

Pursuant to Article 39, paragraph 6 of the Law on Foreign Exchange Operations (RS Official Gazette, Nos 62/2006, 31/2011, 119/2012, 139/2014 and 30/2018) and Article 14, paragraph 1, item 9) and Article 15, paragraph 1 with reference 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, 40/2015 – CC decision and 44/2018), the Executive Board of the National Bank of Serbia adopts the following

## **DECISION ON TERMS AND MANNER OF PERFORMING EXCHANGE OPERATIONS**

### ***Basic provisions***

1 This Decision sets out in detail the terms and manner in which foreign cash and cheques denominated in foreign currency are purchased from and sold to natural persons – residents and non-residents (hereinafter: exchange operations), including the terms and manner in which authorisations to perform exchange operations are issued.

2 For the purposes of this Decision, the following definitions shall apply:

1) *exchange dealer* means a bank, public postal operator and authorised exchange dealer;

2) *bank* means a resident joint-stock company seated in the Republic of Serbia and licensed by the National Bank of Serbia (NBS) to perform deposit and credit operations, payment transactions, as well as other operations in compliance with law;

3) *public postal operator* means a resident providing postal services and performing exchange operations based on a separate law governing its activity;

4) *authorised exchange dealer* means an economic entity authorised by the NBS to perform exchange operations which entered into an agreement on the performance of such operations with one and/or more banks;

5) *economic entity* means a resident legal entity and entrepreneur registered as such with the relevant authority;

6) *authorisation* means a written authorisation in the form of a decision issued by the NBS to an economic entity permitting it to carry out exchange operations;

7) *exchange office* means a spatial and organisational unit where exchange operations are carried out at one or more currency exchange counters;

8) *currency exchange counter* is a part of an exchange office where exchange operations are performed, and can also be organised as a pay-in/pay-out currency exchange counter;

9) *pay-in/pay-out currency exchange counter* is a currency exchange counter where, in addition to exchange operations, pay-out and/or pay-in of dinar cash and foreign cash transactions are also executed, for the purpose of loading/unloading of the automated teller machine, and/or the temporary currency exchange counter, and/or for the purpose of supplying the travelling exchange dealer with cash;

10) *Automated Teller Machine – ATM (automated exchange office)* is an automated machine through which purchase and sale of foreign cash for dinars are performed. It is a special currency exchange counter separated from the pay-in/pay-out currency exchange counter to which it is integrated for the purpose of supplying cash in dinars and foreign currency and withdrawing purchased cash in foreign currency and/or surplus of cash in dinars, and they are both a part of the same exchange office;

11) *software* means a technological application of the NBS, bank and/or public postal operator used by the exchange dealer and enabling the performance of exchange operations and delivery of reports in the prescribed manner;

12) *cash book* is a business book kept by using software in every exchange office of the exchange dealer particularly for exchange operations, regardless of the accounting system used by the dealer;

13) *working day* means any day other than Sunday and a public and religious holiday declared non-working in the Republic of Serbia;

14) *working day of exchange dealer* means every day in the week during which an exchange dealer conducts exchange operations and/or which is designated as a working day by an internal act of the exchange dealer;

15) *week* means a period from 0.00 hours on Monday through 24.00 hours on Sunday;

16) *temporary cessation of exchange operations* means the cessation of exchange operations for a period of up to six months, which can be extended in accordance with this Decision, while the total duration of the temporary cessation of exchange operations may not be longer than one year, at one, several or all exchange offices, of which the authorised exchange dealer shall notify the NBS.

17) *permanent cessation of exchange operations* means cessation of exchange operations at one, several or all exchange offices, when the authorised exchange dealer intends to permanently cease to perform exchange operations in these exchange offices, of which the authorised exchange dealer shall notify the NBS.

### ***Requirements for the start of operation – licencing***

3 An economic entity shall submit to the NBS an application for authorisation to perform exchange operations.

Along with the application referred to in paragraph 1 hereof, the economic entity shall submit the following documentation based on which the NBS shall assess whether it meets the requirements for the performance of exchange operations:

- 1) evidence of entry into the register with the competent authority;
- 2) written agreement with a bank on performing exchange operations, containing a mandatory list of exchange offices, including their names and valid addresses, and a provision that the agreement shall have no legal effect if the legal entity has not obtained the authorisation;
- 3) evidence, not older than six months, that the owner and/or founder of the economic entity, and/or director/member of the management board and/or other responsible person of the economic entity, and/or director/member of the management board and/or other responsible person of the founder of the economic entity and worker who will directly perform exchange operations have not been convicted by a final judgement of criminal offences against the economy, property, life and body, public order, official duty and legal transactions, criminal offences of money laundering and terrorism financing and/or other criminal offence and/or commercial offence which makes them ineligible for performing exchange operations;
- 4) evidence, not older than six months, that the economic entity – legal entity submitting an application and founder of economic entity – legal entity has not been convicted by a final judgement of criminal offences and that no criminal proceedings are conducted against them, within the meaning of the law governing the responsibility of legal entities for criminal offences and/or that they have not been convicted by a final judgement of a criminal offence which makes them ineligible for performing exchange operations within the meaning of the law governing commercial offences;
- 5) list of associates of the owner, and/or founder and responsible persons of the economic entity, the applicant referred to in paragraph 1 hereof, within the meaning of the law governing foreign exchange operations;
- 6) a list of employees who will directly perform exchange operations, including the identification numbers of the certificates for performing exchange operations which the NBS, or another competent authority issued before 1 January 2019, and copies of their ID cards;
- 7) evidence of at least secondary education for employees to be directly engaged in exchange operations;
- 8) specimen signatures of persons authorised to represent the authorised exchange dealer, certified by the competent authority;

9) evidence on the grounds for using the business premises for carrying out exchange operations (evidence of the title to property, and/or lease agreement for the period of not less than a year or other evidence that the economic entity is legitimately using the business premises for carrying out exchange operations), or a decision of a competent authority proving that permission has been granted to use the land parcel when a prefabricated construction is used for its business premises;

10) statement of possession of the following equipment: a metal cash register, counting machine, UV lamp and modern devices for the detection of counterfeits (devices containing marker sensors and a magnetic detection mechanism enabling detection of most US dollar counterfeits, as well as euro counterfeit detection devices);

11) statement of possession of equipment specified by the NBS and/or a bank to use the software of the NBS and/or the bank;

12) statement of possession of video equipment for continuous video recording of the currency exchange counter of the authorised exchange dealer during working hours and for storing the video recordings for at least the last ten working days of that exchange dealer;

13) evidence of paid costs of the procedure for obtaining the authorisation in accordance with the decision on uniform fees charged for services provided by the NBS;

14) notification of working hours and breaks during working hours.

Provisions of the law governing the administrative procedure on issuing certificates about the facts that are officially recorded, shall apply to the evidence referred to in paragraph 1 hereof that are officially recorded.

If an economic entity intends to carry out exchange operations at an ATM which is separated from the pay-in/pay-out currency exchange counter designated for the ATM, the agreement shall also include the address at which such ATM is located with an indication of the said exchange office to which the ATM and pay-in/pay-out currency exchange counter belong, while the economic entity shall, along with evidence referred to in paragraph 2, indent 9) hereof, present also a document based on which it uses the premises where the ATM is located.

