

GUIDELINES on reporting for monetary and financial statistics

REPORTING REQUIREMENTS ATTRIBUTES

Reporting Requirement 1 and Reporting Requirement 2 for matrix reporting consist of the following three sets of attributes:

- I. The first set of attributes includes the name of the credit institution (hereinafter: the reporting institution), report type, the reporting period and the report type the reporting institution submits.
- II. The second set of attributes includes the instrument's designation and name according to the given attributes.
- III. The third set of attributes includes defined types of amounts by which the reporting institution reports.

The reporting requirement 2 consists of a basic report file (report file "BS"). The reporting requirement set "BS" represents a set of balance sheet data items at the level of given attributes and by given types of amounts, determined by the Reporting Requirement 2. Additionally, the reporting requirement consists of a report set that collects statistical information ("SI" report set).

DEFINING ATTRIBUTES WITHIN THE REPORTING REQUIREMENTS

This part of the guidelines describes in detail the attributes and values that the reporting institution enters in the reports to properly identify and classify the submitted data.

1. FIRST SET OF ATTRIBUTES

The first set of attributes consists of four components:

Attribute 1.1. Credit institution name

This attribute defines the unique identification of the reporting institution obliged to report.

This attribute's value contains the reporting institution's identification number.

Attribute 1.2. Report type

This attribute defines the unique identification of the report type to which the reporting record belongs. The attribute's value is written in all reports and expressed using the following codes:

Code	Description
BS	the record belongs to the report type " Balance sheet items "
SI	the record belongs to the report type " Statistical information items "

Attribute 1.3. Reporting period

This feature defines the unique identification of the reporting period to which the reporting record belongs. The attribute's value is entered in all records.

The attribute's value must contain a date in the format "ddmmyyy", where "dd" is the last calendar day of the reporting month.

Attribute 1.4. Report type

This attribute defines the unique identification of the report type submitted by the reporting institution.

The attribute's value is written in all records and expressed using the following codes:

Code	Description
M	Monthly report of the reporting institution
Q	Quarterly report of the reporting institution
R	Annual report of the reporting institution, after the annual audit of financial reports

Attribute 1.5. Current period result

This attribute refers to the difference between total income and expenditures during the current period.

2. SECOND SET OF ATTRIBUTES

The second set of attributes includes the instrument's designation and name according to the given attributes as set out herein.

Attribute 2.1. Instrument

This attribute defines the unique identification of the instruments reported by the reporting institution.

The value of this attribute must contain one of the instrument labels listed below. The label consists of two parts. The first part indicates whether it is a balance sheet item of assets (A), liabilities (P) or an item of statistical information (S). The second part of the label refers to the four-digit label of the instrument.

Balance sheet assets items

Balance sheet assets items contain the following instruments and groups of instruments:

A0200 Cash

The item includes banknotes and coins in EUR and other currencies held with the reporting institution, which are in circulation and in general use for making payments (e.g. cash in the vault, ATMs, cash in transit, etc.).

Deposits

Deposits with the Central Bank of Montenegro

This group of instruments includes the transaction account with the Central Bank, reserve requirements funds and other funds deposited with the Central Bank.

A0311 Transaction account with the Central Bank of Montenegro

This group of instruments includes the funds held with the Central Bank for settling transactions in the payment system.

A0312 Reserve requirements held with the Central Bank of Montenegro

The item includes deposits set aside at the Central Bank as reserve requirements that credit institutions must set aside under the decision regulating the mandatory reserve of credit institutions at the Central Bank.

A0319 Other deposits held with the Central Bank of Montenegro

The item includes other deposits held with the Central Bank of Montenegro.

Overnight deposits

The group of instruments includes transferable and other reporting institution's overnight deposits with monetary financial institutions other than the Central Bank.

A0320 Transferable deposits

This item includes a subcategory of overnight deposits directly transferable on demand to make payments to other economic agents by commonly used means of payment, such as credit transfer, direct debit, credit or debit card, e-money transactions, cheques, or similar means, without significant delay, restriction or penalty. Deposits that can only be used for cash withdrawal and deposits from which funds can be withdrawn or transferred only through another account of the same owner are not transferable deposits. Deposits with limitations regarding the *number of payments* that can be made to a third party in a certain period and/or the *minimum amount of individual payments* to a third party are not included in transferable deposits.

A0325 Other overnight deposits

The item includes (interest-bearing or non-interest-bearing) balances that can be converted into cash on request immediately or by the end of the next business day from the day of submitting the request without significant penalties or restrictions but which are not transferable.

Note: a transaction account overdraft is always treated as a loan and may not be included in overnight deposits.

A0330 Time (Term) Deposits

The item includes the reporting institution's non-transferable deposits with monetary financial institutions other than the Central Bank that cannot be withdrawn before an agreed fixed term, or that can be withdrawn only subject to a penalty. This item includes, in the maturity band "over two years", administratively regulated savings deposits where the maturity-related criterion is not relevant. Deposits with roll-over provisions must be classified according to the earliest maturity¹. Although fixed-term deposits may have the option of early withdrawal with prior notice or may be withdrawn on demand with payment of specific penalties, this option is not considered relevant for classification purposes. It means that, until the moment of applying for unposting, these deposits are recorded within the category of deposits with an agreed maturity date within the corresponding maturity category defined by the unposting agreement.

Term deposits include:

¹ Deposits initially fixed for three months, with a clause of automatic extension of the fixed term already used several times, will be classified as fixed deposits for three months.

- ✓ the amounts of funds deposited by the reporting institution with a fixed maturity, which are non-transferable and cannot be converted into cash before that maturity;
- ✓ the amounts of funds deposited by the reporting institution with a fixed maturity date, which are non-transferable but can be withdrawn before that date after the previous notice period. When the client submits a request to withdraw funds before the due date defined by the contract, the stated balances are classified as deposits with a notice period;
- ✓ amounts of funds deposited by the reporting institution with a fixed maturity date, which are non-transferable but can be withdrawn upon request with certain penalties;
- ✓ margin payments within the derivatives contract, which represent cash collateral paid as insurance against credit risk, but which remain the depositor's property and are paid to the depositor after the contract termination;
- ✓ subordinated debt in the form of a deposit, i.e. a subordinated claim from the issuing institution that can be realised only after all claims with higher status have been settled.

A0340 Deposits redeemable at notice

The item includes savings and term deposits with monetary financial institutions other than the Central Bank, with which a request for funds disposal was submitted under the provisions of the attribute "Notice period".

Loans

The group of instruments includes all types of loans approved by the reporting institution.

A0401 Overnight loans

The item includes loans that must be repaid by the end of the first business day following the loan approval day.

A0402 Loans - ordinary

The item includes money the reporting institution provides to the client for use with or without a purpose. The client must return the funds with the agreed interest within the term and under the contracted conditions. This item also includes a subordinated debt in the form of a loan, i.e. a subordinated claim from the issuing institution, which can only be realised after all claims that have a collection priority have been settled.

A0403 Credit card loans without interest charges

The item includes credit card loans approved at an interest rate of 0%. It refers to the period from when a particular transaction was paid using a credit card during one accounting period to the due date of the debt due during that same accounting period.

A0404 Credit card loans with interest charges

The item includes credit card loans approved at the end of one or more past accounting periods, i.e. amounts owed on the credit card account are not settled when possible, on which interest or progressive interest is calculated, usually higher than 0%. It is often necessary to pay minimum monthly repayment amounts to pay off the approved loan at least partially.

Note: In these types of loans, the contracting party is the entity responsible for paying the outstanding amounts under the contract, which is the card owner in the case of private persons, but not in the case of business cards.

A0405 Revolving loans

The item includes funds the debtor can use or withdraw up to the approved contractual limit without notifying the credit provider beforehand. The available loan amount can be increased or decreased depending on the funds' withdrawal and repayment. The loan can be used again on several occasions without the obligation to repay the loan regularly. Revolving loans include amounts obtained through a credit line that has not yet been repaid (end of the month balances). A credit line is an agreement between a loan provider and a debtor allowing the debtor to withdraw funds within a certain period and up to a specific limit and repay it at his own choice before a specific date. Amounts available through credit lines not yet withdrawn or amounts already repaid are not shown in any category of balance sheet items.

Note: This item does not include revolving loans approved through credit cards and transaction account overdrafts.

A0406 Transaction accounts overdrafts

The item includes an account with a reporting institution opened based on a transaction account opening agreement for individuals and legal entities. This item refers to claims based on used overdrafts on these accounts.

A0407 Share in syndicated loans

The item includes a loan granted to one client, in which two or more reporting institutions participate, each with its share in the loan, of which one reporting institution serves as an agent. Reporting institutions participating in a syndicated loan, including an agent reporting institution, report their participation in a syndicated loan concerning the client on the balance sheet assets side, not to the agent reporting institution. For statistical purposes, syndicated loans are only the amounts paid out by the lenders (and not the total credit lines).

A0408 Financial leasing

The item includes a contract by which a permanent asset's legal owner (the "lessor") lends the asset to a third party (the "lessee") for most, if not all, of the asset's economic life, in exchange for instalments covering the asset's cost plus the credited interest. It is considered that the lessee actually receives all the benefits from using the said asset and bears the costs and risks associated with ownership. For statistical purposes,

financial leasing is considered a loan from the lessor, which enables the lessee to purchase a fixed asset. Assets (fixed assets) leased to the lessee are not recorded anywhere on the balance sheet.

A0409 Claims based on reverse repurchase agreements

The item includes credit agreements based on which the reporting institution purchases a security from the other contracting party at a fixed price, and the other contracting party purchases the same or similar security at a pre-determined price on a contracted date in the future.

A0410 Factoring

The item includes a form of financing in which the reporting institution buys the client's (supplier's) claims from customers, resulting from the delivery of goods or services. Considering the attributes of that type of operation, regardless of whether it is factoring with the right of recourse (in which the supplier guarantees the buyer's obligation) or factoring without the right of recourse (in which the reporting institution bears the entire collection risk, and the supplier is not responsible for the factoring object's collectability), the customer (debtor of the factoring object) is specified as the other contractual party.

