

LAW 58-90 OF SEPTEMBER 19, 1958

Establishing and Organizing the Central Bank of Tunisia

(Published in the *Journal Officiel* of the Republic of Tunisia, September 23-26, 1958)

ARTICLE 1. The purpose of this law is to establish the charter [statuts] of the Central Bank of Tunisia.

TITLE I

STRUCTURE AND ORGANIZATION OF THE CENTRAL BANK

CHAPTER I

GENERAL PROVISIONS

ARTICLE 2. The Central Bank of Tunisia, hereinafter referred to as “the Central Bank,” is a domestic public entity with legal personality and financial autonomy.

ARTICLE 3. The Central Bank of Tunisia is deemed to have the status of a commercial entity in its dealings with third parties. The Central Bank shall be governed by the provisions of business law unless its own laws and charter take precedence. The Central Bank shall not be subject to the laws and regulations governing the public accounts of the state.

ARTICLE 4.

1. The Central Bank shall be authorized to use the coats of arms of the Republic of Tunisia, including the Central Bank’s business name.
2. The registered office of the Central Bank shall be in Tunis.
3. The Central Bank shall establish branches in any location within Tunisia that it deems appropriate.
4. The Central Bank may have correspondent banks or representatives in any locations or countries that it considers necessary.
5. Any disputes between the Central Bank and its agents shall be tried before the administrative court. (1)

ARTICLE 5. The Central Bank may be officially dissolved only pursuant to a law specifying the procedures governing its liquidation.

ARTICLE 6.

1. The capital of the Central Bank shall be comprised of an endowment fund fully paid up by the government, the amount of which shall be set by law.
2. However, the capital of the Central Bank may be increased through capitalization of reserves pursuant to a Board of Directors decision approved by decree.

CHAPTER II

MANAGEMENT, ADMINISTRATION, AND SUPERVISION

ARTICLE 7. The management, administration, and supervision of the Central Bank are respectively entrusted to a Governor, a Board of Directors hereinafter referred to as the “Board,” and a government-appointed Auditor [*censeur*].

SECTION 1 – THE GOVERNOR (2)

ARTICLE 8.

1. The affairs of the Central Bank shall be managed by a Governor appointed by decree.
2. The Governor shall be consulted by the government whenever the latter is addressing issues pertaining to money or credit, or which could potentially have repercussions on the monetary situation.
3. The Governor solemnly undertakes before the President of the Republic to well and faithfully conduct the affairs of the Central Bank in accordance with laws and the charter of the Central Bank.

ARTICLE 9 (new).

1. The Governor shall be appointed for six years.
2. The term of office of the Governor may be renewed one or several times.
3. The Governor may only be removed from office pursuant to a decree.

ARTICLE 10 (new).

1. The Governor shall ensure the implementation of the laws pertaining to the Central Bank as well as of the decisions adopted by the Board.
2. The Governor shall call and chair meetings of the Board; no Board decision may be carried out unless it bears the Governor’s signature.

3. Acting individually, the Governor shall be authorized to sign on behalf of the Central Bank all treaties and conventions, annual reports, balance sheets, and income statements of the Central Bank.

4. The Governor shall institute such legal proceedings, carry out such acts of enforcement, and adopt such protective measures as he shall deem appropriate.

5. The Governor shall ensure the carrying out of any operations to buy or sell movable or immovable property, as approved by the Board.

6. The Governor shall organize the staff and departments of the Central Bank and determine their tasks.

7. By agreement with the Board, the Governor shall establish the staff regulations, and he shall recruit Central Bank employees, appoint them to their post, and promote them.

ARTICLE 11 (new). The Governor shall act as the Central Bank's representative vis-à-vis the government authorities, other central banks, international financial institutions, and generally speaking, vis-à-vis third parties.

ARTICLE 12 (new).

1. The Governor may delegate to Central Bank personnel the authority to sign documents on behalf of the Central Bank.

2. The Governor may appoint special agents [*mandataires spéciaux*], whether or not drawn from the ranks of Central Bank professionals, to serve for a finite period or to carry out particular tasks.

3. The Governor may enlist the services of technical advisers not drawn from the ranks of Central Bank professionals.

ARTICLE 13 (new). The Governor shall be assisted by a Vice-Governor, who shall report to him directly and be responsible for exercising ongoing supervision to ensure that all Central Bank departments function effectively.

