

Pursuant to Article 4, item 3) and Article 14, paragraph 1, item 11) 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) and Article 13j, paragraph 5 of the Law on Financial Leasing (RS Official Gazette, Nos 55/2003, 61/2005, 31/2011 and 99/2011 – other law), the Executive Board of the National Bank of Serbia adopts the following

**DECISION**  
**ON TEMPORARY MEASURES FOR LESSORS AIMED AT ADEQUATE**  
**MANAGEMENT OF CREDIT RISK IN THE PORTFOLIO OF LEASES OF**  
**AGRICULTURAL MACHINERY AND EQUIPMENT IN CONDITIONS OF**  
**AGGRAVATED AGRICULTURAL PRODUCTION**

1. This Decision sets out the measures and activities which a lessor is obligated to implement with the aim of adequate management of credit risk in the portfolio of leases of agricultural machinery and equipment in conditions of aggravated agricultural production by enabling the rescheduling of obligations under the lease agreement to lessees.

2. The lessor is obligated to approve the rescheduling of obligations under the lease agreement on agricultural machinery and equipment (hereinafter: rescheduling) to the lessee in accordance with this Decision, if on 31 May 2022 the lessee was not in arrears longer than 90 days under any obligation to which the rescheduling applies.

The lessee referred to in paragraph 1 of this Section is a person entered in the Register of Agricultural Households within the meaning of the law governing agriculture and rural development (hereinafter: Register), namely:

- 1) a natural person who is the holder of a commercial family agricultural household within the meaning of the law governing agriculture and rural development;
- 2) an entrepreneur;
- 3) a legal person, specifically:
  - an agricultural cooperative with minimum five cooperative members entered into the Register as holders or members of five different agricultural households entered into the Register,
  - other legal person classified as a micro or small legal person in accordance with the law governing accounting.

Obligations under the lease agreement with a subsidised interest rate or a lease agreement with a guarantee of international financial institutions are eligible for rescheduling only with a prior consent of the issuer of the guarantee and/or subsidy.

3. Rescheduling is a change in the conditions of an individual lease agreement in order to enable the lessee a grace period of six to twelve months (depending on the period which the lessee opts for in the application from Section 4 of this Decision) for the repayment of all of his obligations to the lessor under the lease agreement, during which period the lessor does not collect receivables on account of the principal, though it collects the contracted interest rate, and the repayment period of the lease agreement is extended so that the amount of the annuity (periodic obligation of the lessee to be paid upon the expiry of the grace period) determined when the rescheduling was approved is not higher than the same amount in the period before the rescheduling.

The lease agreement from paragraph 1 of this Section is a lease agreement concluded with the lessee for the purpose of performing an agricultural activity.

Repayment terms under the lease agreement that were defined by the approval of rescheduling (e.g. interest rate, additional collateral, etc.) may not be less favourable for the debtor than the original, i.e. initial terms in the lease agreement.

If rescheduling is approved to the lessee in accordance with this Decision, it shall be deemed that the arrears in settling that lessee's obligations to the lessor under the lease agreement that is being rescheduled stopped on the day when the application from Section 4 of this Decision was submitted, and the lessee's arrears to the lessor shall be defined according to the new repayment plan in the lease agreement.

As for the lessee's obligations in terms of the interest rate calculated for the duration of the halt in the repayment of obligations (moratorium) within the meaning of regulations on temporary measures for lessors aimed at preserving financial system stability, the rescheduling shall apply in such a manner that the interest is collected after the expiry of the grace period, then distributed evenly over the lease payment repayment period and is not accrued to the remainder of the debt.

4. Within five working days from the day this Decision enters into force, the lessor is obligated to post a notification on its website homepage and on

its business premises, notifying lessees that they may submit an application to the lessor to require rescheduling in accordance with this Decision.

The lessor is also obligated to deliver individual notifications from paragraph 1 of this Section to all its lessees from Section 2 of this decision by 31 October 2022.

The notification from paragraphs 1 and 2 of this Section shall contain clear, accurate and complete information pertaining to the following:

- 1) the possibility of submitting an application for the approval of rescheduling (hereinafter: application), stating the conditions for the approval;
- 2) the possibility to choose the length of the grace period of six to twelve months;
- 3) the manner of submitting the application;
- 4) a representative example of the amount of obligations under the lease agreement before and after rescheduling, which contains all elements based on which the conditions for the application of rescheduling can be determined.

5. The lessee may submit an application to the lessor on the lessor's premises, electronically or by post, by no later than 30 April 2023.

The lessor is obligated to make a decision on the lessee's application and notify the lessee thereof within 30 days from the day of the receipt.

6. With its internal acts the lessor shall regulate the following:

- 1) authorisations and responsibilities of the lessor's bodies and employees in the process of implementing measures and activities from this Decision;
- 2) a system of monitoring and reporting on measures and activities from this Decision and the results of their implementation;
- 3) communication procedure with lessees within the meaning of this Decision.

7. The lessor shall submit to the NBS a report on measures and activities undertaken with the aim of approving rescheduling, as well as their results.

The lessor shall submit the report from paragraph 1 of this Section on the form *Monthly Report on Approved Rescheduling*, printed together with this Decision as Annex 1 and integral to the Decision.

The report from paragraph 1 of this Section shall be submitted by the lessor by no later than the 20<sup>th</sup> day of the month, as at the last calendar day of the previous month.

The lessor shall submit the first report from paragraph 1 of this Section by 20 November 2022, as at 31 October 2022.

The lessor shall submit the report from paragraph 1 of this Section as at 30 June 2023 by 20 July 2023.

By way of exception, the report from paragraph 1 of this Section in the part pertaining to the initial state of all lease agreements to which the Decision refers, part C – shall be submitted by the lessor once, as at 30 September 2022, by no later than 20 October 2022.

8. The lessor may not charge a fee for undertaking measures and activities in accordance with this Decision, or for expenses it may incur in relation to those measures and activities, including the expenses of processing lessees' applications, except expenses needed to approve the receivables which are not determined by the lessor (e.g. credit bureau and lease register).

9. The lessor's receivables from lessees who have been approved rescheduling shall keep the same regulatory treatment as on the day this Decision entered into force.

The regulatory treatment from paragraph 1 of this Section shall also apply to receivables from that paragraph in the period after the rescheduling is approved, for as long as the conditions for this are fulfilled within the meaning of NBS regulations.

Approving the rescheduling to lessees in accordance with this Decision does not necessarily imply that there was also a significant increase in credit risk.

10. The lessor is obligated to align its internal acts with the provisions of this Decision by 31 October 2022 and submit them to the NBS immediately upon adoption.

11. This Decision shall apply to obligations under lease agreements concluded with the lessees before this Decision entered into force.

12. This Decision shall enter into force on the day following its publication in the RS Official Gazette.

NBS Executive Board No 86

6 October 2022

B e l g r a d e

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

Dr Jorgovanka Tabaković, sgd.