“RS Official Gazette”, No. 129/2007, 63/2008 and 112/2008

Pursuant to Article 21, paragraph 1 of the Law on the National Bank of Serbia (“RS Official Gazette”, No. 72/2003 and 55/2004) and Article 28, paragraph 6, Article 33, paragraph 6 and Article 36 of the Law on Banks (“RS Official Gazette”, No. 107/2005), the Governor of the National Bank of Serbia hereby issues the following

D E C I S I O N
ON RISK MANAGEMENT BY BANKS

1. This decision sets out detailed conditions and manner of identifying, measuring, assessing and managing risks, other than liquidity risk and compliance risk, to which a bank is exposed in its operations, as well as the method of calculating specific business indicators relating to risk management and setting limits pertaining to such risks.

2. In its operations, a bank is exposed to the following risks in particular:

1) credit risk,
2) interest rate risk,
3) foreign exchange and other market risks,
4) exposure risks,
5) investment risks,
6) risks relating to the country of origin of the person to which the bank is exposed,
7) operational risk.

3. To manage its risk exposure, a bank shall set up a risk management system, which shall form part of the bank’s uniform risk management system. In particular, the bank shall be required to:

1) define risk management objectives and principles;
2) define adequate risk management rules (procedures);
3) organize risk management in a manner which corresponds to the scope, type and complexity of its operations;
4) set up an information system to support risk management;
5) specify risk procedures (risk identification, measurement and/or assessment, mitigation and monitoring);
6) put in place an adequate system of internal controls for risk management;
7) set up a process of internal assessment of the bank’s capital adequacy.

4. Definition of risk management objectives and principles shall include in particular:

– definition of risks as employed by the bank;

– bank’s long-term objectives relating to acceptable risk profile and risk exposure;

– bank’s approach to managing individual risks;

– types of risk limits employed by the bank;

– principles for risk management organization;

– principles of internal assessment process for the bank’s capital adequacy.

5. Definition of adequate rules (procedures) for risk management shall include in particular:

– organization of risk management of the bank, including description of such organization;

– assessment of the bank’s risk profile and the methodology for risk identification, measuring and/or assessment;

– functioning of the bank’s internal controls system;

– implementation of the internal capital adequacy assessment process.

6. Organization of risk management that corresponds to the scope, type and complexity of the bank’s operations shall include:

– setting up organizational structure that provides for achieving the set risk management objectives and principles;

– specification of responsibilities of the persons included in the bank’s risk management system;

– detailed specification of responsibilities of bodies and organizational units of the bank to prevent conflict of interests;

– exchange of information within the bank’s risk management system;

– providing information on the risk management objectives and principles to all persons included in the bank’s risk management system.

7. Setting up an information system to support risk management means establishing such system that will provide data for timely and continuous management of risks to which the bank is exposed in its operations, compliance with prudential limits prescribed by the Law on Banks and regulations enacted by the National Bank of Serbia, as well as compliance with the bank’s rules and procedures.

The bank’s information system should correspond to the scope, type and complexity of the bank’s operations and should enable:

– collection of information on risks on different levels of aggregation, measurement of individual risks and groups of risks, and comparison of recorded risk levels with risk limits. Different levels of aggregation mean grouping of data by selected criteria (individual risk, geographical region, currency, bank's organizational unit, bank's portfolio, type of transactions, contractual party, etc.);

– accurate assessment of individual positions;

– access to information by persons responsible for risk management.

8. Specification of risk procedures includes defining procedures for risk identification, measurement and/or assessment, mitigation and monitoring.

Procedures for risk identification shall enable timely and detailed identification of risks to which the bank is exposed, and analysis of causes for occurrence of such risks.

Procedures for risk measurement and/or assessment shall enable creation of quantitative and/or qualitative assessment of measurable and non-measurable risks identified by the bank.

Procedures for risk mitigation shall include measures and rules for their implementation related to taking, reducing, diversifying, transferring and avoiding the risks identified and measured and/or assessed by the bank.

Procedures for risk monitoring shall include rules on liabilities, frequency and methods applied in monitoring risks to which the bank is exposed, in such a way as to achieve an acceptable risk profile of the bank.

9. Putting in place an adequate internal controls system for risk management shall enable collection of relevant and accurate data relating to risk management and creating a database thereof, as well as timely and efficient monitoring of all activities relating to risk management and control of compliance of this system with the bank's rules and procedures.

