



Based on article 35, paragraph 1, sub-paragraph 1.1 of Law No. 03 / L-209 on the Central Bank of the Republic of Kosovo (Official Gazette of the Republic of Kosovo, No. 77/16 August, 2010), article 1, article 44, paragraph 1, sub-paragraph 1.6 and Article 85 of Law No. 04 / L-093 on Banks, Microfinance Institutions and Non-Banking Financial Institutions (Official Gazette of the Republic of Kosovo, No. 11/11 May, 2012), the Board of the Central Bank of the Republic of Kosovo in the meeting held on 30 April 2015, adopted the following:

REGULATION ON SAFE DEPOSIT BOX

Article 1

Purpose and Scope

1. The purpose of this Regulation is to define rules, procedures and criteria for opening of the safe deposit box and safekeeping of items in the safe deposit box.
2. This Regulation applies to all banks licensed by the Central Bank for operating in Kosovo, which will provide safekeeping service for securities and other valuables in the safe deposit boxes within their facilities for their customers (hereinafter: *the bank*).

Article 2

Definitions

1. All terms used in this Regulation shall have the same meaning with the terms defined in Article 3 of Law No. 04 / L-093 on Banks, Microfinance Institutions and Non-banking Financial Institutions (hereinafter: the Law on Banks) and/or the following definitions for the purpose of this Regulation:
 - 1.1. "**Safe deposit box**" means a closed box located in the bank that is used by the user for safekeeping of valuables, securities, documents and other items that are allowed by the law to be kept in the safe;
 - 1.2. "**User**" means any natural or legal person who opens and uses a safe deposit box according to the contractual terms;
 - 1.3. "**Force majeure**" means conditions or circumstance, or combination of conditions and

circumstances (including the effects thereof) beyond the control of the party, including but not limited to fire, flood, lightning, storm, tornado, earthquake, landslides, epidemic disease, war, civil war, acts of enemies and / or strike, lockouts or other industrial riots.

Section 3

Safe deposit box contract

1. The safe deposit box contract obliges the bank to provide the safe deposit box to the user for a certain period of time, while the user is obliged to pay the fee to the bank.
2. The Bank shall undertake all necessary measures that are under the control and authority of the bank in order to ensure good condition of the safe deposit box and to provide supervision over it.
3. The Bank shall not be liable in case the values of the items that are in the safe deposit box decrease or items are destroyed as well as in case the damage arises due to following circumstances:
 - 1.1. The damage is caused by the user or by the person accompanying him;
 - 1.2. Damage is caused by force majeure;
 - 1.3. The damage is caused by the item's nature;
 - 1.4. The damage is caused by conditions that cannot be influenced by the bank;
4. Fees and payment method are defined by the safe deposit box contract, signed by the user and the bank.
5. The user of the safe deposit box can insure the safe deposit box content, in accordance with available insurance policies, as defined by the applicable law in Republic of Kosovo.
6. The Bank assumes no liability or responsibility for insurance of safe deposit box content.

Article 4

Opening of the safe deposit box

1. Opening of the safe deposit box can be allowed only to the user or the person authorized by him/her, via a notarized authorization or any equivalent certificate if the authorization is from a country outside Kosovo.
2. If the user of the safe deposit box is a legal person, the opening of a safe deposit box is allowed only to a person who has signed the agreement for the safe deposit box as representative of a legal person or a person authorized by the latter through a notarized authorization.

3. When the user gives the key of the safe deposit box to an authorized person he is fully responsible for any material damages arising from the given authorization.
4. The Bank is not allowed to keep a copy of key that is given to the user of safe deposit box.
5. The safe deposit box can be opened only based on a court order when the request for its opening is made by the appropriate authority.
6. If the safe deposit box is opened based on the court's order, at least two persons (a court representative and a bank representative) should always be present during the procedure for opening of the safe deposit box.
7. If the safe deposit box is opened based on the court order, any costs associated with opening or possible damages caused by forcibly opening of the safe deposit box will fall on the user of safe deposit box.
8. If the safe deposit box is opened at the request of relevant authority based on the Court's order, costs or damages caused by forcibly opening of the safe deposit box will definitely fall on the public authority that has issued the control order.
9. Open the safe based on the court order or the appropriate authority, which possesses an order from the Court for the safe deposit box opening, will be done with the bank's prior notice of at least 24 hours and the execution of the safe deposit box opening will be done outside working hours of the bank.

Article 5

Restrictions on the items stored in the safe deposit box

1. The user shall not be allowed to place in his/her safe deposit box an item or a product which could endanger the bank or other safe deposit boxes security, including explosives, intoxicating or similar items.
2. The user is not allowed to store in his/her safe deposit box items products that may smell, organic materials, living organisms or hazardous materials.
3. In case the user does not comply with the obligation specified in paragraphs 1 and 2 of this Article, the Bank can unilaterally rescind the safe deposit contract.

Article 6

Access to the Safe

1. The Bank can use the system for identifying the user of the safe deposit box by his/her access card, biometric identifier, his / her fingerprints or any other similar security feature that can be used for identifying the safe deposit box users.

