

Pursuant to Article 44 paragraph 2 point 10 of the Central Bank of Montenegro Law (OGM 40/10, 46/10, 06/13 and 70/17), at its meeting held on 29 October 2020, the Council of the Central Bank of Montenegro passed the following

DECISION

Amending the Decision on Macroprudential Measures related to Retail Banking Loans

1. In the Decision on Macroprudential Measures related to Retail Banking Loans (OGM 58/19), point 2 shall be amended to read:

„2. Banks may extend retail cash loans with a repayment period exceeding eight years and contract the extension of the repayment term specified in the master loan agreement so that the remainder repayment term exceeds eight years, provided that the loan is fully secured by::

- 1) fiduciary duty or mortgage;
- 2) pledge over movable property;
- 3) financial instruments, guarantees/counter guarantees and other instruments of tangible and intangible collateralization that meet the requirements that can be used to mitigate credit risk, in accordance with the Central Bank decision regulating capital adequacy in banks, or
- 4) credit insurance policy covering default risk issued by an insurance company with the registered office in Montenegro, and which the Central Bank of Montenegro deems to be an acceptable collateral.“

2. This decision shall enter into force on the eighth day following that of its publication in the Official Gazette of Montenegro.

THE COUNCIL OF THE CENTRAL BANK OF MONTENEGRO

Decision no. 0101-6298-2/2020
Podgorica, 30 October 2020

**CHAIRMAN
GOVERNOR,
Radoje Žugić m.p.**