The bank's internal controls system shall include:

– adequate control activities implemented by the bank's executive board, persons responsible for risk management and bank's employees;

– regular assessment of adequacy, reliability and efficiency of this system in risk management, conducted by the internal audit division.

The internal controls system specified herein shall ensure provision of timely information to the bank's organizational units and persons responsible for risk management of any detected deficiencies, application of measures to eliminate such deficiencies and possible changes to the risk management system when deemed necessary.

10. Setting up an internal assessment process for the bank's capital adequacy means setting up a process based on risk management objectives and principles, as well as on identification, measurement and/or assessment and monitoring of the risks to which the bank is exposed in its operations, in order to assess the level of capital necessary to cover risks.

The process referred to in paragraph 1 hereof shall be consistent with the scope, type and complexity of the bank's operations.

11. *Credit risk* is the risk of negative effects on the bank's financial result and capital caused by the borrower's default on its obligations to the bank.

Credit risk of the bank is contingent on creditworthiness of the borrower, timeliness in performance of obligations to the bank, and the quality of security pledged to the bank. Credit risk shall be identified, measured and/or assessed and monitored in accordance with the decisions on classification of bank balance sheet assets and off-balance sheet items and/or capital adequacy.

To mitigate credit risk and the likelihood of adverse effects on financial result and capital of the bank on account of the borrower defaulting on its obligations, a bank may assign the matured receivables to a legal entity in the Republic of Serbia engaged primarily in financial activity in the Republic, if the bank had previously made an effort to collect such receivables from the borrower and the bank and such legal entity are not related parties within the meaning of the law on banks. The bank may not assign such receivables to several legal entities at one time.

12. *Interest rate risk* is the risk of negative effects on the financial result and capital of the bank caused by changes in the level of interest rates. The bank is exposed to such risk in respect of its banking book positions.

In particular, the bank shall examine its exposure to the following risk factors:

1) maturity mismatch (for items with fixed interest rate) and repricing risk (for items with variable interest rate), in respect of individual items of assets and liabilities and in respect of bank's off-balance sheet items;
2) basis risk (the risk of imperfect correlation between income rate and expense rate on different interest-sensitive items with otherwise similar characteristics in terms of maturity and/or repricing);
3) optionality risk embedded in interest-sensitive items of assets and liabilities and off-balance sheet items of the bank.

For its own use, the bank shall be required to prepare reports on the exposure to the risks referred to in paragraph 2 hereof.

For its own use, the bank may also analyze the risk occurring when changes in the yield curve have negative effect on the financial result and the economic value of the bank's capital – yield curve risk – and prepare a report thereon.

When determining exposure to the interest rate risk, the bank shall assess negative effects of changes in the interest rate on the bank's financial result (profit and loss account) and the economic value of its capital.

Assessment of the bank's interest rate risk shall include the assessment of its losses in normal and extraordinary market conditions. When determining loss limits, the bank shall take into account the level of its capital and income.

Loss limits shall be based on the assessed risk level and highest permissible loss in a specific time period. The bank shall regularly review its loss limits.

Banks exposed to significant interest rate risk in different currencies shall assess such risk separately for each currency.

The frequency of checking interest rate risk should be consistent with the bank's exposure to such risk, size of the bank and activities causing a change in the bank's exposure to such risk.

13. Market risks are the risks of negative effects on the financial result and capital of the bank caused by changes in the value of the portfolio of financial instruments. Market risks include exchange rate risk and other market risks.

Assessment of the bank's market risks shall include the assessment of its losses in normal and extraordinary market conditions. When determining loss limits, the bank shall take into account the level of its capital and income.

Loss limits shall be set in line with the assessed risk level and highest permissible loss in a specific time period. The bank shall regularly review its loss limits.

The bank shall monitor market risks by engaging in daily examination of trading book positions, compliance with set limits, and trading activity results. Reports on examination of trading book positions shall contain a review of current and cumulative results at monthly and annual levels.

For its own use, the bank shall be required to prepare reports on examination of trading book positions and the set limits, which shall contain an overview of open positions by type of transaction or by risk and/or organizational unit, as well as an overview of relevant limits and compliance with them. The bank shall organize daily examination of non-compliance with limits and shall notify the bank's executive board of each such instance without delay.

