

**LAW ON AMENDMENTS AND SUPPLEMENTS OF THE LAW ON THE
CENTRAL BANK OF BOSNIA AND HERZEGOVINA
PUBLISHED IN: «Official Gazette of BiH», 29/02**

On the basis of Article IV. 4. a) of the Constitution of Bosnia and Herzegovina, the Parliamentary Assembly of Bosnia and Herzegovina, at the session of the House of Representatives, dated 1 August 2002, and at the session of the House of Peoples, dated 05 September 2002, has adopted

**LAW
ON AMENDMENTS AND SUPPLEMENTS OF THE LAW ON THE
CENTRAL BANK OF BOSNIA AND HERZEGOVINA**

Article 1.

In the Law on the Central Bank of Bosnia and Herzegovina («Official Gazette BiH» Ref: 1/97), Article 2. Paragraph 3. Item a., the words: «at a one to one exchange rate with the Deutsche Mark» are replaced with the words: «at the exchange rate as stipulated in Article 32. of this Law.»

Article 2.

In Article 10., the words «the State Council» are replaced with the words: «the Constitutional Court of Bosnia and Herzegovina».

Article 3.

In Article 20. Paragraph 4. is changed to read as it follows:

«4. The Governor, upon the approval of the Governing Board, may appoint Comptroller General Deputies to assist the Comptroller General in the discharge of his/her duties»

Article 4.

In Article 25. Paragraph 1., the following words are deleted: «equivalent to twenty-five million Deutsche marks».

Article 5.

In Article 29. Paragraph 1., Item a., the words: «the value of assets falls below the sum of assets» are replaced with the words: «the value of its assets falls below the sum of its liabilities».

Article 6.

The wording of Article 32. below the title is changed to read as it follows:

«The official exchange rate for the currency of Bosnia and Herzegovina shall be one Convertible Mark for 0,511292 Euro, i.e. one Euro amounts to 1,955830 Convertible Marks».

Article 7.

In Article 33. Paragraph 1. the words: «Deutsche marks» are replaced with the word «Euro».

Paragraph 2. of Article 33. is changed to read:

«2. Commercial banks and other authorised financial institutions in Bosnia and Herzegovina purchase and sell Convertible Marka on demand for Euro without any restrictions, at the exchange rate indicated in Article 32. of this Law. The maximum of their fees, commissions or other charges for such transactions cannot exceed 1%.»

Article 8.

In Article 35., the words: «Deutsche marks» are replaced with the word «Euro».

Article 9.

In Article 36. Paragraph 1., the words: «between 10 and 15%» are replaced with the words: «between 10 and 20%».

In Article 36. Paragraph 5. the words: «within the same week» are replaced with the words: «within the same period, i.e. ten days», and the sentence: «If the failure to fulfill the reserve requirement continues for another week, the Central Bank will inform the appropriate banking authorities so they can initiate the procedures to close the bank» is replaced to read as it follows: «If the failure to fulfill the reserve requirement continues for another period, i.e. ten days, the Central Bank will inform the appropriate banking authorities so that they can undertake appropriate steps against the bank»

Article 10.

In Article 38., Paragraphs 3., 4., 5. and 6. are deleted.

Article 11.

In Article 74., Item j. is deleted.

Article 12.

Following Article 75., a new article 75a. is added which reads as it follows:

«75a.

Legal Issues Arising from the Euro Introduction

1. Wherever in any legal document (hereinafter: the legal document), valid on 31 December 2001, the unit of the national currency which is replaced with Euro is referred to, such reference will be considered to be reference to the relevant unit of euro, according to the official exchange rate for conversion and in accordance with the rules on rounding-off, established by the Council of the European Union.
2. Legal issues arising from the replacement of national currencies with euro, which are mentioned in the legal document, including also the legal issues which include the variable interest rate or index referred to in the legal document, shall be solved by applying the law of the country whose currency is changed in this way.
3. The replacement of the national currency with euro shall not have the effect of annulment of or release from a commitment arising from any legal document, and shall not make possible to any party to unanimously change or terminate such agreement.
4. As mentioned in this Article, the legal document means any legal or statutory provision, administrative document, court decision, agreement, unanimous legal document, instrument of payment except for banknotes and coins and any other instrument with legal force.

Article 13.

This Law takes effect on the eight day following its publishing in the Official Gazette of BiH.

PS BiH Ref: 80/02
05 September 2002
Sarajevo

Chairman of House of Representatives
Of Parliamentary Assembly of BiH

Mariofil Ljubić, personally signed

Chairman of House of People
of Parliamentary Assembly of BiH

Nikola Špirić, personally signed

Note: This Law was published in the «Official Gazette of BiH», Ref: 29/02, and it took effect on 20 October 2002.

Sarajevo, 29 October 2002

**The Central Bank
of Bosnia and Herzegovina
Legal Affairs Section**