

Pursuant to Article 5, Paragraph 1, Item b, Article 20, Paragraph 2, Item b and Article 37 of the Law on the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska", No. 59/13 and 4/17), Article 6, Paragraph 1, Item b and Article 19,, Paragraph 1, Item b of the Statute of the Banking Agency of Republika Srpska ("Official Gazette of Republika Srpska", No. 63/17), the Management Board of the Banking Agency of Republika Srpska, at its 41st session, held on 21 March, 2022 adopted the

DECISION
ON THE AMENDMENTS OF THE
DECISION ON CONDITIONS AND PROCEDURE FOR ISSUING LICENSES, APPROVALS AND CONSENTS TO
BANKS OPERATING IN REPUBLIKA SRPSKA

Article 1

In the Decision on conditions and procedure for issuing licenses, approvals and consents to banks operating in Republika Srpska ("Official Gazette of Republika Srpska", No. 4/18), Article 21 shall be amended and read as follows:

"(1) In order to obtain prior consent for the inclusion of current year's profit in the CET 1 item - retained earnings before making a formal decision in accordance with Article 6, Paragraph 3 of the Decision on calculating capital in banks, the bank shall submit to the Agency, along with the request:

- 1) draft decision of the bank's general meeting on profit distribution, if it is adopted by the supervisory board,
- 2) an audited financial statement or a statement signed by an independent external auditor stating that the audit is ongoing and that no circumstances have been identified by the time the statement is signed that would indicate that the final report will contain a qualified opinion, negative opinion or the form in which the auditor refrains from giving an opinion,
- 3) a statement by the bank that the amount of profit included in the CET 1 item has been reduced by any foreseeable costs or dividends.

(2) The Ruling on the request for inclusion of the current year's profit in the CET 1 item before making a formal decision, the Agency shall issue within 15 days from the receipt of the request with complete documentation."

Article 2

This Decision shall enter into force on the eighth day from the day of its publication in the "Official Gazette of Republika Srpska".

Number: UO-318/22

Date: 21 March, 2022

PRESIDENT OF THE
MANAGEMENT BOARD
Bratoljub Radulović

