

Pursuant to Article 5, Paragraph (1), Item h) and Article 19, Paragraph (1), Item c) of the Law on the Banking Agency of the Federation of Bosnia and Herzegovina (FBiH Official Gazette No. 75/17) and Articles 119, 123, 124, 128 and 248 of the Law on Banks (FBiH Official Gazette No. 27/17), the Management Board of the FBiH Banking Agency, at its meeting held on 13.10.2017, adopted the following

**DECISION
ON
EXTERNAL AUDIT AND CONTENTS OF A BANK AUDIT**

I. GENERAL PROVISIONS

Article 1

- (1) The Decision closely defines minimum standards and criteria based on which the Banking Agency of the Federation of Bosnia and Herzegovina (hereinafter: the Agency) issues prior approval to an audit company for an audit of annual financial statements of a bank and a banking group, as well as an audit for the needs of the Agency, scope and contents of the audit report, reasons for rejecting the report and delivery of audit reports to the Agency and publication of financial statements as well as conditions and method of conducting a special audit and an audit in case of the bank's status change.
- (2) The provisions of this Decision shall apply to banks seated in the Federation of Bosnia and Herzegovina which hold a banking license issued by the Agency.
- (3) The provisions of this Decision shall also apply appropriately to a banking group, where the bank referred to in Paragraph (2) of this Article is obliged to ensure audit of consolidated financial statements of the banking group or submit the said reports in accordance with the provisions of the Law on Banks (hereinafter: the Law).

II. CONDITIONS AND CRITERIA FOR ISSUING PRIOR APPROVAL FOR APPOINTMENT OF AN AUDIT COMPANY TO CONDUCT A BANK AUDIT

Article 2

- (1) Conditions and criteria which audit company has to meet in order to perform an audit of annual financial statements and the audit for the needs of the Agency are the following:
 - a) it meets the conditions laid down for audit companies in the Law on Accounting and Audit;
 - b) in the previous year, the audit company did not generate more than one half of its total revenues by auditing that bank or banking group to which the bank is a member;
 - c) have at least two certified auditors with a valid audit license working under full-time basis;
 - d) it has at least 10 employees working in the organizational area dealing with audit activities, whereas at least two certified auditors have at least three years of experience in bank audits individually, and where at least one of them has previously been a signatory to the bank's audit report;
 - e) the competent ministry, the Federation of Bosnia and Herzegovina Audit Chamber or other competent authority (quality control) has not found that the audit company failed to comply with International Audit Standards subject to observance of professional ethics and rules of the audit profession, as well as other rules and regulations governing this area;

- f) there are no restrictions to carrying out the audit defined by legal provisions;
 - g) that the audit company and the certified auditor did not provide services in the field of finance, accounting, internal audit, valuation of the bank, its assets and liabilities, tax and other business consulting services and did not perform a court expert appraisal during the same year for which the audit of the annual financial statements and audits for the needs of the Agency have been performed, as well as other activities that could be considered as conflicts of interest in accordance with law and audit standards. The restriction on performing audit services also applies if an employee of the audit company was temporarily engaged in particular bank or temporarily engaged in a bank at the time of performing the audit;
 - h) audit of the financial statements and audit for the needs of the Agency must be performed by the same audit company, except in the case of an audit of the information system referred to in Articles 13 and 16 of this Decision.
- (2) The conditions and criteria that an audit company must meet in order to perform an audit of the bank's information system are as follows:
- a) it meets the conditions laid down for audit companies in the Law on Accounting and Audit;
 - b) in the previous year, the audit company did not generate more than one half of its total revenues by auditing that bank or banking group to which the bank is a member;
 - c) that key members of the team who will perform the operational part of the audit have at least 2 years of work experience in the field of external audit of information systems in banks;
 - d) the competent ministry, the Federation of Bosnia and Herzegovina Audit Chamber or other competent authority (quality control) has not found that the audit company has failed to comply with International Audit Standards subject to observance of professional ethics and rules of the audit profession, as well as other rules and regulations governing this area;
 - e) the audit company and the operational staff conducting the external audit of the information system did not provide services in the area of internal audit of the information system and services in the field of information systems in the same year for which the external audit of the information system is being performed;
 - f) there are no restrictions to carrying out the audit defined by legal provisions
- (3) The restriction regarding provision of audit services referred to in Paragraph (1), Item g) of this Article shall apply to all related companies of the bank, as well as audit companies. At the same time, the restriction regarding provision of services referred to in Paragraph (1), Item g) of this Article shall also apply to an audit company that has already been appointed to perform an audit.
- (4) The Agency shall prescribe necessary documentation which the audit company is obliged to submit to the bank. This, coupled with the proposal of the appointment resolution shall be submitted by the bank to the Agency before any approval issuance. This is required for the purpose of documenting whether it fulfils the conditions and criteria prescribed by the Law and this Decision.
- (5) In case of a change of information based on which the audit company obtained the approval of the Agency, it shall immediately notify the Agency of the change thereof. The Agency has the right to subsequently request documentation confirming that the audit company still fulfils the conditions and criteria on basis of which the Agency's approval to perform the audit was issued.