14. *Foreign exchange risk* is the risk of negative effects on the financial result and capital of the bank caused by changes in the exchange rate. The bank may be exposed to such risk in respect of its banking book and trading book positions. Foreign exchange risk ratio represents the ratio between the bank's total net open foreign currency position (including the absolute value of net open position in gold) and bank's capital, calculated in accordance with the decision on capital adequacy of banks.

The bank shall maintain the balance of assets and liabilities so as to ensure that its total net open foreign currency position (including the absolute value of net open position in gold) at the end of any business day does not exceed 10% of its capital.

The bank whose foreign exchange risk ratio exceeds the percentage referred to in paragraph 2 hereof during two successive business days shall notify the National Bank of Serbia thereof on the following business day.

The bank shall submit reports on the foreign exchange risk ratio to the National Bank of Serbia in accordance with the manner, form and deadlines as defined in the reporting guidelines for banks.

15. *Other market risks* include price risk on debt securities, price risk on equity securities, settlement/delivery risk and counterparty risk, in accordance with the decision on capital adequacy of banks.

16. *Exposure risks* include risks of the bank's exposure to one person or a group of related persons and risks of the bank's exposure to a person related to the bank.

17. Aggregate exposure of the bank to a one person or a group of related persons represents the sum total of all balance sheet receivables and off-balance sheet items relating to such person or a group of related persons, excluding:

– demand deposits and term deposits up to seven days with banks rated at least BBB in the most recent Standard&Poor's or Fitch-IBCA rating or at least Baa3 in the most recent Moody’s rating, excluding any portion of such balances serving as security for the settlement of undertaken obligations;

– receivables from the National Bank of Serbia or the Republic of Serbia and receivables secured by their unconditional guarantees payable on first demand;

– receivables from the governments and central banks of the member countries of the Organization for Economic Cooperation and Development and receivables secured by their unconditional guarantees payable on first demand;

– receivables backed by securities issued by the National Bank of Serbia or the Republic of Serbia;

– covered letters of credit with coverage allocated in a special short-term deposit account for the purpose of letter of credit coverage, up to the amount of such coverage;

– receivables secured by cash deposits with a bank, in the amount of such deposits, provided that they were agreed to serve as security against such receivables, that the maturity of such deposits matches the maturity of the respective receivables, and that such deposits in the amount equal to outstanding receivables due are available for disposal solely to the bank;

– receivables secured by unconditional guarantees payable on first demand issued by banks rated at least BBB in the most recent Standard&Poor’s or Fitch-IBCA rating or at least Baa3 in the most recent Moody’s rating, excluding however any unconditional guarantees issued by a bank which is a majority shareholder of the bank or a bank belonging to the same banking group, unless a prior written approval has been obtained from the National Bank of Serbia which is granted if the bank has submitted a list of valid guarantees and the decision whereby the managing board of such bank confirms its obligation to duly exercise such guarantees, and if the amount of the valid guarantees does not exceed the fourfold value of the bank’s capital at the time of their issue;

– deductions from the bank’s capital referred to in Section 3, paragraph 2, indents 1, 2 and 3 of the Decision on Capital Adequacy of Banks (“RS Official Gazette”, No. 129/2007).

The sum total of all balance sheet receivables and off-balance sheet items from paragraph 1 hereof shall be the sum of net bookkeeping values of balance sheet receivables, bookkeeping values of off-balance sheet items reduced by reserves for losses on off-balance sheet assets and multiplied by credit conversion factors, as well as the amount of total costs of replacement of derivatives not traded in the stock exchange market.

Total replacement costs from paragraph 2 hereof represent the original exposure of a derivative, and/or the sum of current and potential credit exposure of such derivative, depending on the method applied by banks for the calculation of the amount of derivatives not traded in the stock exchange market which is included in the credit risk-weighted assets, in accordance with the decision on capital adequacy of banks.

Exposure of the bank to one person or a group of related persons may not exceed 25% of the bank's capital.

18. Large exposure of the bank to a single person or a group of related persons means exposure of at least 10% of the bank's capital.

The sum total of all large exposures of the bank shall not exceed 400% of the bank's capital.

For the purposes hereof, the sum total of all large exposures of the bank includes the bank's exposure to related persons of the bank.

19. Bank's exposure to a person related to the bank shall not exceed 5% of the bank's capital. For the purposes hereof, person related to the bank shall not mean a member of the banking group included in the consolidated financial statements by applying the full consolidation method.

Provisions of Section 17 hereof shall be applied to the calculation of total exposure of the bank to a related person.

Bank's total exposure to related persons of the bank shall not exceed 20% of the bank's capital.

