

Pursuant to Article 28, paragraph 2 and Article 35, paragraph 3 of the Law on Foreign Exchange Operations (RS Official Gazette, Nos 62/2006, 31/2011 and 119/2012), and Article 14, paragraph 1, item 9), and in relation to Article 34, item 9) of the Law on the National Bank of Serbia (RS Official Gazette, Nos 72/2003, 55/2004, 85/2005 – other law, 44/2010, 76/2012, 106/2012, 14/2015 and 40/2015 – CC decision), the Executive Board of the National Bank of Serbia hereby issues the following

DECISION
ON THE CONDITIONS OF OPENING AND MANNER OF MAINTAINING
FOREIGN EXCHANGE ACCOUNTS OF RESIDENTS AND DINAR AND FOREIGN
EXCHANGE ACCOUNTS OF NON-RESIDENTS

Basic provisions

1. This Decision prescribes the conditions subject to which banks open foreign exchange accounts of residents and foreign exchange and dinar accounts of non-residents, and the manner of maintaining and closing such accounts.

2. A foreign exchange account is an account in which a resident's or a non-resident's foreign exchange funds are maintained and may be a current account, within the meaning of the law regulating payment services, and a deposit account.

A dinar account is an account in which a non-resident's dinar funds are maintained and may be a current account, within the meaning of the law regulating payment services, and a deposit account.

A current account is a foreign exchange or dinar account used for performing payment transactions and for other purposes relating to services provided by banks to payment service users.

A joint current account is a current account maintained by a bank for two or more residents and/or non-residents – account holders, in accordance with the law regulating payment services and with the provisions hereof.

A deposit account is a foreign exchange or dinar account opened on the basis of a deposit agreement. A deposit account may be a demand or a time deposit account, with or without a notice period, a special-purpose or a general-purpose deposit account.

A joint deposit account is a deposit account maintained by a bank for two or more natural persons – account holders, in accordance with the provisions hereof.

In addition to the current and the deposit account, a bank may open and maintain other accounts for a resident and a non-resident, in accordance with the concluded agreement.

3. A bank shall open a dinar or a foreign exchange account on the basis of a written request for opening an account and the concluded framework agreement on payment services regulating the terms of opening, maintaining and closing a current account (hereinafter: framework agreement) or, as applicable, a deposit agreement or an agreement on the terms of

opening, maintaining and closing another account referred to in Section 2, paragraph 7 hereof (hereinafter: agreement on the maintenance of another account).

The request referred to in paragraph 1 hereof may be submitted on paper or another durable medium within the meaning of the law on payment services.

The agreements referred to in paragraph 1 hereof shall be concluded in writing, on paper or another durable medium.

The framework agreement shall contain the elements and/or information prescribed by the law on payment services, while the provisions of that law, the law regulating foreign exchange operations, the law regulating contracts and torts and this Decision shall apply to other matters relating to such agreement.

If the framework agreement concluded with a legal entity excludes or limits the application of provisions of the law regulating payment services which refer to the contents of the framework agreement, such agreement must contain the elements and/or information prescribed by this Section for a deposit agreement and/or an agreement on the maintenance of another account.

In addition to the elements and/or information laid down by the law regulating contracts and torts and other law, a deposit agreement shall contain the following elements and/or information:

- 1) number and name of the account that is being opened;
- 2) manner and timeline for submission of statements on transactions and balance in the account;
- 3) manner of calculating and paying interest and the currency of principal and interest payments;
- 4) terms of contract termination;
- 5) resident's obligation to notify the bank of status and other changes;
- 6) elements and information from the deposit agreement laid down in the law regulating the protection of financial services consumers, if the depositor is a financial services consumer within the meaning of that law.

The provisions of the law on foreign exchange operations, other laws and this Decision shall apply to other matters relating to the deposit agreement, while if the depositor is a financial service consumer, the provisions of the law regulating the protection of financial services consumers shall also apply.

In addition to the elements and/or information prescribed for the deposit agreement by paragraph 6 hereof, the agreement on the maintenance of another account shall also contain data on the purpose of opening such account.

By way of exception to paragraph 1 hereof, a bank may also open an account to a non-resident if this is envisaged by law or another regulation, while if a bank opens a non-resident account for another bank which is a non-resident, it may do so in a way customary in the banking practice, as well as on the basis of the exchange of control documents in line with an established system of interbank communication.

