee must receive appropriate training.

{CHAPTER, V: GERANCE OR

HEAD OFFICE

Article 17:

Management or General iDirection is responsible for the ongoing management of subject and institution of adequate information of the Board.

She is responsible for the supervision of individual institution's activities subject lines,

Article # 8:

The Management consists of one person.

General Management must consist of at least two persons in a position that allows them to exercise a reciprocal control effective

It is composed of individuals who must have the necessary skills to manage the activities under its responsibility or IOR and must have proper control over the staff in the business lines under its or their responsibility,

TITLE II PREVENTION AND MANAGEMENT OF CONFLICTS OF INTEREST

Article # 9:

The institution subject must take appropriate measures to prevent conflicts of interest and to place procedures for their management.

The institution subject must establish procedures to identify conflicts of interest.

Article 2 §

In case of conflict of interest situations in the institution's relations subject and its providers of capital or shareholders, directors, employees, members or clients, the institution subject should manage a

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way that does not prejudice or other stakeholders, or to herself.

It adopts procedures and prevention of conflicts of interest risk management.

It is required to document information using appropriate how were managed conflicts of interest.

Title IV: group size

Article 21:

In exercising their responsibilities, governing bodies and parent company management establish general policies at the group level as well as the governance structure for the develop an integrated and harmonized control device.

To this end, their duties must not exclude or limit those of the administrative and management Congolese subsidiaries,

Therefore, the administration and management of Congolese subsidiaries must fully retain their responsibilities including those relating to the preservation of the financial strength of their institutions, strategic choices that contribute to protecting the interests of depositors, the risk management and compliance with legal and regulatory requirements.

In addition, the presence of a function

Organs.

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control and audit at group level does not exempt taxable persons operating in Congolese subsidiaries of their responsibilities.

TITLE V: MISCELLANEOUS

Article 22:

Taxpayers must notify the Central Bank of Congo, since the implementation of the present a report on governance and any significant changes that will occur during the

life of the company,

Article 23:

Taxpayers are required to ensure strict observance of the provisions of this Instruction by their providers of capital, members or shareholders including asking them any necessary evidence.

Failure by the subject of the provisions of this Instruction exposes offenders to the penalties prescribed by the laws and regulations on the matter.

Article 24:

This Instruction shall enter into force on the date of signature.

Done at Kinshasa, April 14, 2012 BC. MASANGI.J MU} _ {} NGO

Governor

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INSTRUCTION No. 008 ON THE ORGANIZATION OF INTERNAL CONTROL OF COOPERATIVE SAVINGS AND CREDIT AND MICRO FINANCE INSTITUTIONS

The Central Bank of Congo,

Considering Law No. {} {} {5}? May 2002 on the establishment, organization and functioning of the Central Bank of Congo, in particular in Article 6;

Considering Law No. 003 02 February 2002 relating to the activity and control of Credit Institutions;

Considering Law No. 2/2 {} {} {} {} 2 February 2002 02 provisions for Cooperative Savings and Credit;

Given Instruction No. 1 to Micro Finance Institutions as amended December 18, 2005;

Stop the following rules

internal control of Savings and Credit Cooperatives and the Micro Finance Institutions, hereinafter

called "subject".

Article 1:

Taxpayers are required to have an adequate internal control system. This device must be adapted to the nature, volume of business, the size of their settlements and risks of different natures auxquels eles are exposed.

Title]: THE BASICS

INTERNAL CONTROL

Article 2:

For the purposes of this Instruction, the term:

- Deliberative body (Council

Administration) that which ensures the Strategic orientation of the subject institution, the effective monitoring of management activities on behalf of shareholders or members;

- Executive Body (Management, General Management) who is responsible for ongoing management of the subject institution's activities and ensures effective pïotage realization process of the strategic objectives set by the défibérant body:

- Audit Committee: an offshoot of the governing body, created to assist in the performance of its tasks including evaluation of the quality of internal controls and assessing the consistency of Identification Systems to measurement, monitoring and risk mastery;

- Supervisory Board: a statutory body responsible for ensuring the operations of the cooperative, hotamment assessing the quality of internal control and is evaluating the consistency of identification, measurement, monitoring and mastery of

risks; - Pian of business continuity; a written action plan detailed

describing, in case of major operational disruption, including external shock, procedures and systems to maintain or restore within a predetermined time critical operations and functions of an organization in order to limit the consequences of this disruption for the organization and the system financial as a whole.