20. *Investment risks* include the risks of bank's investment in other legal entities and in fixed assets.

Bank's investment in a single non-financial sector entity shall not exceed 10% of its capital. Such investment shall be understood to mean an investment based on which the bank acquires a stake in or shares of a non-financial sector entity.

Bank's total investments in non-financial sector entities and in fixed assets of the bank shall not exceed 60% of the bank's capital, provided however that this limit does not apply to the acquisition of shares for the purpose of their resale within six months from the date of their acquisition.

21. *Risks relating to the country of origin of the entity to which a bank is exposed* (hereinafter: country risk) are the risks of negative effects on the financial result and capital of the bank due to the bank's inability to collect receivables from such entity for reasons arising from political, economic or social circumstances in such entity's country of origin.

Country risk shall include:

– political-economic risk, which shall be understood to mean the possibility of losses arising from the bank's inability to collect receivables due to the restrictions established by the enactments of government and other authorities of the borrower's country, as well as general and systemic circumstances in the country;

– transfer risk, which shall be understood to mean the possibility of losses arising from the inability to collect receivables in a currency that is not the official currency of the borrower's country, due to the restrictions on payment of obligations to creditors from other countries in a specific currency, established by the enactments of government and other authorities in the borrower's country.

The bank shall determine limits of exposure to country risk individually by a borrower's country of origin, or by region in case of concentration of exposure on a specific geographic area.

22. *Operational risk* is the risk of negative effects on the financial result and capital of the bank caused by human error, inadequate internal procedures and processes, inadequate management of the information system and other systems in the bank, as well as by unforeseeable external events.

The bank shall identify, assess and monitor operational risk in all materially significant products, activities, processes and systems and shall, prior to introduction of new products, activities, processes or systems, apply adequate procedures for assessing the operational risk that may arise with their introduction.

23. The bank shall identify all events that may represent sources of operational risk and classify such events into categories given in the form (Annex 1) which is integral hereto. The following event categories shall be deemed to represent sources of operational risks:

1) internal frauds;
2) external frauds;
3) omissions in employee relations and workplace safety system;
4) problems in client relations, placement of products and business practices;
5) damage to physical property;
6) disruption in bank operations and system errors;
7) execution, delivery and process management.

24. In accordance with its organization and activity, the bank shall monitor the event categories referred to in Section 23 hereof for the following transactions and/or business lines:

1) financing of the economy,
2) trade and sales,
3) retail operations,
4) commercial banking,
5) payment and settlement,
6) agency services,
7) asset management services,
8) retail brokerage services.

In classifying the business lines referred to in paragraph 1 hereof according to the form (Annex 2) which is integral hereto, the bank shall adhere to the following principles:

– all bank's activities must be classified in one of the business lines specified therein;

– any banking/non-banking activity that cannot easily be classified into one of the business lines referred to therein and which represents a supplementary activity to a main activity classified into one of the business lines shall be classified by the bank in the business line into which the main activity was classified;

– the bank must have defined procedures for classifying new activities and products into the business lines referred to therein.

The bank's management board shall supervise the classification of the bank's business activities.

The process of classification of business activities of the bank shall be subject to internal audit of the bank.

25. The bank shall be required to create a database on all events arising from operational risk that resulted in losses which in the gross amount exceed (or are estimated to exceed) RSD 10,000, as well as on all events arising from such risk that could have (but did not) result in losses which in the gross amount exceed (or are estimated to exceed) RSD 10,000.

The bank shall organize the database referred to in paragraph 1 hereof by event categories referred to in Section 23 hereof, by business lines referred to in Section 24, paragraph 1 hereof, by type of losses (losses and avoided losses) and by cause of operational risk (human error, processes, systems and external factor).

26. The bank shall notify the National Bank of Serbia – Bank Supervision Department (hereinafter: Department) on losses incurred as a consequence of operational risk, and losses that could have been (but were not) incurred in this way, and which exceed (or are estimated to exceed) 1% of the bank's capital, as well as of any measures it takes with a view to ensuring adequate management of increased operational risk, within five business days from the day when the loss was incurred at the latest.

The bank shall submit quarterly reports on the events referred to in Section 25, paragraph 1 hereof to the Department, using a prescribed form – Form OR – *Report on events arising from bank operational risk* (Annex 3), which is integral thereto, within 20 days from the end of the quarter. If the report is submitted electronically, its format must correspond to the format prescribed in the guidelines on electronic submission of data to the National Bank of Serbia.