Article 3

- (1) Communication between the Agency and the audit company shall be established in such a way to enable an efficient and timely exchange of information and data relevant to the performance of the tasks of both parties.
- (2) The exchange of data and information between the audit company and the Agency shall be done in writing, by holding meetings or as otherwise agreed between the Agency and the audit company.
- (3) Representatives of the Agency and the audit company shall hold meetings at least once a year. The meetings may be attended by representatives of the audited bank or they could be notified by the audit company of the contents of the said meetings.
- (4) The audit company shall provide the Agency, at its request, with an explanation regarding the audit methodology of the Bank's financial statements that it applies in its operations, as well as other information regarding the audit procedures performed, relevant audit evidence collected and the auditor's conclusions when, in the opinion of the Agency, such information could facilitate the performance of supervisory tasks.
- (5) When exchanging information and data, both parties are obliged to act in accordance with the laws and regulations that regulate data protection and confidentiality.

III. APPOINTMENT OF AN AUDIT COMPANY

Article 4

- (1) The bank's general meeting of shareholders, based on the Agency's prior approval, shall appoint an audit company, not later than September 30 of the current year, to audit the annual financial statements and to conduct audits for the needs of the Agency.
- (2) The bank shall submit the resolution on appointment of the audit company and the contract on auditing financial statements to the Agency in writing and within legally prescribed time frame.
- (3) In case of termination of the contract on auditing financial statements, the bank, i.e. the audit company shall submit an explanation of the reasons for such termination.

IV. OBLIGATIONS OF AN AUDIT COMPANY

Article 5

- (1) Obligations of an audit company shall include:
 - a) for each bank with which it has concluded the audit contract, the audit company shall submit to the Agency an audit plan for that financial year by 31 October of the current year, showing the business areas to be audited, a description of the contents of the planned audits by areas, as well as the estimated duration of the audit;
 - b) submit to the bank's bodies an opinion on whether the financial statements present fairly and objectively in all material respects the financial condition and results of operations of the legal entity, changes in equity and cash flows in the accounting period to which the audited financial statements relate; whether the reports have been prepared in accordance with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), accounting and audit law, the Law and other regulations that form the legal reporting framework for banks;