A0411 Forfeiting

The item includes a form of exporter financing in which the reporting institution purchases the exporter's receivables from customers without the right of recourse. As a rule, these are high-value transactions.

A0499 Other loans

The item includes all other unmentioned loans granted by the reporting institution.

Securities

This group of instruments includes debt and equity securities.

Debt securities

Debt securities are transferable financial instruments that serve as proof of debt. This item also includes subordinated debt in the form of securities, i.e. a subordinated claim from the issuing institution, which can only be realised after all claims that have a collection priority have been settled.

A0511 Bonds

The item includes long-term securities (with an original maturity of more than one year). For example, the bond buyer lends the bond's amount to the bond issuer, and the bond issuer guarantees that it will pay the bondholder a specified amount of interest during the specified period and then pay the bond's amount (nominal value of the bond) when the bond matures.

This item also includes subordinated debt in the form of securities, i.e. a subordinated claim from the issuing institution, which can only be realised after all claims with higher status have been settled.

A0512 Treasury bills

The item includes short-term marketable securities (with an original maturity of up to one year). In Montenegro, the Ministry of Finance issues Treasury bills.

A0513 Bills of exchange

The item includes a money market instrument addressed to a specific person and signed by the issuer (drawer). The issuer undertakes to pay that person a certain amount of money on a particular date. A bill of exchange can be issued, for a specified period at sight, for a specified period from the day of issue, or on a specified day. The reporting institution may hold bills of exchange covered by this instrument in its portfolio until maturity or sell them to another financial institution or company before maturity (bill rediscounting).

A0529 Other debt securities

The item includes other debt securities.

Equity securities

Equity securities include shares, shares in open investment funds and other equity shares.

A0531 Shares - common

The item includes equity securities giving the owner the right to manage the joint stock company and to participate in the joint stock company's profit (dividend). This item also includes shares of closed investment funds.

A0532 Shares - preference

The item includes equity securities providing the owner with certain privileged rights relative to the ordinary shares owners, such as the priority of dividend collection, the priority of collection in bankruptcy proceedings, etc. Preference shares do not give the owner the right to manage.

A0533 Shares in open investment funds

The item includes shares in open investment funds.

A0534 Shares in other financial and non-financial companies

The item includes the value of the ownership participation of the reporting institution in financial and non-financial companies, except for shares in open investment funds.

Financial derivatives

Financial derivatives are financial instruments linked to a specific financial instrument, indicator or commodity used for trading specific financial risks on the financial markets.

A0601 Options

The item includes forward contracts by which the buyer acquires the right to sell or buy other contracting party's specific financial instrument or goods at a fixed price on a particular date in the future by paying a specific compensation (commission or premium). The option seller who received the compensation must buy or sell the financial instrument at the option owner's (buyer's) request.

A0602 Swap contracts

The item includes contracts in which two parties agree to swap fixed values (cash flows) for a specific period.

A0603 Forward contracts - Forwards

The item includes forward contracts relating to the financial instruments or commodities deferred delivery. In such contracts, the buyer and the seller undertake to buy or deliver a specific financial instrument or commodity at a certain price or with a specific yield on a specific future date.

A0604 Forward contracts - Futures

The item includes forward contracts relating to the financial instruments or commodities deferred delivery. In such contracts, the buyer and the seller undertake to buy or deliver a specific financial instrument or commodity at a particular price or with a specific yield on a specific future date. Futures are standardised forward contracts traded on organised markets.

A0605 Warrants

The item includes securities giving the holder the right to purchase shares at a pre-agreed price in the period until maturity, or on the warrants' maturity date, and whose payment is made in money or property to which the warrant refers.

A0629 Fair value change in hedging

The item includes the effects of fair value changes of items subject to hedging based on financial assets.

Assets

The group of instruments includes tangible and intangible assets.

Tangible assets

Tangible assets include fixed assets such as land, buildings, machines, equipment, etc.

A0711 Land

The item includes the reporting institution's investments in the land (IAS 16).

A0712 Construction objects

The item includes the reporting institution's investments in construction objects (IAS 16).

A0713 Plant and equipment

The item includes the reporting institution's investments in plant and equipment (IAS 16).

A0714 Furniture, transport equipment and similar assets

The item includes the reporting institution's investments in furniture, transport devices and similar assets (IAS 16).

A0715 Residential buildings and apartments

The item includes the reporting institution's investments in residential buildings and apartments (IAS 16).

A0739 Other tangible assets

The item includes the reporting institution's investments in other tangible assets (IAS 16).

Note: in addition to tangible assets valued under IAS 16, for instruments from A0711 to A0739, each instrument also includes:

- tangible assets the reporting institution uses based on financial leasing;*
- tangible assets intended for sale valued according to IFRS 5;*
- investments in real estate valued according to IFRS 40;*
- subsequent expenditures for the reconstruction, adaptation and modernisation of tangible assets owned by the reporting institution and which the reporting institution uses based on financial leasing, extending the useful life and increasing the tangible assets' capacity or quality.*

This item also includes investments in furniture, transport equipment and similar assets that the reporting institution acquired in exchange for unpaid receivables and uses them under IAS 16 or values them under IAS 40.

A0740 Foreclosed property

The item refers to property (land, construction facilities, plant and equipment, furniture, transport equipment and similar property, residential buildings and apartments and other tangible assets) the reporting institution acquired in exchange for unpaid claims not meeting the conditions described under A0739.

Intangible assets

The item includes the reporting institution's intangible assets, such as goodwill, patents, concessions, software and other intangible assets.

A0751 Right to use property in operating lease

The item refers to the right to use the object of the lease without the possibility of its purchase.

A0759 Other intangible assets

The item refers to other unmentioned intangible assets.

A0780 Tangible and intangible assets depreciation

The item includes the depreciation of tangible and intangible assets.

Other assets

This group of instruments includes the remaining assets items, such as tax receivables, accruals, etc.

Taxable property

Tax assets refer to current and deferred tax assets.

A0811 Current tax assets

The item includes claims based on paid tax and contribution advances during the accounting period and more paid taxes and contributions relative to the established obligations for the accounting period.

A0812 Deferred tax assets

The item includes income tax for refund in future periods and refers to a) deductible temporary differences, b) transferred unused tax losses and c) transferred unused tax benefits. Temporary differences are differences between the carrying amount of an asset or liability on the balance sheet and the tax base of that asset or liability. Deductible temporary differences are amounts that can be deducted when determining taxable profit (tax loss) of a future period in which the asset's carrying amount will be recovered, or the liability will be settled.

Other receivables

Instrument group A0820 includes all other receivables.

A0821 Claims based on loan fees and commissions

The item includes the reporting institution's claims based on loan fees and commissions.

A0822 Claims based on other services

The item includes claims based on the reporting institution's other services.

A0823 Advances for acquiring non-financial assets

The item includes funds paid in advance for the acquiring non-financial assets.

A0824 Other advances for acquired goods and services

The item includes other unmentioned pre-paid funds for acquiring goods and services.

A0825 Deferred expenses from pre-paid non-life insurance premiums

The item includes deferred expenses based on pre-paid premiums for insuring the reporting institution's movable and immovable property that relate to the business result of the reporting institution's reporting period.

A0826 Precious metals

The item includes gold bars, all gold items, and precious metals such as platinum, silver, nickel and the like.

A0827 Claim for subscribed but unpaid capital

The item includes the reporting institution's claims for subscribed but unpaid capital.

A0828 Items in transfer

The item includes funds in transfer. These items include bills of exchange, checks and other payment instruments sent for collection.

A0829 Restricted items

The item includes funds not booked in the client's name but still referring to the client's funds, e.g. assets awaiting investment, transfer or collection.

A0898 Other assets

The item includes non-mentioned other assets.

Balance sheet liabilities and capital items

Balance sheet liabilities and capital items contain the following instruments and groups of instruments:

Deposits

The group of instruments includes deposits placed with the reporting institution.

Overnight deposits

This group of instruments includes transferable and other overnight deposits.

P0221 Hardware-based e-money

An item includes an amount of customer funds representing pre-paid amounts in the context of some hardware-based e-money (typically an integrated circuit card containing a microprocessor chip, e.g. a pre-paid card).

P0222 Software-based e-money

The item includes the amount of customer funds representing pre-paid amounts in the context of some software-based e-money (usually used to transfer electronic value over telecommunications networks such as the Internet, e.g. paying for parking services via a mobile phone).

P0223 Other transferable deposits

The item includes a subcategory of overnight deposits directly transferable on demand to make payments to other economic entities by standard means of payment such as credit transfers, credit or debit cards, checks or similar means without significant delay, restrictions or penalties. Transferable deposits do not include deposits used only for cash withdrawals and/or deposits from which funds can only be withdrawn or transferred through another account of the same owner. Deposits with limitations in the *number of payments* that can be made to a third party in a specific period and/or in the *minimum amount of individual payments* to a third party are not included in transferable deposits.

P0229 Other overnight deposits

The item includes the amount of (interest-bearing or non-interest-bearing) deposits that can be converted into cash on request immediately or by the end of the next business day from the day of submitting the request, without significant penalties or restrictions, but which are not transferable.

Time deposits

The item includes non-transferable deposits that cannot be exchanged for cash before the contracted fixed term or that can be exchanged for cash before that contracted term, only with specific penalties. This item also includes administratively regulated savings deposits where the maturity criterion is irrelevant and should be classified within the maturity category "over 2 years". Financial products with renewal provisions must be classified according to the earliest maturity. Although fixed-term deposits may have the option of premature withdrawal with prior notice or may be withdrawn on demand with payment of specific penalties, this option is not considered relevant for classification purposes. It means that up to the moment of submitting the application for unposting, these deposits are recorded within the category of deposits with a contracted maturity date within the corresponding maturity category defined by the deposit agreement.

Term deposits include:

- ✓ Amounts of assets deposited with a fixed maturity, which are non-transferable and cannot be converted into cash before that maturity;
- ✓ Amounts of funds deposited with a fixed maturity date, which are non-transferable but can be withdrawn before that date after the notice period. When the client submits a request to withdraw funds before the due date defined by the contract, the stated balances are classified as deposits with a notice period;
- ✓ Amounts of funds deposited with a fixed maturity date, which are non-transferable but can be withdrawn upon request with a specific penalty;
- ✓ Margin payments within the derivatives contract, which represent cash collateral paid as insurance against credit risk, but which remain the property of the depositor and are paid to him after the contract termination;
- ✓ The subordinated debt placed in the form of a deposit.