Article 3:

The internal control system consists of all the provisions is decided by

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the legislative body and implemented by the executive body to ensure that the organization's activities are controlled at all levels ies,

It consists at least of a permanent first level control in ies operating units and a control level last achieved by internal audit.

Article 4:

The internal control system is designed by the executive and approved by the legislative body.

It covers:

- Verification of compliance of performed transactions and internal procedures, measurement, mastery and risk monitoring;

- Verification of the organization with legal provisions {es £ t regulations in force;

- Quality monitoring

... Accounting and financial information, in particular the conditions of collection, processing, dissemination and data retention;

- The protection of human resources, customers and assets of the institution subject;

- Prevention, detection and

risk management ;

- The effectiveness of internal circulation cariaux documentation and information and dissemination to third parties;

- Respect for the compliance of procedures with the provisions of Law No. 04/016 of 19 July 2004 on the fight against money laundering and terrorist financing and instruction No. 45 (Amendment No. 2) December 15 2 {} {} 6 on the fight against money laundering and

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fésültätš dü Göñtròjë internally on the basis of

Financing of Terrorism

TITLE | r THE ROLE AND RESPONSIB | threaded DES (BODIES

Role and responsibility of leaders

Article 5:

Is considered leader, any person exercising functions
management, administration, control or management in a secured institution,

Article 6:

The Board of Directors Gu the Supervisory Board is required to ensure the implementation and monitoring by senior management or the management of the internal control system, including written policies and procedures to control essential for sound and prudent management of the subject's activities.

To this end, it shall, at least once a year, review the activity and
information sent to it by the director or manager in the manner provided by this Instruction.

Article 7:

The Board is required to set overall limits for each of the main quantifiable risks facing the subject institution, whose adequacy is reviewed periodically.

Article 8:

The Board of Directors shall ensure the segregation of duties, including the handling of values,
registration, authorization of transactions, verification and inspection.

Article 9:

The deliberative body responsibility clear, members of the executive body and defines the terms of

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delegation of authority.

Article # {}:

Members of the governing body and the executive body shall promote the Sein their institutor a strong control culture that places particular emphasis on the need for each agent to perform its tasks in accordance with legal provisions and regulations in force and internal policies.

They are required to educate all staff on the importance and value of controls, including through appropriate training and job enrichment that highlight the objectives to explicit institution and the means of their

production.

Article III:

The Board is assisted by an Audit Committee with tasks include:

- Ensure functioning of Bori
internal audit;
- Examine the audit reports made
by internal audit;
- Verify the reliability and accuracy of financial information to the governing body and third parties;
- Assess the adequacy of corrective measures taken or proposed to address gaps and deficiencies identified in the internal control system;
- Order fulfillment die any audit service or management audit

internal;

- Recommending the selection of auditors and external auditors of the institution, and overseeing relations with the taxable person;

- Be informed of any changes

procedures :

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- Make any recommendations in

the exercise of its mission;

- Report to the legislative body.

The above mentioned tasks apply to the Supervisory Board for the Savings and Credit Cooperatives.

The service of internal audit reports to the Supervisory Board for the Savings and Credit Cooperatives and the Audit Committee for Micro Finance Institutions.

Item # 2:

The Audit Committee must be chaired by a member of the governing body. He reports directly to the governing body that determines the functioning and to whom he reports. Its role can never be a substitute for the internal audit.

The Supervisory Board is composed of members elected by the General Assembly.

The Audit Committee or e Supervisory Board is composed exclusively of people with no managerial responsibilities in the subject institution. They must have experience and skills in finance and accounting as well as in the activities of the audit.

Article 13:

- The Council of Surveillance holds its meetings at least once a quarter.

- The Audit Committee shall hold at least

two meetings per year.

- They can associate with their work of others, including the Head of Internal Control and the Statutory Auditors of the reporting, Role Management or the General Directorate

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Article 14:

The design and implementation of the internal control system the responsibility of the executive body for this purpose:

- Establishes the appropriate organizational structure and provides the human and material resources needed to euvre implementation of the internal control system;

- Identify all sources

internal and external risks;

- Define the appropriate procedures

internal control ;

- Permanently ensures the consistency and effectiveness of the internal control system. For networks, these functions fall to the executive body of the ridge,

Article 15:

The executive body ensures in

continuously monitor the overall functioning of the internal control system and takes the necessary steps to remedy in a timely manner, to any deficiency or insufficiency raised.

