

The Riksbank's regulations (RBFS 2013:1) on compensation for interest expenses for cash that has been separated and stored under a special arrangement

RBFS 2013:1

Utkom från trycket
den 7 nov 2013

adopted on 15 October 2013.

The Riksbank hereby provides the following regulations on the basis of Chapter 1, Article 2 and Chapter 5, Article 3 of the Sveriges Riksbank Act (1988:1385).

Content and scope of application

Article 1 These regulations specify the conditions governing compensation to companies that have separated and stored banknotes and coins on their own or another's behalf. Such compensation for interest expenses is payable to parties that have entered into an agreement on compensation for interest expenses with the Riksbank.

Definitions

Article 2 For the purpose of these regulations, the following definitions shall apply:

banking day: all days, with the exception of Saturdays and Sundays, Epiphany, Good Friday, Easter Monday, 1 May, Ascension Day, 6 June, Midsummer Eve, Christmas Eve, Christmas Day, Boxing Day, New Year's Eve and New Year's Day;

banking institution: such institutions as are specified in Chapter 6, Article 1 of the Sveriges Riksbank Act (1988:1385);

fit notes: banknotes that have been used and that can continue to be used as a means of payment;

depot: stock of cash for which compensation has been requested and which is stored in accordance with these regulations;

depot owner: A party that has entered into an agreement on compensation for interest expenses with the Riksbank and that is

- a) a banking institution that is a RIX participant,
- b) a banking institution that through an agreement with a RIX participant uses RIX for its payments, or

c) a company that is wholly-owned by one or more banking institutions and that through its own participation in RIX or through an agreement with a RIX participant uses RIX for its payments.

cash: banknotes and coins

new cash: cash that has not yet been put into circulation as a means of payment;

RIX: The Riksbank's funds transfer system

Obligation to receive and provide cash

Article 3 Upon request from a banking institution, a depot owner shall enter into an agreement for receiving and distributing cash with this institution if, in the depot owner's assessment, this is possible under the framework of the depot's capacity. The depot owner shall thereby apply the principles of

1. free access, which means that each and every one of the institutions named above that meets the depot owner's conditions for receiving and distributing cash shall be offered such a possibility, and
2. neutrality, which means that the depot owner's conditions for receiving and distributing cash shall be applied uniformly to the institutions mentioned above.

Cash for which compensation is payable

Article 4 Cash in depots shall have been issued by the Riksbank. Cash in depots shall be separated from other valuables.

Article 5 Compensation is payable for cash that is stored in depots between 21.00 and 23.00 and which does not leave the premises in which the depot is located before 24.00.

Article 6 Cash in depots shall be packed in accordance with established standards and in such a way that stock-taking can easily be carried out.

Authentication

Article 7 The depot owner shall authenticate all cash in the depot, with the exception of new cash. This authentication shall take place in a reliable and satisfactory manner, and in accordance with the provisions of the agreement on compensation for interest expenses.

Daily reporting to the Riksbank

Article 8 By no later than 21.30 each day that a depot is open for receiving and distributing, the depot owner shall report, per depot, the nominal value of the cash stored in the depot at 21.00.

Article 9 The depot owner shall submit a monthly report to the Riksbank on the value of the cash stored in the depot on the final day of each month. This report shall include data on the allocation per denomination of the cash. As regards banknotes, the report shall also include data on the allocation of the following categories:

1. fit notes (including new banknotes)
2. unfit banknotes

Article 10 The monthly report pursuant to Article 9 shall also reference cash received and distributed by the depot. The report shall include information on amounts received and distributed by denomination and day, and shall refer to the previous calendar month.

Article 11 The report pursuant to Articles 9 and 10 shall be submitted to the Riksbank by no later than the fifteenth day of each calendar month. If the fifteenth day of the month is not a banking day, the report shall be submitted on the immediately preceding banking day.

Communication of reports to the Riksbank

Article 12 The depot owner shall submit reports pursuant to Articles 8, 9 and 10 to the Riksbank in the manner specified in the agreement on compensation for interest expenses between the Riksbank and the depot owner. The depot owner is always bound by a report if it has been submitted in the manner specified by the agreement on compensation for interest expenses.