4 The NBS shall check whether the applicant under Section 3, paragraph 1 hereof meets the requirements for the performance of exchange operations and shall decide on the application by no later than 30 days after the submission of the application and full documentation.

If the application referred to in Section 3, paragraph 1 hereof does not contain all of the documents set out in paragraphs 2 and 4 of the same Section, the NBS shall invite the economic entity in writing to supplement the application within eight days.

If the applicant referred to in paragraph 2 hereof fails to act within the deadline specified in that paragraph and/or does not supplement the application as specified in the invitation to provide supplementary documents, the NBS shall reject such application and issue an appropriate decision.

After it has established that the economic entity meets the requirements to perform exchange operations, the NBS shall issue a decision granting authorisation to each exchange office specified in the agreement, and shall present such decision to the economic entity. A copy of that decision shall be delivered to the bank with which the economic entity has entered into an agreement. The authorised exchange dealer shall visibly display the original copy of the authorisation in the exchange office.

If an entity intends to carry out exchange operations at an ATM, the decision from paragraph 4 of this Section shall also contain the number of ATMs and addresses of ATMs which belong to the exchange office in that decision.

The economic entity to which the NBS granted the authorisation shall start performing exchange operations within 30 days from the day of receiving the decision.

If the NBS establishes that the economic entity failed to meet the requirements for the performance of exchange operations, it shall issue a decision denying the application for authorisation.

The NBS may also reject the application referred to in Section 3 paragraph 1 hereof if it established that associates of the owner and/or founder or responsible person of the economic entity – applicant are persons who have been convicted by a final judgement of the criminal offence referred to in Section 3, paragraph 2, indent 3) hereof.

The NBS shall keep the register of authorised exchange dealers. Data in this register shall be published on the NBS website.

5 The authorised exchange dealer shall be obligated to meet the requirements referred to in Section 3, paragraphs 2 and 4 hereof at all times, and at any moment the NBS can request that the authorised exchange dealer submit documents proving the fulfilment of these conditions.

Exchange operations with an authorised exchange dealer can be performed directly only by the persons meeting the requirements referred to in Section 3, paragraph 2, indents 3), 6) and 7) hereof.

The authorised exchange dealer shall inform the NBS of any changes in the data referred to in Section 3, paragraphs 2 and 4 hereof, submitting the relevant documents evidencing such change, within five working days after

such changes occur, while the notification of the change of premises for exchange operations shall be delivered prior to the actual change.

Together with the notification about the change in data from Section 3, paragraphs 2 and 4 hereof, which are registered with a competent authority (change of name and/or change of head office), as well as the change of the business premises where exchange operations are carried out, including the change in the data about the number and/or address(es) of ATMs, the authorised exchange dealer shall submit to the NBS a request for issuing an authorisation to carry out exchange operations together with the documents proving the authenticity of its data.

The issuance of the authorisation to perform exchange operations from paragraph 4 of this Section shall be subject to provisions from Sections 3 and 4 hereof accordingly.

When it has been established that the authorised exchange dealer no longer meets the requirements for performing exchange operations in accordance with this Decision, and in other prescribed cases – the NBS shall adopt the decision on revoking the authorisation in accordance with the law governing foreign exchange operations and the regulation governing the control of exchange operations.

6 Other than the staff directly performing exchange operations, only the workers whose presence is justified at the currency exchange counter may be present at the exchange office (security workers, workers in charge of transport, etc.), while access to other persons is prohibited.

The exchange dealer shall enable access to the exchange office and the currency exchange counter and to other places related to the performance of exchange operations, and/or other premises of the exchange dealer for an authorised NBS employee in charge of control, the ministry in charge of internal affairs or other supervisory authority.

7 Workers tasked with exchange operations may keep only their own cash in the premises of the exchange office out of the currency exchange counter and out of the cash register. The amount of that cash may not exceed EUR 100 in the dinar equivalent (so-called allowance).

The obligation referred to in paragraph 1 of this Section relates also to persons referred to in Section 6, paragraph 1 hereof when present at the currency exchange counter.

### ***Agreement with a bank on performing exchange operations***

8 The public postal operator and authorised exchange dealer shall enter

into the agreement with one and/or more banks to regulate their mutual relations in the conduct of exchange operations (hereinafter: the agreement).

The agreement shall specify:

- 1) business name and headquarters of the parties to the agreement;
- 2) time and place of the agreement signing;
- 3) list with names and valid addresses of exchange offices of the public postal operator and/or authorised exchange dealer;
- 4) the manner in which cash in foreign currency is submitted (hereinafter: foreign cash), cash in dinars (hereinafter: dinar cash) and cheques denominated in foreign currency (hereinafter: cheques);
- 5) obligations in case of established differences – shortage, surplus, counterfeits, etc.;
- 6) obligations in case of agreement termination.

The mandatory element of the agreement shall also be the provision stating that it shall not be effective unless the economic entity had the authorisation.

If a public postal operator, and/or economic entity intends to perform exchange operations also at an ATM separated from the pay-in/pay-out currency exchange counter for the ATM, the agreement shall also specify the address of the ATM location with an indication of the exchange office and the pay-in/pay-out currency exchange counter to which the ATM and the pay-in/pay-out currency exchange counter belong.

The public postal operator and authorised exchange dealer shall submit the agreement to the NBS upon signing and not later than five working days following the day of signing. If it has entered into the agreement with several banks, the public postal operator shall deliver to the NBS a statement declaring to which bank it intends to submit the report referred to in Section 44 hereof, along with the agreement.

The public postal operator and authorised exchange dealer shall notify the NBS of any amendment, termination or cessation of validity of the agreement immediately or within five working days following such change, and shall deliver to it a copy of the annex to the agreement and/or the agreement on termination.

The bank shall keep records of signed and amended, and/or terminated agreements and deliver to the NBS an excerpt from the records on a monthly basis.

### ***Terms and manner of performing exchange operations***

9 The exchange dealer shall purchase and sell foreign cash and cheques in line with the regulation specifying the types of foreign exchange

and foreign cash to be purchased and sold in the foreign exchange market.

10 Once a day, at the beginning of its working day, the exchange dealer shall determine its foreign exchange rates list which shall be valid until the publication of its next foreign exchange rates list.

The public postal operator and authorised exchange dealer shall determine the foreign exchange rates list referred to in paragraph 1 hereof in line with the foreign exchange rates list applicable to foreign cash of the bank and/or banks with which they entered into the agreement.

In the exchange rate list of the public postal operator and authorised exchange dealer the purchase rate per unit of foreign currency – the euro cannot be lower than the official middle rate of the dinar against the euro applicable on that day by more than 1.25%, and/or selling rate per unit of foreign currency – the euro cannot be higher than the official middle rate of the dinar against the euro applicable on that day by more than 1.25%.

The bank shall deliver its foreign exchange rates list applicable to foreign cash to the public postal operator and authorised exchange dealers with which it has the agreement.

11 When carrying out exchange operations in respect of foreign cash and cheques, the exchange dealer shall apply a rate ranging between the buying and selling exchange rates quoted in its foreign exchange rates list applicable to foreign cash.

In terms of purchase and sale of foreign cash in the course of one working day, the lowest selling exchange rate of the exchange dealer per unit of a foreign currency for a specific type of foreign cash may not be equal to nor lower than its highest buying exchange rate for such type of foreign cash.

