

Pursuant to Article 291 of the Banking Law of Republika Srpska (“Official Gazette of Republika Srpska”, No.: 04/17), Article 5, Paragraph 1, Item b, Article 20, Paragraph 2, Item b and Article 37 of the Law on Banking Agency of Republika Srpska (“Official Gazette of Republika Srpska”, No.: 59/13 and 4/17), and Article 6, Paragraph 1, Item b of the Statute of Banking Agency of Republika Srpska (“Official Gazette of Republika Srpska”, No.: 63/17), the Management Board of the Banking Agency of Republika Srpska, on its session held on 25 July, 2017 issued the

DECISION
ON AMENDMENTS TO THE DECISION
ON MINIMUM STANDARDS FOR FOREIGN
EXCHANGE RISK MANAGEMENT OF BANKS

Article 1

In the Decision on minimum standards for foreign exchange risk management of banks (“Official Gazette of Republika Srpska”, No.: 12/03, 53/03 and 85/04), Article 1 shall be changed and read as follows:

“This Decision shall define the manner of calculating net open foreign exchange position of a bank and the largest allowed exposure to foreign exchange risk.”

Article 2

Articles 2, 3, 4 and 5 shall be deleted.

Article 3

Article 7 shall be changed and read as follows:

“(1) The bank shall conduct FX activities only within the scope referred to in this Article, calculated in relation to the amount of the bank’s eligible capital, defined by Article 109, Paragraph 4 of the Banking Law of Republika Srpska.

(2) Limitations of the bank’s FX activities in relation to eligible capital, in a sense of this Article shall amount:

- 1) for individual overnight FX position of the bank, except in EUR, max. up to 20%,
- 2) for individual overnight FX position of the bank in EUR, max. up to 30% and
- 3) for the bank FX position max. up to 30%.”

Article 2

This Decision shall come into force on the 8th day from the date of its publication in the “Official Gazette of Republika Srpska.

Number: UO-285/17

Date: 25 July, 2017

PRESIDENT OF THE
MANAGEMENT
BOARD
Mira Bjelac