

According to the Articles 49 and 58 of the Law on the Central Bank of Bosnia and Herzegovina ("Official Gazette of BiH", No: 1/97, 29/02, 13/03, 14/03, 9/05, 76/06 and 32/07) and the Article 52 of the By Law of the Central Bank of Bosnia and Herzegovina, GB No: 120/05 as of 29 June, 2005, the Governing Board of Bosnia and Herzegovina at its 5th session as of 28 May, 2007 brought

the DECISION
on Setting up of the Clearing of International Payments

Article 1

This Decision defines the way in which the Central Bank of Bosnia and Herzegovina organizes and performs the interbanking net settlement of international payments (hereinafter: clearing of international payments).

Article 2

Clearing of the international payments is performed for the banks with the seat in the territory of Bosnia and Herzegovina with whom the Central Bank of Bosnia and Herzegovina (hereinafter "Central Bank") has signed the Contract for providing the clearing of the international payment and for banks from the territory of the state with whose Central Banks, this Central Bank has signed the Agreement on net settlement of the international payments.

Article 3

A bank with the seat in the territory of Bosnia and Herzegovina in terms of this Decision is the bank that has the license for performing the foreign currency operations issued by the relevant Bosnia-Herzegovina agency/authority for the banking supervision (hereinafter: the bank).

Article 4

The clearing of the international payments is performed as the net settlement through the bank's account with the Central Bank, in accord with the provisions delivered according to this Decision.

Article 5

The condition for the performance of the clearing of international payments with banks from other states is that the Central Bank concludes the Agreement with the Central Bank of that state in order to perform the clearing of international payments, and clearing of international payments is performed in accord to that Agreement and according to the Rules for the

settlement of international payments clearing which shall be the integral part of the Agreement and the authorization of bank for debiting the bank's reserve account according to the net position from the multilateral settlement in clearing.

Article 6

The Operating Rules for the clearing of international payments shall define the way and terms of clearing of international payments, the measures of protection and responsibility, the limit of the net positions, the provisioning for clearing performance, the acceptance of orders, the way of payments execution, finality of settlement, terms plan of clearing execution, the exclusion from the clearing of international payments, the system working hours and the fee for performance of the clearing services for international payments.

Operating Rules from the Paragraph 1 of this Article are provided for all participants in clearing of the international payments.

Article 7

Banks participating in the clearing of international payments deliver the data on their obligations from the international payments to the Clearing Operator by electronic mail, in accord to the Operating Rules.

Clearing Operator, after receiving the electronic data of banks participating in clearing of international payments, settles multilateral amounts from the international payments and he delivers the report on net positions of the multilateral settlement for all banks from Bosnia and Herzegovina to the Central Bank.

The Central Bank debits and credits the account of the bank according to the settlement for net positions.

The clearing participants are informed on the performed clearing of international payments, i.e. on debiting and crediting according to the net position and in line with this Decision and the Operating Rules.

Article 8

The Central Bank is obliged to inform regularly the banks on eventual failures and other problems related to the performance of jobs mentioned in the Decision.

Article 9

Herein we authorize the Governor of the Central Bank to deliver the enactments necessary for the implementation of this Decision.

Article 10

This Decision enters in force on the day of its delivery and it shall be implemented on the day following the day of its publishing in “ the Official Gazette of BiH», and it shall be also published in Official Gazettes of Entities and Brčko District of Bosnia and Herzegovina.

GB No: 264/07
May 28, 2007
Sarajevo

Chairman of the
Governing Board of the Central Bank
of Bosnia and Herzegovina
G O V E R N O R

M.Sc. Kemal Kozarić