27. To manage the operational risk, the bank shall adopt business continuity and business contingency plans. All persons responsible for the implementation of these plans must be aware of their contents.

Business continuity plan is a document consisting of procedures for ensuring unhindered and continuous functioning of all significant processes and systems in the bank. Business contingency plan is an integral part of the business continuity plan and defines technical and organizational measures for resuming the bank's operations in the shortest possible time and/or alleviating the consequences of interruption in the bank's operations.

The plans referred to herein must contain descriptions of all types of communication channels to be made use of in extraordinary circumstances. The bank shall periodically test the plans in order to assess their effectiveness and adequacy, and shall periodically update them.

28. When necessary, but at least once a year, the bank's managing board shall review current procedures for risk identification, measurement and/or assessment, mitigation, monitoring and management, for each type of risk to which the bank is exposed.

At least once in a business quarter, the bank's executive board shall analyze the efficiency of implementation of the procedures referred to in paragraph 1 hereof and notify the bank's managing board thereof in writing.

At least once a month, the bank's audit committee shall notify the bank's managing board in writing of its activities and detected irregularities, as well as propose the manner in which to eliminate such irregularities and/or improve the procedures referred to in paragraph 1 hereof and the implementation of the bank's internal controls system.

The bank's asset and liability management committee shall monitor, and analyze at least once a month, the bank's exposure to risks arising from the structure of its balance sheet liabilities and receivables and off-balance sheet items, and shall propose measures for managing these risks as well as conduct other activities specified by the bank's enactments.

29. The National Bank of Serbia shall issue guidelines for implementing this decision.

30. The bank shall adopt the plans referred to in Section 27 hereof by 30 June 2009.

31. As of the day of entry into force hereof, the Decision on Risk Management ("RS Official Gazette", No. 57/2006 and 86/2007) shall cease to be valid.

32. This decision shall be published in the "RS Official Gazette" and shall enter into force on 1 July 2008.

Dec. No. 107
28 December 2007
B e l g r a d e

G o v e r n o r
of the National Bank of Serbia

Radovan Jelasic, sign.

Annex 1

DETAILED LOSS EVENT TYPE CLASSIFICATION

Event-Type Category (Level 1)	**Definition**	**Categories (Level 2)**	**Activity Examples (Level 3)**
Internal fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent regulations, the law or company policy, excluding diversity/ discrimination events	Unauthorised Activity	- Transactions not reported (intentional) - Transaction type unauthorised (w/monetary loss) - Mismarking of position (intentional) - Other
		Theft and Fraud	- Fraud / credit fraud - Theft / extortion / embezzlement / robbery - Misappropriation of assets - Malicious destruction of assets - Forgery - Check kiting - Smuggling - Account take-over / impersonation - Tax evasion - Bribes / kickbacks - Insider trading (not on firm's account) - Other
External fraud	Losses due to acts of a type intended to defraud, misappropriate property or circumvent the law, by a third party	Theft and Fraud	- Theft/Robbery - Forgery - Check kiting - Other
		Systems Security	- Hacking damage - Theft of information - Other
Employment Practices and Workplace Safety	Losses arising from acts inconsistent with employment, health or safety laws or agreements, from payment of personal injury claims	Employee Relations	- Compensation, benefit, termination issues - Organised labour activity - Other
		Safe Environment	- General liability (slip and fall, etc.) - Employee health & safety rules events - Workers compensation - Other
		Diversity & Discrimination	All discrimination types
Clients, Products & Business Practices	Losses arising from an unintentional or negligent failure to meet a professional obligation to specific clients or from the nature or design of a product.	Suitability, Disclosure & Fiduciary	- Fiduciary breaches / guideline violations - Suitability / disclosure issues - Breach of privacy - Aggressive sales - Misuse of confidential information - Other
		Improper Business or Market Practices	- Antitrust - Improper trade / market practices - Market manipulation - Insider trading (on firm's account) - Unlicensed activity - Money laundering - Other