12 When carrying out exchange operations, the exchange dealer may charge a commission on the dinar equivalent of foreign cash and/or cheques calculated at the buying and/or selling exchange rate applicable on the date of purchase and/or sale.

The public postal operator and authorised exchange dealer may charge a commission of no more than 1% on the amount of undamaged banknotes from natural persons, and/or circulating banknotes within the meaning of the provisions of this Decision, when purchasing foreign cash.

Natural persons intending to purchase foreign cash in the amount exceeding EUR 5,000 or in other corresponding foreign currency equivalent – shall announce this purchase on the exchange dealers' previous working day.

13 The public postal operator and authorised exchange dealer may deposit foreign cash generated within the meaning hereof, on a special foreign currency bank account opened in accordance with the regulation governing



the terms of opening and keeping foreign currency accounts of residents and dinar and foreign currency accounts of non-residents and in accordance with the regulation governing cash payments, charges, pay-ins, pay-outs in foreign currency.

The bank shall purchase/sell foreign cash from/to the public postal operator and authorised exchange dealer through the account specified in paragraph 1 hereof, in accordance with the agreement.

14 To ensure an adequate currency structure, a bank may sell foreign cash to the public postal operator and authorised exchange dealer with which it has entered into the agreement exclusively for the subsequent sale of such foreign cash to natural persons, provided that the types of such foreign cash are in compliance with the regulation on the type of foreign exchange and foreign cash to be purchased and sold in the foreign exchange market and in compliance with the agreement.

To purchase foreign cash referred to in paragraph 1 hereof, the public postal operator and authorised exchange dealer shall transfer the dinar equivalent of such foreign cash to the bank from their dinar current account.

15 The public postal operator and authorised exchange dealer shall, in line with the agreement with the bank which sold foreign cash to them within the meaning of Section 14 hereof, within seven days from such sale at the latest, sell to the bank foreign cash in the same amount and in the same currency or in the equivalent of such foreign cash in another currency.

For foreign cash sold within the meaning of paragraph 1 hereof, the bank shall pay to the public postal operator and authorised exchange dealer the dinar equivalent of such foreign cash calculated at the exchange rate ranging between the exchange rates quoted in the bank's exchange rates list for foreign cash applicable on the date of purchase and in accordance with the agreement, by paying the funds to their current account or paying out dinar cash.

16 At least once a week, and no later than 12.00 hours on the second working day of the following week, the public postal operator and authorised exchange dealer shall sell to the bank at least 80% of the total net amount of foreign cash purchased in the course of the week – irrespective of the currency composition of such foreign cash – in the types of foreign cash specified by the regulation referred to in Section 14, paragraph 1 hereof, and in accordance with the agreement.

Banks shall purchase foreign cash referred to in paragraph 1 hereof.

The public postal operator and/or authorised exchange dealer shall calculate the total net purchase within the meaning of paragraph 1 hereof as the difference between purchase and sale of foreign cash to natural persons

in all of its exchange offices.

The obligation referred to in paragraph 1 hereof shall be settled by the public postal operator and authorised exchange dealer by selling funds from the special foreign currency account referred to in Section 13, paragraph 1 hereof to the bank.

17 The bank shall pay to the public postal operator and authorised exchange dealer with which it entered into the agreement and from which it purchased foreign cash within the meaning of Section 16 hereof, the dinar equivalent of such foreign cash calculated at the exchange rate ranging between the exchange rates quoted in the bank's exchange rates list for foreign cash applicable on the date of purchase and in accordance with the agreement.

18 The bank shall execute purchase and sale of foreign cash based on the order submitted electronically by the natural person in accordance with the bank document which specifies the terms and manner of use of electronic banking previously signed with that person.

19 If the exchange dealer's surplus of dinars in the past week exceeded the triple amount of the average dinar amount used for purchasing foreign cash in the month with the highest purchase in last 12 months, or if operating for shorter than 12 months since the beginning of operation – the authorised exchange dealer shall pay this surplus to the bank account not later than 12.00 hours on the second working day of the following week.

The surplus of dinars referred to in paragraph 1 hereof shall be calculated by deducing the triple average daily amount of dinars used for purchasing foreign cash in the month with the highest purchase in last 12 months from the cash vault dinar balance at the end of authorised exchange dealer's every working day of the previous week. The amounts arrived at in this way, are then added if positive and deduced if negative, but there will be no surplus of dinars if the total amount arrived at in the manner referred to in this paragraph is not positive.

To apply paragraph 2 hereof, the dinar balance at the end of the working day shall be established based on the data from all exchange offices of the authorised exchange dealer.

If an authorised exchange dealer has been operating less than a month, the average triple amount of dinars shall be established using the week with the highest purchase.

An authorised exchange dealer which has just started to operate is obliged to pay the surplus of dinars within the meaning of this Section after the first working week in which it operated on all working days.

The provision in paragraph 5 of this Section refers to a new exchange office of the authorised dealer which has just started to operate.

In case that the authorised exchange dealer decreases, and/or increases the number of exchange offices, the surplus of dinars referred to in paragraph 1 hereof shall be established as follows:

- using the triple average amount of dinars used for purchasing foreign cash in the month with the highest purchase in last 12 months, deduced by the contribution of the exchange office which ceased to operate in this amount; or

- using the triple average amount of dinars used for purchasing foreign cash in the month with the highest purchase in last 12 months, increased by the triple average amount of dinars used for purchasing foreign cash in the new exchange office last week, and/or in the week when the new exchange office had the highest purchase of foreign cash if that office has been in operation less than a month, and/or in the month with the highest purchase since the beginning of the operation of that exchange office.

20 The public postal operator and authorised exchange dealer which recorded dinar and foreign cash as cash vault outflow for the purpose of payment into a bank account, shall make this payment during that working day and not later than the following working day and the registration of cash vault outflows shall be accompanied with the receipt on dinar and/or foreign cash outflow.

The public postal operator and authorised exchange dealer which withdrew dinar cash and foreign cash from the bank account shall load dinar and foreign cash into cash vault and register it during that working day and not later than the following working day and the registration of cash vault loading is accompanied with the receipt on dinar and/or foreign cash loading.

21 The exchange dealer shall do the following:

- 1) visibly display a sign in front of the exchange office reading “EXCHANGE OFFICE” in Serbian and one of the world’s major languages;
- 2) visibly display its own exchange rates list;
- 3) set out in or in front of the exchange office a clearly visible notification as to the lowest (minimum) and highest (maximum) amount to be paid on the purchase and sale of foreign cash for all currencies quoted in its

exchange rates list (per unit of foreign currency). The minimum amount, within the meaning hereof, shall mean the guaranteed amount that the exchange dealer pays to natural persons when it purchases foreign cash and shall be made up of its foreign cash buying exchange rate for a particular currency reduced by the maximum commission. The maximum amount, within the meaning hereof, shall mean the guaranteed amount that the exchange dealer charges to natural persons when it sells foreign cash and shall be made up of its foreign cash selling exchange rate for a particular currency, increased by the maximum commission;

4) display at the beginning of working hours, in the same place and manner in which the exchange rates list is displayed, a clearly visible notification as to the amount of the maximum commission, and charge the commission up to the percentage specified therein; the content of the notification may not be changed in the course of working hours;

