

Pursuant to Article 4, item 3) and Article 14, paragraph 1, item 11) of the Law on the National Bank of Serbia (RS Official Gazette, Nos 72/2003, 55/2004, 85/2005 – other law, 44/2010, 76/2012, 106/2012, 14/2015, 40/2015 – CC decision and 44/2018), and in reference to Article 13j, paragraph 5 of the Law on Financial Leasing (RS Official Gazette, Nos 55/2003, 61/2005, 31/2011, 99/2011 – other law and 99/2011 – other law), the Executive Board hereby issues the following

**DECISION**  
**ON TEMPORARY MEASURES FOR FINANCIAL LESSORS TO MITIGATE**  
**THE CONSEQUENCES OF THE COVID-19 PANDEMIC WITH THE AIM OF**  
**PRESERVING FINANCIAL SYSTEM STABILITY**

1. This Decision sets out the measures and activities which a financial lessor (hereinafter: lessor) is required to apply to mitigate the financial consequences of the COVID-19 pandemic on citizens and corporates, with the aim of preserving financial system stability in the Republic of Serbia.

2. A lessor shall offer to lessees – natural persons, farmers, entrepreneurs and companies (hereinafter: borrowers) a suspension in the repayment of obligations (moratorium) based on financial lease agreements within three days after this Decision enters into force.

A lessor must publish the notification on the offer referred to in paragraph 1 hereof (hereinafter: offer) on its website, whereby the offer shall be considered to have been submitted to all borrowers.

The notification on the offer shall contain precise and complete information pertaining to:

- start of application and period of validity of the moratorium in accordance with this Decision;
- calculation of interest during the moratorium;
- calculation of VAT based on interest calculated during the moratorium;
- method of the repayment of obligations after the moratorium, including obligations based on interest on the tax calculated during the moratorium;
- representative example of the amount of obligations under a financial lease agreement – before and after the moratorium until the end of the repayment period, which shall contain all elements based on which it is possible to determine the conditions under which the moratorium is applied;

- possible ways of repaying obligations after the moratorium within the meaning of Section 5, paragraph 6 hereof.

A lessor may also offer to the borrowers other facilities concerning the repayment of obligations based on the financial lease agreement.

3. A borrower may refuse the offer under each financial lease agreement:

- electronically (by completing the form on the lessor's website or by sending notification by email at the address published on the lessor's website for these purposes);
- by post;
- by telephone (dialling the number published on the lessor's website for these purposes);
- on the lessor's business premises by completing the form.

If the borrower does not reject the offer within ten days from the publication of the notification on the offer, he shall be considered to have accepted the offer, and the moratorium shall apply to his obligations which fall due from 1 August 2020 to 30 September 2020.

If the borrower did not settle the obligations referred to in Section 2, paragraph 1 hereof which fell due in July 2020, the moratorium – except for obligations falling due from 1 August 2020 to 30 September 2020 – shall also apply to his outstanding obligations which fell due in July 2020.

A lessor shall enable to the borrower to waive the application of the moratorium during its validity under each financial lease agreement, if the borrower requests so from the lessor, in line with the procedure of refusing the offer referred to in paragraph 1 hereof, and if he makes full payment of the due but outstanding obligation covered by the moratorium.

If the borrower waives the application of the moratorium in the manner referred to in paragraph 4 hereof, he shall be considered not to have accepted the offer and/or the moratorium.

4. During the moratorium, a lessor shall not calculate the default interest on the outstanding receivable which fell due during the moratorium, shall not initiate the enforcement or enforced collection procedure against the borrower, and/or shall not undertake other legal actions to collect receivables from the borrower.

A lessor shall calculate regular (contracted) interest during the moratorium.

A lessor shall calculate regular (contracted) interest on the debt which has not fallen due (which does not include obligations which fall due during the moratorium) and the interest calculated in such way shall correspond to the amount of regular interest in accordance with the repayment schedule valid before this Decision entered into force.

By way of exception from paragraph 3 hereof, if a borrower is a company, a lessor may also calculate regular (contracted) interest on the amounts of debt principal which fall due during the moratorium.

5. After the moratorium, regular interest calculated in the manner referred to in Section 4 hereof shall be evenly distributed to the lease repayment period and shall not be accrued to the debt principal, and the repayment period shall be extended by the period of the validity of the moratorium.