		Product Flaws	- Product defects - Unclear and punishable contract clauses - Other
		Selection, Sponsorship & Exposure	- Failure to investigate client per guidelines - Exceeding client exposure limits - Other
		Advisory Activities	- Disputes over performance of advisory activities - Other
Damage to Physical Assets	Losses arising from loss or damage to physical assets from natural disaster or other events.	Disasters and other events	- Natural disaster losses - Human losses from external sources (terrorism, vandalism) - Other
Business disruption and system failures	Losses arising from disruption of business or system failures	Systems	- Hardware - Software - Telecommunications - Utility outage / disruptions, etc. - Other
Execution, Delivery & Process Management	Losses from failed transaction processing or process management, from relations with trade counterparties and vendors	Transaction Capture, Execution & Maintenance	- Miscommunication - Data entry, maintenance or loading error - Missed deadline or responsibility - Model / system misoperation - Accounting error / entity attribution error - Other task misperformance - Delivery failure - Collateral management failure - Reference Data Maintenance - Other
		Monitoring and Reporting	- Failed mandatory reporting obligation - Inaccurate external report - Other
		Customer Intake and Documentation	- Client permissions / disclaimers missing - Legal documents missing / incomplete - Other
		Customer / Client Account Management	- Unapproved access given to accounts - Incorrect client records (loss incurred) - Negligent loss or damage of client assets - Other
		Trade Counterparties	- Non-client counterparty misperformance - Misc. non-client counterparty disputes - Other
		Vendors & Suppliers	- Vendor disputes - Misperformance - Other

Annex 2

MAPPING OF BUSINESS LINES

Level 1	Level 2	Activity Groups
Corporate Finance	Corporate Finance	Mergers and acquisitions, underwriting, privatisations, securitisation, research, debt (government, high yield), equity, syndications, IPO, secondary private placements
	Municipal/Government Finance	
	Merchant Banking	
	Advisory Services	
Trading & Sales	Sales	Debt securities, equity, foreign exchanges, commodities, credit, funding, own position securities, lending and repos, brokerage, debt, prime brokerage
	Market Making	
	Proprietary Positions	
	Treasury	
Retail Banking	Retail Banking	Retail lending and deposits, banking services, trust and estates
	Private Banking	Private lending and deposits, banking services, trust and estates, investment advice
	Card Services	Merchant/commercial/corporate cards, private
Commercial Banking	Commercial Banking	Project finance, real estate, export finance, trade finance, factoring, leasing, lending, guarantees, bills of exchange
Payment and Settlement	External Clients	Payments and collections, funds transfer, clearing and settlement
Agency Services	Custody	Escrow, depository receipts, securities lending (customers), corporate actions
	Corporate Agency	Issuer and paying agents
	Corporate Trust	
Asset Management	Discretionary Fund Management	Pooled, segregated, retail, institutional, closed, open, private equity
	Non-Discretionary Fund Management	Pooled, segregated, retail, institutional, closed, open
Retail Brokerage	Retail Brokerage	Execution and full service

Annex 3

(bank business name and head office)

FORM OR – REPORT ON EVENTS ARISING FROM BANK OPERATIONAL RISK*

A. Events recorded in the quarter

No.	Date of event detection	Date of entering event in the database	Date of recording	Date of completion of event	Description of event	Organiz. unit	Status	Cause	Business line (Level 2)	Type of event (Level 3)	Proposed measures	Gross amount	Whereof collected		Net amount of loss	Type of loss
													From insurance	Other-wise		
1	2	3	***4***	5	6	7	8***	9""	***10***	***11***	***12***	***13*****	***14*****	***15*****	***16*****	***17********

Б. All events – cumulative data

No.	Date of event detection	Date of entering event in the database	Date of recording	Date of completion of event	Description of event	Organiz. unit	Status	Cause	Business line (Level 2)	Type of event (Level 3)	Proposed measures	Gross amount	Whereof collected		Net amount of loss	Type of loss
													From insurance	Other-wise		
1	2	3	***4***	5	6	7	8***	9""	***10***	***11***	***12***	***13*****	***14*****	***15*****	***16*****	***17********

* Minimum limit for recording operational risks equals RSD 10,000 in gross amount. In Section A, only data on events that arose in the quarter that the report refers to and that exceed the limit are recorded, whereas in Section B, all events that at the end of the quarter that the report refers to exceed the limit, regardless of when they occurred, are recorded.
**Events that caused the loss that cannot be quantified, as well as events that could have caused a loss that cannot be quantified are recorded in the database, and a dash is written in columns 13, 14, 15 and 16.
*** Alternatively: opened, researched, closed.
**** Alternatively: human factor, processes, systems, external factor.
***** Alternatively: loss and avoided loss.

In _200 _ The report prepared by

(contact telephone) (signature)