Reports from external auditors

Article 13 The depot owner shall arrange and pay for an external auditor to conduct an unannounced visit to the depot at least once per year. The depot owner shall also ensure that the auditor reports to the Riksbank on whether the balance in the depot at the time of the audit corresponds with the figure reported by the depot owner to the Riksbank immediately prior to the audit.

Compensation

Article 14 The right to compensation under these regulations devolves solely to the depot owner.

Article 15 The depot owner is each day entitled to reimbursement in the form of compensation for interest expenses. This compensation shall correspond to $1/360$ of the repo rate applicable at that time, calculated on the nominal value of the cash stored in the depot, in accordance with these regulations, at 21.00. This cost compensation shall be based in the depot owner's report pursuant to Article 8.

Article 16 Compensation pursuant to Article 15 is payable on a monthly basis. The Riksbank shall pay compensation in arrears by crediting the RIX account specified in the agreement on compensation for interest expenses by no later than the third banking day after the end of the calendar month.

Article 17 In addition, until full payment is made, the depot owner has the right to interest on the compensation accrued pursuant to Article 15 by that date and on the interest accrued by that date. The interest rate shall correspond to 1/360 of the repo rate applicable on that date.

Incorrect payments

Article 18 If the depot owner reports a balance in the depot that is higher or lower than is actually the case at a certain point in time, and this leads the Riksbank to pay too much or too little compensation, this compensation shall be reduced or increased by an amount equivalent to 100 per cent of the differential. 'Differential' refers to the difference between the compensation paid and the compensation that the Riksbank should have paid if reporting had been correct. This difference shall be regulated upon delivery by the Riksbank of a report showing that an incorrect balance has been reported.

Article 19 If the Riksbank has paid too much compensation and this is attributable to the Riksbank, the Riksbank has the right to recover the incorrectly paid compensation. The depot owner shall repay the incorrectly paid part of the compensation upon delivery by the Riksbank of a report showing that excessive compensation has been paid.

Article 20 If the Riksbank has paid too little compensation and this is attributable to the Riksbank, the Riksbank shall pay the remaining part of the compensation. The Riksbank shall also pay interest equivalent to the applicable repo rate for the remaining part of the compensation. The Riksbank shall pay the remaining compensation upon delivery by the depot owner of a report showing that too little compensation has been paid.

Article 21 If the depot owner stores a banknote not issued by the Riksbank in the depot and the depot owner has failed to carry out authentication pursuant to Article 7, the depot owner's compensation shall be reduced by SEK 50,000 kronor per such banknote. The amount corresponding to this reduction shall be regulated upon delivery by the Riksbank of a report showing that a banknote not issued by the Riksbank is being or has been stored in the depot.

Article 22 The Riksbank has the right to take stock and inspect the balance in the depot, without advance notice and using either its own personnel or an external auditor.

Article 23 The Riksbank shall provide the depot owner with current information on which persons have the right to represent the Riksbank in this stock-taking and inspection.

Article 24 For this inspection, the depot owner shall provide a register showing the balance in the depot.

Article 25 The Riksbank may reduce compensation to the depot owner by an annual amount of no more than SEK 25,000 per depot to cover the Riksbank's costs for the inspection of the balance in the depot. If the total number of depots in the country exceeds 25, the Riksbank may change the amount of the reduction of compensation.

Article 26 Should the depot owner cease to request compensation for cash in the depot, any reduction already debited pursuant to Article 25 will not be repaid.

Article 27 Upon request, the depot owner shall provide to the Riksbank that information that the Riksbank considers necessary to monitor the stability of the payment system.

Engaging third parties (operators) for the handling of cash

Article 28 The depot owner may engage an operator specified in the agreement on compensation for interest expenses for the daily handling of cash in the depot and cash to be deposited in the depot, including reporting to the Riksbank. The depot owner has the right to engage an operator for authentication pursuant to Article 7 without this being specified in the agreement on compensation for interest expenses.

Article 29 The depot owner takes equal responsibility for the engaged operator as for itself.

These instructions come into force on 1 December 2013. This enactment repeals the Riksbank's regulations (RBFS 2005:1) on compensation for interest expenses for cash that has been separated and stored under a special arrangement.