

GENERAL GUIDELINES

1. Sending and addressing of the monthly statement

The monthly statement with its appendices ("statements") should be sent by each credit institution to the CBA without delay within 15 working days after the end of the reporting month. The monthly reports should also be submitted on diskette or by e-mail. The statements should be addressed to:

Centrale Bank van Aruba
Economic Policy Department
Havenstraat 2
Oranjestad

in an envelope marked "confidential".

2. Reporting date

Unless specifically requested otherwise, all figures reported must show the position under each heading as at the close of business on the last working day of the month.

3. Treatment of branches, subsidiaries and other investments

a) Branches:

if the reporting credit institution has any branch office, cash office or agency in Aruba, it is required that the assets and liabilities of any such branch, each office or agency be included in the statement. If the reporting credit institution has any foreign branch, it is required to submit both a consolidated statement including that branch's position and a separate statement of the local operations.

b) Subsidiaries:

a credit institution is considered to have a subsidiary if it owns more than 50% of another company's equity capital, directly or indirectly. If such subsidiary is engaged in banklike activities, the reporting credit institution is required to consolidate the assets and liabilities in the statement. In the case of any **foreign** subsidiary, engaged in banklike activities, the reporting credit institution is required to submit both consolidated figures **and** a separate statement of the local operations. Subsidiaries engaged in non banklike activities should not be consolidated but should be shown under item 8c "other companies".

c) Other investments:

investments in a company's equity of less than 10% should be reported under item 4c or 4d. Those between 10% and 50% should be reported under item 8.

4. Adding of new headings

Adding of new headings to the statement is not allowed. If it is difficult to classify a particular item under a given heading, such item should be included under the heading that is most applicable to it with a brief explanatory note at the bottom of the statement or appendix.

5. No offsetting allowed

No offsetting of debit and credit balances of a similar nature or in the name of one and the same customer is allowed. Debit and credit balances should be reported as they are (i.e., gross). Only, in case the accrued interest on non-performing loans is treated as a balance sheet item, it should be compensated for by the corresponding provision.

6. Explanation in case of important changes

Whenever there has been a significant correction of a figure reported in a previous statement, a (written) explanation should be provided to the Supervision Department. If there has been a large and/or significant change in any item of the monthly statement a written qualitative analysis of these changes should be submitted to the Bank together with the statements.

7. Classification into resident and non-resident

To determine resident/non-resident status of the debtor or creditor, reference should be made to the State Ordinance on Foreign Exchange Transactions. With regard to the classification of claims such as bonds, equity participation, bills of exchange, loans etc, classification should be decided according to the status of the ultimate debtor who is liable to pay or the ultimate source of funds in the case of a company being wound up.

Residents are:

- a) natural persons who have their domicile in Aruba and are recorded in its population register, or who actually remain for more than one year from the date of their arrival in Aruba, as soon as that year has elapsed;
- b) legal persons, including open and limited partnerships, established in Aruba;
- c) branches, sub offices, representative offices and agencies established in Aruba, not covered under b.;
- d) government administrative agencies, services and businesses;
- e) natural and legal persons designated by the Centrale Bank van Aruba, not covered under a, b, c or d.

Non-residents are:

- a) natural and legal persons not falling under the definition of residents;
- b) Aruban companies or economic units licensed under Article 19 of the State Ordinance on Foreign Exchange Transactions as non-residents for foreign exchange control purposes;
- c) diplomatic and consular offices of foreign powers and international organizations represented physically in Aruba;
- d) diplomatic, professional, consular and administrative personnel of foreign nationality attached to the offices referred to under c., their spouses and children residing with them.

As a rule a credit institution has to register its customers as residents if their non-resident status is not proven by legal documents. Copies of any legal documents showing non-resident status should be held by the bank concerned.

8. Valuation of assets and liabilities

Assets and liabilities should normally be stated at book value, in this case to be defined as the cost value, net of accumulated depreciation and amortization. Reserves or other provisions should not be deducted from the asset to which they relate, but be shown under item 14c, unless they are provisions against loans, in which case they should be shown under item 5e.

9. Separate accounting of specific departments

Even if the reporting institution keeps one or more separate accounts for a specific department or departments, any such account should be consolidated in the statement with the accounts of the rest of the institution.

10. Conversion of currencies

All amounts must be reported in Aruban florins. Amounts denominated in currencies other than the Aruban florin should be converted into Aruban florin at the Central Bank's buying rate for that currency on the last working day of the month concerned. If the currency is not among those quoted, the latest available market rate for the currency should be used.

11. Rounding of figures

For the purpose of completing the statement, amounts should be rounded to the nearest thousand florin. The rounding should be effected in such a way that the total assets and liabilities show equal amounts. If there is an amount under AFL 500, it should be rounded to zero; the relevant item should show "0" (zero).

12. Completion of the form

No figure should be entered against any heading where no dotted line appears.

13. Certified monthly statement and appendices

According to section 30 sub 2 of the SOSCS the monthly statement and appendixes of December should be accompanied by an auditors report and should be submitted to the Bank within 6 months after the end of the fiscal year. For reporting purposes the financial year is the same as the calendar year. The unaudited report of December should be filed within 15 working days.

14. Distinction between deposits money banks (or banks) and other credit institutions

For reporting purposes the following definitions will be used:

Deposit money banks: All credit institutions that accept funds repayable on demand, grant credit and perform other banking services to the public.

Other credit institutions: All other credit institutions.

Other credit institutions are allowed to report on a quarterly instead of a monthly basis and have to fill-out appendices 1,2,3,4 and 6 till 10.