5) in the course of each transaction and in order to ensure protection against counterfeits, act as specified by the regulation on handling suspected counterfeits;

6) visibly display, both in Serbian and English, the following notification and act in accordance therewith:

**"IMPORTANT NOTIFICATION:**

*1. Prior to the transaction, the exchange dealer shall inform a natural person of the total amount of dinars receivable per unit of foreign currency to be sold, and/or total amount of dinars payable per unit of foreign currency to be purchased. The said amounts must be equal to or more favourable for the client than the amounts stated on the advertising board.*

*2. On each sale to a natural person clients of 50 or 100 US dollar notes, the exchange dealer shall enter in the sale receipt: name and surname of a resident natural person and his/her personal ID number as specified in his/her valid identity card or passport, and/or name and surname of a non-resident natural person and the number of his/her valid travel document, as well as banknote serial numbers.*

*3. On each sale of foreign cash to natural person clients, the exchange dealer shall, if so requested by the client, enter in the sale receipt: name and surname of a resident natural person and his/her personal ID number as specified in his/her valid identity card or passport, and/or name and surname of a non-resident natural person and the number of his/her valid travel document, as well as banknote serial numbers.*

***Note: The exchange dealer shall enter data from items 2 and 3 of this notification in the sale receipt for the purpose of protecting natural persons from counterfeits, non-circulating banknotes, etc.***;

7) keep the cash book by using software and, in the event of electronic system failure, enter data therein from the hand-written receipts for the purchase/sale of foreign cash and cheques immediately after the recovery

of the electronic system; if the bank performs exchange operations under the transfer order submitted electronically by a natural person, the cash book shall contain data on the exchange operations carried out in such a manner, which shall be stored in electronic form;

8) keep the cash book for exchange operations separately from the cash book and/or from the accounting records for other activities carried out;

9) perform exchange operations according to the notification on the working hours delivered to the NBS and displayed in the exchange office;

10) act in compliance with the regulation governing anti-money laundering and terrorism financing in the event of any transaction or several inter-related transactions equalling or exceeding the amount established in the said regulation and in other cases defined by that regulation.

22 In addition to the requirements specified in Section 21 hereof, the authorised exchange dealer shall also:

1) visibly display, next to the word "EXCHANGE OFFICE", the name of the exchange office and its founder, and/or name and surname of the owner;

2) display in the exchange office the authorisation by the NBS for that exchange office;

3) keep in the exchange office photocopies of current agreements with the bank and/or banks;

4) deliver purchased cheques to the bank within time limits and in the manner specified by the agreement;

5) keep in the exchange office only dinar cash, foreign cash and cheques which are intended for and arise from exchange operations and which have been properly recorded and supported by appropriate documentation;

6) if the authorised exchange dealer, in addition to exchange operations, engages in other operations, except when other operations are the provision of payment services, it shall ensure that dinar cash, foreign cash and cheques intended for exchange operations are kept in the exchange office separately from dinar cash, foreign cash and cheques arising from other operations carried out in that office, whereas if they are kept in the same cash register, the authorised exchange dealer shall pack them separately and mark them with the inscription "Exchange Operations";

7) ensure that the balance of dinar cash and foreign cash in the exchange office corresponds to the cash book data of that exchange office;

8) keep in the exchange office the notifications of the bank and/or the NBS relating to foreign banknotes, including the notifications of the bank and/or the NBS relating to the performance of exchange operations;

9) keep in the exchange office the following equipment: a metal cash register, counting machine, UV lamp and modern devices for detection of counterfeits (devices containing marker sensors and a magnetic detection

mechanism enabling detection of most US dollar counterfeits, as well as euro counterfeit detection devices);

10) keep in the exchange office equipment according to the specification of the NBS and/or the bank for use of the software;

11) visibly display a notification that the facility is under video surveillance;

12) ensure continuous video recording of the currency exchange counter, as well as ATM, using video equipment during its working hours and/or ATM working hours;

13) store video recordings for at least the last ten working days, with indications of the exact time of the recording during the working hours of each exchange office, with a focus on natural persons engaged in transactions;

14) submit video recordings only to the authority in charge of supervision and/or to the ministry in charge of internal affairs at its request, as well as to the natural person to which the video recording relates, if so requested.

The obligations of the public postal operator shall be subject to provisions set forth by paragraph 1 hereof, save for indents 1), 2), 5) and 6).

The authorised exchange dealer may display in the exchange office the name of the bank and/or banks with which it entered into an agreement. In its exchange office, the authorised exchange dealer may not display the logo or inscription of the NBS, other than the NBS's authorisation issued to that exchange office.

23 Using software, the exchange dealer shall issue the receipt for the purchase/sale of foreign cash and cheques with at least one copy. The exchange dealer shall submit the original receipt to a resident natural person, and/or non-resident natural person, and the copy shall be kept, regardless of the medium, until the expiry of the period stipulated by law for keeping the documents which are the basis for recording business changes in the cash book.

The receipt from paragraph 1 of this Section shall also contain information on:

- 1) exchange dealer's name;
- 2) name and address of the exchange office;
- 3) code of the currency exchange counter;
- 4) code of the activity (purchase, sale);
- 5) number of the receipt which cannot be repeated;
- 6) name and surname of a resident natural person and his/her personal ID number as specified in his/her valid identity card or valid passport number in case of every transaction the amount of which equals the amount stipulated by the regulation governing the prevention of money laundering

and terrorism financing or is above that amount and in other cases defined in this regulation;

- 7) purchase basis code (796 and 701 for foreign cash, while 795 and 699 for cheques) or sale basis code (700 и 701 for foreign cash, and 795 and 699 for cheques);
- 8) currency code, amount in foreign currency and amount in dinars;
- 9) exchange rate used for the transaction;
- 10) percentage and amount of commission;
- 11) date and time of transaction;
- 12) place of transaction;
- 13) teller's signature or his/her code.

In addition to data from paragraph 2 hereof, the exchange dealer shall enter data from indents 2) and 3) of the notification from item 21 indent 6) hereof in the receipt from paragraph 2 for the purpose of protecting natural persons from counterfeits, non-circulating banknotes, etc.

The receipt from paragraph 1 hereof must be made in accordance with the accounting standards and must contain the number of the receipt which cannot be repeated. The software must be developed in such a way that after the entry of the first number of the receipt the following numbers are entered and they cannot be changed until the end of the envisaged series.

In the event of electronic system failure in the currency exchange counter, the exchange dealer shall issue the receipt from paragraph 1 hereof by hand using printed forms on the purchase and sale of foreign cash and cheques. These forms are already numbered and the exchange dealer shall keep records on the used forms. These receipts shall be printed in blocks – using certain serial numbers.

Immediately after the recovery of the electronic system in the currency exchange counter, the exchange dealer shall enter the data from the forms referred to in paragraph 5 hereof in the cash book.

If the bank performs exchange operations under the transfer order submitted electronically by a natural person, it shall issue the receipt from paragraph 1 hereof based on electronic data, at this person's request.

If the exchange dealer performs exchange operations at an ATM, the receipt from paragraph 1 hereof shall particularly contain data from paragraph 2 indents 1), 5), 8), 9) and 11) hereof, and if the exchange dealer charges a commission, the receipt shall also contain data from indent 10) of that paragraph.