In the event that the Governor is absent or prevented from carrying out his duties, the Vice-Governor shall exercise the powers vested in the Governor.

ARTICLE 14 (new). The Vice-Governor shall be appointed by decree, pursuant to a proposal by the Governor.

ARTICLE 15 (new). The functions of the Governor and the Vice-Governor are incompatible with service in the legislature.

ARTICLE 16 (new).

1. The salaries of the Governor and the Vice-Governor shall be set by decree. The salaries shall be paid by the Central Bank.
2. Upon leaving office, the Governor shall continue to receive his salary for a period of three years, whereas the Vice-Governor shall continue to receive his salary for a period of one year.
3. If they are entrusted with public service during these periods, an order issued by the Prime Minister shall specify the manner in which the remuneration earned in connection with the aforementioned public service is to be combined with the salary referred to above.
4. During the above-mentioned periods of time after they leave office, the Governor and Vice-Governor may not assist private enterprises or receive therefrom any remuneration for work or consulting services, except pursuant to an authorization by the Prime Minister specifying the conditions under which all or part of their salary shall continue to be paid to them.

ARTICLE 17 (new).

1. While in office, the Governor and Vice-Governor may neither acquire nor receive equity stakes or any other interest in any private enterprise.
2. No obligation bearing the signature of the Governor or Vice-Governor may be included in the Central Bank's portfolio.

ARTICLE 18 (new). The Board shall determine the circumstances under which the Governor shall receive representation allowances or be reimbursed for out-of-pocket expenses.

The Central Bank shall cover the accommodation and furnishing costs and other incidental expenses incurred by the Governor.

SECTION II – THE BOARD

ARTICLE 19 (new). The Board shall be composed of:

- The Governor, as chairman;
- The Vice-Governor; and
- Eight Board members appointed by decree, pursuant to a proposal by the Prime Minister, including:

- Four Board members chosen by virtue of the senior positions they occupy in government economic, financial, and social agencies or public or semipublic entities involved in the economic development of Tunisia;
- Four Board members chosen by virtue of their professional experience in the economic and financial sectors (2).

ARTICLE 20 (new).

1. Board members are appointed for renewable terms of three years.
2. In the performance of their responsibilities, Board members shall maintain independence from any entities, associations, unions, or organizations to which they may belong; moreover, they may not be penalized, whether professionally otherwise, as a result of the opinions or judgments which they are required to issue in the course of their duties.
3. Service as a Board member shall be incompatible with service in the legislature or cabinet membership. (2)

ARTICLE 21. Board members shall serve on a pro bono basis. Board members are nonetheless reimbursed, on terms set by the Board, for any costs incurred in the performance of their duties.

ARTICLE 22. Board members shall have held Tunisian nationality for at least five years; they must have full rights of citizenship, and they must not have been sentenced to serve any punishment entailing extensive prison time or loss of civil rights [*peine afflictive ou infamante*].

ARTICLE 23.

1. Without prejudice to the obligations imposed on them by law, and apart from those situations in which they are called to give evidence in court, Board members shall not be permitted under any circumstances to divulge any information brought to their attention, whether directly or indirectly, in the course of their duties.
2. The same obligation shall be incumbent upon any individuals whose services the Board may use on whatever basis in the performance of the Board's responsibilities.
3. Violations of these provisions shall be punishable with the penalties provided by current criminal law.

ARTICLE 24.

1. The Board shall meet at least once a month, when called by the Governor.

2. Any Board member shall be entitled to request that a Board meeting be called. A Board meeting shall be triggered automatically if at least three Board members request such a meeting.

3 (new). The Board may not meet without the presence of either the Governor or Vice-Governor; furthermore, the Board may not meet unless the Board members and government-appointed Auditor have been served with notices convening the meeting. (2)

4. Resolutions adopted at Board meetings shall require a quorum of at least four Board members.

5. Board members may not send proxies to represent them at Board meetings.

ARTICLE 25.

1. The Board shall have the widest powers to administer the Central Bank within the limits established by this charter.

2. All aspects of the Central Bank's operations shall be reported to the Board.

ARTICLE 26.

1. The Board shall adopt decisions with respect to the general organization of the Central Bank as well as the opening or closing of any branch.

