

**On required reserves of commercial banks deposited
in the Central Bank of the Republic of Uzbekistan**

Chapter 1. General rules

1. The following basic concepts are used in this Provision:

Required reserves - funds transferred by banks to a separate account opened with the Central Bank;

Reserve liabilities - liabilities of banks in national and foreign currencies listed in Annex 1 to this Regulation;

Required reserve ratio - the amount of interest set by the Central Bank in relation to the bank's reserve obligations;

Normative amount of required reserves - the amount of required reserves to be transferred by banks to the Central Bank. The normative amount of required reserves is calculated by multiplying the norm of required reserves by the average amount of liabilities for the accounting period in which the reserve is formed;

Averaging coefficient - a coefficient from 0 to 1, the value of which is used to determine the average amount of the normative amount of required reserves, which is stored in the correspondent account with the Central Bank;

Average amount of required reserves - the minimum amount of average funds calculated by banks using the averaging ratio to the normative amount of required reserves and to be kept in the correspondent accounts of banks with the Central Bank for the period of storage

Mandatory reserve funds to be transferred to the Central Bank - funds deductible from the normative amount of required reserves and the balance after deducting the weighted average amount of required reserves;

The accounting period of required reserves is the reporting month preceding the period of storage of required reserves.

The period of storage of obligatory reserves - the period of storage of obligatory reserves, consisting of twenty-eight or thirty-five calendar days, the first day beginning on Thursday and ending on Wednesday;

Storage period calendar is an annual calendar that defines the storage period of required reserves.

2. The norm of required reserves, the rate of deductions from the normative amount of required reserves, the average coefficient and the calendar of the storage period shall be established by the decision of the Board of the Central Bank and depend on the type, currency and term of liabilities.

3. Deposits of other banks are not included in the liabilities formed by the reserve.

4. The decision to pay interest to banks on required reserves is made by the Board of the Central Bank based on the proposal of the Credit Committee of the Central Bank based on the situation in the economy, liquidity in the banking system and the main directions of monetary policy.

5. The calculation and deposit of mandatory reserves of the branches of banks registered in the territory of other states shall be carried out in accordance with the legislation of these states.

6. Mandatory reserves are formed and maintained only in the national currency by transferring money to the mandatory reserve account of resident banks in the Central Bank or holding the weighted average amount in the correspondent account with the Central Bank on liabilities attracted by commercial banks in national and foreign currencies.

Chapter 2. Calculation and transfer of required reserves

9. At the end of each accounting period is the amount of required reserves to be deposited by banks with the Central Bank in accordance with Annex 2 to this Regulation on the basis of guidelines in Annex 3 to this Regulation.

The amount of required reserves to be deposited in the Central Bank is calculated by multiplying the rate of required reserves by the average amount of liabilities for the period in which the reserve is formed.

10. The average amount of liabilities in the national currency or foreign currency for which the reserve is formed is determined by summing the balances of the accounts of reserves formed in the corresponding currency for each day of the accounting period and dividing this amount by the number of calendar days in the accounting period.

The average amount of deductions from the normative amount of required reserves is calculated by summing the balances of deductible accounts in the corresponding currency for each day of the accounting period and dividing this amount by the number of calendar days in the accounting period.

For holidays and weekends, the balance balances of the reserve account of the last working day preceding these days are taken.

11. Submission of the calculation of required reserves to the Central Bank and, in addition, the transfer of amounts to be deposited in the account of required reserves shall be made by banks within three working days prior to the beginning of the storage period.

12. In case of transfer of excess funds to the required reserves, the excess funds shall be returned to the bank by the Central Bank within two working days from the date of submission of the calculation of required reserves.

13. The calculation of required reserves must be sent by banks to the Central Bank by e-mail with an electronic digital signature in the prescribed manner.

14. Verification of the calculation of required reserves and compliance of the submitted documents with the requirements of this Regulation is carried out by determining the completeness of the data, the accuracy of arithmetic calculations and compliance of the information contained in the documents with the balance sheet of banks for the reporting period.

Rounding and exchange rate changes in documents are allowed to occur as a result of changes.

15. Until the beginning of the next storage period, banks will be given the opportunity to make corrections to the accounts and documents submitted to the Central Bank. An explanatory letter signed by the Chairman of the Board of the relevant bank shall be submitted together with the amended accounts.

16. Mandatory reserve funds transferred to the Central Bank are kept in banks at 10309 - "Mandatory reserve account with the Central Bank of the Republic of Uzbekistan" and at the Central Bank - at 21312 - "Mandatory reserve account of resident banks". The balance of banks in 10309 - "Mandatory reserve account with the Central Bank of the Republic of Uzbekistan" should be equal to the balance of funds in the Central Bank 21312 - "Mandatory reserve account of resident banks".

Chapter 3. Calculation of mandatory reserves and transfer to deposit when the averaging coefficient is applied

17. The right to apply the averaging coefficient by the Central Bank is given to banks that meet the following requirements:

followed the procedure for calculation of required reserves and deposit with the Central Bank;

in the past period, it fulfilled the obligation of banks to keep the weighted average amount of required reserves in correspondent accounts with the Central Bank.

Banks that do not meet these requirements are not entitled to apply an average ratio to the amount of required reserves.

18. The issue of granting the Central Bank the right to apply an average coefficient to the amount of required reserves by the Central Bank shall be considered on the basis of their applications within three working days and the bank shall be notified.

In cases where the right to apply the averaging coefficient is granted, this right becomes effective from the next storage period.

