

Decision on the terms of granting intraday loans on the basis of pledged securities
(Official Gazette 34/05, 142/08, 150/08 and 33/09)

I

This Decision governs the terms and methods of granting and repaying intraday loans on the basis of pledged securities.

II

The Croatian National Bank may grant intraday loans to the following credit institutions: banks and savings banks as well as foreign bank branches with registered offices in the Republic of Croatia that have been authorised by the Croatian National Bank (hereinafter: banks).

III

An intraday loan shall be a loan granted and utilised during a settlement day within the Croatian Large Value Payment System (hereinafter: CLVPS).

An intraday loan shall be granted by setting a limit in a bank's settlement account maintained by the Croatian National Bank through the CLVPS. The limit in a bank's settlement account shall be the amount of an authorised overdraft in the bank's settlement account during a settlement day within the CLVPS.

The Croatian National Bank shall set a limit in a bank's settlement account at the time specified in the Daily Work Schedule for Settlement through the CLVPS.

At the end of a settlement day within the CLVPS, the limit in a bank's settlement account shall be zero.

IV

The Croatian National Bank shall grant intraday loans to the amount of 50% of the nominal value of pledged securities.

Securities to be used as pledge shall have maturities longer than the maturity of the intraday loan.

The granting of an intraday loan shall be conditional upon the repayment of a previously utilised Lombard loan.

Securities that may be used as pledge for an intraday loan shall be treasury bills issued by the Ministry of Finance of the Republic of Croatia with an original maturity of up to one year.

Treasury bills issued by the Ministry of Finance of the Republic of Croatia that are denominated in foreign currency shall be converted into kuna at the midpoint exchange rate of the Croatian National Bank in effect on the day of granting the intraday loan.

V

For the purpose of receiving an intraday loan, a bank shall deliver to the Croatian National Bank a notification of the registration of pledge on securities within the Central Depository and Clearing Company system.

The bank may deliver the notification referred to in paragraph (1) of this item to the Croatian National Bank during a settlement day within the CLVPS.

VI

A bank utilising an intraday loan shall be obliged to repay it by the end of a settlement day within the CLVPS at the time specified in the Daily Work Schedule for Settlement through the CLVPS.

Should the intraday loan not be repaid, the Croatian National Bank shall grant a Lombard loan to the bank to the amount of a negative balance in the bank's settlement account at the end of a settlement day within the CLVPS.

VII

The Croatian National Bank may refuse to grant an intraday loan by refusing to certify the registration of pledge on securities within the Central Depository and Clearing Company system.

The Croatian National Bank may suspend the granting of intraday loans to a particular bank or all banks. The Croatian National Bank shall notify in writing the bank/banks of the suspension and of a renewed granting of intraday loans.

The Croatian National Bank may determine the maximum amount of an intraday loan to a particular bank or all banks and shall notify the bank/banks thereof in writing.

VIII

A settlement day within the CLVPS and the Daily Work Schedule for Settlement through the CLVPS shall be prescribed by the Decision on the work schedule for settlement/clearing through the interbank payment systems.

IX

The Croatian National Bank shall charge no interest on intraday loans.

X

This Decision shall enter into force on the day of its publication in the Official Gazette.