P0240 Deposits redeemable at notice

The item includes savings and term deposits for which a request for disposal of funds has been submitted under the “Termination” attribute.

P0260 Limited deposits

The item includes funds on escrow accounts.

Loans received

The group of instruments includes the reporting institution’s received loans. This item includes subordinated debt the reporting institution receives in the form of a loan.

P0301 Received overnight loans

The item includes loans the reporting institution received, which must be repaid by the end of the first following business day following the loan approval day.

P0302 Loans based on transaction account overdrafts

The item includes the reporting institution’s liability for the received loans based on transaction account overdrafts.

P0303 Loans based on repurchase contracts

The reporting unit sells a security at a fixed price to the other contracting party with the obligation to repurchase the same or similar security at a predetermined price on an agreed future date. Amounts the reporting unit received in exchange for securities transferred to the other contracting party, i.e. to the temporary owner, are classified as loans based on repurchase contracts if there is an obligation to reverse the operation

(repurchase), and not just the intention to do so. It implies that the reporting unit retains all risks and uses the securities in question during the repurchase operation. The following types of operations are classified as repurchase contracts:

- a) Amounts received in exchange for securities temporarily transferred to the other contractual party in the form of securities lending based on a cash deposit as collateral, and
- b) Amounts received in exchange for securities temporarily transferred to another contracting party in the form of a sale/repurchase agreement.

Securities borrowed or sold under a repurchase contract remain on the original owner's balance sheet if there is an obligation to perform the reverse operation and not just an intention to do so (and they should not be recorded on the temporary acquirer's balance sheet). When a temporary acquirer sells a security it has received, that sale should be registered as a direct securities transaction and entered into the temporary acquirer's balance sheet as a negative position in the securities portfolio.

Operations involving the temporary transfer of gold based on a cash deposit as collateral are also included in this item.

P0304 Financial leasing

A financial leasing agreement is an agreement whereby the legal owner of a permanent asset ("the lessor") lends that asset to a third party ("the lessee") for most, if not all, of the asset's economic life in exchange for instalments covering the asset cost plus the accrued interest amount. It is considered that the lessee receives all the benefits from using the said asset and bears the costs and risks associated with ownership. For statistical purposes, financial leasing is considered a loan from the lessor, which enables the lessee to purchase a permanent asset. Assets (fixed assets) are recorded on the appropriate item in the reporting institution's balance sheet.

P0305 Received syndicated loans

The item includes a special type of financial loan in which two or more reporting institutions participate. This item refers to the reporting institution's obligations towards the other contracting party, the ultimate lender, based on its share in the syndicated loan.

P0349 Other loans received

The item includes the amount of the reporting institution's liabilities based on other unmentioned loans it received.

Issued debt securities

The group of instruments includes debt securities issued by the reporting institution. This item includes subordinated debt issued in the form of debt securities by the reporting institution.

P0401 Bonds issued

The item includes long-term securities (with an original maturity of more than one year). For example, the bond buyer lends the bond's amount to the bond issuer, and the bond issuer guarantees it will pay the bondholder the specified amount of interest during the specified period. When the bond matures, it will pay the bond's nominal value.

This item includes subordinated debt issued in the form of debt securities by the reporting institution.

P0402 Non-transferable debt instruments

The item includes non-transferable debt instruments issued by reporting units, and they are generally classified as deposit liabilities. Non-transferable instruments issued by reporting units that subsequently become transferable and can be traded on secondary markets should be reclassified as debt securities.

P0429 Other issued debt securities

The item includes other unmentioned issued debt instruments such as commercial paper, treasury bills and similar debt securities.

Liabilities based on financial derivatives

The group of instruments includes the reporting institution's derivative financial liabilities.

P0501 Options

The item includes forward contracts by which the buyer acquires the right to sell or buy a particular other contracting party's financial instrument or goods at a fixed price on a specific future date by paying a certain compensation (commission or premium). The option seller who received the compensation must buy or sell the financial instrument at the option owner's (buyer's) initiative.

P0502 Swap contracts

The item includes contracts in which two parties agree to exchange fixed values (cash flows) for a certain period.

P0503 Futures contracts - Forwards

The item includes forward contracts relating to the financial instruments or commodities' deferred delivery. In such contracts, the buyer and the seller undertake to buy or deliver a specific financial instrument or commodity at a certain price or with a particular yield on a specific future date.

P0504 Forward contracts - Futures

The item includes forward contracts relating to the financial instruments or commodities' deferred delivery. In such contracts, the buyer and the seller undertake to buy or deliver a particular financial instrument or commodity at a specific price or with a certain yield on a certain future date. Futures are standardised futures contracts traded on organised markets.

P0505 Warrants

The item includes securities giving the holder the right to purchase shares at a pre-agreed price in the period until maturity, i.e. on the warrant maturity date and whose payment is made in money or property to which the warrant refers.

P0529 Fair value change in hedging

The item includes the effects of fair value changes of items subject to hedging based on financial liability.

Provisions

This group of instruments includes the reporting institution's provisioning costs.

P0601 Provisions for off-balance sheet assets losses

The item includes the amount of the reporting institution's provisioning costs for identified losses on an aggregate basis for assumed off-balance sheet liabilities.

P0602 Provisions for liabilities to employees

The item includes the amount of provisioning costs for contingent liabilities arising from liabilities to employees under IAS 19 - Employee benefits.

P0603 Provisions for severance pay and other obligations towards former employees

The item includes the amount of provisioning costs for contingent liabilities arising from post-employment benefits obligations under IAS 37 - Provisions, contingent liabilities and contingent assets.

P0604 Provisions for litigation

The item includes the obligation of the reporting institution based on initiated litigations. Under IAS 37 - Provisions, contingent liabilities and contingent assets, the amount of provisions are recorded in the reporting institution's accounting books as a provisioning expense for the period in which the provisioning is recognised and in the balance sheet liabilities as a provision for legal disputes initiated against the reporting institution.

P0605 Provisions for restructuring costs

The item includes provisions that arise when the reporting institution has adopted a formal restructuring plan or when it has started implementing that plan under the provisions of IAS 37 - Provisions, contingent liabilities and contingent assets.

P0649 Other provisions

The item includes the reporting institution's other unmentioned provisions.

Other liabilities and capital

This group of instruments includes tax liabilities and other liabilities.

Tax liabilities

The group of instruments includes liabilities for current tax and deferred tax liabilities.

P0711 Liabilities for the current tax

The item includes the amount of tax liabilities under current tax regulations.

P0712 Deferred tax liabilities

The item includes income tax to be paid in future periods and refers to temporary taxable differences. Temporary differences are differences between an asset or liability carrying amount on the balance sheet and its tax base. Taxable temporary differences are taxable amounts when determining the taxable profit (tax loss) of the future period in which the asset's carrying amount will be compensated or the liability will be settled.

Other liabilities

This group of instruments includes all other liabilities.

P0721 Liabilities based on operating lease

The item refers to liabilities based on the use of the leased object without the possibility of its redemption.

P0722 Liabilities based on announced dividend

The item includes the amount of liabilities arising from the notification of dividend payment to shareholders.

P0723 Liabilities to employees

The item includes the amount of liabilities to employees (for gross wages, food, etc.).

P0724 Liabilities based on fees and commissions

The item includes liabilities based on fees and commissions.

P0725 Liabilities for the acquisition of non-financial assets

The item includes the amount of liabilities based on the acquisition of non-financial assets.

P0726 Liabilities for procuring other goods and services

The item includes the amount of liabilities based on procuring other goods and services.

P0727 Items in transit

The item includes liabilities in the transit process, which include temporary accounts, issued but unexecuted payment orders, etc.

P0728 Restricted items

The item includes liabilities not recorded in the client's name but still relate to the client's funds, e.g. assets awaiting investment, transfer or collection.

P0749 Other liabilities

The item includes other unmentioned liabilities.

Capital

This group of instruments includes equity capital, other capital and reserves.

Equity and other capital

This group of instruments includes equity capital from ordinary, preference shares and profit or loss when issuing, repurchasing own shares, etc.

P0811 Issued capital - ordinary shares

An ordinary share is ownership security giving its owner the right to manage the joint-stock company and the right to part of the joint stock company's profit (dividend).

P0812 Issued capital - preference shares

A preference share is ownership security providing its owner with certain preferential rights concerning the ordinary shares' owners, such as the priority of dividend collection, the priority of collection in bankruptcy proceedings, etc. Preference shares do not give the owners the right to manage.

P0813 Issue premiums

The item includes the capital reserve that the reporting institution realises when it sells the issued shares at a market value higher than the nominal (bookkeeping) value.

P0814 Share capital - own shares

The item includes issued and paid ordinary and preference shares that the issuing reporting institution reacquired.

P0815 Gains (losses) from the sale of own shares

Profit is the positive difference between the market value of the sold own shares and their book value. The loss arises from selling own shares at a price lower than the purchase price.

P0816 Retained earnings (loss)

The item includes the amount of profit (loss) from the previous period for which the reporting institution made a formal decision on retention for inclusion in the capital. This item does not include the previous year's profit/loss.

P0817 Previous year's profit (loss)

The item includes the amount of the previous year's undistributed profit/uncovered loss until making a formal decision on using that profit, i.e. on the method of covering that loss. After deciding on the profit use – in terms of retention, it is necessary to present that profit in position P0816.

P0818 Current year's profit (loss)

The item includes the amount of net profit/loss realised during the calendar year until the last day of the reporting period.

P0819 Gains (losses) from equity instruments valued at fair value through other comprehensive income (OCI)

The item includes the profit or loss of the current year realised based on sold shares (equity instruments valued according to OUR), for which a formal decision of the shareholders' meeting was not made for allocation to capital.

P0849 Other capital

The item includes other unmentioned parts of the capital.

Reserves

This group of instruments includes all types of reserves of the reporting institution.

P0851 Legal and statutory reserves

This item refers to the amount of capital reserves.