2. The Board shall approve the by-laws of the Central Bank as well as the procedures for carrying out operations authorized under the Central Bank charter or by law.

3. The Board shall approve the Central Bank's personnel regulations and the rules governing the remuneration of Central Bank staff.

4. At the request of the Governor, the Board shall deliberate upon treaties and conventions.

5. The Board shall decide upon the creation and issuance, withdrawal, or exchange of Central Bank banknotes and coins, subject to the provisions of Article 27(3) below.

6. The Board shall determine the specifications for each category of banknotes and coins, as well as the signatures which said banknotes must bear.

7. In light of operating costs and economic and monetary conditions, the Board shall set interest rates and commissions charged in connection with Central Bank operations.

8 (new). The Board may appoint permanent or temporary advisory committees to examine the creditworthiness of parties signing credit instruments presented for rediscounting and to the money market, and to examine the full range of issues pertaining to credit conditions and organization; the Board shall specify the responsibilities, membership, and operating rules of such committees. (2)

9. The Board shall deliver opinions on the terms of issuance of short-term, medium-term, and long-term borrowing by the Treasury.

10. The Board shall pass judgment on operations to buy and sell real estate; furthermore, it shall issue opinions on the merits of such lawsuits as the Governor may initiate on behalf of the Central Bank, as well as in regard to any arbitration agreement or out-of-court settlement. The Board shall invest the Central Bank's capital and reserves in accordance with the provisions of Article 53.

11. The Board shall approve the Central Bank budget each year, as well as any budget amendments deemed necessary in the course of the year.

12. The Board shall determine the requirements and procedures governing the Central Bank's preparation and approval of its accounts.

13. The Board shall approve the draft annual report on the Central Bank's operations which the Governor submits to the President of the Republic on the Central Bank's behalf.

ARTICLE 27.

1. Resolutions shall be adopted by majority vote of members present. The chairman shall have the casting vote in the event of a tie.

2. A two thirds majority is nonetheless required for decisions pertaining to:

(a) The creation, issuance, withdrawal, or exchange of banknotes or coins;

(b) The allocation of profits.

3. Any decision having as its purpose the creation, issuance, withdrawal, or exchange of banknotes or coins must be approved by decree.

ARTICLE 28.

1. Minutes shall be prepared for each meeting.

2. These minutes shall be signed by the Governor and the government-appointed Auditor, and shall be entered into the register of Board resolutions.

SECTION III – GOVERNMENT-APPOINTED AUDITOR [*CENSEUR*]

ARTICLE 29.

1 (new). The Central Bank shall be overseen by an Auditor [*censeur*] appointed by decree pursuant to a proposal by the Minister of Finance (2).

2 (new). The Auditor shall be chosen from among civil servants of the government's financial agencies, and must have at least the rank of director. (2)

3. The term of office of the Auditor shall be terminated by decree of the President of the Republic pursuant to a proposal by the Minister of Finance.

4. An alternate Auditor shall be appointed on the same basis for the purpose of replacing the Auditor whenever the latter is absent or otherwise impeded from performing his duties.

5. The incumbent Auditor shall receive a fee, the amount of which shall be set by the Board, and he shall be reimbursed for his travel and accommodation expenses.

ARTICLE 30 (new). The Auditor shall exercise general supervision over all departments and operations of the Central Bank. The Auditor shall be empowered to inspect the vaults, the records, and portfolios of the Central Bank whenever he deems such action necessary. He may enlist the aid of Central Bank employees for this purpose.

The President of the Republic may appoint a committee to perform any task involving the audit or investigation of the Central Bank. (2)

ARTICLE 31.

1. The Auditor shall attend Board meetings in an advisory capacity.

2. The Auditor may provide the Board with such proposals or suggestions as he deems appropriate. If these proposals are not adopted, the Auditor may request that they be entered in the register of decisions. The Auditor shall so inform the Minister of Finance.

ARTICLE 32.

1. The *censeur* shall provide the Board with periodic reports on the audits and inspections that he has carried out.

2. After the end of each financial year, the *censeur* shall provide the Minister of Finance with a report on the performance of his duties. A copy of this report shall be sent to the Governor.

TITLE II

POWERS OF THE CENTRAL BANK

ARTICLE 33 (new). The general mission of the Central Bank is to safeguard the value and stability of the currency. In this connection, the Central Bank monitors currency in circulation, and the distribution of credit, and ensures that the banking and financial system is functioning properly. (2)

ARTICLE 34.