2. The Bank is authorized to control the access to safe-deposit box and record all persons accessing it, who in addition to the safe deposit box user are persons authorized by the user of the safe deposit box.

Article 7

Rights of the bank in case of nonpayment

1. Should a user fail to pay to the bank a single installment of the charge due for the safe deposit box security and maintenance, at the specified payment time, the bank may rescind the contract (30) days after warning in writing the user about the payment due.

2. After rescinding the contract, the bank calls on the user to empty the safe deposit box and hand the key over, and should the user fail to act accordingly, the bank may demand that the safe deposit box be opened based on the court decision, determining its content and putting the encountered items as court deposit or be trusted to the bank for keeping.

3. Until the court's order and its execution is carried out, the safe deposit box user will be charged with payment according to the regular installment of the provision for the safe deposit box security and maintenance, since the same safe deposit box cannot be used without being emptied first. All costs, in this case, will fall on the user.

4. All expenses and costs taken by the bank for opening of the safe deposit box based on a court order should be considered as a debited part for compensation and shall be paid by the user, or by debiting the cash in his / her bank account or from the sale of other valuables found in the safe deposit box. In case of any cost associated with opening or potential damage of the safe deposit box during the forcibly opening, it shall be paid by the user of the safe deposit box.

5. All announcements / invitations bank will send to client in writing, via a certified mail to his / her address, specified in the safe deposit box contract, unless the bank is notified by the user for his address change.

Article 8

Collection of bank's provisions

1. If the user does not respond to the notice of the bank for the payment delay and the safe deposit box is opened based on the court order, the bank has the right for collecting unpaid provisions and other costs arising from the safe deposit box contract as well as court's and other costs that may arise during the procedure from the cash found in the safe-deposit box and price attained by selling other valuables found in the safe-deposit box.

2. The Bank has the right to sell valuable items, found in safe deposit box, if there is no other way to collect the provisions of the bank from the cash in safe deposit box or by debiting the user's bank account. This issue should be part of the contract.
3. The Bank may sell valuables found in a safe deposit box in a public auction, under procedures established by legislation on public auctions.
4. If no valuables are found in the safe-deposit box that would be sold and settle bank provisions or if user has no available funds in the deposit accounts, the Bank may collect its provisions and accompanying costs via court proceedings.
5. Once that the safe deposit box is opened by court order and after that the bank has collected its provisions, the remaining items will be put as court deposit. Upon the items handover to the court, the bank does not hold any responsibility regarding the items submitted, except that it should keep the documents to evidence what has been sold, collected and handed to the court.

Article 9

Termination of Contract

1. The contract can be terminated unilaterally or with the consent of both Contracting Parties.
2. The Bank may accept the termination of the contract, provided that the user has regularly settled his/her liabilities, returned all key copies, access cards (if any) and any security access feature made available by the bank if safe deposit box is emptied and no damage caused to it.
3. The Bank may terminate the contract if the user does not comply to the contract or in case the user does not pay due fee for using the safe-deposit box within 30 days starting from the day a written notice for payment of the fee, sent by the Bank to the user, was delivered.

Article 10

Death of the User

1. The contract will be terminated from the moment the bank is notified that the user has died. Immediately upon notification of user's death the Bank shall block the safe-deposit box and allow the access only based on enforced decision on inheritance by the competent court or on grounds of inheritance decision issued by the competent public authority.
2. In cases when the user dies and within a period of one (1) year after the bank finds out about the death of a user, no heir or other person shows interest, then the bank will require to open the safe deposit box be opened based on the court order, determining its content and putting the encountered items as court deposit or giving it to the bank for safeguarding.
3. The Bank assumes no liability in cases where the safe deposit box user has died, and the bank has not been notified on his / her death and in the meantime the authorized persons have

accessed and taken the content of safe deposit box.

4. Immediately upon notification of user's death the bank shall inform the relevant court and/or the notary on the safe deposit box existence.

5. If legal successor or inheritor does not have keys to the safe deposit box, than he/she will indemnify to the Bank the real costs and damage caused by forcibly opening the safe deposit box and /or replacing lock and keys.

Article 11

Legal person ceases to exist

1. The contract will be terminated from the moment the bank is notified that the legal person has ceased to exist.

2. Immediately upon notification of user's death the bank shall block the safe-deposit box and allow the access only based on enforced decision issued by the competent court.

3. The Bank has no liability in the case that a legal person has ceased to exist and the bank has not been notified, and in the meantime the authorized persons have accessed and taken the content of safe deposit box.

4. Immediately upon notification that legal person has ceased to exist, the bank shall inform the relevant court and/or the notary on the safe deposit box existence.

5. If legal successor does not have keys to the safe deposit box, than he/she will indemnify to the bank the real costs and damage caused by forcibly opening the safe deposit box and /or replacing lock and keys.

Article 12

Entry into Force

This Regulation shall enter into force on May 15, 2015.

Chairman of the Board of the Central Bank of the Republic of Kosovo

Bedri Peci