



**DECISION  
ON CONDITIONS AND PROCEDURE IN ISSUING AND REVOKEING AN APPROVAL TO  
A LEASING COMPANY**

**I. GENERAL PROVISIONS**

Article 1.

This Decision prescribes general conditions and deadlines for:

- Issuing approval for obtaining or increasing significant ownership interest in a leasing company, obtaining ownership interest of a leasing company in other legal entities, establishing affiliates and appointment of external auditors;
- Refusing the request for issuing the listed approvals and
- Revoking the issued approvals.

**II. PRIOR APPROVAL FOR OBTAINING OR INCREASING THE SIGNIFICANT OWNERSHIP INTEREST IN A LEASING COMPANY**

Article 2.

Individual or legal entity will, along with the request for issuing a prior approval for obtaining or increasing significant ownership interest in a leasing company of over 10%, 20%, 33% or 50% of capital of the leasing company, submit to the Banking Agency of Federation of BiH (in further reading: FBA) the following:

1. legal entities – court registration; individuals – copy of an identification card or passport;
2. legal entities – data on business operations in the last three business years (balance sheet and income statement revised by an external auditor) as well as the last periodic report; individuals – certification of the paid income taxes amount;
3. data on manner of obtaining or increasing the significant ownership interest;
4. decision of the regulatory, that is authorized institution which allows intended acquisition if it is a question of a foreign legal entity or individual;
5. statement on ownership in other legal entities;
6. statement on lending from other banks and the amounts.

Article 3.

- (1) The document submitted with the request from the Article 2. of this Decision must be originals or authorized copies.
- (2) If a document is submitted in a foreign language, it has to be accompanied with an officially certified translation in one of the languages in use in the Federation of BiH.

Article 4.

FBA can refuse the request for issuing the prior approval for acquiring or increasing significant ownership interest in a leasing company for the following reasons:

1. poor financial condition of the entity submitting the request;
2. if the entity submitting the request has submitted information that are incorrect or are not in compliance with the regulations of FBA, or he refused to submit data which FBA requested in order to make a decision on the request.

#### Article 5.

FBA will issue the Resolution on the request for issuing the prior approval from Article 2. of this Decision, within 30 days from the day of receiving a complete request.

#### Article 6.

The leasing company is obliged to submit to FBA a certified copy of the registration/excerpt from the authorized bodies from which visible is the acquisition or increase of the significant ownership interest, within 15 days from the day of the registration.

#### Article 7.

FBA will revoke the issued approval if the entity, within six months from the day of issuing of the approval for obtaining or increasing the significant ownership interest, does not obtain or increase the business participation or shares that are the subject of the approval.

### III. PRIOR APPROVAL FOR OBTAINING OWNERSHIP INTEREST IN ANOTHER LEGAL ENTITY

#### Article 8.

(1) The leasing company will submit to FBA, along with the request for prior approval for obtaining ownership interest in another (existing) legal entity, that is over 5% up to the maximum of 25% of its core capital, the following:

1. proposal for the decision of the authorized body of the leasing company for acquisition (or increasing) of the ownership interest, court registration in which it acquires (or increases) the ownership interest;
2. financial indicators for the legal entity from the Item. 1., of this Article, for the last three business years (balance sheet and income statement revised by an external auditor);
3. data on total ownership interests that the leasing company has in other legal entities, as well as the analyses of the indicators how will the investment influence the position of the net capital of the leasing company another by law prescribed standards for performance.

(2) In the case that a leasing company participates in establishing or independently establishes a new legal entity, with the request for issuing a prior approval for acquiring ownership interest in that legal entity, that is over 5% up to the most 25% of its core capital, it will submit to FBA the following:

1. proposed decision of the authorized body of the leasing company for establishing a new legal entity;
2. corporate charter that contains all the elements in compliance with the Law on business companies;
3. participation (nominal and percent) of the leasing company in the new legal entity;
4. other document according to FBA's request.