24 Should the exchange dealer conduct exchange operations through an automated teller machine, it shall:

- 1) visibly display a sign on the automated teller machine, in Serbian and one of the world's major languages, indicating that customers can carry out currency exchange operations on that machine;
- 2) ensure that information on the name and address of the exchange office and pay-in/pay-out currency exchange counter for that ATM is displayed at the ATM;
- 3) ensure issuance of the receipt for purchase and sale of foreign cash;
- 4) provide information on the exchange rate applied in individual transactions at the ATM;
- 5) provide information on the amount of the commission, if such commission is charged.

25 The exchange dealer shall keep a cash book on performed exchange operations on a daily basis. This diary shall contain the following information:

- 1) exchange dealer's name;
- 2) type of currency, amount in currency, exchange rate, calculated dinar equivalent, amount of calculated commission and total amount of dinars;
- 3) opening balance of foreign cash and dinar cash and their balance at the end of the day;
- 4) serial numbers of purchase and/or sale receipts and data on other transactions in the currency exchange counter;
- 5) time of transaction;
- 6) purchase and/or sale basis code (foreign cash, cheques);
- 7) place and date of transaction;

Data must be entered in the cash book chronologically in order of transactions and must correspond with the data on amounts of purchased, and/or sold foreign cash and cheques and the data on other transactions in the currency exchange counter(s) – by type of transaction and amount, under individual receipts.

The authorised exchange dealer performing exchange operations at the ATM shall enter the data on the dinar cash and/or foreign cash outflow from the currency exchange counter to the ATM into the cash book of the exchange office to which the ATM and pay-in/pay-out currency exchange counter are integrated, on the day when it loads dinar cash and/or foreign cash into the ATM, and/or the data on the dinar and/or foreign cash inflow – on the day when it unloads the ATM.



The authorised exchange dealer performing exchange operations at an ATM shall enter electronic data on transactions performed at the ATM, print, sign and enclose with the cash book of the exchange office to which the ATM is integrated by date for all days between ATM loading/unloading after each ATM loading/unloading, and not later than the first working day of the following week.

If a bank performs exchange operations based on the order submitted by the natural person electronically, it shall enter those electronic data into the cash book.

When the need arises at the request of the NBS – a bank and the public postal operator shall print data from cash books for the requested date.

At the end of every working day, the authorised exchange dealer shall close the cash book which contains the signature of the authorised exchange dealer or a person authorised by that dealer and keep it in printed form, until the expiry of the period stipulated by law for keeping business books.

The authorised exchange dealer shall offset the balance of dinar and foreign cash in the cash book every day with the actual balance of dinar and foreign cash in the cash register, of which it must possess written evidence.

Provisions of paragraphs 3, 4 and 8 hereof shall apply accordingly to the public postal operator.

### ***Verification of banknote authenticity***

26 When performing exchange operations, the exchange dealer shall verify whether a foreign banknote is authentic, if it is in circulation, whether the deadline for its replacement has expired and if it is a suspected counterfeit.

Exceptionally, when performing exchange operations at an ATM, an authorised exchange dealer shall establish data on foreign banknotes from paragraph 1 hereof after collecting foreign cash from the ATM and inflow of that foreign cash into the pay-in/pay-out currency exchange counter.

When performing exchange operations, a foreign banknote is considered damaged in the following cases:

- 1) if counterfeit;
- 2) if the competent body of the issuer proclaimed it worthless;

- 3) if the percentage of the surface area of the remaining part of the banknote is less than the percentage defined by the bank;
- 4) if a missing part of the banknote has been replaced with another type of paper or with paper from another banknote, which qualifies as an attempt at tampering and shall be subject to an expert analysis;
- 5) if the main motifs or denominations have been tampered with in any way or for any reason;
- 6) if washed or contaminated by a substance and faded out so much that its main features (type of currency, denomination, security features, etc.) are unrecognisable;
- 7) if stained with alert colours used for chemical protection of banknotes in transport, which spill on banknotes in the event of forced opening of money packages (their ends and corners are usually dyed and even their printed areas may be dyed with one of the strong colours – red, black, blue, green, etc. and attempts at discolouring usually produce even paler colour shades and most often damages occur at places where discolouring has been attempted);
- 8) if all security features are missing from the existing portion of the banknote (e.g. watermark, magnetic protection, coloured fibres, security thread, microtext) or these features are illegible;
- 9) if all authenticity features are missing from the existing portion of the banknote (e.g. name of the bank, serial number, denomination in letters and numbers, main picture) or these features are illegible;
- 10) if so sticky, oiled, damaged by fire, chemicals, decay, etc., and/or contaminated that it cannot be inspected.

Provisions of the regulation governing cash flow management apply to the process of establishment of whether a dinar banknote is genuine in the performance of exchange operations.

27 If not certain as to whether a banknote is in circulation, the public postal operator and authorised exchange dealer shall refer the owner of such note to a bank with which they have an agreement.

The public postal operator and authorised exchange dealer may also act in the way referred to in paragraph 1 hereof if a foreign banknote is damaged or torn so much that it cannot be identified.

28 If an exchange dealer suspects of a counterfeit when receiving a banknote to be purchased it shall act in accordance with the regulation on handling suspected counterfeits.

29 Within measures taken to preserve the stability of the financial system and aiming to ensure uniform performance of exchange operations, the NBS

shall, via its software used by the exchange dealer, provide the exchange dealer with direct (online) access to the Overview of circulating foreign currency banknotes along with descriptions, security features and collection deadlines, as well as information relating to foreign currency counterfeits (hereinafter: Overview).

An exchange dealer not using the NBS software has access to the Overview through its website with use of user's name and password assigned by the NBS to these exchange dealers, while the authorised exchange dealer and public postal operator do this through the bank with which they entered into an agreement on performing exchange operations and whose software they use.

The NBS shall regularly update the Overview.

Banks shall deliver the link, user's name and password to authorised exchange dealers with which they entered into an agreement and which use that bank's software in order to provide them with access to the Overview.

30 Authorised exchange dealers can transfer dinar cash and foreign cash between currency exchange counters of one exchange office, and/or between several exchange offices, and between pay-in/pay-out currency exchange counters and the ATM of one exchange office, and/or temporary currency exchange counter in the course of its working day.

An authorised exchange dealer shall load dinar cash and/or foreign cash it took from the pay-in/pay-out currency exchange counter for the purpose of ATM loading, into the ATM on the same working day, and it shall load the dinar cash and/or foreign cash it withdrew from the ATM into the pay-in/pay-out currency exchange counter on the same working day.

An authorised exchange dealer shall enter dinar cash and/or foreign cash it took from the pay-in/pay-out currency exchange counter for the purpose of performing exchange operations in the temporary currency exchange counter into the temporary currency exchange counter on the same working day and it shall also enter dinar cash and/or foreign cash it took from the temporary currency exchange counter to the pay-in/pay-out currency exchange counter on the same working day.

The transfer from paragraph 1 hereof must be accompanied with the receipt of internal outflow, and/or inflow of dinar cash and foreign cash, including a document containing a list of specified amounts by currency in foreign cash and the amount in dinar cash that are being transferred, signed by the authorised exchange dealer or a person authorised by him/her in both

currency exchange counters and/or exchange offices. The receipt of internal outflow, and/or inflow of dinar cash and foreign cash shall specify the outflow, and/or inflow time and date.

