

Pursuant to Article 21, paragraph 1 of the Law on the National Bank of Serbia (»Official Gazette of the Republic of Serbia« No. 72/2003) and with reference to Article 60, paragraph 1 thereof and Article 39, paragraph 1, section 3 of the Law on Payment Transactions (»Official Gazette of the Republic of Serbia« No. 3/2002 and 5/2003), the Governor of the National Bank of Serbia issues the following

DECISION
ON THE MANNER OF MANAGING CASH FLOWS BY SUPPLYING
BANKNOTES AND COINS TO BANKS

1. This Decision shall govern the manner of managing cash flows by supplying banknotes and coins to banks, as well as the manner of depositing cash with the National Bank of Serbia.

2. Cash will be supplied to banks by branches and/or offices of the National Bank of Serbia (hereinafter referred to as »branches« and/or »offices«).

The list of branches and offices has been printed as Schedule 1 to this Decision and shall make part thereof.

3. Cash withdrawal requests (hereinafter referred to as the »request/s«) shall be delivered by banks to the Treasury Department of the National Bank of Serbia (hereinafter referred to as the »Department«). Such request shall contain a bank's name and identification number, request reference number and date, withdrawal date, specification of the amount to be withdrawn by denomination and by branch and/or office and section of a bank, as well as the details of such bank's officers authorised to receive cash. Such request shall always be stamped and signed by a bank's senior officer.

The request form is contained in Schedule 2 to this Decision and shall form part thereof.

4. The requests shall be delivered by banks one day prior to cash withdrawals within the business hours of the Department.

The requests may be delivered by banks on the day of withdrawal latest by 03:00 p.m. provided that such withdrawal has been confirmed as possible by the Department.

The requests may not separately be delivered by sections of banks.

5. On the day of cash withdrawals latest by 03:30 p.m. banks shall arrange transfers from their giro accounts to the Account No. 908 0000000098101 70 of the National Bank of Serbia opened for these purposes

Banks shall be required to have the requests reconciled with their transfer orders, as notified by the Department. Should there be any discrepancies between such requests and transfer orders, no cash withdrawals shall be provided by the Department.

6. Banks shall be required to provide lists of officers authorised to receive cash containing their duly registered signatures and identification details (ID card and personal registration numbers).

The Department shall be notified by banks of any changes in respect of authorised officers referred to in paragraph one hereof no later than three days before the withdrawal date specified in their requests.

7. Cash shall be received by at least two authorised officers of a bank, as specified in the respective request, whereas at the time any cash is received such officers shall always have the

respective letter of authorisation issued by a bank, personal documents for the purpose of identification, and such bank's stamp.

The letter of authorisation referred to in paragraph 1 hereof shall always contain names and surnames of officers authorised to receive cash, identification details and the amount to be withdrawn and received, and it shall be signed and stamped by a bank.

Authorised officers of banks shall deliver the respective letters of authorisation referred to in paragraph two hereof at the time they receive cash at the payment locations of branches and/or offices. Otherwise, no withdrawals shall be provided by branches and/or offices.

Cash shall be received against the respective withdrawal order – specification in the format contained in Schedule 3 to this Decision which shall form part thereof.

8. Authorised officers of banks shall always count the cash received in the presence of officers of the respective branches and/or offices for the purpose of verifying its numerical accuracy. Branches and/or offices shall provide for adequate conditions to count cash.

Having verified the numerical accuracy relating to cash referred to in paragraph one hereof, authorised officers referred to in the same paragraph shall certify the accuracy of the amount received by their signatures and stamp of a bank on the withdrawal order – specification (in four copies).

Cash shall be withdrawn by banks in branches and/or offices on business days until 04:00 p.m.

9. In cases where cash has not been taken over by a bank until the time specified in Section 8, paragraph three hereof, any such amount shall be transferred by the Department to such bank's giro account by the end of working hours of the Department (04:30 p.m.).