P0852 Reserves for all credit institution's risks

This item refers to the amount of reserves for all credit institution's risks.

P0853 Revaluation reserves

The item includes reserves arising from the revaluation of certain items.

P0854 Gains (losses) based on changes in the methodology of balance sheet items' accounting valuation

The item includes gains/losses based on changes in the methodology of balance sheet items' accounting valuation.

P0869 Other reserves

The item includes the amount of other unmentioned reserves.

Statistical information items

S0001 Permanently employed in a reporting institution in Montenegro

The item includes the number of employees in the reporting institution to whom wages were paid on the last day of the reporting period and who are employed for a fixed or indefinite period according to the employment contract.

S0002 Employees according to effective working hours

This indicator is the ratio of the number of hours actually worked and the number of possible hours of work of employees who were paid wages on the last day of the reporting period. It is calculated as an annual average by dividing employees' working hours by the average number of annual working hours of full-time employees.

S0003 Insured deposits

The item includes the amount of insured deposits of the reporting institution insured with the Deposit Protection Fund.

S0004 Branch offices

The item includes the number of the reporting institution's branch offices.

S0005 Representative offices

The item includes the number of the reporting institution's representative offices.

S0006 Tellers

The item includes the number of the reporting institution's tellers.

S0007 ATMs installed

The item includes the number of the reporting institution's installed ATMs.

S0008 POS terminals

The item includes the number of the reporting institution's installed POS terminals.

S0009 Depositors

The item includes the number of the reporting institution's depositors.

S0010 Loan beneficiaries

The item includes the number of the reporting institution's loan beneficiaries.

S0011 Credit card users

The item includes the number of the reporting institution's credit card users.

S0012 Debit card users

The item includes the number of the reporting institution's debit card users.

S0013 Online banking users

The item includes the number of the reporting institution's online banking services users.

S0014 Deposit accounts

The item includes the number of deposit accounts with the reporting institution.

S0015 Loan accounts

The item includes the number of loan accounts with the reporting institution.

S0016 Credit cards

The item includes the number of credit cards in the reporting institution.

S0017 Debit cards

The item includes the number of debit cards in the reporting institution.

Attribute 2.2. Country of registered office

Compiling aggregates (a set of institutional units) and grouping other contractual parties requires the geographical identification of other contractual parties whose seat or residence is in another country's territory.

The value of this characteristic is expressed by one of the following codes:

Code	Description
ME	For residents
Two-letter country code	For non-residents - The reporting institution must use ISO 3166 country codes, link: https://www.iso.org/publication/PUB500001.html

Compiling aggregates (set of institutional units) and grouping other contracting parties according to residency is done following the definition of residents/non-residents established by the Law on Current and Capital Transactions.²

Attribute 2.3. International institution

Compiling aggregates (a set of institutional units) and grouping other contracting parties requires identifying the other contracting party if it is an international institution.

² OGRM 45/05 and OGM 62/08, 40/11, 62/13, 70/17.

The value of this characteristic is expressed by one of the following codes:

Code	Description
International institution code	International institution designation If it is an international institution, the reporting institution must use the institution codes given in the List of International Institutions listed on the European Central Bank (ECB) website for “Anacredit” statistics, which the Central Bank publishes on its website. If the international institution is not included in the mentioned list, the Central Bank independently determines the code of those institutions.

Attribute 2.4. Classification of sectors

This attribute identifies the connection between the reporting institution and the other contracting party by selected instruments and other features.

Compilation of aggregates (set of institutional units) and grouping of other contractual parties of the reporting institution requires sectoral identification of the other contractual party. The reporting institution reports to the Central Bank by (sub)sectors on an aggregate basis (set of institutional units) at the lowest code level (six digits) according to the code book defined below.

For this feature, the classification of sectors and subsectors according to the requirements of the ESA2010 methodology is used, namely:

Code	Name
11	NON-FINANCIAL CORPORATIONS
110	NON-FINANCIAL CORPORATIONS
11001	Public non-financial corporations
110010	Public non-financial corporations
11002	National private non-financial corporations
110020	National private non-financial corporations
11003	Foreign controlled non-financial corporations
110030	Foreign controlled non-financial corporations
12	FINANCIAL CORPORATIONS
121	Central bank
12100	Central bank
121000	Central bank

122	Deposit-taking corporations except the central bank
12201	Public deposit-taking corporations except the central bank
122011	Banks
122012	Other credit institutions
122013	Within the group
122014	Other institutions
12202	National private deposit-taking corporations except the central bank
122021	Banks
122022	Other credit institutions
122023	Within the group
122024	Other institutions
12203	Foreign controlled deposit-taking corporations except the central bank
122031	Banks
122032	Other credit institutions
122033	Within the group
122034	Other institutions
123	Money market funds (MMFs)
12301	Public money market funds
123010	Public money market funds
12302	National private money market funds
123020	National private money market funds
12303	Foreign controlled money market funds
123030	Foreign controlled money market funds
124	Non-MMF investment funds
12401	Public non-MMF investment funds
124010	Public non-MMF investment funds
12402	National private public non-MMF investment funds
124020	National private public non-MMF investment funds
12403	Foreign controlled public non-MMF investment funds
124030	Foreign controlled public non-MMF investment funds
125	Other financial intermediaries, except insurance corporations and pension funds
12501	Public other financial intermediaries, except insurance corporations and pension funds
125011	Financial vehicle corporations engaged in securitisation transactions (FVC)
125012	Security and derivative dealers
125013	Financial corporations engaged in lending
125014	Specialised financial corporations
12502	National private other financial intermediaries, except insurance corporations and pension funds
125021	Financial vehicle corporations engaged in securitisation transactions (FVC)
125022	Security and derivative dealers
125023	Financial corporations engaged in lending

125024	Specialised financial corporations
12503	Foreign controlled other financial intermediaries, except insurance corporations and pension funds
125031	Financial vehicle corporations engaged in securitisation transactions (FVC)
125032	Security and derivative dealers
125033	Financial corporations engaged in lending
125034	Specialised financial corporations
126	Financial auxiliaries
12601	Public financial auxiliaries
126010	Public financial auxiliaries
12602	National private financial auxiliaries
126020	National private financial auxiliaries
12603	Foreign controlled financial auxiliaries
126030	Foreign controlled financial auxiliaries
127	Captive financial institutions and money lenders
12701	Public captive financial institutions and money lenders
127010	Public captive financial institutions and money lenders
12702	National private captive financial institutions and money lenders
127020	National private captive financial institutions and money lenders
12703	Foreign controlled captive financial institutions and money lenders
127030	Foreign controlled captive financial institutions and money lenders
128	Insurance corporations
12801	Public insurance corporations
128010	Public insurance corporations
12802	National private public insurance corporations
128020	National private public insurance corporations
12803	Foreign controlled national private public insurance corporations
128030	Foreign controlled national private public insurance corporations
129	Pension funds
12901	Public pension funds
129010	Public pension funds
12902	National private pension funds
129020	National private pension funds
12903	Foreign controlled pension funds
129030	Foreign controlled pension funds
13	General government
131	General government
13110	Central government
131100	Central government

13130	Local government
131300	Local government
13140	Social security funds
131400	Social security funds
14	Households
141	Employers (natural persons)
14100	Employers (natural persons)
141000	Employers (natural persons)
142	Own-account workers (Entrepreneurs)
14200	Own-account workers (Entrepreneurs)
142000	Own-account workers (Entrepreneurs)
15	NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS
150	Non-profit institutions serving households (NPISH)
15000	Non-profit institutions serving households (NPISH)
150000	Non-profit institutions serving households (NPISH)

For compiling aggregates (a set of institutional units) of other contracting parties belonging to the non-resident financial sector, the reporting institution must use the list of monetary financial institutions published by the ECB at https://www.ecb.europa.eu/stats/financial_corporations/list_of_financial_institutions/html/daily_list-MID.en.html

In contrast to compiling aggregates (a set of institutional units) of non-resident monetary financial corporations, identifying other non-residents and their classification by industry is done following the definition of non-residents established by the Law on Current and Capital Transactions.³

Additional instructions can be found in the ECB *Monetary Financial Institutions and Markets Statistics Sector Manual* to assist in classifying sectors of non-residents and EU member states that are not monetary financial corporations.

Definitions of sectors and subsectors given in the classification table of sectors and subsectors according to the ESA2010 methodology requirements:

11 NON-FINANCIAL CORPORATIONS

The non-financial corporations sector consists of institutional units which are independent legal entities and market producers, and whose principal activity is the

³ OGRM 45/05, OGM 62/08, 40/11, 62/13, 70/17

production of goods and non-financial services. This sector also includes non-financial quasi-corporations⁴.

The non-financial corporations sector is divided into three sub-sectors:

110010 Public non-financial corporations - consisting of all non-financial corporations, quasi-corporations and non-profit institutions, recognised as independent legal entities that are market producers and are subject to control by government units.

110020 National private non-financial corporations - consisting of all non-financial corporations, quasi-corporations and non-profit institutions which are recognised as independent legal entities and which are market producers, that are not controlled by government or by non-resident institutional units.

110030 Foreign controlled non-financial corporations - consisting of all non-financial corporations and quasi-corporations that are controlled by non-resident institutional units.

This subsector includes all subsidiaries of non-resident corporations, all corporations controlled by a non-resident institutional unit that is not itself a corporation (e.g. a corporation which is controlled by a foreign government), corporations controlled by a group of non-resident units acting in concert, all branches or other unincorporated agencies of non-resident corporations or unincorporated producers which are notional resident units.

12 FINANCIAL CORPORATIONS

The financial corporations sector consists of institutional units which are independent legal entities and market producers, and whose principal activity is the production of financial services. Such institutional units comprise all corporations and quasi-corporations which are principally engaged in financial intermediation and/or auxiliary financial activities. It also includes institutional units providing financial services, where most of either their assets or their liabilities are not transacted on open markets.

Financial corporations sector is divided into the following sub-sectors:

121 Central bank

122 Deposit-taking corporations except the central bank

123 Money market funds (MMFs)

124 Non-MMF investment funds

⁴ Quasi-corporations are entities which keep a complete set of accounts and have no legal status. They have an economic and financial behaviour that is different from that of their owners and similar to that of corporations. They are deemed to have autonomy of decision and are considered as distinct institutional units.