Exceptionally, if the authorised exchange dealer performs exchange operations at an ATM and temporary currency exchange counter, the transfer from paragraph 1 hereof must be accompanied with the receipt on internal outflow, and/or inflow of dinar cash and foreign cash prepared by the authorised exchange dealer only at the pay-in/pay-out currency exchange counter for days when outflow from that currency exchange counter and/or inflow into that currency exchange counter was recorded. The receipt of internal outflow, and/or inflow of dinar cash and foreign cash shall specify the outflow, and/or inflow time and date. The receipt of outflow and/or inflow of dinar cash and foreign cash shall accompany the document with a list of specified amounts by currency in foreign cash and amounts in dinar cash signed by the authorised exchange dealer or a person authorised by him/her.

The authorised exchange dealer shall keep the certificate and document from paragraph 4 hereof at both exchange offices and the certificate and document from paragraph 5 hereof at the pay-in/pay out currency exchange counter.

Provisions of this Section shall also apply accordingly to the public postal operator.

### ***Travelling exchange dealer***

31 A travelling exchange dealer is an employee of the bank, public postal operator or authorised exchange dealer which is integrated to the pay-in/pay-out currency exchange counter with regards to supplying dinar cash and foreign cash and the return of purchased foreign cash or surplus cash and both the travelling exchange dealer and the pay-in/pay-out currency exchange counter belong to the same exchange office in terms of keeping a cash book and reporting on performed exchange operations.

A travelling exchange dealer performs exchange operations in the territory of the Republic of Serbia in a vehicle in passenger transport or at economic, tourist or similar manifestations, and/or in specified premises when due to the nature of those manifestations or premises exchange operations cannot be performed by means of a temporary currency exchange counter.

32 A travelling exchange dealer shall have a certificate issued by the exchange dealer confirming that he/she is integrated to the exchange dealer's pay-in/pay-out currency exchange counter.

Where a travelling exchange dealer is integrated to the pay-in/pay-out currency exchange counter of the public postal operator and authorised exchange dealer, the agreement and certificate from paragraph 1 shall stipulate the place, time and working hours for the performance of exchange operations by such travelling exchange dealer.

The travelling exchange dealer shall issue hand-written receipts on the purchase and/or sale of foreign cash.

33 In addition to the certificate issued by the exchange dealer confirming that travelling exchange dealer is integrated to the exchange dealer's pay-in/pay-out currency exchange counter during its operation, the travelling exchange dealer must also be in possession of a copy of the authorisation of the exchange dealer employing him/her, and visibly displayed name tag also containing the inscription "TRAVELLING EXCHANGE DEALER" and the name of the exchange dealer employing him/her.

On the day when the travelling exchange dealer takes over dinar cash and/or foreign cash from the pay-in/pay-out currency exchange counter to which he/she is integrated, the data on the dinar cash and foreign cash outflow from that pay-in/pay-out currency exchange counter is entered into the cash book of the exchange office to which the travelling exchange dealer and the pay-in/pay-out currency exchange counter belong. On the day when the travelling exchange dealer pays in dinar cash and/or foreign cash into the pay-in/pay-out currency exchange counter to which it is integrated, the data on the dinar cash and foreign cash inflow shall be recorded in the cash book from this paragraph.

The travelling exchange dealer shall enclose hand-written and signed receipts by date to the cash book of the exchange office to which this travelling exchange dealer and the pay-in/pay-out currency exchange counter to which he/she is integrated belong, for days when he/she performed exchange operations upon return from the trip and not later than the following working day.

### ***Temporary currency exchange counter***

34 A temporary currency exchange counter is spatially and organisationally separated from the pay-in/pay-out currency exchange counter to which it is integrated with respect to dinar cash and foreign cash supply and withdrawal of purchased foreign cash and/or surplus dinar cash.

A temporary currency exchange counter is also separated from the exchange office with both a temporary currency exchange counter and pay-in/pay-out currency exchange counter belonging to the same exchange office in terms of keeping a cash book and reporting on performed exchange operations.

Exchange operations at the temporary currency exchange counter shall be performed at a location where there is constant demand for exchange services or at a location where economic, tourist and similar manifestations take place in a predetermined period depending on the time of a certain manifestation and cannot be longer than a month.

Exchange operations shall be performed at a temporary currency exchange counter in accordance with the agreement.

35 Before opening the temporary currency exchange counter, the exchange dealer shall notify the NBS thereof.

The notification from paragraph 1 hereof shall particularly include the address of the temporary currency exchange counter, the period during which exchange operations will be performed at the temporary currency exchange counter and information on the exchange office to which the temporary currency exchange counter belongs.

At the temporary currency exchange counter the exchange dealer shall be in possession of his/her own certificate confirming that the counter is integrated into a certain exchange office of that dealer and the authorised exchange dealer shall also possess a copy of the authorisation for performing exchange operations for the exchange office to which the temporary currency exchange counter belongs.

At the temporary currency exchange counter the exchange dealer shall meet all the prescribed conditions for performing exchange operations, except for the ones relating to the possession and use of equipment for which it is impossible to provide technical conditions at that counter, notifying thereof the NBS before opening the temporary currency exchange counter.

At the temporary currency exchange counter the exchange dealer shall issue the foreign cash purchase and/or sale receipt using the software or if there are no technical conditions for that, it shall issue a hand-written receipt.

At the end of every working day the exchange dealer performing exchange operations at the temporary currency exchange counter shall

prepare a hand-written cash book on transactions carried out at that counter, sign it and enclose it to the cash book of the exchange office to which this temporary currency exchange counter and pay-in/pay-out currency exchange counter belong. This shall be done after each inflow/outflow of dinar cash and foreign cash to/from temporary currency exchange counter and not later than the first working day of every following week, by dates for all days between the inflow/outflow of dinar cash and foreign cash, and if the temporary currency exchange counter is electronically connected with the pay-in/pay-out currency exchange counter, the exchange dealer shall deliver these data electronically at the end of the working day at the latest, for the purpose of entering them in the cash book of the exchange office to which the temporary currency exchange counter and pay-in/pay-out currency exchange counter belong.

In case of cessation of operations at the temporary currency exchange counter before the period planned for performing exchange operations expires, the exchange dealer shall notify the NBS thereof at least one working day before the last working day of the operation of that counter.

### ***Purchase of travellers and bank cheques***

36 The following shall be the procedure for the purchase of travellers cheques: a natural person – cheque drawer shall put the second signature on the cheque, which must correspond to the first signature, in the presence of the exchange dealer at the counter. In order to determine whether the signature is genuine, that is, to verify the identity of the person signing the cheque, the exchange dealer shall compare the drawer's signatures on the cheques with those on his/her passport.

If a natural person presents for purchase to the public postal operator and authorised exchange dealer a travellers cheque already signed at both places and with the already filled-in blank space for pay to order, in the name of the person presenting the cheque for purchase – the public postal operator and exchange dealer shall refer this natural person to the bank with which they entered into an agreement.

At every purchase of travellers cheques, the public postal operator and authorised exchange dealer shall enter the following information in the sale receipt: names and surnames of resident and non-resident natural persons, their personal ID numbers from a valid identity document or passport number, place of permanent residence and address, serial number and place of cheque issuance.