#### Article 9.

FBA can refuse the request of the leasing company for issuing a prior approval for obtaining ownership interest in another legal entity for the following reasons:

1. poor financial condition of the leasing company;

2. poor financial condition of the legal entity where the leasing company intends to obtain ownership interest;
3. if the total ownership interest that the leasing company has in other legal entities are over 25% of the core capital of the leasing company;
4. if the leasing company has submitted information that are incorrect or are not in compliance with regulations of FBA or they refused to submit data that FBA requested in order to make a decision on the request.

#### Article 10.

The FBA will issue the Resolution on the request for issuing an approval from the Article 8. of this Decision, within 30 days from the day of receiving a complete request.

#### Article 11.

- (1) The leasing company is obliged to inform FBA about obtaining ownership interest in another (existing or new) legal entity up to 5% of core capital of the leasing company and submit to FBA the registration in the authorized registry of that legal entity within 15 days from the day of registration.
- (2) The leasing company is obliged to submit to FBA a photocopy of the registration/the excerpt from the authorized bodies for the legal entity where the leasing company obtained the ownership interest within 15 days from the day of registration.

#### Article 12.

FBA will revoke the issued approval for obtaining (increasing ) the ownership interest in another legal entity if the leasing company does not, within six months from the day of issuing the approval, does not obtain (or increase) business participation or shares in the listed entity.

### IV. CONSENT FOR ESTABLISHMENT OF THE AFFILIATES

#### **1. Consent to the leasing company with a head office in the Federation of Bosnia and Herzegovina to establish affiliates in the Federation of Bosnia and Herzegovina**

#### Article 13.

- (1) Leasing company with the head office in the Federation of Bosnia and Herzegovina can perform leasing operations through establishing affiliates in the Federation of Bosnia and Herzegovina.
- (2) Along with the request for establishment of the affiliate from the paragraph (1) of this Article, leasing company submits to FBA:
  1. the decision of the authorized management body about establishment of an affiliate with the name and address of the affiliate;
  2. the decision of the authorized body about the appointment of the individual authorized to manage the affiliate with a note about his authorizations, evidence about his education, citizenship and working experience;
  3. business and financial plan of the leasing company which includes the projection of the business performance of the affiliate;
  4. statement that the leasing company will, in the new organizational unit, secure implementation of the Program, policies and procedures that are developed according to the provisions of the Decision on minimum standards for activities of the leasing company on prevention of money laundering and terrorism financing;
  5. evidence on provided business premises (evidence on ownership or contract for rent with a proof that the landlord is the owner of the business premises), as well as the amount of the possible investment in it;

6. information technology and connectivity of the affiliates with the leasing company;
7. personnel plan that will be employed in the affiliate office (number and the qualification structure).

Article 14.

The FBA will issue the Resolution on the issuing of the approval from Article 13., of this Decision within 30 days from the day of receiving a complete request.

Article 15.

The leasing company is obliged to submit to FBA the authorized copy of the registration of the affiliate in the authorized registry, within 15 days from the day of registration.

**2. Approval to the leasing company with the head office in Federation of Bosnia and Herzegovina to establish an affiliate in Republic Srpska and Brcko District**

Article 16.

(1) Leasing company with a head office in the Federation of Bosnia and Herzegovina can perform leasing operation by establishing affiliates in Republic Srpska and Brcko District.

(2) Along with the request for establishing the affiliate from paragraph (1) of this Article, the leasing company submits to FBA documentation from the Article 13., paragraph (2) of this Decision.

Article 17.

FBA will issue the Resolution on request for issuing the approval from Article 16, paragraph (2) of this Decision within 30 days from the day of receiving a complete request.

Article 18.

The leasing company is obliged to refer to the regulatory institution of Republic Srpska and Brcko District, within 30 days from the day of issuing the approval from Article 17 of this Decision, with a request for establishing an affiliate, with application of the regulations from Republic Srpska or Brcko District.

Article 19.

The leasing company is obliged to submit to FBA the Resolution on approval for establishing an affiliate issued by the regulatory institution in Republic Srpska, or Brcko District, as well as the authorized copy of the registration in the authorized registry within 15 days from the day of approval that is registration.

**3. Consent for the leasing company with a head office in Republic Srpska and Brcko District to establish affiliates in the Federation of Bosnia and Herzegovina**

Article 20.