- c) submit to the bank's bodies an extended report with an assessment / opinion on the audit performed for the needs of the Agency;
- d) submits a letter of recommendation to the bank;
- e) submits the report on special audit and audit in case of a status change;
- f) notifies the supervisory board, management board and audit committee of the bank and the Agency in writing regarding the following:
 - 1) a materially significant difference in the risk assessment of the Bank's operations;
 - 2) the identified unlawfulness or facts and circumstance which could in any way jeopardise further banking operations;
 - 3) circumstances which pose the reason to revoke the banking license in accordance with the Law;
 - 4) serious violation of internal documents;
 - 5) significant weakness in the establishment of internal control systems or omissions in the implementation of internal control systems; and
 - 6) facts that could lead to a qualified opinion, a negative opinion or a restraint from expressing an opinion on the financial statements.
- g) the audit company shall notify the Agency in writing of any facts referred to in Item (f) of this Article that it revealed during an audit of the financial statements of the entities controlled by the bank. The submission of data is not considered a violation of the auditor's obligation to maintain data confidentiality, but they do have the treatment of confidential information in accordance with the Law on the FBiH Banking Agency;
- h) the audit company shall, at the request of the Agency, provide in writing the necessary explanations regarding the audit report and other information required by the Agency to perform its supervision in accordance with the Law;
- i) the reports referred to in Item b) of this Article shall be prepared by the audit company in one of the official languages of the FBiH and in English.

V. BANK'S OBLIGATIONS UNDER THE AUDIT COMPANY REPORT

Article 6

- (1) If the audit report denotes irregularities in the operations of the bank, the bank shall eliminate such irregularities and inform the Agency thereof.
- (2) If the bank fails to eliminate the irregularities from Paragraph 1 of this Article, the Agency may undertake measures against that bank, which are stipulated by the Law and other laws.
- (3) The bank shall submit to the Agency an original copy of the report in one of the official languages of the FBiH and in English, plus a letter of recommendation.

VI. AUDIT CONTENTS

Article 7

- (1) For purposes of this Decision, the audit is considered to be:
 - a) An audit of annual financial statements of a bank and reporting entities on the consolidated level, thus being statements prepared in line with the Law, IAS/IFRS and other accounting regulations, and intended for external users, including the Agency;
 - b) Audit for the needs of the Agency;

- c) Special audit; and
 - d) Audit in case of a status change.
- (2) For purpose of this Article, annual financial statements shall also be considered as financial statements for periods shorter than one year, if such periods precede a change in status, liquidation or bankruptcy.
 - (3) In case of a status change of a bank merger and not of a restructuring, the bank that continues to exist does not have an obligation to prepare annual financial statements on the date of the status change, but this obligation is solely with the bank that ceased to exist (merged bank).
 - (4) Based on the audit from Paragraph (1), Items a) and b) of this Article, the audit company shall prepare:
 - a) a report on the audit of annual financial statements and
 - b) a report on the audit for the needs of the Agency (Extended audit report for the Agency).
 - (5) For purpose of performing supervision under the Law, the Agency may order the bank to engage an audit company to perform a special audit of the financial statements and regulatory reports of the bank and a member of a banking group or their individual parts, as well as other types of audits or examinations of certain business processes and data relating to business operations of these entities.
 - (6) Based on the audit referred to in Paragraph (1) Item c) hereof, the audit company shall carry out additional procedures that are not within the scope of the standard audit and, in accordance with the subject of the engagement, provide audit findings on the procedures performed or an audit opinion. The Agency shall determine the subject of the special audit and, in accordance with that subject, may determine the additional criteria that the audit company must meet to perform the special audit. Assessment of the fulfilment of the additional criteria may be carried out by the Agency itself or it may ask the bank to hire an audit company on basis of these criteria.
 - (7) In case of a status change, if a bank restructuring is in question, the bank shall engage an audit company to audit the financial statements and regulatory reports as of the date of the status change, whereby the audit company issues a report on the truthfulness and objectivity of the opening balance sheet as of the date of the status change.

