

**OFFICIAL INFORMATION
OF THE CZECH NATIONAL BANK
of 14 December 2001**

on the issuing of Rules for the Calculation of the CZEONIA Reference Interest Rate

The Czech National Bank (hereinafter the “CNB”) is issuing Rules for the Calculation of the CZEONIA Reference Interest Rate (hereinafter the “Rules”) which enter into force on 1 January 2002.

**Article 1
Definition of terms**

For the purposes of the Rules the following definitions shall apply:

- a) “Reference bank” shall mean a bank assigned the status of reference bank pursuant to Article 2 of the Rules for Reference Banks and the Calculation (Fixing) of Reference Interest Rates (PRIBID and PRIBOR)¹,
- b) “CZEONIA” (CZEch OverNight Index Average) shall mean the weighted average of the interest rates of all unsecured O/N deposits placed by reference banks on the interbank market.

**Article 2
Calculation of the CZEONIA reference interest rate**

- (1) The CZEONIA reference interest rate shall be calculated and published by the CNB based on the data provided by the reference banks.
- (2) For the calculation of the CZEONIA reference interest rate, the reference banks shall submit to the CNB:
 - a) the total volume of all unsecured O/N deposits placed by the reference banks on the interbank market,
 - b) the average interest rate for all transactions realised, weighted by the volume of individual transactions.
- (3) For the purposes of calculating the total volume and average interest rate pursuant to the previous paragraph, the reference bank shall take into account all deposit transactions meeting the following conditions:
 - a) the transactions are concluded and settled on the date of the calculation, with maturity on the first working day following the date of the calculation (“O/N maturity”),
 - b) the reference bank is the provider of funds,
 - c) the counterparty is a bank or a foreign bank branch based in the Czech Republic or is the CNB,
 - d) the counterparty provides no collateral to the creditor.

¹ Official Information of the CNB No. 5/2000 of 30 June 2000 published in CNB Bulletin No. 7/2000

- (4) Reference banks shall submit the above information to the CNB each working day within 15 minutes of the end of the accounting day at the CNB's Clearing Centre. The transaction amount shall be rounded to whole millions of CZK and the average interest rate rounded to two decimal places.
- (5) If doubts arise regarding the correctness of the data provided, the CNB may consult the differences directly with the reference bank in question.
- (6) The value of the CZEONIA reference interest rate shall be calculated as the weighted average of the interest rates submitted by the reference banks rounded to two decimal places. The weights applied shall be the volumes of deposits placed by the individual reference banks.
- (7) Once announced, the value of the CZEONIA reference interest rate shall be final.
- (8) The method for calculating the value of the CZEONIA reference interest rate pursuant to paragraphs 1 through 7 may be changed by the CNB after consultation with the Financial Markets Association of the Czech Republic (A.C.I.)

Article 3

Disclosure and availability of the CZEONIA reference interest rate

The value of the CZEONIA reference interest rate for the day and the volume of traded deposits shall be disclosed through news agencies and on the Internet immediately after the calculation procedure is completed.

Article 4

Disclosure of and changes in the Rules

When changes are made to the Rules, the reference banks shall be given reasonable time to adjust their activities.

Article 5

Effect

These Rules shall enter into force on 1 January 2002.

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