

**THE DIRECTOR GENERAL
OF THE CENTRAL BANK OF THE REPUBLIC OF SAN MARINO**

IN VIEW of Regulation no. 2014-02 (*Measurement of anti-usury threshold rate pursuant to Article 207 of the criminal code*) issued by the Central Bank, and in particular Article 8 - *Publication of threshold rates*, it must be supported with appropriate Circular, that shall also be published in the Official Bulletin, to provide quarterly anti-usury threshold rates;

IN VIEW of the Supervision Committee and the Governing Council resolutions;

IN VIEW of the Statutes of the Central Bank of the Republic of San Marino approved by Law no. 96 of 29 June 2005 and in particular Article 30, paragraph 3 of the Statutes, based on which the Central Bank's acts on supervision, passed by the Supervision Committee, are issued by the Director General, and Article 14, paragraph 5 of the Statutes, that regulates situations of absence or unavailability of the Director General,

ISSUES

the enclosed Circular no. 2015-TS1, which enters into force on October 1, 2015.

San Marino September 30, 2015

Signed: DEPUTY DIRECTOR
Daniele Bernardi

Circular no. 2015-TS1

**PUBLICATION OF ANTI-USURY THRESHOLD RATES
INTO FORCE IN THE APPLICATION PERIOD
OCTOBER 1, 2015 – DECEMBER 31, 2015**

1 DEFINITIONS AND REFERENCES

a. For the purposes of this Circular, the following definitions shall apply:

- **"Central Bank"**: the Central Bank of the Republic of San Marino, also defined as **"CBSM"**;
- **"application period"**: period when the threshold rates, communicated with the current circular, are into force;
- **"reference period"**: reference quarter for the supervisory reports submitted from reporting parties;
- **"regulation"**: Regulation no. 2014-02 issued by the Central Bank as subsequently amended and supplemented;
- **"report/s"**: periodic survey of information on average rates applied by reporting parties, submitted to CBSM with the procedures and terms defined from CBSM, for the purposes of determining the threshold rates;
- **"threshold rates table"**: table containing the threshold rates for the application period concerning loans granted by banks and financial companies, processed by the CBSM based on data include in the supervisory reports received from reporting parties related to reference period (second quarter before the application period);
- **"threshold rates"**: rates set quarterly by the CENTRAL BANK pursuant to Article 207 of the Criminal Code;
- **"EAPR"**: effective average percentage rate/s.

b. In the rest of the text, the use of the terms described above is highlighted by SMALL CAPS CHARACTERS.

c. For all terms not defined in paragraph a., reference should be made to the definitions provided for in Law no. 165 of 17 November 2005 as further amended, in regulation and in Regulations 2007-07 and 2011-03.

2 PUBLICATION OF THRESHOLD RATE

a. For the APPLICATION PERIOD October 1, 2015 – December 31, 2015 the THRESHOLD RATES are indicated in the below THRESHOLD RATES TABLE, processed on effective rates applied by banks and financial companies under the described criteria in the following articles.

THRESHOLD RATES PURSUANT TO REGULATION 2014-02 (ART. 207 OF THE CRIMINAL CODE)