VII. AUDIT OF FINANCIAL STATEMENTS

Article 8

- (1) For purposes of this Decision, the audit of financial statements is the process of checking and evaluating the annual financial statements of banks and reporting entities on consolidated basis, which have been prepared in accordance with IAS or IFRS, Law on Accounting and Audit, the Law and other regulations that form the legal reporting framework for banks. The audit of the financial statements of banks is conducted in accordance with the Law on Accounting and Audit, International Audit Standards (IAS), as well as the principles of professional ethics and rules of the audit profession and other rules and regulations governing this area.
- (2) Responsibility for the true, fair and objective presentation, and for preparation of the financial statements of the bank and reporting entities on a consolidated basis, shall be determined in accordance with the Law on Accounting and Audit and the Law. The primary responsibility for the preparation and presentation of the financial statements rests with the management board of the bank and the reporting entities on a consolidated basis, while it is the primary responsibility of the audit company to express the opinion referred to in Article 5 of this Decision.

VIII. AUDIT FOR THE NEEDS OF THE AGENCY

Article 9

- (1) For purposes of this Decision, an audit for the needs of the Agency is the process of verifying and evaluating the annual regulatory reports of banks and reporting entities on a consolidated basis in accordance with the Law.
- (2) Following the audit referred to in Paragraph (1) hereof, the audit company shall submit a report with the assessment / opinion on:
 - a) compliance with the risk management rules;
 - b) adequacy of performance of the risk control function, compliance function and internal audit function;
 - c) the condition of the IT system and adequacy of the IT system management;
 - d) compliance with the laws governing anti-money laundering and combating terrorism financing activities; and
 - e) accuracy, correctness and completeness of the statements submitted to the Agency.
- (3) The assessment / opinion referred to in Paragraph (2) of this Article, except for item e), is descriptive and ranges from completely satisfactory to completely unsatisfactory (completely satisfactory, satisfactory, unsatisfactory and completely unsatisfactory). The assessment referred to in Paragraph (2), Item e) of this Article shall be expressed as an audit opinion that the reports have been prepared in accordance with the Law and regulations of the Agency, and that they fairly and objectively reflect the financial position of the bank as of the reporting date.
- (4) Audit report with an assessment of the condition of the information system and adequacy of information system management and a report on compliance with the requirements for anti-money laundering and combating terrorism financing are separate / special reports, in accordance with the decisions of the Agency regulating the specified areas.
- (5) If the assessment of the condition of the information system and the adequacy of the management of the information system is made by another audit company and this audit company giving the assessment / opinion referred to in Paragraph (2) Items a), b), d) and e) of this Article shall base this on the statement of understanding of the IT environment and testing of general IT controls in terms of accuracy and reliability of financial data.
- (6) The Agency may request from the audit company additional information regarding the audit.

Article 10

Audit of Compliance with the Risk Management Rules

- (1) The audit company shall assess the compliance with the risk management rules in accordance with provisions of the Law and regulations made in accordance with the Law.
- (2) The audit company shall assess the adequacy of the following risks management:
 - a) credit risk;
 - b) liquidity risk;
 - c) market risks (position risk, currency risk, commodity risk and other market risks);
 - d) operating risk;
 - e) interest risk in the banking book;
 - f) country risk;
 - g) compliance risk;
 - h) concentration risk;
 - i) settlement risk;

- j) strategic risk;
 - k) reputation risk;
 - l) other risks to which the bank is significantly exposed in its operations which could affect safe and stable bank's operations (e.g. legal proceedings in which the bank is a sued party, etc.).
- (3) The audit company shall make an assessment of the risk management adequacy referred to in Paragraph (2) of this Article on the basis of an assessment of:
- a) fulfilment of the organisational requirements related to managing individual risk;
 - b) policies and procedures relating to the management of individual risk;
 - c) implementation of adopted policies and procedures;
 - d) adequacy of identifying, measuring and monitoring individual risks;
 - e) adequacy and effectiveness of the internal control systems related to the management of individual risks.