1. The Central Bank lends its support to the government's economic policy.
- 2 (new). The Central Bank may propose to the government any action which, in the opinion of the Governor or of the Board, is likely to have a favorable impact on the balance of payments, price trends, capital movements, the fiscal situation, and more generally, the performance of the domestic economy (2).
3. The Central Bank shall inform the President of the Republic of any circumstances which, in the opinion of the Governor or of the Board, could have a potentially adverse effect on monetary stability.
- 4 (new). The Central Bank may request that banks and financial institutions provide it with such statistics and information as it may consider necessary to monitor trends in credit and short-term economic conditions. The Central Bank shall be responsible inter alia for compiling bank risk information at its headquarters.

CHAPTER I

ISSUE PRIVILEGES

ARTICLE 35 (new). The Central Bank shall exercise, on behalf of the state, the exclusive privilege of issuing bank notes and coins on the territory of the Republic. (2)

ARTICLE 36.

1. Banknotes and coins issued by the Central Bank alone shall have legal tender status, to the exclusion of all other banknotes and coins.
2. Banknotes issued by the Central Bank shall be lawful currency up to an unlimited amount.
3. The amounts up to which coins issued by the Central Bank may be received as lawful currency shall be established by law. Such coins may, however, be accepted without limit by the Central Bank and by government cashier offices.

ARTICLE 37.

1. Central Bank banknotes and coins shall be created, issued, withdrawn from circulation, or exchanged under the conditions determined by Article 26(5) and (6) and Article 27(2)(a) and (3).
2. No claim may be lodged with the Central Bank in the event that banknotes are lost or stolen.
3. Reimbursement for mutilated or damaged banknote shall be permitted when the bill includes all the required identifying marks and indications. In other cases, total or partial reimbursement shall be at the Central Bank's discretion.
4. A coin that has become impossible to identify or which has undergone any alterations or mutilations may not be reimbursed unless it is proven to the Central Bank's satisfaction that the mutilations or alterations in question were the result of an accident or *force majeure*.
5. In the event that one or more categories of banknotes or coins are withdrawn from circulation, those banknotes or coins that are not presented to the Central Bank within the prescribed periods shall cease to be legal tender and their exchange value shall revert to the Treasury.

ARTICLE 38. The counterfeiting or falsification of Central Bank banknotes or coins, the introduction of counterfeit or falsified banknotes or coins onto the territory of the Republic of Tunisia, and the use, sale, peddling, or distribution of such banknotes and coins shall be punishable under the provisions of current criminal law.

CHAPTER II

OPERATIONS GENERATING CURRENCY ISSUE

ARTICLE 39 (new).

1. Central Bank operations generating currency issue comprise:
 - (a) Operations involving gold and foreign currencies;
 - (b) Credit operations;
 - (c) Buying and selling claims on the money market;
 - (d) Credit extended to the Treasury.

2. Any claim refinancing operation by the Central Bank, whether through rediscounting or via the money market, shall automatically cause the Central Bank to assume the rights, actions, privileges, or sureties which the beneficiary of such refinancing enjoyed vis-à-vis its own debtor.

3. Under no circumstances may the Central Bank make or undertake operations other than those which it is allowed to perform by law or by the Central Bank's charter. (2)

SECTION I (new) – OPERATIONS INVOLVING GOLD AND FOREIGN EXCHANGE (2)

ARTICLE 40 (new).

1. The Central Bank may buy and sell gold.

2. The Central Bank may buy and sell payment instruments denominated in foreign currency and foreign exchange assets. The Central Bank shall be responsible for managing such holdings. Such foreign currency transactions as the Central Bank may engage in against dinars shall take place on the basis of the exchange rate determined in accordance with prevailing exchange regulations.

3. The Central Bank may lend and borrow in foreign exchange. Such loans as the Central Bank may contract having a maturity of more than two years, whether for its own account or on behalf of the Treasury, shall require a decision by the Board approved by decree adopted pursuant to a proposal of the Governor in consultation with the Minister of Finance.

4. To collateralize loans contracted in this fashion, the Central Bank may issue bills and bonds, whether or not negotiable, denominated in foreign currency and included under a special heading on the liabilities side of its balance sheet.