37 If the bank cheque presented for purchase meets all the requirements, the exchange dealer shall require that the drawer endorse the cheque in front of him/her – by signing the back of the cheque (width-wise) and the identity of the drawer shall be established on the basis of his/her passport or ID card. When the identity of the drawer is established using the passport, the signature must be identical with the signature in the passport.

If the public postal operator and authorised exchange dealer receive the bank cheque at the counter and the amount written in letters does not correspond with the amount in figures, they will not purchase such a cheque but they will refer the drawer to the bank with which they entered into an agreement to collect the cheque.

If some of the important features of the cheque are missing or they have been tampered with, are illegible or etched (scraped off), the public postal operator and authorised exchange dealer shall not purchase such a cheque but they will refer the drawer to the bank with which they entered into an agreement. The public postal operator and authorised exchange dealer shall neither purchase a cheque issued in several copies (which is inscribed in the cheque – First, Original, Second, Duplicate) if every copy of the cheque is not presented.

The public postal operator and authorised exchange dealer may purchase a bank cheque when the drawer presents both the original and the copy of that cheque and when both had been previously signed (endorsed) on the back. The public postal operator and authorised exchange dealer shall deliver both the original and the copy of this cheque to the bank with which they entered into an agreement.

38 When submitting purchased cheques to the bank, the public postal operator and authorised exchange dealer shall stamp the face of the cheque in case of travellers cheques in foreign currency (in the blank for filling in the pay to the order of) as well as the back (width-wise) with the signature of the authorised person. In the event that the drawer did not fill in the blank for the date of the cheque purchase, the public postal operator and authorised exchange dealer shall do so.

### ***Exchange operations connected with payment services and international questionnaires***

39 An authorised exchange dealer may keep dinar cash and foreign cash generated from exchange operations and payment service provision in the same cash vault of the foreign currency counter.



An authorised exchange dealer may use dinar cash and foreign cash generated from exchange operations and payment service provision in the exchange office where it carries out these operations and services by transferring them from one operation to the other unless this is contrary to the obligation to protect financial assets of the payment service user in line with the law governing payment services and other obligations stipulated by law or regulation.

In the event of the transfer from paragraph 2 hereof, the authorised exchange dealer shall record internal outflow and/or inflow of dinar cash or foreign cash in the cash book for exchange operations accompanied with the outflow/inflow of dinar or foreign cash receipt before carrying out individual transactions of dinar cash or foreign cash payment to natural persons based on exchange operations or provision of payment services.

Notwithstanding paragraph 3 hereof, if dinar cash and foreign cash generated from exchange operations and payment service provision are held in separate cash vaults – the authorised exchange dealer can transfer the amount of dinar cash and foreign cash between cash vault for exchange operations and cash vault for payment services if it estimates during the course of the day that it will need those amounts for payments to natural persons with regards to these operations (hereinafter: the estimated amount of foreign cash and dinar cash) and it shall record in the cash book for exchange operations the internal outflow and/or inflow of dinar cash and foreign cash, accompanied with that outflow and/or inflow receipt.

If the estimated amount of foreign cash and dinar cash has not been used entirely during the working day when there was the transfer of this amount – the authorised exchange dealer shall return the unused portion of that amount transferred from the cash book for exchange operations to this cash vault at the end of the day, or pay it to its special account for exchange operations on the following working day at the latest.

The authorised exchange dealer shall return the amount of dinar cash and foreign cash transferred from the cash book for exchange operations, and used for payment transactions in line with paragraphs 3 and 4 hereof, to exchange operations not later than on the day following the day of the receipt of the reimbursement in one of the following ways or the combination thereof:

- 1) transferring funds from the account used for the provision of payment services to the special account for exchange operations;
- 2) transferring dinar cash and foreign cash from the cash vault for payment services to the cash vault for exchange operations, only in accounting terms, if the funds are held in the same cash vault.

The authorised exchange dealer shall return the used or unused amount of dinar cash and foreign cash transferred to exchange operations in line with paragraphs 3 and 4, to payment services in one of the following ways or the combination thereof:

- 1) transferring funds from the special account for exchange operations to the account used for the provision of payment services;
- 2) transferring dinar cash and foreign cash from the cash vault for exchange operations to the cash vault for payment services, which is only an accounting transfer, if the funds are held in the same cash vault.

The provisions of this Section shall also apply accordingly to the public postal operator who provides payment services, and/or receives and sends international orders in the same exchange office where it carries out exchange operations.

### ***Use of software for exchange operations***

40 For performing exchange operations, the authorised exchange dealer shall use the software of one of the banks with which it entered into an agreement or the NBS software which should ensure recording, saving and delivering of all individual transaction data on performed exchange operations of the authorised exchange dealer stipulated herein to the NBS.

For performing exchange operations, the bank and the public postal operator shall use their own software, which should ensure recording and saving of all individual transaction data on performed exchange operations of the bank and public postal operator stipulated herein, and enable the NBS to have an insight into those.

The bank shall keep records of concluded and amended or terminated contracts with authorised exchange dealers about the use of the software, and shall submit an excerpt from those records to the NBS on a monthly basis.<sup>1</sup>

### ***Cessation of exchange operations***

41 An authorised exchange dealer shall submit to the NBS the request for permanent cessation of exchange operations at one, several or all exchange offices within five working days since the last working days of the exchange office to which the request pertains and notify the bank with which it entered into an agreement thereof.

Along with the request from paragraph 1 of this Section, the authorised exchange dealer shall also submit a document proving that it has

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<sup>1</sup> Section 40, paragraph 3 of this Decision shall apply as of 1 September 2020.

notified the bank about the permanent cessation of exchange operations in accordance with that paragraph, as well as documents proving that it has fulfilled its obligations from paragraphs 3 to 5 of this Section.

If permanently ceasing to perform exchange operations in all exchange offices, the authorised exchange dealer from paragraph 1 hereof shall sell all the foreign cash from all exchange offices to the bank with which it entered into an agreement and pay all the dinar cash to its current account not later than on the day following the last working day of the authorised exchange dealer and submit the evidence on the sale of foreign cash and payment of dinar cash into its current account with the bank to the NBS along with the request from that paragraph.

If permanently ceasing to perform exchange operations in one or several exchange offices, the authorised exchange dealer from paragraph 1 hereof shall sell all the foreign cash from that/those exchange office(s) to the bank with which it entered into an agreement and pay all the dinar cash to its current account not later than on the day following the last working day of the authorised exchange dealer in that (those) exchange office(s) or transfer foreign cash and dinar cash from that (those) exchange office(s) to the exchange office which continues to operate, and submit the evidence on the sale of foreign cash and payment of dinar cash into its current account with the bank, and/or transfer to the exchange office which continues to operate, to the NBS, along with the request from that paragraph.

The authorised exchange dealer shall return to the NBS the authorisations to conduct exchange operations at exchange offices where it ceases operations permanently.

Based on the request and documents from paragraphs 1 to 5 of this Section, the NBS shall pass a decision revoking the authorisation for carrying out exchange operations.

The authorised exchange dealer which temporarily ceases exchange operations at one, several or all exchange offices, or at ATM(s) belonging to that exchange office(s), shall notify thereof the NBS and the bank with which it entered into an agreement, immediately and no later than within two working days from the day it temporarily ceased exchange operations. In the notification to the NBS it shall specify the reasons due to which it is temporarily prevented from carrying out exchange operations and the period during which it will not carry out exchange operations, which may be up to six months.