The default interest calculated during the moratorium on receivables which fell due before the start of application of the moratorium shall be evenly distributed to the lease repayment period and shall not be accrued to the debt principal.

A lessor shall compile a new repayment schedule extended by the period of the validity of the moratorium.

A lessor shall submit a new repayment schedule by email or post to all borrowers who used the moratorium, without additional cost to the borrower.

The repayment schedule referred to in paragraph 3 hereof must be compiled in the way ensuring that the borrower is fully informed about all elements of obligations and the way of their settlement (including the balance of debt before and after the moratorium, presentation of annuities by specifying the exact amount of the principal and interest until the end of the new repayment period, maturity deadline, effective interest rate), and must also contain other data prescribed by the National Bank of Serbia's decision regulating the terms and conditions of calculating the effective interest rate and the layout and content of forms delivered to the user.

Within seven days from the submission of the repayment schedule referred to in paragraph 3 hereof, instead of repaying his obligations in the way defined by paragraph 1 hereof, the borrower may request from the lessor to settle after the moratorium:

1) all obligations under a financial lease agreement which were covered by the moratorium (all annuities from the period of the moratorium – principal and regular interest);

2) all obligations under regular interest calculated during the moratorium, along with the extension of the lease repayment deadline by the period of the validity of the moratorium.

When submitting the repayment schedule referred to in paragraph 3 hereof, a lessor shall clearly present to the borrower the possibility of repayment in the manner referred to in paragraph 6 hereof, including the deadline prescribed in that paragraph, during which the borrower may request a different repayment method after the moratorium.

6. In its internal acts, a lessor shall regulate:

– authorisations and responsibilities in the process of implementing the measures and activities referred to in this Decision;

– the system for monitoring and reporting in the lessor and reporting to the National Bank of Serbia on the activities and measures referred to in this Decision and the results of their application;

– types of facilities referred to in Section 2, paragraph 4 hereof and the conditions for their application;

– procedure for communication with borrowers within the meaning of this Decision.

A lessor shall submit the acts referred to in paragraph 1 hereof to the National Bank of Serbia immediately upon their adoption.

7. A lessor shall submit to the National Bank of Serbia a report on the activities implemented and measures taken in accordance with this Decision, and the results of such activities and/or measures – in the form *Moratorium DL* printed as Annex 1 along with this Decision.

The lessor shall submit the report referred to in paragraph 1 hereof with the balance as at the last calendar day of the previous month, by no later than 15<sup>th</sup> day in the month.

A lessor must submit the first report referred to in paragraph 1 hereof with the balance as at 10 August until 14 August 2020.

The report referred to in paragraph 1 hereof shall be submitted until 15 October 2020.

8. A lessor may not require from the borrower to compensate any costs relating to the taking of measures and activities in accordance with this Decision.

9. A lessor shall harmonise its internal acts with the provisions of this Decision within five days from the date when this Decision enters into force.

10. This Decision shall apply to obligations under financial lease agreements concluded before this Decision entered into force.

11. If a borrower who informed a lessor that he refuses the offer makes the lease payment via a standing order, the lessor shall, without delay, inform thereof the bank through which such payments are made, so as not to suspend payment and/or reactivate the standing order and make payment to the lessor.

If a borrower who informed a lessor that he refuses the offer makes the lease payment via wage garnishment, the lessor shall, without delay, inform thereof the employer and/or the Pension and Disability Insurance Fund of the Republic of Serbia, so as not to suspend the transfer of funds and/or and make payment to the lessor.

If the employer or the Pension and Disability Insurance Fund make the transfer of funds based on wage garnishment from the day this Decision enters into force, within the regular lease repayment during the moratorium, and the borrower accepted the moratorium in accordance with this Decision, the lessor shall make the transfer of funds to the borrower's account with the bank and/or enable the payment with the bank on the borrower's order.

12. This Decision enters into force on the day following its publication in the RS Official Gazette.

NBS EB No 103  
27 July 2020  
Belgrade

Chairperson  
Executive Board  
National Bank of Serbia  
Governor  
National Bank of Serbia

Dr Jorgovanka Tabaković, sgn