In cases where any transfers to the account of the National Bank of Serbia referred to in Section 5, paragraph one of this Decision have been arranged by banks after the time specified in paragraph one hereof, the transferred funds shall be returned by the Department to the respective giro accounts of such banks on the following business day at the time the RTGS is opened for operation, as provided by the Daily Term Schedule.

10. Banks shall be required to process cash and to separate any money that is worn, damaged, taken out of circulation or produced with errors subject to the guidelines referred to in Section 23 hereof.

Processed cash shall be delivered by banks to branches and/or offices, as the surplus of cash in circulation and/or as money that is worn, damaged, taken out of circulation or produced with errors.

Any delivered cash referred to in paragraph two hereof shall be accompanied by deposit orders – specifications issued by banks in four copies and certified by two officers authorised by a bank in respect of each type of money delivered by it.

The cash deposit order – specification form is contained in Schedule 4 to this Decision and shall form part thereof.

11. Cash may be deposited by banks in branches and/or offices on business days until 04:00 p.m. against the respective cash deposit orders – specifications submitted at the time such cash is delivered.

At the time cash is deposited, i.e. delivered such cash may be counted in the presence of authorised officers.

12. After any cash has been accepted, and its numerical accuracy previously verified, authorised officers in branches and/or offices shall confirm the acceptance and accuracy of such cash by certifying the respective deposit orders – specifications in four copies of which two copies shall be delivered to authorised officers of a bank.

13. In cases where it may not be possible to immediately verify the numerical accuracy relating to cash at the time it is being accepted, authorised officers in branches and/or offices shall confirm the acceptance of the declared amount of such cash by certifying the respective cash deposit orders – specifications in four copies of which two copies shall be delivered to authorised officers of a bank.

Authorised officers of branches and/or offices shall include a note in the respective cash deposit orders – specifications whereby they shall reserve the right to make adjustments to giro accounts of banks for any differences between the declared amount and the amount of received cash as established by control counting.

14. Any cash referred to in Sections 12 and 13 hereof shall be transferred by the Department to the respective giro accounts of banks.

15. Should any differences (deficit/surplus) be discovered while verifying the numerical accuracy relating to cash referred to in Sections 12 and 13 hereof, the procedures shall be as follows:

- Any discovered deficit shall immediately be covered by a bank which shall deposit the insufficient amount of cash;
- Any discovered deficit not immediately covered by a bank shall be debited to such bank's giro account by the Department;
- Any discovered surplus shall immediately be returned to a bank or transferred to its account.

16. In cases where any cash is suspected to have been counterfeited, banks shall be required to act in the manner provided by the guidelines referred to in Section 23 hereof.

17. Other transactions relating to cash shall also be arranged for banks by the National Bank of Serbia subject to the respective agreements to be entered between banks and the National Bank of Serbia whereby their mutual rights and obligations shall be governed.

18. Fees for services relating to cash transactions shall be charged and payable subject to the decision governing the uniform fees and commissions charged for services provided by the National Bank of Serbia.

19. Should it be found in the course of supervision that any bank has failed to comply with this Decision and applicable regulations based thereon, the National Bank of Serbia shall take measures in respect of such bank as provided by the law.

20. Cash shall be supplied to and deposited by holders of accounts with the National Bank of Serbia under the terms and in the manner applicable to banks as provided by this Decision.

21. A bank may make cash available to other bank provided that the latter has previously arranged for transfer from its giro account to the account of the former equal to the amount of cash to be made available.

22. For the purposes of this Decision, bank/s shall mean the bank/s referred to in Article 2, Section 10, indent under (a) of the Law on Payment Transactions.

23. The respective guidelines for the implementation of this Decision shall be issued by the Governor of the National Bank of Serbia.

24. As of the day this Decision became effective, the Decision on the Requirements for and Manner of Supplying Banks with Banknotes and Coins («FRY Official Gazette No. 65/2002, 71/2002 and 72/2002) shall cease to apply.

25. This Decision shall become effective on the day following the date it was published in the »Official Gazette of the Republic of Serbia«.

No. 77
December 23, 2003
B e l g r a d e

G o v e r n o r
of the National Bank of Serbia

Kori Udovički