Article 11

Audit and Assessment of Compliance with the Regulations on Anti-Money Laundering and Combating Terrorism Financing

The audit company is obliged to audit and assess the compliance of the bank's operations with the requirements of anti-money laundering and combating terrorism financing, wherein it shall use the testing technique prescribed by a special decision of the Agency.

Article 12

Audit of Control Functions

The audit company gives a separate assessment of the control functions. The audit company shall check and / or assess at least the following:

- a) whether the bank has established permanent and effective control functions in accordance with the Law and regulations;
- b) whether the bank organized the internal audit function as a separate organisational unit, functionally and organisationally independent of the audited activities and other organisational parts of the bank;
- c) whether the bank has established control functions so as to avoid conflicts of interest;
- d) whether the internal document on control functions is adequate and has been adopted by the supervisory board;
- e) whether, in proportion to its size, type, volume and complexity of operations, the bank has secured sufficient number of persons with adequate professional knowledge and experience to perform the control functions;
- f) whether the annual activity plans of the control functions are adequate and whether they have been adopted in accordance with the regulations resulting from the Law;
- g) whether control functions prepare reports in accordance with the regulations developed in accordance with the Law;
- h) whether control functions perform tasks in accordance with the regulations prepared in accordance with the Law.

Article 13

Information System Audit

- (1) The audit company shall give a separate assessment on the condition of the bank's information system and the adequacy of managing the bank's information system. The audit company shall:
- a) use methods and procedures for auditing information systems based on risk assessment;

- b) define the scope of the information system audit based on a risk assessment before the actual audit of the information system;
 - c) define the depth of the information system audit depending on the current state of the information system;
 - d) check whether the bank complies with regulations adopted in line with the Law, which relate to information systems.
- (2) Based on the audit of the information system, the auditor is obliged to point out the significant risks to which the bank is exposed.

Article 14

Audit of accuracy, correctness and completeness of the reports being submitted to the Agency

- (1) By auditing the annual reports submitted to the Agency, the audit company shall examine the accuracy, correctness and completeness of the reports submitted to the Agency in accordance with valid decisions.
- (2) The audit company shall check the accuracy, correctness and completeness of the aforementioned reports in order to assess whether these reports have been prepared in accordance with the Law and regulations adopted on the basis of that Law, the policies and rules prescribed by the bank, and whether these are aligned with the annual financial statements on comparable items. The assessment of the reports is expressed by the auditor's opinion that the reports have been prepared in accordance with the Law and regulations of the Agency, and that they fairly and objectively reflect the financial position of the bank at the reporting date.
- (3) Individual reports referred to in Paragraph (1) of this Article shall also be signed by the responsible person from the bank's management in charge of for reporting.

IX. SCOPE AND CONTENTS OF THE AUDIT REPORT

Article 15

- (1) Based on the audit referred to in Article 8 of this Decision, the audit company shall prepare a report on the audit of annual financial statements.
- (2) In the audit report referred to in Paragraph (1) of this Article, the audit company is required to express an opinion clearly stating whether the financial statements present fairly and objectively in all material respects the financial position and results of operations of the legal entity, changes in equity and cash flows in the accounting period to which the audited financial statements relate to, as well as whether the statements have been prepared in accordance with IAS or IFRS, the Law on Accounting and Audit, the Law and other regulations that form the legal reporting framework for banks.
- (3) Following the audit referred to in Article 8 of this Decision, the audit company shall be obliged to perform the audit for the needs of the Agency and prepare relevant report. The audit report for the needs of the Agency shall be prepared in accordance with the Law and applicable regulations.
- (4) The audit report from Paragraph (3) of this Article must include:
- a) Separate assessment on compliance with the risk management rules;
 - b) Separate assessment on adequacy of the performance of the risk control function, compliance function and internal audit function;
 - c) Separate assessment on the condition of the IT system and adequacy of the IT system management;