4. In line with its business policy, a bank may open a foreign exchange account denominated only in the types of currencies traded in the foreign exchange market in foreign exchange, in accordance with the decision regulating types of foreign exchange and foreign cash to be purchased and sold in the foreign exchange market.

A bank shall maintain a foreign exchange account only in the type of foreign exchange that has been credited to and/or type of foreign cash that has been deposited in such account.

5. A bank shall keep the documentation on the basis of which it opens and closes the account for at least ten years from the day of closing such account.

The bank shall keep the orders on the basis of which transactions in the account were recorded for at least ten years after the expiry of the year in which such transactions were recorded.

The documents referred to in paragraphs 1 and 2 hereof shall be kept in the original or another appropriate form.

6. When opening, maintaining and closing an account, the bank shall adhere to regulations governing the prevention of money laundering and terrorist financing.

When opening an account, the bank shall obtain all data it is required to submit to the National Bank of Serbia, in accordance with regulations, for the purpose of maintaining the Single Register of Accounts within the meaning of the law governing payment services.

6a. A bank may not require that a business entity or a natural person stamp any document it is obliged to submit to the bank for the purposes of this Decision, unless it has been explicitly agreed at a written request by such person that the bank shall reject a document that has not been stamped.

The obligation of the bank to reject a document that has not been stamped shall not be considered explicitly agreed within the meaning of paragraph 1 of this Section when it is envisaged only by the bank's general terms of operation that the agreement with the bank refers to – unless the business entity or the natural person has explicitly asked in the request from paragraph 1 of this Section that this obligation of the bank, stipulated in the general terms of operation, is applied to the specific document which such person is submitting to the bank.

Corporate accounts

7. The request for account opening submitted by a resident legal entity, entrepreneur and/or a branch of a foreign legal entity and a non-resident legal entity shall contain the business name and/or the name of the applicant and its head office, address and telephone number, line of business – activity, as well as the company registration number and the tax identification number of the applicant.

By way of exception to paragraph 1 hereof, the request for account opening submitted by a non-resident legal entity does not have to contain the tax identification number of such entity if it is not a taxpayer of the Republic of Serbia, but if that non-resident becomes a taxpayer of the Republic of Serbia after the filing of the request, it shall submit its tax

identification number to the bank within three days from the day when such number was assigned.

Along with the request for the opening of the account referred to in paragraph 1 hereof, residents referred to in that paragraph shall submit the following documents to the bank:

- 1) decision on entry into the register of a competent body;
- 2) in the case of an applicant for which registration has not been prescribed – document of a competent body on incorporation, if such applicant was incorporated directly pursuant to law and/or an extract from law if it was incorporated by law;
- 3) notification of the body competent for statistical operations on classification by activity, if classification for such resident is performed by such body – if data on such classification are not contained in the decision referred to in item 1) hereof and/or in the case referred to in item 2) thereof;
- 4) document of a competent body containing the tax identification number of the resident if such data is not contained in the decision referred to in item 1) hereof and/or in the case referred to in item 2) thereof;
- 5) specimen signature card of persons authorised to dispose of the funds in the foreign exchange account or another document authorising the specific person to dispose of the funds in that account;
- 6) signature of the resident's authorised person certified with a competent body – unless this person is present when submitting a request for account opening and documents referred to in item 5) hereof.

Along with the request for the opening of the account referred to in paragraph 1 of this section, non-residents referred to in that paragraph shall submit the following documents to the bank:

- 1) extract from the register in which the non-resident is entered in the country of its registered head office or, if it is incorporated in a country in which such entry into register is not done, another appropriate document of incorporation on the basis of which it is possible to determine the legal form of such non-resident and the date of its incorporation;
- 2) extract from law and/or another regulation, if a non-resident account is opened on that basis;
- 3) document of a competent body containing the tax identification number of the non-resident legal entity if such non-resident is a taxpayer of the Republic of Serbia;
- 4) specimen signature card of persons authorised to dispose of the funds in the foreign exchange account or another document authorising the specific person to dispose of the funds in that account;
- 5) signature of the non-resident's authorised person certified with a competent body – unless this person is present when submitting the request for account opening and documents referred to in item 4) of this paragraph.