If, upon the expiration of the temporary cessation of exchange operations from paragraph 7 of this Section, there are still reasons for which the authorised exchange dealer temporarily ceased to carry out exchange operations at one, several or all exchange offices, or at ATM(s) belonging to that exchange office(s) – the authorised exchange dealer shall notify the NBS

and the bank with which it entered into an agreement about extending the period of the temporary cessation of exchange operations, within two working days from the expiration of the deadline for which it had submitted a notification about the temporary cessation of exchange operations from that paragraph. In the notification to the NBS, it shall specify the period for which the temporary cessation of exchange operations is being extended, as well as the reasons for the extension. The total duration of the temporary cessation of exchange operations may not be longer than one year from the day the temporary cessation of exchange operations began.

The authorised exchange dealer referred to in paragraph 7 of this Section shall transfer all foreign cash and all dinar cash from this exchange office(s) to the exchange office that continues to operate, or make a payment to its accounts with a bank(s) on the same day when it temporarily ceased exchange operations at one or several exchange offices. If it temporarily ceased exchange operations only at ATM(s) belonging to the exchange office which continues to carry out exchange operations, all foreign cash and dinar cash from that ATM(s) shall be transferred to the exchange counter with which the ATM is connected in terms of supplying foreign and dinar cash. If it temporarily ceased exchange operations at all exchange offices, this exchange dealer shall sell all foreign cash to the bank with which it entered into an agreement and pay all the dinar cash into its current account not later than on the first working day following the last working day when it performed exchange operations at all exchange offices, and submit evidence thereof to the NBS along with the notification from paragraph 7 of this Section.

The authorised exchange dealer from paragraph 7 or paragraph 8 of this Section shall notify the NBS and the bank with which it entered into an agreement, on the same day when it resumes exchange operations at one or all exchange offices, or at ATM(s) belonging to that exchange office(s) where it had temporarily ceased exchange operations.

If the authorised exchange dealer does not resume exchange operations after the expiration of the period of temporary cessation from the notification about the temporary cessation of exchange operations or the notification about the extension of this period, or if it fails to submit to the NBS a notification about the extension of the period of temporary cessation of exchange operations specifying the reasons for the extension, at one, several or all exchange offices – it shall submit to the NBS a request for the permanent cessation of exchange operations at this exchange office(s) in accordance with this Section. Otherwise – the NBS shall pass a decision revoking the authorisation to carry out exchange operations at that exchange office(s) in accordance with the law and this Decision. If the authorised exchange dealer does not resume exchange operations at one, several or all ATMs following the expiration of the period of temporary cessation of operations from the notification about temporary cessation of exchange operations or the notification about the extension of this period, or it fails to

submit to the NBS a notification about the extension on the period of temporary cessation of exchange operations, specifying the reasons for the extension – it shall act in accordance with Section 5, paragraph 4 hereof.

Provisions of this Section, except for paragraph 5 shall apply accordingly to the public postal operator.

### ***Reporting***

42 The bank shall report to the NBS electronically on a daily basis in line with the guidelines governing the compilation and electronic submission of data to the NBS. The report shall contain information on performed exchange operations with the data in Annex 1.

The report from paragraph 1 hereof shall also contain information on exchange operations performed on the basis of the order delivered electronically by a natural person, data on the purchase of foreign cash and cheques from the public postal operator and the authorised exchange dealer, including data on the sale of foreign cash and cheques to the public postal operator and the authorised exchange dealer with which the bank entered into agreements.

In the event of electronic system failure, the bank shall deliver the report from paragraph 1 hereof immediately after the recovery of the system.

43 An authorised exchange dealer using the NBS software shall deliver to the NBS the electronic report on performed exchange operations with the data from Annex 2, on a daily basis.

An authorised exchange dealer using the bank's software shall deliver to that bank the electronic report on performed exchange operations with the data from Annex 2, on a daily basis.

The bank shall daily and electronically deliver to the NBS reports from paragraph 2 hereof and all the data on performed exchange operations of the exchange dealer from that paragraph, in line with the guidelines governing the compilation and electronic submission of data to the NBS, for the purpose of having a uniform procedure for the control of exchange operations.

In the event of electronic system failure, authorised exchange dealers from paragraphs 1 and 2 hereof and the bank from paragraph 3 hereof shall deliver the reports from paragraphs 1, 2 and 3 hereof to the NBS immediately after the recovery of the system.

44 The public postal operator shall deliver to the bank referred to in Section 8, paragraph 5 hereof, on a daily basis, an electronic report on performed exchange operations, with data set out in Annex 3.

The bank from paragraph 1 hereof shall deliver to the NBS daily electronic reports from that paragraph in line with the guidelines governing the compilation and electronic submission of data to the NBS.

In the event of electronic system failure, the public postal operator and/or bank from paragraph 1 hereof shall deliver the reports and data from that paragraph to the NBS immediately after the recovery of the system.

45 The Annexes are attached to this Decision and are integral thereto.

### ***Transitional and final provision***

46 This Decision repeals the Decision on Terms and Manner of Performing Exchange Operations (RS Official Gazette, Nos 51/2015 and 3/2016), with the exception of Sections 21 and 22 of that Decision, which shall apply until the day when Section 40 and Sections 42 to 45 of this Decision start to apply, and the Guidelines Implementing the Decision on Terms and Manner of Performing Exchange Operations (RS Official Gazette, Nos 51/2015 and 3/2016), with the exception of Sections 21, 22 and 23 of these Guidelines which shall apply until the day when Sections 42 to 45 of this Decision start to apply.

47 This Decision shall be published in the RS Official Gazette and shall enter into force eight days from its publication and shall apply as of 1 January 2019, apart from Section 40 and Section 42 to 45, which shall apply as of 1 July 2019.

NBS Executive Board No 90  
29 October 2018

B e l g r a d e

Chairperson  
of the Executive Board of the National Bank of  
Serbia  
G o v e r n o r  
of the National Bank of Serbia

Dr Jorgovanka Tabaković

### ***Independent provisions of the Decision on Terms and Manner of Performing Exchange Operations (RS Official Gazette, No 53/2020)***

9. If the authorised exchange dealer temporarily ceases to carry out exchange operations during the state of emergency declared based on the Decision on Declaring a State of Emergency (RS Official Gazette, No 29/2020), the total duration of the temporary cessation of exchange operations prescribed by this Decision may be extended for the duration of the state of emergency.

The authorised exchange dealer from paragraph 1 of this Section shall submit the notification about the temporary cessation of exchange operations, as well as the notification about the extension of the temporary cessation of exchange operations, in the manner and within the deadlines prescribed herein.

10. The authorised exchange dealer that temporarily ceased exchange operations before the day this Decision enters into force shall notify the NBS, by 1 September 2020, about the length of and reasons for the temporary cessation of exchange operations, in the manner prescribed herein.

The authorised exchange dealer that carries out exchange operations also at ATMs on the day this Decision enters into force, shall submit to the NBS, by 1 January 2021, the request for issuing an authorisation to carry out exchange operations, with data about the number and addresses of ATMs, as well as the data about exchange office(s) to which the ATM belongs, including the documents to substantiate these data.

11. This Decision shall enter into force on 17 April 2020, with the exception of Section 7 of this Decision, which shall apply as of 1 September 2020.