- d) Separate assessment on compliance with the laws governing anti-money laundering and combating terrorism financing;
 - e) Separate assessment on accuracy, correctness and completeness of the statements submitted to the Agency and their compliance with the annual financial statements for the same business year;
 - f) A list of irregularities identified in the audit for the areas referred to in Articles 10 to 14 of this Decision;
 - g) Findings regarding implementation of auditor recommendations from previous years;
 - h) Recommendations for improving the risk management policies, procedures and processes referred to in Article 10, Paragraph (2) of this Decision;
 - i) Structure of shareholders and capital with special reference to the type of ownership (participation of state, private resident and non-resident ownership, the identity of beneficial owners of shares in the custody accounts) and relevant provisions of the Law and applicable regulations;
 - j) A list of bank shareholders holding 5% or more of voting rights, changes in the bank's ownership structure during the year, and shareholder structure, i.e. persons having qualifying holding in the bank and analysing whether the shareholders of the bank are related so that they are considered to act as a single acquirer within the meaning of the provisions of the Law governing acquisition of ownership in the bank;
 - k) Organisational structure of the bank (a chart);
 - l) A chart of a group, a banking group and a banking group having an ultimate holding, denoting therein relevant share;
 - m) Legal proceedings in which the bank is a sued party;
 - n) Human resources structure;
 - o) Remuneration related to the chairman of the supervisory board, the chairman of the audit committee as well as their members; and
 - p) A report's annex with reporting forms (in form of tables) prescribed by the applicable decisions of the Agency.
- (5) The audited reports referred to in this Article shall also be accompanied by the annual financial statements that have been subject to the audit.
- (6) The audit reports referred to in this Article shall be prepared and signed by the authorized auditor on his own behalf and the authorized representative on behalf of the audit company. An authorized representative of an audit company may at the same time be a certified auditor engaged in particular audit, thus he/she may sign the audit report additionally in that capacity.

X. REJECTING AN AUDIT REPORT

Article 16

- (1) If the Agency determines that the audit of financial statements has not been carried out or that the audit report has not been prepared in accordance with the Law, regulations adopted on the basis of the Law, the law governing the audit and the rules of the audit profession, or if such report could mislead the user to make a wrong business decision, or if, by performing the supervision of a bank's business or otherwise, it finds that the audit opinion on the bank's financial statements referred to in Article 15, Paragraph (2) of this Decision is not based on fair and objective facts, the Agency may reject the audit report and require from the bank that the audit is to be carried out by certified auditors of another audit company at the expense of the bank.

- (2) The rejection of the audit report on the audit of the bank's financial statements results in the rejection of the assessment referred to in Article 15, Paragraph (4) of this Decision.
- (3) The Agency may reject the assessment / opinion if it determines that the assessment / opinion referred to in Article 15, Paragraph (4) of this Decision is not given in accordance with the Law, regulations adopted pursuant to it, the law governing the audit and the rules of the audit profession, or if it was determined based on the supervision of the bank's business operations or otherwise that the assessment is not based on fair and objective facts. In such case, the Agency may:
 - a) Ask from the auditor to correct or amend its assessment, or
 - b) Reject the assessment and require from the bank that the assessment is made by the certified auditors of another audit company, at the bank's expense.
- (4) The rejection of the assessment referred to in Article 15, Paragraph (4) of this Decision shall not result in the rejection of the auditor's report on the audit of the bank's financial statements for that year, if the audit report on the financial statements has been accepted by the Agency.
- (5) The Agency shall, by a decision rejecting the audit report or decision rejecting the assessment, set a deadline for submission of a new report or a new assessment of the auditor.

