

Appendix B. Framework agreement

Agreement between Bank of Albania and _____ for participation in the Albanian Interbank Payments System for large value payments (AIPS)

Agreed on: __/__/____

Parties:

The Bank of Albania (hereinafter referred to as “the Bank”), with address: _____, Tirana, legally represented in this agreement by the Director of the Bank of Albania who covers the payment system’s field,

and

_____ (hereinafter referred to as “Participant”), with address: _____ Tirana, represented by its executive director, Mr/Ms _____.

Agree to sign this agreement according to the following conditions:

Article 1

Scope

This agreement aims to set out the rights and obligations of parties which arise in the framework of provision by the Bank of Albania of the interbank large value payments settlement services in AIPS, as the sole operator and administrator of this system.

Article 2

Legal ground

This agreement is compiled in accordance with:

- a) “Civil Code of the Republic of Albania”;
- b) Law “On Bank of Albania”;
- c) Law “On payment system”;
- d) Law “On Banks on the Republic of Albania”;
- e) Law “On the recovery and resolution of banks in the Republic of Albania”;
- f) Regulations of the Bank of Albania on AIPS and AECH;
- g) Other bylaws issued by the Bank of Albania.

Article 3

Implementation

1. For the purpose of the implementation of this agreement, the parties will be based mainly on the regulation “On the functioning of the Albanian Interbank Payments System – AIPS” and each of its amendments (regulation on AIPS).
2. The rights and obligations of parties are those laid down in the regulation on AIPS and any of its later relevant amendments.
3. For all the issues that are not explicitly specified in this regulation, the applicable legal provisions specified in the legal ground of this agreement shall be applied.
4. Any term or formulation in the agreement or regulation of AIPS that may lead to ambiguity will be interpreted in the context of the whole AIPS regulatory framework and from the point of view of the purpose for which the agreement is signed.

Article 4

Notifications

1. Each notification, request or communication between the parties will take place via official registered mail, fax, e-mail, SWIFT message, and in the event that the communication via the above-stated means is not possible, by phone at addresses, telephone numbers and the respective contact persons of the parties.
2. Each party is obliged to notify the other party of possible changes in addresses, telephone numbers and contact persons, within 5 (five) business days from the change taking place.
3. When the notice or request arrives to the addressee after 16:30 of the business day, it shall be considered as received on 08:30 of the following business day.

Article 5

Entry into force and duration

This agreement shall enter into force upon signature by the parties and shall extend its effects for an undetermined period of time.

Article 6

Amendments to the agreement

The agreement may be amended only in written form by the parties.

Article 7

Termination of agreement

1. Parties have the right to unilaterally terminate the agreement by informing the other party in written form, at least 15 (fifteen) business days prior to the date they want to terminate the agreement, requesting fulfilment of financial obligations which arise from this agreement.
2. In the event the request (notification) is submitted by the participant, the Bank within 10 (ten) business days of the receipt of request shall submit a response to the participant, determining the steps to be followed up to the termination of their participation in the AIPS.

3. In the event the participant's request is approved:
 - a) the Bank informs all the participants in AIPS of the participant's exclusion date in AIPS.
 - b) the participant is not allowed to initiate new payment instructions with a value date after the one established in the respective decision for the approval of its exclusion from AIPS.
4. The debitory balance of the settlement account at its closure moment is qualified as payable obligation towards the participants in AIPS and/or to the Bank.

Article 8

Dispute resolution

Any disputes between the parties arising from the implementation of the agreement, which the parties cannot resolve in good faith, shall be resolved by the competent court.

The Agreement, having been read by the parties, shall be signed in their own free and independent will in 4 (four) original copies in the Albanian language, each party retaining 2 (two) copies.

On behalf of the Bank of Albania

Director of Department _____

On behalf of _____

Director