By way of exception to paragraph 4 hereof, along with the request for the opening of a non-resident account of a foreign diplomatic and/or consular representative office in the Republic of Serbia, the following documentation shall be submitted:

- 1) extract from the records of diplomatic and consular representative offices published on website of the ministry in charge of foreign affairs;

2) specimen signature card of persons authorised to dispose of the funds in the non-resident account or another document authorising the specific person to dispose of the funds in that account, signed by the authorised representative of such representative office.

The request for the opening of the resident account referred to in paragraph 1 hereof and the document referred to in paragraph 3, item 5) thereof can be signed by the following persons:

- 1) the resident's legal representative;
- 2) another person that, subject to an appropriate document or a decision issued by a competent body, is authorised to grant authorisation for the disposal of the funds in the account, in accordance with the general terms of operation of the bank with which the account is being opened.

The request for the opening of the non-resident account referred to in paragraph 1 hereof and the document referred to in paragraph 4, item 4) thereof can be signed by the following persons:

- 1) the non-resident's representative designated in the decision on the registration of such non-resident in the country of its head office;
- 2) another person that, subject to an appropriate document or a decision issued by a competent body, is authorised to grant authorisation for the disposal of the funds in the account, in accordance with the general terms of operation of the bank with which the account is being opened.

8. Residents shall not be required to submit to the bank the documents prescribed in Section 7, paragraph 3, items 1), 3) and 4) hereof, in which case the bank shall obtain the relevant data contained in those documents by directly accessing the register of business entities or other official public register kept in the Republic of Serbia in accordance with the regulations, and/or by taking over those data electronically from an organisation in charge of keeping that register.

If it obtained the data referred to in paragraph 1 hereof by directly accessing the register from that paragraph, the bank shall write the date, time, and the name of the person who accessed the register on a printed excerpt from the register.

Residents and non-residents referred to in Section 7 hereof shall not be required to submit the documents referred to in paragraph 3, item 5), paragraph 4, item 4) and/or paragraph 5, item 2) of that Section, if they agreed with the bank on a different manner of verifying the identity of the payment order submitter and/or of granting consent to the execution of a payment transaction.

The certified signature of the resident's or the non-resident's authorised person shall be submitted only if the request for the opening or an account and/or the document from paragraph 3 hereof is submitted to the bank on paper, and the person who has signed either of these documents is not present when the documents are submitted to the bank.

The documents referred to in Section 7, paragraph 3, items 1), 3) and 4) of this Decision and the documents referred to in paragraph 4, items 1) and 3) thereof shall be

submitted as originals or copies certified by a competent body and may not be older than three months.

The document referred to in Section 7, paragraph 4, item 1) of this Decision shall be submitted together with a certified translation into the Serbian language, and the non-resident shall submit this document at least once a year. If the non-resident fails to submit the above document within a year from its latest submission, the bank shall not perform the transactions of that non-resident until such document is submitted.

Along with the request for opening a joint current account, each resident referred to in Section 7, paragraph 1 of this Decision or the non-resident referred to in paragraph 2 thereof which is to be the individual holder of such account shall submit the documents prescribed by that Section.

9. When it establishes that the conditions referred to in Sections 7 and 8 hereof have been met, the bank shall conclude the agreement referred to in Section 3, paragraph 1 hereof with the applicant referred to therein and open an account for such applicant.

10. To a resident legal entity and entrepreneur authorised by the Tax Administration to engage in exchange transactions, and to a resident performing exchange transactions pursuant to a special law governing its activity (hereinafter: public postal operator), the bank shall open a special foreign exchange account for these purposes.

11. A bank shall close the account of a resident and non-resident referred to in Section 7 hereof at their request, or on the basis of an agreement concluded with them, and transfer the funds from the closed account to an account specified in such request and/or agreement.

The request referred to in paragraph 1 hereof shall be submitted in writing either on paper or another durable medium, and shall specifically contain the number of the account to be closed and the number of the account to which the funds are to be transferred.

For the resident referred to in paragraph 1 hereof, the request referred to therein shall be submitted by its legal representative or person designated by a document issued by the competent body of such resident as authorised to close such resident's account, while for the non-resident referred to therein, the request shall be submitted by its representative from the decision on registration of such non-resident in the country of its head office or by another person authorised by a document of a competent body of such non-resident for submitting requests for the closing of such non-resident's account.