- 125 Other financial intermediaries, except insurance corporations and pension funds
- 126 Financial auxiliaries
- 127 Captive financial institutions and money lenders
- 128 Insurance corporations
- 129 Pension funds.

Monetary financial institutions (121+122+123) consist of all institutional units included in the central bank (121), deposit-taking corporations except the central bank (122) and MMF (123) subsectors.

Other monetary financial institutions (122+123) consist of those financial intermediaries through which the effects of the monetary policy of the central bank (121) are transmitted to the other entities of the economy. They are deposit-taking corporations except the central bank (122) and MMF (S.123).

Subsectors of financial corporations based on the ownership concept

With the exception of subsector 121, each subsector is further subdivided into:

- 01 – public financial corporations;
- 02 – national private financial corporations; and
- 03 – foreign controlled financial corporations.

Note: The criteria for this subdivision are the same as for non-financial corporations.

DEFINITIONS OF SUB-SECTORS

121 Central bank consists of all entities whose principal function is to issue currency, to maintain the foreign exchange and to hold the country's international reserves.

122 Deposit-taking corporations except the central bank includes all financial corporations and quasi-corporations, except those classified in the central bank and in the MMF subsectors, which are principally engaged in financial intermediation and whose business is to receive deposits and/or instruments similar to deposits from institutional units, and, for their own account, to grant loans and/or to make investments in securities.

For the purpose of these statistics, the deposit-taking corporations are further divided into:

- ✓ **Credit institutions**, under the definition established by the law regulating credit institutions;

- ✓ **Deposit-taking corporations other than the central bank within the group** - are deposit-taking corporations belonging to the same group, which includes the parent company and all members of the group, which are under the direct or indirect control of the parent company;
- ✓ **Other deposit-taking institutions** - these institutions are mainly engaged in financial intermediation. Their operations consist of receiving deposits and/or close substitutes for deposits from institutional units and for their account by approving loans and/or investing in securities, as well as electronic money institutions that deal with financial intermediation in the form of issuing electronic money.

123 Money market funds (MMFs) include all funds engaged in issuing investment fund shares or units as close substitutes for deposits from institutional units, and, for their own account, to make investments primarily in money market fund shares/units, short-term debt securities, and/or deposits.

124 Non-MMF investment funds include funds engaged to issue investment fund shares or units which are not close substitutes for deposits, and, on their own account, to make investments primarily in financial assets other than short-term financial assets and in nonfinancial assets (usually real estate).

125 Other financial intermediaries, except insurance corporations and pension funds include all financial corporations and quasi-corporations which are principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits, or investment fund shares. This sub-sector is further divided into:

- 1 Financial vehicle corporations engaged in securitisation transactions (FVC);
- 2 Security and derivative dealers;
- 3 Financial corporations engaged in lending; and
- 4 Specialised financial corporations

1 Financial vehicle corporations engaged in securitisation transactions (FVC) are undertakings carrying out securitisation transactions.

2 Security and derivative dealers are financial intermediaries on own account.

3 Financial corporations engaged in lending include financial intermediaries engaged in financial leasing, factoring and the provision of personal or commercial finance.

Specialised financial corporations are financial intermediaries, for example venture and development capital companies, export/import financing companies, financial intermediaries which acquire deposits and/or close substitutes for deposits, or incur loans vis-à-vis monetary financial institutions only. These financial intermediaries cover also **central counterparty clearing houses (CCPs)** carrying out inter-MFI repurchase agreement transactions.

126 Financial auxiliaries include all financial corporations and quasi-corporations which are principally engaged in activities closely related to financial intermediation but which are not financial intermediaries themselves. This sub-sector includes:

- a) Insurance brokers, salvage and average administrators, insurance and pension consultants, etc.;
- b) loan brokers, securities brokers, investment advisers, etc.;
- c) flotation corporations that manage the issue of securities;
- d) corporations whose principal function is to guarantee, by endorsement, bills and similar instruments;
- e) corporations which arrange derivative and hedging instruments, such as swaps, options and futures (without issuing them);
- f) corporations providing infrastructure for financial markets;
- g) central supervisory authorities of financial intermediaries and financial markets when they are separate institutional units;
- h) managers of pension funds, mutual funds, etc.;;
- i) corporations providing stock exchange and insurance exchange;
- j) non-profit institutions recognised as independent legal entities serving financial corporations, but not engaged in financial intermediation;
- k) Payment institutions head offices whose subsidiaries are all or mostly financial corporations

127 Captive financial institutions and money lenders includes all financial corporations and quasi-corporations which are neither engaged in financial intermediation nor in providing financial auxiliary services, and where most of either their assets or their liabilities are not transacted on open markets. This sub-sector consists of:

- a) units as legal entities such as trusts, estates, agencies accounts or 'brass plate' companies;
- b) holding companies that hold controlling-levels of equity of a group of subsidiary corporations and whose principal activity is owning the group without providing any other service to the businesses in which the equity is held, that is, they do not administer or manage other units;
- c) Special purpose entities (SPEs) that qualify as institutional units and raise funds in open markets to be used by their parent corporation;
- d) special purpose government funds, usually called sovereign wealth funds, if classified as financial corporations;
- e) units which provide financial services exclusively with own funds, or funds provided by a sponsor, to a range of clients and incur the financial risk of the debtor defaulting (money lenders, corporations engaged in lending to students or for foreign trade from funds received from a sponsor such as a government unit or a non-profit institution, and pawnshops that predominantly engage in lending).

128 Insurance corporations consist of all financial corporations and quasi-corporations which are principally engaged in financial intermediation as a consequence of the pooling of risks mainly in the form of direct insurance or reinsurance.

129 Pension funds include all financial corporations and quasi-corporations which are principally engaged in financial intermediation as the consequence of the pooling of social risks and needs of the insured persons (social insurance). Pension funds as social insurance schemes provide income in retirement, and often benefits for death and disability.

13 GENERAL GOVERNMENT

General government sector consists of institutional units which are non-market producers whose output is intended for individual and collective consumption, and are financed by compulsory payments made by units belonging to other sectors, and institutional units principally engaged in the redistribution of national income and wealth.

The General government sector is divided into the following three sub-sectors:

131100 Central government includes all administrative departments of the state and other central agencies whose competence extends normally over the whole economic territory, except for the administration of social security funds.

131300 Local government includes those types of public administration whose competence extends to only a local part of the economic territory, apart from local agencies of social security funds.

131400 Social security funds includes central, state and local institutional units whose principal activity is to provide social benefits and which fulfil each of the following two criteria:

- by law or by regulation certain groups of the population are obliged to participate in the scheme or to pay contributions; and
- general government is responsible for the management of the institution in respect of the settlement or approval of the contributions and benefits independently from its role as supervisory body or employer.

14 HOUSEHOLDS

The **households sector** consists of individuals or groups of individuals as consumers and as entrepreneurs producing market goods and non-financial and financial services (market producers) provided that the production of goods and services is not by separate entities treated as quasi-corporations.

According to the given definition (although ESA2010 prescribes a more profound analysis by subsectors), for monetary statistics, the reporting institution is obliged to submit data for two subsectors 141000 – Natural persons and 142000 – Own-account workers (entrepreneurs).

15 NON-PROFIT INSTITUTIONS SERVING HOUSEHOLDS (NPISH)

The **non-profit institutions serving households** (NPISHs) sector includes non-profit institutions which are separate legal entities, which serve households and which are private non-market producers. Their principal resources are voluntary contributions in cash or in kind from households in their capacity as consumers, from payments made by general government and from property income. Where such institutions are not very important, they are included in the households sector, as their transactions are indistinguishable from units in that sector.

The Sector 15 includes the following units: trade unions, professional or learned societies, consumers' associations, political parties, churches or religious societies (including those financed but not controlled by governments), social, cultural, recreational and sports clubs, charities, relief and aid organisations financed by voluntary transfers in cash or in kind from other institutional units. It also includes charities, relief or aid agencies serving non-resident units.

Attribute 2.5. Currency

The value of this feature is a three-letter code in accordance with the international ISO 4217 standard (USD, EUR, CHF, etc.).

Attribute 2.6. Original maturity

The original maturity refers to the exact financial instrument's term before the expiration of which it may not be redeemed (e.g. most securities), or it may be redeemed with a specific penalty (e.g. some types of deposits)⁵.

The entered original maturity value is determined at concluding the operation and remains unchanged throughout the financial instrument's life.

For deposits within the notice period, the value of the "Original maturity" attribute equals the value of the agreed notice period.

The value of this feature is entered using the following codes:

⁵ For loans, original maturity refers to the period from the loan realisation date to the date of loan's last instalment maturity.

Code	Description
000	overnight instrument, deposits that may be converted into cash or deposits transferable on demand
001	contracted maturity from one day (not included as a lower limit) to (and including) one month
002...	contracted maturity from one month (not included as a lower limit) to (and including) two months and beyond; e.g. for an instrument with an original maturity of 6 months, enter the code "006".

Note: As a month is calculated based on the calendar number of days in the month, each month started must be included in the attribute value as an entire month. If the original maturity is less than or equal to the number of calendar days in the month, the reporting institution enters code 001. If the original maturity exceeds the number of calendar days in the month, the reporting institution enters code 002, and so on, depending on the original maturity.

Attribute 2.7. Notice period

The notice period represents the contracted period between submitting the request for disposal of the deposit and the moment in which the deposited funds are available. Also, the notice period is considered to be a period that is not contracted but which *de facto* must elapse before the possibility of disposing of the deposit.

Deposits with a notice period are non-transferable deposits that may not be exchanged for cash without prior notice (notice period); before the notice period expiration, exchange for cash is not possible or is possible only with certain penalties. These deposits include:

- (a) amounts of funds deposited without a fixed maturity date, which may be withdrawn only with a previous notice period. Thus, this includes deposits that are legally possible to withdraw on request but would be subject to penalties in accordance with domestic practice. Therefore, these deposits are not considered overnight deposits;
- (b) in some cases, amounts of funds deposited with a fixed maturity date, which are not transferable but may be withdrawn with a previous notice period.