TITLE HI: CONTROL SYSTEM

INTERNAL OPERATIONS AND PROCEDURES

General provisions

Article 16:

The operations and internal procedures control system should allow the subject to ensure, under conditions

optimal safety, reliability and completeness, compliance activities listed in Article 4 of this Instruction

Article 7:

Internal auditing provides an exhaustive monitoring of the internal control system and ensures consistency throughout the evaluation of different levels of control within the institution

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subject.

Article 18:

The function of internal audit is required to conduct periodic inspections.

To this end, it:

- Is based on a methodology for identifying significant risks incurred by the institution subject;
- Prepare a multi-year audit plan approved by the Supervisory Board or the Audit Committee and distributes S & S T {BSS} L the p C B: @ S 隆 1 accordingly;
- Has sufficient resources and personnel with appropriate training and have the experience required to understand and evaluate the activities to be audited;
- Access for the purposes of its mission, archives, records and data.

Article L9:

The shortcomings identified during inspections are the subject of a report with recommendations to strengthen internal control and risk management and their implementation by the management or the Management and opérationneis services.

The overall report must be prepared and submitted to the Central Bank of Congo on or before the sixth month and the fourth month following the close of the previous year respectively for the Savings and Credit Cooperatives and Micro ies Institutions Finance.

This report highlights the work performed, the difficulties, the main findings raised, the gaps between forecasts and achievements.

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TITLE IV: CONTENT OF CONTROL

Article 2 {}

The control device of the

records must enable the subject to ensure the reliability and completeness of their accounting and financial data, and ensure the availability of information at the appropriate time.

Article 21 :

The procedure for registration of transactions in the balance sheet and results should provide a set of procedures called audit trail, which allows:

- Reconstitute the operations in a chronological order ;
- Justify any information with an original piece from which it must be possible to trace a uninterrupted path to the summary document and réciproquement:
- Explain the evolution of sales of an order to another by conservation movements affecting accounting items.

Article 22:

The information in the accounting statements and those required for the calculation of management standards and prudential ratios and periodic and prudential statements to the Central Bank of Congo must comply with at least the provisions of the three indents of the previous article.

TITLE V MANAGEMENT SYSTEM

RJSQUES

General provisions

Article 23:

Taxpayers must implement risk management systems to identify, analyze, allowing

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measure, monitor and control risks of different natures which expose their activities,

These systems must be tailored to the nature, volume and complexity of the activities and operations of the institution subject and adjusted regularly depending on their risk profile and market developments.

The subject must develop comprehensive evaluation process of regulatory capital against these risks.

Article 24:

The risks to the subject include its credit risks of hierarchy, operational, interest rate, liquidity and those related to the outsourced activities,

Article 25:

Taxable persons must conduct a regular review of risk management systems in order to verify the relevance to the development of the activity, environmental markets and analysis techniques.

They have strategies defining their objectives in terms of regulatory capital that must be in line with their risk profile,

They must have including a three-year business plan that will be the subject of annual review and updating based on the evolution's Environment, activity and assumptions.

Article 26:

Pursuant to this instruction, the subject must implement for each significant risk a system of identification, analysis, measurement, monitoring,

mitigation and risk control,
The business continuity plan

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Article 27:

The subject must have the business continuity plans implemented to ensure continuous operation of their core tasks and activities to limit losses in the event of major operational disruptions due to external events or related to operational risk. This is a backup of the institution's database subject in a secure location other than its headquarters.

The head of the business continuity plan must be appointed by the executive body to ensure the implementation of measures related to this plan.

Article 28:

The head of the business continuity plan must establish, at least once a year, a report on the continuity plan of activity that addresses the executive. The latter informs the governing body and, where appropriate, the Council of Surveillance or the Audit Committee of measures taken to ensure business continuity and the assessment of the effectiveness of arrangements in place.

A copy of this report should be addressed to the Directorate of Monitoring Financial intermediaries of the Central Bank of Congo, on or before the sixth month and the fourth month following the end of the previous year respectively for Cooperatives and Savings Credit and for Micro Finance Institutions.

TITLE VI SYSTEM

DOCUMENTATION AND INFORMATION

Article 29:

The subject must develop and maintain procedures manuals on different pliers activities These documents must describe the procedures for recording, processing and retrieval of information, diagrams

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accounting and operational commitment procedures,

His need to establish, under the same conditions, a documentation specifying the means to ensure the proper functioning of the internal control # # 10ta 1ment:

- Different levels of responsibility; - Devolved responsibilities and resources allocated to the operation of internal controls;
- Rules that ensure the independence of these devices in accordance with Title III of this Instruction;
- The safety procedures in matters of information and communication systems and the business continuity plans;
- A description of the measurement systems, limiting, monitoring and controlling risks;
- The organization mode of the device monitoring compliance.

