

Based on Article 14, paragraph 1, item 3, and with reference to Article 35, paragraph 1 of the Law on the National Bank of Serbia (RS Official Gazette, Nos 72/2003, 55/2004 and 44/2010), the Executive Board of the National Bank of Serbia hereby issues

**DECISION  
ON TERMS AND MANNER OF ISSUE AND SALE OF  
SHORT-TERM SECURITIES**

1. This decision sets out the terms under which the National Bank of Serbia issues short-term securities, as well as the manner of their investment (sale) and payment.

2. The National Bank of Serbia shall issue short-term securities – treasury bills (hereinafter: treasury bills) in accordance with the set monetary policy objectives, and based on the analysis of actual and projected monetary developments.

3. Treasury bills shall be dematerialised securities, registered as electronic bills in the securities account with the Central Securities Depository and Clearing House (hereinafter: Central Securities Depository).

4. Treasury bills shall be registered in the name of the holder.

Treasury bills shall be denominated in dinars.

The maturity of treasury bills shall be up to 366 days from their issue.

5. Based on this decision, the governor of the National Bank of Serbia (hereinafter: governor) or a person authorised by the governor, shall take decisions on the issue of treasury bills, specifying in particular: issue code and total nominal amount, individual nominal amount, issue date, maturity, maturity date, the level of interest rate, and/or the manner of setting the interest rate or price of treasury bills.

Decisions on the issue of treasury bills shall be published on the National Bank of Serbia's website.

6. The National Bank of Serbia shall sell treasury bills at auctions, in accordance with the decision governing the terms and conditions under which the National Bank of Serbia implements open market operations, unless stipulated otherwise by the decision on the issue of treasury bills.

7. Treasury bills may be purchased in the primary and secondary securities market only by banks founded in accordance with the law on banks.

The closing date of trading in treasury bills shall be the business day preceding their maturity date.

8. Treasury bills may not be presented for payment before their maturity date.

Depending on current monetary flows and liquidity of the banking system, the National Bank of Serbia may, based on the decision of the governor or a person authorised by the governor, repurchase treasury bills even before their maturity date, in which case the repurchase interest rate shall be determined by the governor or a person authorised by the governor.

The National Bank of Serbia shall send to all banks a notice on early repurchase of treasury bills, enclosing data from paragraph 2 hereof.

9. On the maturity date of treasury bills, the National Bank of Serbia shall pay out to their holders the nominal value indicated on such bills.

10. Issue registration, transfer from the issuing to the holding account, payment and de-recognition of treasury bills, as well as clearing and netting of receivables and payables under treasury bill transactions, shall be performed in accordance with the regulations of the Central Securities Depository.

11. As of the implementation date hereof, the Decision on Terms and Procedures for Issuing and Sale of Short-Term Securities by the National Bank of Serbia (RS Official Gazette, No 116/2006) shall cease to be valid.

12. This decision shall take effect on the eighth day following its publication in the RS Official Gazette, and shall be implemented as of 1 July 2011.

NBS EB No 52  
16 June 2011  
B e l g r a d e

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

Dr Dejan Šoškić, sign.