The request for closing a joint current account the holders of which are residents and/or non-residents referred to in Section 7 hereof must be submitted by all individual holders of that account.

12. A bank shall also close the foreign exchange account of the resident referred to in Section 7 hereof if such resident has ceased to exist as a legal entity, in the following cases:

- 1) pursuant to a law or another regulation;
- 2) due to bankruptcy or liquidation;
- 3) due to the occurrence of status changes.

A bank shall close the non-resident account of the non-resident referred to in Section 7 hereof when it ceases to exist as a legal entity pursuant to a relevant law, on the basis of a notification submitted to the bank by such non-resident and/or authorised person.

13. In the cases referred to in Section 12, paragraph 1, item 1) and paragraph 2 hereof, the bank shall transfer the funds from the account which is being closed to the account of a legal successor and/or account of a resident designated by law or another regulation, and if such successor and/or resident has not been designated, it shall transfer such funds to the bank's account of unused funds, pending the receipt of instructions regarding the account to which such funds are to be transferred.

In the case referred to in Section 12, paragraph 1, item 2) hereof, the bank shall, at the request of the bankruptcy administrator, close the resident's account, and transfer the funds remaining in the account to the account designated in such request. Along with the request referred to herein, the bankruptcy administrator shall also authorise the bank to transfer all funds directed at the closed account of the resident to the account designated in such request.

Along with the request referred to in paragraph 2 hereof, the bankruptcy administrator shall also submit the following documentation:

- 1) decision on instituting bankruptcy proceedings entered into the register of a competent body;
- 2) request to open an account in bankruptcy;
- 3) notification of the body competent for statistical operations on classification by activity if classification is performed by such body, when data on such classification are not contained in the decision referred to in item 1) hereof;
- 4) document of a competent body containing the tax identification number of the resident, if such data are not contained in the decision referred to in item 1) thereof;
- 5) signature of the bankruptcy administrator, and/or person performing the activities of bankruptcy administrator in the name of an organization designated by a special law to perform such activities, certified with a competent body, and/or, if such person transferred the authorisation to dispose of funds in the account to individual persons subject to law – specimen signature card completed by such persons, certified with a stamp and signed by the above person;
- 6) order to transfer funds.

The provisions of paragraphs 2 and 3 hereof shall apply accordingly in case of the completion of bankruptcy proceedings against the resident referred to in Section 7 hereof, and in case that, following the completion of such proceedings, the proceedings continue in respect of such resident's bankruptcy estate.

The provisions of paragraphs 2 and 3 hereof shall also accordingly apply when the provisions of the law governing bankruptcy apply accordingly to liquidation proceedings in respect of the resident referred to in Section 7 hereof.

The account of the resident referred to in Section 7 hereof which entered the initiation of liquidation proceedings in the register of a competent body shall be closed by the bank following the completion of such proceedings conducted pursuant to the law on companies or another law, as applicable, based on the notification received from the liquidation

administrator of such resident, submitted along with the decision on entry of the deletion of the resident which ceases to operate in the register of the competent body.

In the bankruptcy or liquidation procedure, and in the enforcement or enforced collection procedure conducted in respect of an individual holder of the joint current account, the provisions of the law regulating payment services shall apply, and the bankruptcy or liquidation administrator of the resident referred to in Section 7 hereof shall submit the request for closing the joint foreign exchange current account in conformity with the provisions hereof.

13a. After closing the account of a resident and/or non-resident referred to in Section 7 hereof, at the request of such person the bank shall issue to them, free of charge, the account closing certificate, including the information that all obligations toward the bank in relation to opening, maintaining and closing the account were settled.

The bank shall supply the certificate referred to in paragraph 1 hereof to the person from that paragraph without delay, in writing, on paper or another durable medium, in accordance with the request from that paragraph.

Accounts of natural persons

14. A bank shall open an account to a natural person on the basis of a request for account opening and the concluded framework agreement or deposit agreement, as applicable.

The request referred to in paragraph 1 hereof shall be submitted in writing on paper or another durable medium and shall contain the name and surname of the natural person, address of its permanent or temporary place of residence, as applicable, and the unique personal identification number of such person or, as applicable, another appropriate identification number of a natural person who is not a citizen of the Republic of Serbia.