19. In case of non-compliance by banks with the requirements specified in paragraph 17 of this Regulation, the right granted by the Central Bank shall be revoked. The issue of reassignment of this right will be considered by the Central Bank in two months on the basis of the relevant application of the bank.

20. The amount of mandatory reserve funds to be transferred to the Central Bank is determined by deducting from the normative amount of mandatory reserves and the weighted average amount of required reserves.

21. In order to exercise the right to apply the averaging coefficient during the period of storage of required reserves, banks shall calculate the average amount of required reserves and submit it to the Central Bank. The period for calculating the weighted average amount of required reserves is equal to the period for calculating required reserves.

22. During the storage of required reserves, the average balance of funds in the correspondent accounts of banks with the Central Bank is required not less than the average amount of required reserves.

Chapter 4. Re-registration of required reserves and termination of the obligation to comply with the requirements of the required reserve

23. In case of reorganization of banks in the form of merger, acquisition, division and separation, the required reserves are re-issued.

24. In case of financial recovery and bankruptcy of the bank, appointment of a temporary external management, as well as restrictions on the implementation of certain banking operations or the use of funds in the correspondent account, the practice of regulating mandatory reserves is not suspended.

25. Upon revocation by the Central Bank of the license of the bank to conduct banking operations, the obligation of the bank to comply with the requirements for required reserves is terminated.

Chapter 5. Control over the fulfillment of reserve requirements by banks

26. The Central Bank exercises control over the fulfillment of mandatory reserve requirements by banks.

27. Failure to provide timely or inaccurate calculations of required reserves, non-transfer of funds required to cover the deficit during the storage period and non-performance of the obligation on averaged required reserves are a violation of mandatory reserve requirements.

28. The Central Bank checks the correctness of the requirements of the required reserves and the average amount of required reserves by banks on the basis of the balance sheet of banks.

Chapter 6 Final rules

29. In case of non-compliance by the Bank with the requirements set forth in this Regulation, the Central Bank shall impose a penalty in the amount of not more than twice the refinancing rate for the missing funds and the amount of these funds.

30. In case of revocation of the bank's license to conduct banking operations by the Central Bank, the Central Bank within three days upon the request of the

liquidation commission of the bank returns to the account of the liquidation commission of the bank the required reserves deposited in the Central Bank.

**Obligations of commercial banks to form reserves
in the Central Bank of the Republic of Uzbekistan**

LIST

№	Number of account	The names of the liabilities for which the reserve is formed
1	20200	Demand deposits
2	20400	Savings deposits
3	20600	Term deposits
4	21202	Management checks
5	22604	Other deposits of customers
6	22608	Clients` security transactions
7	22610	Pensions and benefits paid by structural subdivisions of JSC "Uzbekiston Pochtasi"
8	22612	Subscriptions to remittances and periodicals made by divisions of JSC "Uzbekiston Pochtasi"
9	22613	Customer reserves for conversion in the foreign exchange market
10	22616	Funds of individuals managed through a system of remote servicing of bank accounts
11	22617	Liabilities on pensioners' plastic cards
12	22618	Obligations on plastic cards of individuals
13	22619	Obligations of individual entrepreneurs on plastic cards
14	22620	Obligations on corporate plastic cards
15	22622	Funds allocated by legal entities for the maintenance of their representative offices and branches
16	22624	Targeted funds of legal entities selling certain types of excisable goods
17	22626	Targeted funds of enterprises and organizations
18	22630	Funds of social pensions financed from the local budget, appointed by citizens' self-government bodies
19	22632	Funds for cash pensions, social benefits, compensations and other payments financed by the district (city) divisions of the Pension Fund
20	22634	It is the only special account for accumulating funds for natural gas
21	22636	It is the only special account for accumulating money for electricity
22	22638	The only special account for accumulation of funds for water supply and drainage services

23	22696	Other deposit obligations
24	23100	Transit accounts for funds to be transferred to customers' plastic cards
25	23402	Funds of the republican budget
26	23403	Revenues of the Republican budget on customs duties
27	23404	Funds of budgetary institutions of the republic
28	23405	Non-budget funds allocated from the national budget for organizations and enterprises
29	23406	Interest income on government loans
30	23407	Revenues of the Republican budget for a single tax payment
31	23409	Revenues of the Republican budget on land and single land taxes
32	23410	Government Subsidies Fund
33	23411	Funds for the payment of state duties, levies and non-tax payments, administrative and financial sanctions
34	23422	Financing of capital investments from the republican budget
35	23424	Financing of capital investments from local budgets
36	23426	Local budget - District / city
37	23427	Funds allocated by non-budget organizations and enterprises from the district / city budget
38	23430	Local budget funds - Province
39	23431	Funds allocated by non-budget organizations and enterprises from the regional budget
40	23432	Local budget funds - the Republic of Karakalpakstan
41	23433	Funds allocated by non-budget organizations and enterprises from the budget of the Republic of Karakalpakstan
42	23442	Extra funds allocated from the state budget and centralized loans to finance state development programs
43	23500	Revenue from customers' plastic cards
44	29801	Accounts with customers
45	29814	Receipts through terminals, which must be credited to customers' accounts
46	29840	Unclaimed deposits transferred to the Ministry of Finance
47	29842	Inactive deposit obligations
48	29846	Other unclaimed loan balances
49	29849	Funds financed by the district (city) branch of the Pension Fund, provided in cash received from other banks for pensions, social benefits, compensations and other payments
50	29896	Other obligations