

Instruction No. 4/2005

SUBJECT: Special system providing for a reduced contributory rate

Pursuant to the provisions laid down in paragraph 3 of Notice No. 11/94 of 21 December, published in the Official Gazette, Series II - Supplement, of 29 December, the base rate applicable on each year to the calculation of the annual contributions to be paid to the Deposit Guarantee Fund by member credit institutions may range between 0.1 and 0.2%, except in special cases in which that percentage may be lower.

Instruction No. 122/96, published under the terms of the Notice referred to in the foregoing paragraph, set a special contributory system for deposits opened in the off-shore financial centres of Madeira and Santa Maria Island, as well as for deposits held by Euronext Lisboa (former *Associação da Bolsa de Derivados do Porto*), built up from resources obtained from guarantees provided by its clearing members and from the provision of guarantees associated with repurchase agreements.

Meanwhile, activities that were being carried on by Euronext Lisboa started to be of the responsibility of LCH.Clearnet, SA, based in Paris, and guarantees provided by clearing members in the form of deposits ceased to be delivered in member credit institutions of the Deposit Guarantee Fund. For this reason, the provisions laid down in subparagraph b) of Instruction No. 122/96 ceased to be applicable, and therefore its wording should be amended accordingly.

Thus, Banco de Portugal, after consultation with the Management Committee of the Fund and the Portuguese Banking Association, provides for the following:

1. The reduced rate applied to the calculation of the annual contribution, as envisaged in paragraph 1 of Notice No. 11/94, regarding deposits opened in the off-shore financial centres of Madeira and Santa Maria Island is set at 0.01%.

2. Instruction No. 122/96 is hereby revoked.