When the client submits a request to withdraw funds before the due date defined by the contract, the stated balances are classified as deposits within the notice period. After their classification into deposits with a notice period, the value of the "Notice period" attribute is not entered for these deposits, while the value of the notice period that was specified in the "Notice period" attribute before its reclassification is entered in the "Original maturity" attribute.

The value of this attribute is determined as in the case of the "original maturity" attribute and is expressed using the following codes:

Code	Description
000	Deposits without a notice period, deposits available within one working day, i.e. until the end of the working day following the day when the request for the disposal of funds without a notice period is submitted.
001	Deposits with a notice period from one day (not included as a lower limit) up to (including) one month, i.e. deposits that can be cancelled within the first month of the application. This includes deposits without a fixed maturity date, which can only be withdrawn with a previous notice period.
002	Deposits with a notice period of two months, i.e. deposit revocation within the second month from the application.
003...	Deposits with a notice period of three months, i.e. deposit revocation within the third month from the submission of the request onwards; e.g. for a deposit with a notice period of 6 months, enter the code "006".

Note for entering values for attributes 9. Original maturity and 10. Notice period:

1. For savings and term deposits without a notice period:
 - the value of the "Original Maturity" attribute is entered following the rules for entering that attribute's value.
 - The code "000" is entered for the value of the "Notice period" attribute;
2. For savings and term deposits with a notice period for which no application for disposition has been submitted:
 - the value of the attribute "Original maturity" is entered following the rules for entering that attribute.
 - the value of the "Notice period" attribute is entered with a corresponding code other than "000", following the rules for choosing that attribute's code;
3. For savings and term deposits with a notice period for which the application for disposition has been submitted - such deposits are reclassified into a new instrument, deposits with a notice period.
 - under the "Original maturity" mark, enter the notice period value (specified under the "Notice period" mark of the corresponding deposit before its reclassification) while
 - the value of the "Notice period" attribute is not entered.

Attribute 2.8. Remaining maturity

The remaining maturity is the period from the balance sheet date (the last day of the month) to the contracted maturity date⁶. The lower and upper limit values of this

⁶ With operations with instalments – from the balance date to the date of last instalment's maturity.

characteristic are defined as in the previous attributes “Original maturity” and “Notice period”.

The value of this characteristic is expressed by one of the following codes:

Code	Description
000	matured instrument, with instrument balance
001	instruments with a remaining maturity of up to (and including) one month
002 ...	instruments with a remaining maturity from one month (not included as a lower limit) to (and including) two months, and beyond, e.g. for an instrument with a remaining maturity of 6 months, enter the code “006”.

Attribute 2.9. Grace period

The grace period is the period between the loan repayment from the reporting institution and the first instalment or annuity maturity, during which the client does not repay the principal and/or interest. This attribute’s lower and upper limit values are defined as in the previous attributes.

This attribute’s value is expressed using the following codes:

Code	Description
000	the instrument has no grace period
001	the instrument has a grace period of (and including) one month
002...	the instrument has a grace period from one month (not included as a lower limit) to (including) two months and beyond; e.g. for an instrument that has a grace period of 12 months, enter the code “012”.

Attribute 2.10. Loan purpose

This feature defines the purpose of the loan granted by the reporting institution.

The value of this attribute is expressed using the following codes:

Code	Description
01	Liquidity (working assets) – loans approved for financing the additional working capital need, paying obligations to suppliers and maintaining current liquidity.
02	Loans for investments – loans approved for medium- and long-term financing of an investment project or programme to create, modernise and expand output facilities, invest in business premises, warehouses, construction land, fleet and vessels used in production or performing the activity, and investments in other fixed assets.

03	Loans for construction – loans used to finance the construction project of a residential or commercial building exclusively intended for further sale on the market.
04	Loans for refinancing obligations – loans for refinancing loans approved in other credit institutions and the credit institution itself.
05	Purchase of shares – loans approved for shares purchase
06	Purchase of land – loans approved for land purchase
07	Acquisition of fixed assets – loans for fixed assets acquisition
08	Loans for tourism – loans approved for purchasing or construction of new, adapting, extending or reconstructing existing tourist facilities (hotels, apartments, rooms, camps, restaurants, sports and other facilities, etc.) to perform tourist activity, arrange and equip existing tourist facilities, procure vessels or other equipment for renting to tourists.
09	For foreign payments – loans approved to pay certain obligations abroad
10	For foreign loans repayment – loans approved to repay foreign loans
11	Non-purpose cash loans – loans approved subject to the client's creditworthiness condition. <i>Note: If the non-purpose cash loan is approved with a pledge, and if the loan purpose is known, it should be disclosed in the appropriate category (e.g. for buying a car, education, etc.).</i>
12	Consumer loans – loans approved for purchasing goods and services for personal consumption (e.g. loans for purchasing furniture, household appliances, televisions or computers, loans for financing vacations, etc.).
13	Car loans – loans approved for a car purchase.
14	Housing loans – loans approved for investing in housing units for personal use or rental, including construction, adaptation, reconstruction or repair. These loans include loans secured by residential real estate taken for purchasing residential real estate (mortgage) and other loans for purchasing residential real estate approved on a personal basis or secured by other asset forms.
15	Loans for agriculture – loans approved for establishing, expanding, or improving agricultural holdings. These loans also include loans granted to entrepreneurs intended for investing in the agricultural and food industry (olive growing, viticulture, ecological production of healthy food, etc.).
16	Loans for education – loans for financing education.
17	Loans for financing exports – loans for exports incentives and ensuring an even cash flow to exporters.
18	Non-purpose mortgage loans - loans granted to clients based on real estate pledges. Loan repayment is insured by actual coverage – residential or business premises, land, etc. The certainty of loan repayment does not come from the debtor's creditworthiness but the real estate value. <i>Note: Loans secured by a pledge over the real estate with the known loan purpose are disclosed in the appropriate loan category (e.g. housing loans, car loans, etc.).</i>
99	Other special purpose loans - other unmentioned special purpose loans.

Attribute 2.11. Activity

This feature defines the other contracting parties' activity following NACE Rev.2 classification of activities⁷ according to selected instruments. The classification ensures statistical data compiling and publication according to economic industries.

This feature's value is expressed using the following codes:

Code	Description
A	Agriculture, forestry and fishing
B	Mining and quarrying
C	Manufacturing
D	Electricity, gas, steam and air conditioning supply
E	Water supply, sewerage, waste management and remediation activities
F	Construction
G	Wholesale and retail trade; repair of motor vehicles and motorcycles
H	Transportation and storage
I	Accommodation and food service activities
J	Information and communication
K	Financial and insurance activities
L	Real estate activities
M	Professional, scientific and technical activities
N	Administrative and support service activities
O	Public administration and defence; compulsory social security
P	Education
Q	Human health and social work activities
R	Arts, entertainment and recreation
S	Other service activities
T	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use
U	Activities of extraterritorial organisations and bodies

Attribute 2.12. Risk group

⁷ <http://www.monstat.org/cg/page.php?id=107&pageid=107>

To implement provisioning for identified losses, the reporting institution must classify its placements based on which it is exposed to credit risk into one of the following classification groups under the decision regulating the criteria and method of asset classification and calculation of provisions for potential credit losses.

The value of this attribute is expressed by one of the following codes:

Code	Description
A	Pass
B	Special mention
C	Substandard
D	Doubtful
E	Loss
N	Not applicable ⁸

Attribute 2.13. New operations

This attribute enables the classification of new operations into financial contracts that determine the interest rate on a deposit or loan for the first time and re-contracts on the terms of existing contracts on deposits and loans.

A new operation is any new deposit or loan agreement concluded between the client and the reporting unit.

The new operations include:

- ✓ All financial contracts in which the interest rate on a deposit or loan is defined for the first time;
- ✓ All existing contracts on deposits or loans that have been renegotiated on deposit or lending terms with the client's active participation (e.g. change of interest rate, loan/deposit amount, original maturity, notice period, currency, period of initial interest rate fixing).

Extensions and other adjustments to the contract terms automatically implemented without the client's active participation (already agreed upon at the contract beginning - e.g. rate change) are not considered new business.

The value of this characteristic is expressed using the following codes:

Code	Description
0	Balance on existing operations and performed part of new operations
1	New job that defines the interest rate for the first time
2	Re-contract with active client's participation

⁸ According to the applicable Capital Adequacy Decision.

Note:

- ✓ *In financial contracts, where the interest rate on a deposit or loan is defined for the first time, the amount the reporting institution should disclose is the new operation's contracted amount. With re-contracts with the client's active participation, the amount the reporting institution should disclose is the one to which new conditions apply;*
- ✓ *The reporting period for new credit operations is the month in which the loan is contracted, regardless of when the loan is paid;*
- ✓ *For loans used in tranches, under new jobs, new operations show the total loan amount at the time when it was contracted – the tranches withdrawal is not considered a new job.*

Attribute 2.14. Interest variability

This attribute identifies the interest rate type for each instrument.

The value of this attribute is expressed using the following codes:

Code	Description
01	Fixed interest rate – The interest rate is defined as a precisely determined level throughout the instrument's duration. At the time of loan contracting, the values of all interest rates are defined in advance. Example: The interest rate of 3% per year for the entire original loan maturity, or 2% per annum during the first two years, and 4% per annum for the remaining loan maturity.
02	Variable interest rate – includes interest rates changing continuously (e.g. daily) or depending on the reference interest rate movement to which the reporting institution has no influence. At the time of loan contracting, the method of calculating the variable interest rate is pre-defined. Its value is not known in advance because it is tied to the reference interest rate (e.g. Euribor + 3%).
03	Administrative variable interest rate – includes interest rates changing based on the reporting institution's decision. At the time of loan contracting, only the initial interest rate value (e.g. interest rate of 3% per year) is pre-defined, and the rate can change by the report institution's decisions at any time (based on the bank's acts).
99	Other

Note: If the interest rate type for the reported instrument is changed for a variable or variable or vice versa, the reporting institution must update this attribute's value for the period in which the change occurred.