The material is organized so that it can be made available at the request of the governing body, the executive body of the Audit Committee, the Board of Surveillance, Statutory Auditors and the Central Bank of Congo .

Article 30:

The head of Internal Audit shall inform the executive body and reports to the Supervisory Board or the Audit Committee of the weaknesses identified, recommendations to strengthen internal control and risk management as well as their implementation implemented by the executive.

He further informed the head of the compliance function of any deficiency

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linked to the risk management of non-compliance.

When a significant discrepancy is found, a copy of the report is transmitted ja Financial Intermediaries Supervision Department of the Central Bank of Congo.

Article 31:

The executive body shall inform regularly, at least once a year, the governing body and, if applicable,

Council Surveillance or the Audit Committee:

- The essential elements and main lessons that can be drawn from monitoring the risk of compliance and risk measures which the subject institution is exposed; - Measures taken to ensure business continuity and the assessment of the effectiveness of arrangements in place; - Measures taken to ensure control of outsourced activities you and any resulting risks to subject the institution,

When the legislative body is not involved in setting limits, the executive informed and, where appropriate, the Council of Surveillance or the Audit Committee, the decisions taken in the matter. In addition, he regularly informed, at least once a year, the conditions under which the limits are respected.

A copy of this report should be addressed to the Directorate of Financial Intermediaries Supervision of the Central Bank of Congo, on or before the sixth month and the fourth month following the end of the previous year respectively for Cooperatives and Savings Credit and Micro Finance Institutions,

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Article 32:

Taxpayers are required to develop at least once a year, a report on the conditions in which internal control is conducted. This report includes

- An inventory of surveys highlighting key lessons and, in particular, the main shortcomings identified and follow-up of corrective actions;
- A description of the changes significant made in the area of internal control during the review period, in particular taking into account the evolution of the business and risks;
- A description of the conditions for applying the procedures in place for new activities;
- The presentation of key actions planned in the field. internal control,

A copy of this report should be directed to the Department of Supervision of Financial Intermediaries its Central Bank of Congo, on or before the sixth month and the fourth month following the end of the previous year respectively for Cooperatives and Savings Credit and for Micro Finance Institutions.

PART H: COMPLIANCE FUNCTION

Afficle 33:

Taxpayers are required to have a function "compliance". by function means "Compliance", the independent function responsible for monitoring the compliance risk, which is defined as the risk of exposure from one institution to reputational risk, financial losses or sanctions due of non-compliance with laws and regulations, standards and practices

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applicable to its activities or codes of conduct, hereinafter "applicable standards".

Article 34:

The délibérant body's role in particular;

- Determine the basic principles of the compliance policy to which the institution subject must adhere in the exercise of its activities:

- Ensure the implementation, by the body

Executive, function;

- Compliance and promote

positive attitude towards the

- conformity ;

- Approve the policy and the Charter of

"Compliance" adopted by

- The executive body;

- Annually assess management

risk of non-compliance

- The subject institution and, on the

Basic specific reportings

- Established by the executive. This

mission may, however, be

- Delegated to the Supervisory Board

or the Audit Committee.

Article 35:

The executive body is tasked to:

- Establish a compliance function and appoint the head;

- Develop policy and compliance charter and veilier to their implementation

Öeldyrë;

- Continuously ensure the adequacy of the policy of "compliance" relative to the size of the institution and the nature, volume and complexity of its activities, Il also checks up

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in implementation and enforcement of this policy and take without delay the necessary corrective measures to rectify the shortcomings identified by the "compliance" or internal audit;

keep the governing body informed about the risks of non-compliance incurred;

establish at least once a year a report to the attention of the governing body or the Supervisory Board or the Audit Committee, on the objectives of the compliance function, the human and material resources used for this purpose, the main work of this function, any identified deficiencies, remedial measures adopted and monitoring.

Article 36:

The organization of the compliance function meets the following conditions: - - - - -

compliance function is an independent operating entities and reports directly to the executive:

It ensures the coordination of risk management of non-compliance within the subject institution;

the compliance function must be exclusive to the exercise of any other function within the institution subject to avoid any potential conflict of interest;

certain tasks related to the responsibilities of the compliance function may be delegated to services, units or departments. In this case, the compliance function assumes a coordinating role between the entities responsible for the tasks arising from its responsibilities;

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- When the size of the institution subject warrant, the executive body can transfer itself the responsibility of the "compliance";

- Outsourcing of the "compliance" to a third party is not allowed. However, the subject institution may use the expertise or technical means of third. It may establish, if appropriate, a functional relationship with the "Compliance" according to the group to which it belongs;

- Those in charge of the compliance function must have a high level of competence in the field of banking and finance and a thorough knowledge of the rules and standards.