5. When the loan issued under the above-described conditions is contracted on behalf of the state, in exchange for the obligations that it has issued the Central Bank shall receive government securities subscribed by the Treasury having the same maturities and included under a special heading on the assets side of the balance sheet of the Central Bank.

6. The forms and requirements for the issuance and negotiability of the securities subscribed by the Treasury on the terms specified in the preceding paragraph shall be prescribed by a general agreement to be signed by the Minister of Finance and the Governor. This agreement shall be approved by decree adopted pursuant to a proposal of the Minister of Finance in consultation with the Governor.

SECTION II (new) – CREDIT OPERATIONS (2)

ARTICLE 41 (new). On terms which it deems necessary to meet credit distribution or monetary policy goals, the Central Bank may engage in discount, rediscount, or repurchase operations involving instruments or claims on firms and private individuals, vis-à-vis banks and institutions specially authorized by the Ministry of Finance pursuant to a proposal by the Central Bank.

ARTICLE 42 (new). The Central Bank's discount, rediscount, or repurchase operation rates, as well as the maturity, type, or modalities for these operations—and more generally, all requirements governing the eligibility of claims for refinancing—shall be prescribed by the Board.

ARTICLE 43 (new).

1. The Central Bank may grant advances to banks against listed securities other than government securities, as well as advances against gold [*matière d'or*] or foreign currencies.
2. The Board shall approve the list of securities, gold, or foreign currencies eligible for use as collateral in such operations, and shall establish the maximum amounts of such advances.
3. Advances are made at a maximum maturity of three months; although they may be renewed, the combined effect of the renewals may not cause the total maturity of an advance to exceed nine months.
4. The borrower shall undertake vis-à-vis the Central Bank a commitment to repay upon maturity the amount of the credit extended to the borrower; this undertaking shall specify the borrower's obligation to pay the Central Bank for that fraction of the credit corresponding to the depreciation affecting the value of the collateral whenever said depreciation attains 10 percent. In the event of the borrower's failure to meet this commitment, the amount of the credit shall automatically and immediately fall due.

ARTICLE 44 (new). The Central Bank may grant the following operations against government securities issued or guaranteed by the state.

- (a) Discount or rediscount instruments having fewer than three months to run, except to the Treasury or to local governments;
- (b) Engage in repurchase operations with banks in connection with such instruments;
- (c) Up to the maximum amounts and for the maturities specified by the Board, grant advances collateralized against government securities, the approved list of which has been authorized by the Board. The Board shall undertake vis-à-vis the Central Bank the commitment specified in Article 43(4).

SECTION III (new) – CENTRAL BANK INTERVENTION ON THE MONEY MARKET (2)

ARTICLE 45 (new). To influence the volume of credit and normalize conditions on the money market, the Central Bank may, on terms and conditions set by the Board of Directors, engage vis-à-vis banks in repurchase operations involving short-term negotiable government securities having fewer than six months to run, or involving any asset or claim on firms or individuals indicated on a list drawn up by the Board for this purpose.

ARTICLE 46 (new). The Central Bank may resell without endorsement previously acquired instruments or claims.

ARTICLE 47 (new). Under no circumstances may the operations pursuant to Article 45 above be processed in favor of the Treasury or issuing local governments.

ARTICLE 48 (new). The total volume of operations against government securities carried out in accordance with Articles 44 and 45 may not exceed 10 percent of the central government's recurrent revenue as recorded during the preceding fiscal year.

SECTION IV – CREDIT TO THE TREASURY

ARTICLE 49. The Central Bank may engage in discounting or repurchase operations involving collateralized obligations, bills or drafts subscribed to the order of Treasury accounting officers, on the terms specified by the Minister of Finance, and maturing during a maximum period of three months.

ARTICLE 50.

1. To facilitate the proper functioning of government liquidity and the normal execution of government expenditure, the Central Bank may, up to a maximum amount equal to five percent of the central government's recurrent revenue recorded during the preceding fiscal year, grant the Treasury current-account overdrafts, the total duration of which may not exceed 240 days (whether or not consecutive) in the course of a given calendar year.

2. The Central Bank shall charge a management fee for these overdrafts. The rate and modalities of this fee shall be set by agreement with the Minister of Finance.

CHAPTER III

MISCELLANEOUS OPERATIONS

ARTICLE 51.