If the request from paragraph 1 hereof is submitted to the bank electronically, the bank – in accordance with its general rules of operation – is not obligated to demand that the natural person signs the request.

Along with the request from paragraph 1 hereof and prior to the conclusion of the agreement from that paragraph, the natural person shall present for inspection a personal document verifying its identity (identity card, passport or another valid identification document with a photograph), and if the request is submitted by a non-resident, a document from which it is possible to determine such non-resident's permanent or temporary place of residence in the past year.

Along with the request for opening a joint account, each natural person – individual account holder shall submit documents prescribed herein.

Each individual holder of a joint deposit account may dispose of the total amount of funds in such account, except in the case where the deposit agreement defines the limits for the disposal of such funds.

15. A natural person may authorise another person to enter into a framework agreement or a deposit agreement in its name and on its behalf, as well as to dispose of the funds in its account.

In order to dispose of the funds in a natural person's account, specimen signatures of persons authorised to dispose of such funds or a document authorising the specific person to dispose of the funds in the account shall be deposited with the bank; the bank and the natural person may agree on a different manner of verifying the identity of the payment order submitter or of granting consent to the execution of a payment transaction.

A bank shall open an account to an underage person pursuant to the concluded framework agreement or a deposit agreement, as applicable, in the name and on behalf of such person, by such person's legal representative.

A bank shall open an account to a natural person on the basis of a court or an administrative document, in which case the agreement on the opening of such account shall be concluded by an authorised person designated in such document.

16. If it opened a current foreign exchange account to a natural person, a bank shall issue an account card to such person, while if it opened a deposit foreign exchange account, it shall issue an account card or a foreign exchange savings passbook to such person.

If amounts in different foreign currencies have been credited to the foreign exchange account of a natural person or if different types of foreign cash have been deposited, the bank shall maintain each type of foreign exchange separately, and record them on the account card or the foreign exchange savings passbook, as applicable, specifying the designation of the type of foreign currency.

At its discretion, a bank shall determine the design and contents of the account card or the foreign exchange savings passbook and shall enter the name of the bank, data on the foreign exchange account holder, account number and other necessary data on such card or passbook.

17. A bank shall close the account of a natural person at the request of the account holder or, as applicable, the person referred to in Section 15 hereof, on the basis of the framework agreement or deposit agreement, and on the basis of an enforceable court decision, due to the death of the account holder or for other reasons.

Funds from the account of a natural person which is being closed shall be transferred by the bank to the account designated in the request or the agreement referred to in paragraph 1 hereof or, as applicable, the bank shall make a payment to the natural person in the currency in which the account is maintained, in line with the above request or agreement, and shall close such account.

The request to close a joint account with a bank must be submitted by all natural persons who are individual holders of that account.

The request to close the account shall be submitted in writing, on paper or another durable medium.

After closing the account of a natural person, the bank shall issue to such person, free of charge, the account closing certificate, including the information that all obligations toward the bank in relation to opening, maintaining and closing the account were settled.

The bank shall supply the certificate referred to in paragraph 5 hereof to the natural person without delay, in writing, on paper or another durable medium, and the person may determine in which of these two ways the bank shall supply the certificate.

Transitional and closing provisions

18. The provisions of the Decision on the Conditions of Opening and Manner of Maintaining Foreign Exchange Accounts of Residents (RS Official Gazette, No 67/2006) which refer to the opening, maintenance and closing of a special current foreign exchange account of a resident legal entity and/or entrepreneur authorised by the National Bank of Serbia to perform exchange transactions shall apply to the opening, maintenance and closing of the special foreign exchange account referred to in Section 10 hereof for the public postal operator in the period from 1 July 2015 until entry into force hereof.

19. As of the day of entry into force hereof, the Decision on the Conditions of Opening and Manner of Maintaining Foreign Exchange Accounts of Residents (RS Official Gazette, No 67/2006) and Decision on the Conditions of Opening and Manner of Maintaining Non-resident Accounts (RS Official Gazette, Nos 16/2007, 12/2008 and 61/2008) shall cease to be valid.

20. This Decision shall be published in the RS Official Gazette and enter into force on 1 October 2015.

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11 June 2015

Belgrade

Chairperson of the
Executive Board of the National Bank of
Serbia
Governor
National Bank of Serbia

Jorgovanka Tabaković, PhD