

Pursuant to Article 89 of the Banking Law of Republika Srpska ("Official Gazette of Republika Srpska" No. 4/17, 19/18 and 54/19), Article 5, Paragraph 1, Item b, Article 20, Paragraph 2, Item b and Article 37 of the Law on the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska" No. 59/13 and 4/17), and Article 6, Paragraph 1, Item b and Article 19, Paragraph 1, Item b of the Statute of the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska" No. 63/17), the Management Board of the Banking Agency of Republika Srpska, at the 51st session, held on 6 April 2023, adopted the

DECISION
ON AMENDMENTS TO THE
DECISION ON THE BANK MANAGEMENT SYSTEM

Article 1

In the Decision on the bank management system ("Official Gazette of Republika Srpska" No. 62/21 and 26/22), after Article 22, a new Article 22a shall be added and read as follows:

"(1) A bank is obliged to, by appropriate internal acts, separately define the process of issuing, i.e. amending its acts governing the fees it charges for providing payment services (hereinafter: the tariff), in particular the following:

- 1) the process of decision making on tariff modification, as well as all issues the bank is taking into account before making a decision on tariff modification;
- 2) mechanism of forming prices for providing services contained in the tariff;
- 3) manner (methodology) in which the justification analysis of the planned tariff modification is being carried out;
- 4) method by means of which the compliance of intended tariff modification with relevant regulation is being reviewed.

(2) Tariff modification referred to in Paragraph 1 of this Article shall mean every modification of the valid tariff in accordance with which the bank would charge higher fee for providing payment services in comparison to the fee it charges for those services in line with the existing tariff, i.e. each introduction of new fees in relation to the fees defined by the existing tariff.

(3) Payment services, in a sense of this Article, shall mean all payment services in a sense of the law governing those services, regardless whether those services are being provided based on the framework contract on payment services or contract on single payment transaction in a sense of these laws, as well as other services that are being provided to the service beneficiary in relation to the transaction account, i.e. within the package of services related to that account (for example, notification on initiated or executed payment transactions, change of personalized security elements of the payment instrument, balance check and similar).

(4) A bank shall be obliged to, before tariff medication, in accordance with the acts referred to in Paragraph 1 of this Article, undertake the following activities:

- 1) conduct in-depth analysis of the planned tariff modification, which should contain at least the following:
comparative review of the tariff before and after intended modification, method of notifying payment service beneficiary on intended tariff modification, justification assessment of the planned tariff modification with precise reasons for increase in existing prices, used mechanisms

of forming increased prices, disclosed detailed structure of costs by types and changes in these costs due to which the bank is proposing the tariff modification (for example, change in costs in relation to the participation in the payment systems, i.e. in relation to the participation in card payment systems in a sense of the law governing inter-banking charges and special rules of operations with payment transactions based on payment cards), as well as the impact assessment of the tariff modification on the bank profitability;

2) ensure in written form explained opinion of the compliance control function on the compliance of that modification with relevant regulation and bank internal acts.

(5) Before making a decision on tariff modification, a bank is obliged to take into account the analysis results, as well as the opinion of the compliance control function referred to in Paragraph 4 of this Article.

(6) A bank is obliged to notify the Agency on the tariff modification no more than 45 days before planned adoption of that modification, and apart from the said notification, deliver the analysis and data, as well as the opinion of the compliance control function referred to in Paragraph 4 of this Article (hereinafter: documentation).

(7) Deadline referred to in Paragraph 6 of this Article shall start on the day of delivering complete documentation.

(8) If based on the notification referred to in Paragraph 6 of this Article the Agency requested supplementing the documentation, it may determine an appropriate deadline before the expiration of which, the bank cannot deliver supplemented documentation.

(9) Deadline referred to in Paragraph 8 of this Article cannot be longer than six months.”

Article 2

In Article 82, Paragraph 7 shall be amended and read as follows:

“A bank is obliged to ensure that the bank governing body member is familiar with the bank’s expectations in relation to time availability. A bank is obliged to document that the bank governing body member is prepared and able to devote sufficient amount of time in order to perform his/her function.”

Article 3

This Decision shall come into force on the eighth day from the day of its publication in the “Official Gazette of Republika Srpska”.

Number: UO-418/23

Date: 6 April 2023

PRESIDENT OF THE
MANAGEMENT BOARD
Bratoljub Radulović