XI. DELIVERY OF AUDIT COMPANY REPORTS TO THE AGENCY AND PUBLICATION OF FINANCIAL STATEMENTS

Article 17

- (1) The bank and the reporting entities on a consolidated basis referred to in Article 7, Paragraph (1), Items (a) and (b), shall submit to the Agency the audit company's report (report on audit of financial statements and the report for the needs of the Agency), together with a letter containing recommendations for the Management Board not later than 31st of May of the current year.
- (2) The bank shall submit to the Agency the audit company report within the time limit specified in the Agency's document ordering a special audit in accordance with Article 7, Paragraph (5) of this Decision.
- (3) In case of a status change referred to in Article 7, Paragraph (7), the bank shall submit the audit company report to the Agency not later than 60 days from the date of registration of the status change in the commercial registry.
- (4) The Agency may require from any member of a banking group to provide individual financial statements along with an audit company report.
- (5) The management board of the bank submits the audit company's report regarding the audit of financial statements to the audit committee. This committee, after considering and giving an opinion on this report, shall forward it to the supervisory board for consideration. The supervisory board submits a report on the bank's operations to the general meeting of shareholders, where this report includes financial statements and the audit company report regarding an audit of such financial statements, plus respective reports by the supervisory board and the audit committee.
- (6) The audit committee monitors and considers, jointly with the audit company, the annual audit of financial statements and proposes to the supervisory board that certain issues related to the performed audit be included in the agenda for the bank's general meeting of shareholders.
- (7) The bank shall publish the report of the audit company in its short form, within 15 days upon its receipt, on its web site and in one or more daily newspapers available in the entire territory of

BiH. Also, it shall immediately inform the Agency accordingly and provide a copy of the announcement.

- (8) The bank shall publish the audited individual annual financial statements together with the annual business report (that contains the report of the audit company on the audit of annual financial statements), on its website and make it available within six months from the end of the business year at the latest.
- (9) The minimum scope and content of the annual business report is prescribed by the Law on Accounting and Audit in the FBiH.
- (10) The reporting entities on a consolidated basis are required to have the audited consolidated annual financial statements together with the consolidated annual business report for the group, including the audit company's report on the audit of the consolidated annual financial statements, published on its website within the statutory deadline.
- (11) In addition to publishing the audited annual statements, the bank is obliged at the end of each first half of the year to publish the unaudited semi-annual statements (balance sheet and income statement), which in accordance with the Law on Accounting and Audit in the FBiH are prescribed by the Minister of Finance of the Federation of BiH, as well as information containing the names of the supervisory and the management board members and all shareholders holding 5% or more of the voting shares.
- (12) The bank shall publish the report referred to in Paragraph (11) of this Article within 30 days after the end of the first half-year in one or more daily newspapers available throughout the territory of BiH.
- (13) The "Short form of the audit company report " which the bank is required to publish in one of the daily newspapers available in BiH shall consist of the following:
 - a) Main information on the bank as follows:
 - 1) bank name, address, telephone number, telefax number and swift code;
 - 2) composition of the bank's supervisory board;
 - 3) composition of the bank's audit committee;
 - 4) names of the management board members;
 - 5) name of the bank's internal auditor;
 - 6) number of the bank's branches;
 - 7) number of the bank's employees;
 - 8) name of the audit company;
 - 9) names of all shareholders holding 5% or more voting shares;
 - b) Auditor's opinions;
 - c) Income Statement; and
 - d) Balance sheet.

The disclosure of the above information requires a prior consent of the auditor in writing.

Statements contained in the "Short-form report" are prepared in the table form from the audit reports.

XII. TRANSITIONAL AND FINAL PROVISIONS

Article 18

This Decision shall render ineffective the Decision on Minimum Standards of Internal and External Audit in Banks (FBiH Official Gazette No: 3/03) and the Decision on Minimum Scope, Form and

Contents of the Program and Report on Economic-Financial Audit of Banks (FBiH Official Gazette No: 48/12)-consolidated text.

Article 19

This Decision shall become effective on the eight day since its publication in the FBiH Official Gazette.

**No. U.O.- 08-10/17
Sarajevo, 13.10.2017**

**CHAIRWOMAN OF THE
MANAGEMENT BOARD**

Ljerka Marić, M.Sc. (Econ), sgd