



Monetary Circular 2012-02: exemptions from the credit freeze

With reference to Monetary Circular 2012-01 on the credit freeze and the comments received by the banks, the Bank hereby introduces the following exemptions:

1. Credit commitments agreed up to and including March 16, 2012.
2. Credit extensions for projects that contribute to a strengthening of the foreign exchange reserves.
3. Takeover of credit facilities from other banks.

The exemptions are explained in more detail in the attachment. The file with the Excel sheets in which the exemptions must be reported can be downloaded from the website of the Bank through the following link: <http://www.centralbank.an/monetary-circulars>.

Centrale Bank van Curaçao en Sint Maarten

April 16, 2012

Exemptions from the credit freeze

1. Credit commitments

- a. A credit is considered committed when the application has been approved by the credit committee of the bank.
- b. Credit commitments agreed up to and including March 16, 2012 will be exempted.
- c. The credit commitments must be adequately substantiated by a document, which should be submitted to the Bank electronically.
- d. Three weeks after month end at the latest, an Excel sheet must be sent to the Bank stating for each credit commitment the total amount of the commitment and the cumulative amount disbursed at month end, starting with February 29, 2012. Please note that:
 - commitments for overdrafts may be summed and reported as a total;
 - credit commitments not exceeding NAF 100,000 may be summed and reported as a total;
 - it is not necessary to send the documents of the commitments that may be summed and reported as a total, but they should be submitted to the Bank upon request.
- e. The Excel sheet must be accompanied by a cover letter on official letter paper stating that the data are complete and correct and signed by an authorized employee.

2. Credit extensions for projects that contribute to a strengthening of the foreign exchange reserves

- a. Credit extensions for projects that will strengthen the foreign exchange reserves of the monetary union are eligible for exemption. The project should promote exports or reduce imports and should have a significant positive net impact on the foreign exchange reserves.
- b. Only credit extensions of NAF 1,000,000 or more will be considered for exemption.
- c. Applications for exemption must contain:
 - a description of the project;
 - the maximum amount of the credit extension;
 - the term of the credit extension.
- d. The Bank will decide if an application is accepted for exemption within five business days after receipt of the application.

- e. Three weeks after month end at the latest, an Excel sheet must be sent to the Bank stating for each exempted credit extension the total outstanding amount at month end, starting with March 31, 2012.

3. Takeover of credit facilities from other banks

- a. If a bank takes over a credit facility from another bank that is subject to the credit measure, the outstanding amount is eligible for exemption.
- b. The outstanding amount of the credit facility will be subtracted from the total outstanding amount of credit of the bank that takes over the credit facility.
- c. The outstanding amount of the credit facility will be added to the total outstanding amount of credit of the bank where the credit facility is redeemed.
- d. Only credit facilities of NAF 100,000 or more will be accepted for exemption.
- e. Three weeks after month end at the latest, an Excel sheet must be sent to the Bank stating for each credit facility taken over:
 - the name of the bank from which the credit facility was taken over;
 - the name of the client;
 - the date on which the credit facility was taken over;
 - the outstanding amount of the credit facility taken over.