Period: 10/1/2015 - 12/31/2015

Loans granted by BANKS and FINANCIAL COMPANIES

CATEGORIES OF FINANCING		Threshold rate %	Threshold rate for default interest %	Threshold rate %	Threshold rate for default interest %
		Amount classes		Amount classes	
1	Opening of credit facilities on current bank accounts	0 - 5.000		> 5.000	
1.a	Opening of credit facilities on current accounts that is fully or partially supported by collateral or guarantees provided by an AUTHORISED PARTY pursuant to LISF	18,46	21,09	13,56	16,19
1.b	Opening of credit facilities on current accounts that is authorised, but not supported by collateral or guarantees provided by an AUTHORISED PARTY pursuant to LISF	19,32	21,94	14,97	17,60
1.c	Opening of credit facilities on current accounts without authorisation that have become overdrawn	0 - 1.500		> 1.500	
		30,73	32,83	20,17	22,79
2	Funding for advances on credit facilities and documents and discounts on portfolios of receivables	0 - 50.000		> 50.000	
		12,89	15,51	10,88	13,50
3	Personal loans	0 - 15.000		> 15.000	
		17,51	20,13	12,57	15,19
4	Purpose loans	0 - 5.000		> 5.000	
		22,49	24,90	15,29	17,92
5	Factoring	0 - 50.000		> 50.000	
		11,45	14,08	8,85	11,48
6	Leasing	0 - 25.000		> 25.000	
6.a	Leasing on registered movable properties	19,90	22,53	19,21	21,84
6.b	Leasing on real estate properties	0 - 200.000		> 200.000	
6.b.1	fixed rate	9,73	12,35	9,73	12,35
6.b.2	floating rate	10,69	13,31	9,82	12,44
6.c	Leasing on other movable properties and on intangible fixed assets	0 - 25.000		> 25.000	
		14,45	17,08	9,85	12,48
7	Mortgages	0 - 200.000		> 200.000	
7.a	to families	0 - 200.000		> 200.000	
7.a.1	fixed rate	8,50	11,13	8,50	11,13
7.a.2	floating rate	9,18	11,80	8,48	11,11
7.b	to production units	0 - 200.000		> 200.000	
7.b.1	fixed rate	8,50	11,13	8,50	11,13
7.b.2	floating rate	7,71	10,34	7,71	10,34
8	Loans repaid by one fifth of salary or pension	0 - 5.000		> 5.000	
8.a	Loans repaid by one fifth of salary	18,95	21,58	17,83	20,45
8.b	Loans repaid by one fifth of pension	18,95	21,58	17,83	20,45
9	Revolving credit and with the use of credit cards	0 - 5.000		> 5.000	
		24,61	26,71	20,76	23,39
10	Other funding	0 - 25.000		> 25.000	
10.a	to families	14,82	17,44	10,65	13,27
10.b	to production units	12,86	15,48	10,62	13,25

3 THRESHOLD RATES CALCULATION

a. The THRESHOLD RATES are processed by CBSM according to the procedures as provided by Article 19 of REGULATION and described below with an indication of calculation criteria:

- pursuant to paragraph 4, first subparagraph, CBSM, pursuant to enlarge the information base to calculate the THRESHOLD RATES, has applied the derogation pursuant paragraph 3 of Article 19, thus abandoning the distinction between THRESHOLD RATES applicable only to banks and THRESHOLD RATES applicable only to financial companies. The published THRESHOLD RATES

are therefore common to both categories of reporting parties (banks and financial companies);

- the reference data base was calculated as average, weighted on the number of operation reported, of EAPR submitted to CBSM banks and financial companies for each forms of financing and amount classes;
- for the transaction categories and amount classes described in the following table, it is not reached the minimum quantity of operations provided by paragraph 3 of Article 19, in such cases was therefore used, for the calculation of THRESHOLD RATE, the effective average percentage rate detected within the Italian banking system for similar technical form and amount class;

CATEGORIES OF FINANCING		Amount classes	
1.a	Opening of credit facilities on current accounts that is fully or partially supported by collateral or guarantees provided by an authorised party pursuant to LISF	0 - 5.000	
5	Factoring	0 - 50.000	> 50.000
6.b.1	Leasing on real estate properties for fixed rate	0 - 200.00	> 200.000
6.c	Leasing on other movable properties and on intangible fixed assets	0 - 25.000	> 25.000
7.a.1	Mortgages to families for fixed rate	0 - 200.00	> 200.000
7.b.1.	Mortgages to production units for fixed rate	0 - 200.00	> 200.000
7.b.2	Mortgages to production units for floating rate	0 - 200.00	> 200.000
8.a	Loans repaid by one fifth of salary	0 - 5.000	> 5.000
8.b	Loans repaid by one fifth of pension	0 - 5.000	> 5.000
9	Revolving credit and with the use of credit cards	0 - 5.000	> 5.000

- with reference to paragraph 4, second subparagraph, the EAPR detected by sammarinese banks and financial companies haven't been adjusted considering of intervening changes in the main Eurosystem refinancing rates, because they were stable during the period between the REFERENCE PERIOD and the APPLICATION PERIOD;
- the calculation of THRESHOLD RATE is made in accordance with Article 19, paragraph 2 of the REGULATION, with the unification of the two sectors described above.

4 CALCULATION OF THRESHOLD RATES FOR ANTI-USURY PURPOSES IN THE CASE OF DEFAULT INTEREST

a. The THRESHOLD RATES for the case of default were determined in the manner prescribed in Article 20, paragraph 1 of the REGULATION and summarized below in detail:

- the sum of the weighted average of EAPR, calculated as indicated above and the increase statistically detected in the Italian banking system¹, given that, in this first REFERENCE PERIOD with analytical survey, data submitted by the reporting parties doesn't have sufficient guarantees of significance in statistical terms;

¹ Equal to 210 basis points, as reported in the document "Guidance on this issue of law enforcement wear ", published by the Bank of Italy on 3 July 2013.

- application of same increases criteria provided in Article 19, paragraph 2 of the REGULATION to the sum described in the first subparagraph.