Attribute 2.15. Initial interest rate fixing period

This attribute allows loan classification according to the interest rate's initial fixing period. The initial interest rate fixing period is a loan contract initially determined period during which the interest rate cannot change. The initial fixing period may be less than or equal to the original loan maturity. The interest rate value is considered unchangeable only if it is defined as the precise fixed level (e.g. 10%) or if the interest rate value is defined for a fixed period as a reference interest rate increased by a certain percentage point (e.g. the 6M Euribor increased by 2 percentage points at a predefined day and time) and equals to exactly specific interest rate level (WAFIR). Thus, if the client and reporting institution contracted the interest rates calculation as **6M Euribor** plus two 2 percentage points **for three years** that can change **every 6 months** (fixed time point) for a certain period at the loan agreement beginning, the initial interest rate fixing period will not be three years but six months since the interest rate changes every six months depending on the Euribor rates trend during these three years.

This attribute is completed for new loans contracted in the reporting month and loan balances at the end of the reporting period. This feature refers to the contracted initial interest rate fixing period for new loans. For loan balance, this feature refers to the remaining initial interest rate fixing and discloses the remaining number of months from the reporting period until the termination of the initial interest rate fixing.

The limit values define the initial interest rate fixing period. Thereby, the lower limit is not included in the specific interest rate initial fixing period, while the upper limit is included.

This attribute's values are expressed using the following codes:

Code	Description
000	It is filled in for new loans and loan balances with variable interest rates and administrative variable interest rates ;
001	It is filled in for new loans with a contracted initial interest rate fixing period to (and including) one month, and for loan balances to the remaining interest rate initial fixing period to (and including) one month;
002	It is filled in for new loans with a contracted initial interest rate fixing rate period of one month (not included as lower limits) to (and including) two months, and loan balances with a remaining initial interest rate fixing period of one month (not included as the lower limit) to (and including) two months;
003	It is filled for new loans with a contracted initial interest rate fixing period of two (not included as the lower limit) to (and including) three months, and the loan balance with the remaining initial interest rate fixing period of two months (not included as the lower limit) to (and including) three months;
004 ...	It is filled for new loans with a contracted initial interest rate fixing period of three months (not included as the lower limit) to (and including) four months, and loan balances with the remaining initial interest rate fixing period of three

	months (not included as the lower limit) to (and including) four months. The corresponding code is assigned depending on the number of months for which the interest rate is fixed, and/or from the number of remaining months from the reporting period until the initial interest rate fixing period. For example, code 016 would refer to a new loan with a contracted initial interest rate fixing rate of 15 months (not included as a lower limit) to (and including) 16 months or for the loan balance with the remaining initial interest fixing rate of 15 months (not included as a lower limit) to (and including) 16 months.
999	It is filled in for new loans and loan balances with a fixed interest rate .

Examples:

000	<ol style="list-style-type: none"> 1. A loan was approved for 10 years with a variable interest rate tied to Euribor plus two percentage points. The initial interest rate fixing period was not contracted. 2. Loan was approved for 10 years with an administrative variable interest rate of 7% per annum for the entire loan's original maturity.
006	The loan was granted with the interest rate calculation method as 6M Euribor increased by two 2 percentage points for three years that can change every 6 months . As an initial interest rate fixing period, the reporting institution should choose the code 006 for the new loan in the first month, given that the interest rate value changes every six months depending on the Euribor rate trend during these three years. For each following month, it needs to fill in code 005 for the loan balance.
016	A housing loan was approved with the original 15 years maturity and the initial interest rate fixing period of 16 months (interest rate is 5% per annum), followed by a variable interest rate. The adequate code for this attribute is selected as follows: In the month in which the loan is approved, the reporting institution selects the code 016 as the initial interest rate fixing period. The following month, it fills code 015 in the loan balance field for the remaining initial interest rate fixing period. In the third month, it fills the code 014 as the remaining initial interest rate fixing period and so on until the initial fixing period ends. In the seventeenth month, the reporting institution chooses the code 000 because the variable interest rate applies after the sixteenth month.
999	<ol style="list-style-type: none"> 1. The loan was approved for 10 years with a fixed interest rate of 5% per annum throughout the original loan maturity. 2. The loan was approved for 10 years with three interest rate fixing periods. In the first year, the interest rate is 5% per annum, 6% per annum in the second, and 7% per annum in the last eight years. In this case, the initial fixing period includes the total period for which the interest rate is previously known, i.e. the entire period of the original loan maturity.

Attribute 2.16. Reference interest rate type

This attribute enables loan classification according to the reference interest rate type. Reference interest rates are unique, public market interest rates for individual currencies and maturities, established at international (e.g. Euribor, riskless alternative reference rates such as SOFR, SONIA etc.) or domestic market (e.g., return on treasury bills).

This attribute's value shall be entered for new loans for which the attribute codes 2.12 The initial interest rate fixing period are disclosed, and for all loan balances regardless of the initial interest rate fixing period status.

For loans with the initial interest rates fixing period (both in new operations and balances), enter those reference interest rates to which the loan will be tied after that period expires (if known at the reporting time).

The value of this feature is expressed using the following codes:

Code	Description
01	Non-risk alternative reference rates replacing LIBOR reference interest rate (e.g.: SOFR, SONIA, TONA, SARON)
02	Reference interest rate determined in the European interbank market (Euribor)
03	Reference interest rate corresponding to the return on treasury bills
04	Interest index
99	Other reference interest rates

Attribute 2.17. Reference interest rate maturity

This feature defines the reference interest rate maturity.

The value of this attribute is expressed using the following codes:

Code	Description
000	maturity of up to one month (not included as the upper limit), e.g. lending interest rate tied to 2W Euribor
001	one-month maturity (included as a lower limit) to two months (not included as the upper limit)
002	maturity of two months (included as a lower limit) to three months (not included as the upper limit)
003...	A maturity of three months (included as a lower limit) to four months (not included as the upper limit), and beyond (e.g., a for loan tied to 6M Euribor enter code 006);

Attribute 2.18. Interest rate change frequency

This attribute defines the contracted interest rate change frequency due to the change in reference interest rate it is tied to and the rate change based on the reporting institution's decision (administrative variable interest rate).

This attribute's codes should be recorded according to the contracted (planned) interest rate change, regardless of whether the reporting institution actually changed the interest rate due to the reference interest rate change or the reporting institution's decision in the reporting period.

The value of this attribute is expressed using the following codes:

Code	Description
000	the change frequency of up to one month (not included as an upper limit);
001	the change frequency is one month;
002 ...	the change frequency is longer than one month (not included as a lower limit); e.g. for a loan tied to the 6-month Euribor that changes every six months, enter the code "006";

Attribute 2.19. Loan amount category

This attribute provides a classification of new loans according to the amount. The classification is based on each new loan's amount and not the total amount of new loans in the reporting period.

This attribute is filled in for the resident non-financial and non-resident non-financial sectors defined in attribute 2.4 - Classification of sectors.

The limit values define the loan amount, where the lower limit is not included in a specific loan amount category, and the upper limit is included.

The value of this attribute is expressed using the following codes:

Code	Description
1	the amount of an individual new loan up to (and including) 250,000 euros
2	the amount of an individual new loan from 250,000 (not included as a lower limit) to (and including) 1,000,000 euros
3	the amount of an individual new loan over 1,000,000 euros (not included as a lower limit)

Attribute 2.20. Collateral/guarantee

This attribute enables the loan classification of whether they are secured by collateral and (or) guarantees.

The value of this attribute is expressed using the following codes:

Code	Description
01	Cash deposit
02	Pledge on securities
03	Fiduciary
04	Mortgage
05	Bill of exchange
06	Administrative order (payment orders)
07	Pledge on goods
08	Guarantee
09	Warranty statement
10	Personal warranty statement
11	Life insurance policy
12	Property insurance policy
13	Billing authority
14	Unemployment insurance policy
15	Insurance policy for covering risk of default
99	Other collaterals/guarantees

Attribute 2.21. ISIN

ISIN is an international securities identification number determined under the International Standards Organisation (ISO) provisions. The reporting institution must provide data for each ISIN individually.

Data on the owner of debt securities issued by reporting institutions are entered in the attributes 2.2 - Country of registered office, 2.3 - International institution and 2.4 - Classification of sectors. They must be updated with the latest available data if the Central Securities Depository and Clearing Company of Montenegro (CSDCC) has the data at the end of the reporting period. If the CSDCC does not have the data at the end of the reporting period, and the purchaser's data are known during the issue or the distribution of bonds during the last coupon payment, use this information as the latest available. The reporting institution enters itself as another contracting party only when it purchases its debt securities.

On the other hand, other contracting parties for the assets debt instruments positions are issuers of these securities disposed by the reporting institution.

Attribute 2.22. Gender

This attribute enables the specific instruments classification according to the reporting institution's other contracting parties gender.

The value of this attribute is expressed using the following codes:

Code*	Description
01	Female aged 18+ (f.a.)
02	Male aged 18+ (m.a.)
03	Female aged up to 18 (f.m.)
04	Male aged up to 18 (m.m.)

*Note:

If the reporting institution has 1 client with 5 loan agreements, on item **S0010 - Loan beneficiaries**, the reporting institution enters number **1 (amount type 13 - Number)** and the code depending on gender (f.a., m.a., f.m, m.m.), and number **5** on item **S0014 - Loan accounts**, within one of the codes. The same rule applies to deposits, credit and debit cards.

If the reporting institution has 2 beneficiaries of 1 loan, on item **S0010 - Loan beneficiaries**, the reporting institution enters number **2** within the code depending on gender (f.a., m.a., f.m, m.m.), and number **1** on item **S0014 - Loan accounts**. For example, for 2 female adult beneficiaries of one loan, the reporting institution enters the number **2** on item **S0010 - Loan beneficiaries** within the code **01 (f.a.)**, while on item **S0014 - Loan accounts** within the code **01 (f.a.)** enters the number **2**. If a woman and man are the beneficiaries of 1 loan, the reporting institution enters the number **1** in item **S0010 - Loan beneficiaries** within code **01 (f.a.)** and the number **1** in item **S0010 - credit users** within code **02 (m.a.)**. In item **S0014 - Loan accounts**, it enters number **1** within code **01 (f.a.)** and number **1** within code **02 (m.a.)**. The same rule applies to deposits, credit and debit cards.