1 (new). The Central Bank may receive on account amounts paid by banks, other institutions permitted to make credit operations, and individuals or legal entities authorized by the Board. Only foreign exchange deposits may be interest-bearing. (2)

2. The Central Bank shall pay withdrawals on these accounts and meet obligations undertaken at Central Bank windows up to the amount of the available balances.

ARTICLE 52.

1 (new). The Central Bank may build, buy, sell, or exchange real estate in accordance with its operational requirements. (2)

2. The expenditures in question shall be chargeable exclusively to the Central Bank's own funds.

3. In order to cover its doubtful or nonperforming claims, the Central Bank may:

- Acquire various guarantees, e.g., in the form of pledges or mortgages;
- Acquire various movable or immovable assets on an amicable or foreclosure basis. Property and immovable assets thus acquired must be disposed of within a period of two years, unless they are used to meet operational requirements.

ARTICLE 53 (new). The Board may invest the Central Bank's own funds, as represented by its capital, reserves, and amortization accounts:

- In real estate, pursuant to the provisions of Article 52(1) and (2);
- In short-term, medium-term, or long-term borrowing instruments, issued or guaranteed by the government or listed on a stock exchange;
- Or, pursuant to authorization by the Minister of Finance, in equity securities issued by nonresident institutions or enterprises. (2)

CHAPTER IV

OTHER RESPONSIBILITIES

ARTICLE 54. The Central Bank shall establish clearing houses in market locations where the Board deems this necessary, and shall preside over their functioning.

ARTICLE 55.

1. The Central Bank shall be the government's fiscal agency with respect to all its cash, banking, and credit operations.
2. Both at headquarters and at its branches, the Central Bank shall maintain free-of-charge the Treasury's current account and shall likewise carry out free-of-charge any instructions to debit or credit said account.
3. Credit balances on the Treasury's current account shall bear no interest.
4. The Central Bank shall handle free of charge:
 - The safekeeping and management of securities held by the government;
 - Placement with the public of bond loans issued or guaranteed by the government;
 - Payment, concurrently with government cashier offices, of coupons on instruments issued or guaranteed by the government.

ARTICLE 56. At the request of the Secretary of state for Finance, the Central Bank may carry out financial services for government agencies, public entities, and any financial institutions governed by special legal provisions or placed under the government's supervision, and may execute on their behalf any cash, banking, or credit operations on terms set pursuant to agreements signed with these agencies, public entities, and institutions.

ARTICLE 57. The Central Bank shall assist the government in its dealings with international financial institutions. The Governor and specially designated Central Bank staff may represent the government both vis-à-vis said institutions and at international conferences.

ARTICLE 58.

1. The Central Bank shall take part in negotiations designed to formalize payment or clearing arrangements. The Central Bank shall be responsible for implementing such arrangements. The Central Bank may enter into various implementing agreements for this purpose.

2. The above-described arrangements shall be executed on behalf of the central government, which shall benefit from all profits, assume all the risks, expenses, commissions, interest, and charges, and which shall guarantee the Central Bank repayment of any exchange or other loss which the Central Bank might incur in this connection.

ARTICLE 59.

1. The Central Bank shall be responsible for implementing exchange laws and regulations.

2. For this purpose, the Central Bank shall approve import and export licenses and issue any other authorizations prescribed by exchange regulations.

ARTICLE 60 (new). In pursuance of exchange regulations, the Central Bank may request various types of information from authorized intermediaries and may give them various instructions. (2)

ARTICLE 61.

1. The Central Bank shall participate in the preparation of foreign exchange inflow and expenditure projections.

2. The Central Bank must be consulted when import programs are prepared.

TITLE III

MISCELLANEOUS PROVISIONS

CHAPTER I

EXEMPTIONS AND PRIVILEGES

ARTICLE 62. The Central Bank is equivalent to the state with respect to the tax liability rules pertaining to all taxes and levies collected in favor of the central government, the Governorships or municipalities, as well as to all parafiscal taxes.

ARTICLE 63. Any contracts, instruments, and documents issued by the Central Bank and any operations processed by the Central Bank in the direct pursuit of the responsibilities vested in it under Articles 35-53 above shall be exempt from registration and stamp duties as well as from the tax on services. (4)

ARTICLE 64. In the course of any legal proceedings, the Central Bank shall be exempted from the requirement to post bonds or advances in all cases where the law imposes such obligations upon the parties concerned.