A leasing company with a head office in Republic Srpska and Brcko District can perform leasing operation by establishing affiliates in the Federation of Bosnia and Herzegovina.

Article 21.

Along with the request for establishment of an affiliate from Article 20., of this Decision, a leasing company will submit to the FBA documentation from the Article 13., paragraph (2) of this Decision, as well as:

1. license for performance for the leasing company that is establishing the affiliate issued by the Banking Agency of Republic Srpska, or the authorized body in Brcko District;

2. Agreement of the authorized bodies of Republic Srpska, or Brcko District, for establishment of the affiliate;
3. certified statement of the leasing company for taking over all the responsibilities that will occur in the performance of the affiliate.

#### Article 22.

FBA will issue a resolution on the request for issuing approval from the Article 21., of this Decision within 30 days from the day of receiving the request.

#### Article 23.

The leasing company is obliged to submit to FBA a certified copy of the registration of the affiliate in the authorized registry within 15 days from the day of registration.

#### Article 24.

FBA does not issue approval for the changes in affiliates (address of the head office, authorized individual for managing it, etc.), but, the leasing company is obliged to send a report to FBA about that, so that FBA can update the records, as well as a certified copy of the performed changes in the authorized registry, within 15 days from the day of registration.

### **4. Refusing the request and revoking the issued approval to the leasing company for establishment of an affiliate**

#### Article 25.

FBA can refuse a request to the leasing company for issuing an approval for establishment of an affiliate for the following reasons:

1. poor financial condition of the leasing company;
2. if there is a measure, issued by FBA to the leasing company that refers to prohibition of expansion of the organizational network;
3. if the leasing company has submitted information that is incorrect or are not in compliance with the regulations of FBA or if they refused to submit data requested by FBA in order to make a decision on the request.

#### Article 26.

FBA can revoke the issued approval for establishment of an affiliate of a leasing company if the affiliate does not, within six months from the day of issuing of the approval, start its operations or for other reasons determined in the examination.

## V. APPROVAL FOR APPOINTMENT OF EXTERNAL AUDITOR

#### Article 27.

Leasing company is obliged to obtain prior approval from FBA for appointment of an external auditor that will perform the audit of the annual financial reports and develop an audit report in compliance with the regulations that define the area of accounting and audit, including the evaluation of the compliance with the Law on prevention of money laundering and terrorism financing.

#### Article 28.

The leasing company will, along with the request for issuing the approval for appointment of an external auditor, submit to the FBA the following:

1. draft of the document for negotiation of the development of an audit report in a form of draft contract or letter of intent;
2. registration of the external auditor at the authorized registry;
3. statement that the external auditor, for which the approval is requested, has not performed three subsequent audits of the leasing company in question.

Article 29.

The FBA will issue the resolution on the request for issuing the approval from the Article 27., of this Decision, within 30 days from the day of receiving the complete request.

Article 30.

The authorized leasing company management body makes the Decision on appointment of the independent external auditor after the leasing company has received the approval from the Article 29., of this Decision, and then with the appointed auditor signs a Contract for development of an Audit Report.

Article 31.

- (1) The leasing company is obliged to submit to the FBA the adopted Decision on appointment of the external auditor, as well as the Contract signed with the appointed external auditor within 10 days from the day it was adopted, or signed.
- (2) The leasing company is obliged to submit to the FBA a revised annual financial report within legal deadline and publish it in an abbreviated form in one of the daily papers on the territory of Bosnia and Herzegovina, and inform the FBA about that along with a copy of the publication.

VI. FINAL PROVISIONS

Article 32.

In the case any provisions of this Decision are contrary to what is prescribed by subsequent laws or other regulations, the specific law and other regulations will be indirectly implemented until the changes are completed to this Decision.

Article 33.

This Decision comes into effect on the eight day from the day it is published in the "Official Gazette of the Federation of BiH".

---

Number U.O. - 13- 4/09  
24th of June 2009.  
Sarajevo

---

Chairman  
of the Management Board  
Mr. sc. **Haris Ihtijarević**, signed

---