



Based on Articles 4, 9 and 25 of Law on Banking Agency of the Federation of Bosnia and Herzegovina ("Official Gazette of the Federation of BiH", number 9/96, 27/98, 20/00, 45/00, 58/02, 13/03, 19/03, 47/06, 59/06 and 48/08) and Article 46 of Law on Banks ("Official Gazette of the Federation of BiH", number 39/98, 32/00, 48/01, 27/02, 41/02 and 58/02, 13/03, 19/03 and 28/03), Management Board of the Banking Agency of the Federation of Bosnia and Herzegovina, at its session held on June 24th 2009, enacts

DECISION

ON AMENDMENTS TO DECISION ON UNIFORM METHOD OF THE EFFECTIVE INTEREST RATE

ACCRUAL AND REPORTING ON LOANS AND DEPOSITS

Article 1

In Decision on Uniform Method of the Effective Interest Rate Accrual and Reporting ("Official Gazette of the Federation of BiH", number 27/07), after Article 10, a new Article 10a is added to read:

"In case banks and MCOs in their contracts on loans or contracts on deposits (in case of banks) stipulate a possibility of the nominal interest rate changes (variable interest rate) as an element of the effective interest rate accrual, and which has an influence to the amount of an individual installment from the loan repayment schedule, that is, deposit payout schedule, banks and MCOs must clearly define conditions of such changes in the mentioned contracts.

Banks and MCOs are obliged to inform customers in the written form of the changes specified in Article 1 of this Article, and at latest within 30 days."

Article 2

After Article 10a, a new Article 10b is added to read:

"In case of an advance repayment of loan, banks and MCOs cannot accrue and collect fee for contract termination in the percentage amount higher than the amount applied in the loan processing.

The fee accrual basis specified in Paragraph 1 of this Article is comprised of the remaining debt (principle) as of the date of the advance repayment."

Article 3

This Decision becomes effective as of the eight day of its publishing in "the Official Gazette of the Federation of BiH".

Number U.O-13-20/09
June 24th 2009
Sarajevo

Chairman of
Management Board
Mr. sc. **Haris Ihtijarević**, signed