ARTICLE 65. Without prejudice to any present or future provisions that may be more favorable to secured creditors, the Central Bank, in realizing the collateral received as security for its claims, shall be permitted to proceed as follows:

1. Failing timely repayment of the amounts due, the Central Bank, notwithstanding any objections and 15 days after a notarized demand for payment has been served on the debtor, may sell the collateral up to the amount of full reimbursement for any amounts payable in terms of principal, interest, commissions and charges, without prejudice to such other enforcement proceedings as may be instituted against the debtor.
2. A sale shall be ordered by the chief judge of the court of first instance at the simple request of the Central Bank, without the debtor needing to be summoned.
3. Listed securities or commodities shall be sold on a stock exchange; unlisted securities or commodities shall be sold through a broker or expert summoned to appear at the place, date, and time appointed by the court, which shall determine whether there is a need for special announcements or advertising.
4. The Central Bank shall, directly and without other formalities, achieve satisfaction in respect of its claim against the proceeds from the sale.

ARTICLE 66. The government shall ensure the safety and protection of the Central Bank's premises and shall provide it free of charge with escorts needed for the safe transfer of funds or securities.

CHAPTER II

ANNUAL REPORTS AND PUBLICATIONS

ARTICLE 67. The accounts of the Central Bank shall be closed out and balanced on December 31 of each year. The Board shall determine the values at which nonperforming claims may remain included within the accounts on the assets side, and may effect such amortization and provisioning as is deemed necessary.

ARTICLE 68.

1. Profit shall be defined as net income less any charges, amortization, and provisioning.
2. Of these profits, 15 percent will be assessed in favor of the legal reserve. This assessment ceases to be mandatory once the reserve amounts to half of the capital; it shall become mandatory once gain as soon as this proportion is no longer met.

3. After the allocation to any other general or special accounts of such funds as are deemed necessary by the Board, the balance shall be paid to the Treasury.
4. The reserves may be earmarked for capital increases in the manner laid down in Article 6(2).
5. If the annual accounts closed out in accordance with Article 67 show a loss, said loss shall be amortized by debiting the reserves established pursuant to Article 68(3) above, and then, if necessary, by debiting the legal reserve. If these reserves do not allow full coverage of the loss, the balance remaining shall be funded by the Treasury.

ARTICLE 69. Every ten days, the Central Bank shall send the Minister of Finance a statement of its accounts, which shall be published in the *Journal Officiel* of the Tunisian Republic.

ARTICLE 70 (new). After the end of each year, the Governor shall report to the President of the Republic on the Central Bank's operations and shall send the President the Central Bank's balance sheet and income statement. These documents shall be published in the Official Gazette of the Tunisian Republic no later than one month after they are transmitted to the President of the Republic. (2)

ARTICLE 71 (new). The Central Bank shall be permitted to publish any documents, periodicals, reports, or papers having an economic, monetary, or banking focus.

TITLE IV

TRANSITIONAL PROVISIONS

ARTICLE 72 (new). The terms of office of the incumbent Board members shall remain in effect until the date of publication of the decree appointing the new Board members. Said decree must be published within a period of one month from the date of promulgation of this law. (2)

ARTICLE 73 (new). Subject to the provisions of Article 53 above, equity stakes subscribed by the Central Bank of Tunisia shall be transferred to the state as of the date of promulgation of this law.

The provisions pertaining to securities portfolios, as well as the portion of the special reserves to equity stakes not paid up, shall revert to the state and be lodged in a Treasury account.

The special reserve established as a counterpart to the paid-up equity stakes and included on the liabilities side of the Central Bank's balance sheet is accordingly terminated. (2)

ARTICLE 74. This law shall be published in the *Journal Officiel* of the Tunisian Republic (*JORT*) and shall be enforced as the law of the land.

- (1) Added by Law 88-119 of November 3, 1988 (*JORT* of November 8-11, 1988).
- (2) As amended by Law 88-119.
- (3) and (4) Abolished by Law 93-53 of May 17, 1993 promulgating the code on registration and stamp duties (*JORT* of May 25, 1993), in that the Central Bank of Tunisia is exempted from payment of registration and stamp duties.