

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 (FB&H Official Gazette No. 75/17), Article 12, Paragraph (1), Item d) of the Statute of the Banking Agency of the Federation of Bosnia and Herzegovina (FB&H Official Gazette No. 03/18) and Articles 32 and 61 of the Law on Leasing (FB&H Official Gazette Nos. 85/08, 39/09, 65/13 and 104/16), the Management Board of the Banking Agency of the Federation of Bosnia and Herzegovina enacted, at its meeting held on 28.05.2020. the following:

DECISION
ON AMENDMENTS TO THE DECISION ON MINIMUM STANDARDS FOR
DOCUMENTING FINANCING UNDER LEASING AGREEMENTS AND
ASSESSMENT OF CREDIT STANDING

Article 1

In Article 4 of the Decision on Minimum Standards for Documenting Financing Under Leasing Agreements and Assessment of Credit Standing (FB&H Official Gazette No. 46/14), the following new Paragraphs (3), (4) and (5) are added to read as follows:

„(3) in addition to competent institutions (court, public notary, municipality, etc.), certification of documents from Paragraph (1), Item b), Lines 1), 2) and 3) of this Article may be performed by authorised officers of leasing companies in manner prescribed by their policies and procedures, but subject to performance of an identical procedure as prescribed for certification of documents by competent institutions and subject to ensuring an adequate internal control system.

(4) A leasing company may also establish electronic archives and maintain a lessee file in electronic form, whereas such file shall contain all documentation from Paragraph (1) of this Article in line with applicable regulations.

(5) Method of creating, updating, protecting and performing all other activities related to establishment of an electronic file of a lessee from Paragraph (4) of this Article shall be prescribed in details by a leasing company via its internal documents, thus ensuring full compliance with relevant laws and aimed to minimise potential legal risk, i.e. risk of compliance, as well as to establish an adequate internal control system.“.

Article 2

(1) In Article 5, Paragraph (2), after words „credit standing assessment of the lessee“ there shall be a full stop instead of a comma and words „this level may not burden regular monthly net income in the amount higher than the one set under the Enforcement Law and the Labour Law.“ Shal be deleted.

(2) After Paragraph (2), a new Paragraph (3) shall be added to read as follows:

"(3) Prior to concluding agreements being the basis for establishment of a credit risk exposure, a leasing company shall assess credit standing of a lessee, quality, marketability, availability, value and possibility of subsequent sale of a lease object, as well as quality, value and marketability of a security instrument.“.

(3) In Paragraph (6), words „from Paragraphs (1), (3), (4) and (5)“ shall be replaced with words „from Paragraphs (1), (3), (4), (5) and (6).“.

(4) Existing Paragraphs (3), (4), (5), (6), (7) and (8) shall become Paragraphs (4) (5), (6), (7), (8) and (9).

Article 3

(1) In Article 6, after Paragraph (2), a new Paragraph (3) shall be added to read as follows:

"(3) Prior to concluding agreements being the basis for establishment of a credit risk exposure, a leasing company shall assess credit standing of a lessee, quality, marketability, availability, value and possibility of subsequent sale of a lease object, as well as quality, value and marketability of a security instrument.“.

(2) In Paragraph (5), words „from Paragraphs (1), (3) and (4)“ shall be replaced with words „from Paragraphs (1), (3), (4) and (5).“.

(3) Existing Paragraphs (3), (4) and (5) shall become Paragraphs (4), (5) and (6).

Article 4

This Decision enters into force on the eight day following its publication in the Official Gazette of FB&H.

**No. U.O.-45-08/20
Sarajevo, 28.05.2020.**

**CHAIRWOMAN OF THE
MANAGEMENT BOARD**

Ljerka Marić, M.Sc. (Econ), sgd