Attribute 2.23. Loan marketability

This attribute enables credit instruments' classification based on their sale's possibility on the financial market, i.e. their marketability. In other words, its purpose is to identify the loans traded and based on which debt securities are issued (securitisation).

The value of this attribute is expressed using the following codes:

Code	Description
01	Marketable
02	Non-marketable
XX	Not-applicable

3. THIRD SET OF ATTRIBUTES – AMOUNT TYPE

The “amount type” attribute identifies the appropriate amount the reporting institution must submit for the corresponding instruments and features, as reported in Reporting Request 2.

All amounts are expressed in euros, percentages or absolute amounts. If the code description does not explicitly state that amounts are displayed with a negative sign, all amounts are generally displayed with a positive sign. Exceptions are items that, by their very name, suggest that a positive or negative sign can appear (e.g. gain/loss), specific provisions, amounts of price changes, etc.

The value of all instruments in other foreign currencies is calculated by converting the original currency amount into euros according to the ECB mid-rate⁹ on the last day of the reporting period for balances. For changes in prices and values of new operations, the monthly ECB mid exchange rate in the reporting period is applied.

The value of this characteristic is expressed using the following codes:

Code	Description
1	Gross total receivables (liabilities) based on the principal = overdue and due receivables (liabilities) based on the principal, for instruments valued at amortised value + amount of fair value of principal for instruments valued at fair value - discount + premium + fair value of embedded derivatives for instruments that have a built-in derivative.
2	Claims (liabilities) based on accrued undue interest or voted dividend
3	Claims (liabilities) based on unpaid due interest or dividends
4	The amount of value adjustments of claims in the on-balance sheet items
5	The amount of value adjustments of claims based on interest and accruals
6	Principal amount unposting (write-off) (in the legal sense, debt relief, etc.) Amounts associated with this code always have a negative sign.
7	Interest amount unposting (write-off) (in the legal sense, debt relief, etc.). Amounts associated with this code always have a negative sign.

⁹ The Central Bank of Montenegro (CBCG) takes over the ratio of the euro to other convertible currencies (exchange rate list) from the European Central Bank and publishes it every working day.

- 8 **Price adjustments (changes)** related to the difference in the market value of tradable instruments at the end of the reporting period compared to the end of the previous reporting period resulting from changes in market prices (this does not include exchange rate changes, purchases or sale of instruments). This amount includes only unrealised gains or losses resulting from price changes. The amounts related to this code have (a) a negative sign - in the case of a price drop and (b) a positive sign - in the case of a price increase.
- 9 **Weighted average nominal interest rate** (AAR or NDER), %
- 10 **Weighted average effective interest rate** (APRC), %
- 11 **Interest income per interest-bearing instrument**
- 12 **Interest expense per interest-bearing instrument**
- 13 **The total gross reclassifications and other adjustments (positive)** – The reporting institution must enter the amount of total gross claims (liabilities) based on principal and interest or voted dividend referring to adjustments due to changes in the counterparty sector’s statistical classification, instrument and other breaks in statistical series. If the other contracting party transfers to the new industry, the reporting institution enters a positive sign with the amount of gross principal and interest or voted dividend to the other contracting party’s industry (attribute classification by industries) to which it was reclassified. In other reclassifications, such as an existing reporting institution’s division into several new ones, new positions appearing between constituent parts must be recorded with a positive sign for all categories of instruments.
- 14 **The total gross amount of reclassifications and other adjustments (negative)** – The reporting institution must enter the amount of total gross claims (liabilities) based on principal and interest or voted dividend referring to adjustments due to changes in the counterparty sector’s statistical classification, instrument and other breaks in statistical series. If the other contracting party leaves the industry, the reporting institution enters a negative sign with the amount of gross principal and interest or voted dividend to the other contracting party’s industry (attribute classification by industries) to which it was re-reclassified. In other reclassifications, such as mergers and acquisitions of reporting institutions, financial assets/liabilities between these institutions that disappeared after the merger/acquisition must be recorded with a negative sign for all categories of instruments.
- 15 **Number**

- 16 **Amount of securities** – Depending on the security type, this amount refers to the number of purchased and/or issued shares, the number of purchased and/or issued shares in investment funds, or the amount of purchased and/or issued debt securities.
- 17 **Fee accruals** – the amount related to deferred fee income.
- 18 **Collateral/guarantee amount** – The amount of collateral/guarantee that secured the adequate instrument.

Disclosure of amounts under codes 9 and 10

The disclosure of amounts under codes 9 and 10 follows the interest rates definitions given below.

The reporting institution must submit one of the following three types of prescribed interest rates:

I AAR – Annualised agreed rate

The rate is defined by the ECB Regulation 1072/213 as the lending or deposit interest rate individually **agreed** between the reporting agent and the client, converted to an annual basis and quoted in percentages per annum. The AAR covers all interest payments on deposits and loans, but no other charges that may apply, therefore, it is the **adjusted nominal interest rate**. *Disagio*, defined as the difference between the nominal amount of the loan and the amount received by the customer, is considered as an interest payment at the start of the contract (time t_0) and is therefore reflected in the AAR.

Mathematical formula for calculating AAR is:

$$x = \left(1 + \frac{r_{ag}}{n}\right)^n - 1$$

$x = \text{AAR}$

r_{ag} = the interest rate per annum that is agreed between the reporting agent and the loan beneficiary where the dates of the interest capitalisation of the deposit and all the payments and repayments of the loan are at regular intervals within the year, and n = the number of interest capitalisation periods for the deposit and (re)payment periods for the loan per year, ($n = 1$ for yearly payments, $n = 2$ for semi-annual payments, $n = 4$ for quarterly payments and $n = 12$ for monthly payments)

A standard year has 365 days (or 366 days in a leap year), 52 weeks or 12 equal months. It is assumed that the months have the same number of days ($30.42 = 365/12$), regardless of whether the year is a leap year.

II NDER – Narrowly defined effective rate

The NDER is the interest rate which, on an annual basis, equalises the present values of all commitments (deposits or loans, payments or repayments, interest payments), future or existing, agreed between the reporting agent and the client.

Annualised agreed rate

The mathematical formula for calculating NDER is:

$$K = \sum_{n=1}^N (CF_n \times DF_n) = \sum_{n=1}^N \left(CF_n \times \left(\frac{1}{1+i} \right)^{\frac{D_n}{365}} \right)$$

K = loan amount

N = total number of payments

CF_n = cash flow n^{th} , from monetary financial corporation's perspective

DF_n = discount factor of the n^{th} payment

i = interest rate (NDER)

D_n = the number of days until the n^{th} payment

III APRC – Annual percentage rate of charge

APRC is an interest rate equal to the present value of all existing or future financial obligations, including other costs agreed between the reporting institution and the client.

APRC covers the “total cost of the credit to the consumer”¹⁰ in accordance with Article 3 (g) of the Directive 2008/48/EC on credit agreements for consumers. The total costs comprise an interest rate component (NDER) and a component for all other (related) charges, such as costs for inquiries, administration, preparation of the documents, guarantees, credit insurance, etc.

The mathematical formula for calculating APRC is:

$$\sum_{k=1}^m C_k (1+x)^{-t_k} = \sum_{l=1}^{m'} D_l (1+x)^{-s_l}$$

x = APRC

m = the number of the last withdrawal

¹⁰ The reporting institution must record costs to be included or excluded in/from the APRC calculation and additional assumptions used in the calculation as harmonised with the Directive on credit agreements for consumers under the current Decision on the Calculation and Reporting of the Effective Interest Rate on Loans and Deposits.

k = the number of the withdrawal, thus $1 \leq k \leq m$

C_k = the amount of the withdrawal k

t_k = the interval, expressed in years and fractions of a year, between the date of the first withdrawal and the date of each subsequent withdrawal, thus $t_1 = 0$

m' = the number of the last repayment or payment of charges

l = the number of repayment or payment of charges

D_l = the amount of repayment or payment of charges

S_i = the interval expressed in years and fractions of a year, between the date of the first withdrawal and the date of each subsequent withdrawal.

The reporting institution submits one of two calculated rates (AAR or NDER) for defined instruments. As a rule, AAR and NDER are equal whenever the interest payments frequency is greater than or equal to the principal repayments frequency. It includes all cases where the principal is paid at the end of the contract. In these cases, the reporting institution may use AAR or NDER. In the remaining cases, when the interest payment frequency is lower than the principal repayment frequency, NDER is used.

In addition, the reporting institution submits the APRC rate to the Central Bank for all loans.

The reporting institution must submit interest rate statistics on defined instruments for balances (existing operations) and new operations.

The reporting unit must submit the interest rates **on balances**, applied to the book balance of the instrument on the last day of the reporting month, as weighted average interest rates for the corresponding instrument categories by relevant attributes. The weighted average interest rate is calculated as the AAR (NDER) sum multiplied by the corresponding balances and divided by the total balances. It includes all outstanding amounts according to contracts concluded in all periods before the last day of the reporting month.

The reporting unit must submit the average weighted interest rates **for new operations** for the appropriate categories of instruments according to relevant attributes. The rates are calculated for all new contracts concluded between the client and the reporting unit created during the reporting month. When calculating weighted average interest rates on new business, all interest rates under new contracts are considered, i.e. all contracted amounts, regardless of whether the contract will be implemented. Weighted average interest rates on the categories of instruments from this group are calculated as averages over one month.

*Note: When calculating interest rates on new deposits and new loans, in the categories of **overnight deposits, deposits with a notice period, revolving loans, transaction account overdrafts and credit card loans**, the new operations concept is expanded*

to include **the total balance of these instruments**¹¹. Therefore, the balance of existing jobs on the last day of the reporting month is used as an indicator for new jobs for the listed instruments. The interest rate for these categories of instruments represents an average weighted interest rate applied to the book balance of the instrument on the last day of the reporting month. They include all existing contracts contracted in all periods before the last day of the reporting month.

¹¹ For interest rate statistics, interest rates on overnight loans and deposits include all interest rates, even those with a 0% rate.