Article 37:

Policy, compliance must identify key aspects of the risk of non-compliance, explain the principles set by the governing body, define the role and objectives of the "compliance" and establish a continuing education program.

This policy should also include the development of a charter of "compliance" that:

- Sets out the objectives of the compliance function, establishes the independence and defines the responsibilities and competencies;

- Describes the relations with other functions in charge of management and risk control as well as that of the internal audit;

- Clearly specify the reporting relationships and reporting lines between the various entities involved in the management and control of

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must. ...

risk of non-compliance by specifying in particular that responsibility for delegated tasks

returns to "compliance" function:

- Grants to the "compliance" the right of access to all information necessary for the performance of its duties;

- Confer on the "conformity" the

right to conduct investigations;

- Establishes the right to contact the executive body and, if so, whether deliberative body or members of the Council, the Surveillance Audit Committee or an ad hoc committee;
- Defines the terms and conditions under which the function can use, if needed, external experts.

Article 38:

Compliance is responsible for the following: ----- . . * Inventory of existing standards

The "compliance" should identify the different "standards" governing the exercise of the subject institution's activities. These standards must be communicated to all relevant staff,

- Identification and assessment of the risk of non-compliance

- The "compliance" function must identify the various risks of noncompliance and evaluate them to determine the importance and the consequences resulting therefrom. To this end, it establishes procedures:

- Control of the "compliance" of transactions from the rules and standards;
- Identification and measurement

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risks of non-compliance inherent to any new type of activity, product, customer or major conversion on existing products; -

- Continuous monitoring of change or changes that may occur in the texts applicable to operations performed by the subject institution,
- procedures and instructions for the implementation of the policy of "compliance".

The "compliance" to ensure that the subject institution has standards for the practice of daily operations to all its activities. These standards must be part of the instructions, procedures and internal controls to areas directly under the "Compliance"

For activities that are not directly of the "compliance", the "compliance" is involved and consulted in the preparation and implementation of operational procedures and internal control.

- verification of compliance with the policy of "compliance"

"Compliance" function should regularly conduct an audit of compliance with the policy, in terms of procedures and instructions of "compliance".

It also establishes procedures and indicators to analyze and monitor the problems identified and to recommend corrective measures that should be taken to remedy them,

- centralization of information on the problems of "compliance".

"Compliance" function must have centralized procedures for all information about identified problems and shortcomings compared to

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"Applicable Standards".

In case subject institution belongs to a group of interests, those procedures should cover the clearing-house arrangements made by that institution,

- Awareness and Training

The institution subject should raise all its staff on the importance of the "compliance" and

provide training on the control procedures "compliance" related to its transactions,

* Documentation and internal reporting

"Compliance" functionaries must document all work done in accordance with responsibilities assigned, including to track interventions and deductions observations. She reports to the executive body and, if applicable, to the legislative body or the Supervisory Board or the Audit Committee, - Malfunctions problems identified in procedures or even at the policy of "compliance" and the measures taken in this regard.

It must also periodically communicate these to internal audit malfunctions

Article 39:

The activities of the "compliance" should be included in the scope of work of internal audit. It must assess the functioning and effectiveness of this function.

Internal audit must communicate to the head of the "compliance" malfunctions related to the risk of non-conformity, identified in its supervisory duties.

Article 40:

The compliance officer must

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prepare, at least annually, a report on its activities that address to the executive body. The latter transmits said report to the organ deliberating the Supervisory Board or the Audit Committee.

A copy of this report should be addressed to the Directorate of Financial Intermediaries Supervision of the Central Bank of Congo, on or before the sixth month and the fourth month following the end of the previous year respectively for Cooperatives and Savings Credit and for Micro Finance Institutions,

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WH PROVISIONS

0 TITLE:

TRANSTORES AND FINAL

Article 41:

Any breach of the provisions of the present Instruction entails the application of sanctions under the laws and regulations in force,

Article 42:

This Instruction comes into force on 01st January 2013.

Done at Kinshasa, April 14, 2012

JC. Masangu Mulongo

Governor