

**LAW ON REGISTRATION OF BUSINESS  
ENTITIES IN REPUBLIKA SRPSKA**

**“Official Gazette of Republika Srpska”, 42/05**

# **L A W**

## **ON REGISTRATION OF BUSINESS ENTITIES IN REPUBLIKA SRPSKA**

### **I – GENERAL PROVISIONS**

#### **General Provisions** **Article 1**

- (1) This Law shall stipulate out of court procedure rules on the basis of which competent Registration Court shall act and decide upon entry into the Court Registry.
- (2) Law on registration of business entities in Republika Srpska (hereinafter: the Law) shall stipulate procedure of entry into Registry of Business Entities in compliance with the Framework Law on Registration of Business Entities Bosnia and Herzegovina (hereinafter: the Framework Law).

#### **Purpose of the Law** **Article 2**

- (1) The purpose of this Law is to establish procedure for registration of business entities in Republika Srpska and to create uniform system of identification of business entities in compliance with the Framework Law.
- (2) In terms of purpose identified in Para (1) this Law shall establish fast and uniform procedure of entry into Registration of Business Entities applicable to all business entities founded in Bosnia and Herzegovina by both local and foreign legal and physical persons.

#### **Meaning of Particular Terms Used in the Law** **Article 3**

- (1) Terms used in this Law shall have the following meaning:
  - a. Registry – a database containing data and documents on subjects of entry comprising of the Main Registry Book and Compendium of Registry Documents;
  - b. Registration Court – any court competent for registration matters and designated as such by a special Law of Republika Srpska;
  - c. Competent Registration Court – court competent for registration of the subject of entry determined by the seat of the subject of entry;
  - d. Main Registry Book – the public part of the Registry containing data on subjects of entry stipulated by this Law and has been kept in both electronic and printed form. The Main Registry Book in printed form has been kept by the court competent by the seat of business entity.
  - e. Compendium of Registry Documents – the part of Registry containing documents on the basis of which the entry of data on subjects of registration has been made in the Main Registry Book as well as other evidence submitted

- or created in the course of procedure of entry into the Registry, as well as decisions made in the course of registration procedure;
- f. Subject of entry – a business entity, i.e. legal person whose registration shall be mandatory pursuant to this Law. It is a company established with a purpose of performing trading activities, a cooperative or association of cooperatives or any other legal person founded in compliance with RS laws and with objective of generating profits. Subject of entry, pursuant to this Law, shall be entities whose registration has been regulated in the special law of Republika Srpska.
  - g. Registry Number of the Subject of Entry (hereinafter: RNS) – the registry identification number allocated to each subject of entry in the course of procedure of entry into the Registry by competent Registration Court. Registry number of the subject of entry shall be unique, unmodified and unrepeatable;
  - h. Entry into the Registry – any entry of one or more data of significance to legal transactions in the Main Registry Book;
  - i. Removal from the Registry – any entry that shall imply termination of the subject of entry, i.e. cessation of validity of a particular piece of information entered into the Main Registry Book in regards to an individual subject of entry;
  - j. Participant in the Registration Procedure – a person who has initiated registration procedure, a person whose rights and legal interests have been subject of decision making in the procedure as well as a competent authority. Applicant, according to this Law shall be subject of registration or second party who has initiated procedure of entry into Court Registry; however, opponent to the applicant shall be a subject of registration in whose name a request included in the recommendation has been made.
  - k. Applicant – participant in the registration procedure who has instigated registration procedure referring to the founder who has filed an application or competent person empowered by way of charter of foundation, general or special power of attorney or on any other legal grounds for submitting application for entry into Court Registry.
  - l. Excerpt from the Registry – shall be a certified document issued upon request by interested party in a regular manner, containing data required, i.e. data from the Main Registry Book for each individual subject of entry valid in a specific moment in time, i.e. specific period of time.

## **Principles of Registration**

### **Article 4**

(1) Registration of business entities shall be based on the following principles:

- a) Mandatory Entry – all business entities defined as such by this and other special laws of Republika Srpska shall be under obligation to registry with the competent Registration Court prior to starting any intended trading activities;
- b) Compliance with the Law – registration procedure shall be stipulated by this Law.
- c) Ex Officio Registration – competent Registration Court cannot refuse duly submitted and documented application and upon receipt shall proceed in the line of duty.

- d) Formality – registration forms shall have a set written format content of which has been stipulated by this Law.
  - e) Priority – competent Registration Court shall be under an obligation to process individual applications according to sequential order of their receipt.
  - f) Constitutionality – at the moment of entry into the Registry, facts in terms of subject of entry shall assume a legal character, i.e. once entered into the Registry certain rights have been constituted together with the effect of registration on third parties.
  - g) Uniformity – registration of business entities shall be determined in a uniform way.
  - h) Transparency – without having to prove any legal interest on his part, anyone can have access to contents of the Main Registry Book and public data from the Compendium of Registry documents and require to be issued with an excerpt or a transcript of public data from the Main Registry Book, however, only inspection of or obtaining excerpt from Compendium of Registry Documents shall be stipulated by the Law and shall require proof of legal interest.
- (2) All registration courts shall be under obligation to facilitate the right to inspect data in the Main Registry Book kept in electronic format and to provide excerpts of it regardless of whether the court in question has administered registration procedure of the business entity.

### **Subjects of Registration**

#### **Article 5**

- (1) Subjects under obligation to registry shall include all subjects defined as business entities by this Law and any special laws of Republika Srpska.
- (2) Subjects defined by Paragraph (1) of this Article shall include all types of companies / enterprises and their subsidiaries, companies with public seal of approval, institutions, public corporations, business associations, cooperatives and association of cooperatives and other subjects determined by special law.

### **Correct Application of the Law**

#### **Article 6**

- (1) Provisions of this Law shall apply to subjects not founded as business entities, i.e. they have not been founded with objective of profit making from registered activity or legal persons and institutions whereby their entry into Court Registry has been defined by special law.

### **Object of Registration**

#### **Article 7**

- (1) Data entered into the Registry shall refer to founding, merger and termination of activities of the subject of entry; founding, i.e. termination of a subsidiary, all status changes including changes to the way subject has been structured, data on the subject of entry significant for legal transactions and amendments to these data, data in terms of bankruptcy or liquidation procedure, data on initiated

procedure of removal of subject from the Registry and other data stipulated by this Law and other special laws of Republika Srpska.

- (2) Apart from the aforementioned in Para (1) of this Article, entered in the Registry shall also be a ban on performing activities on grounds of legally binding decision issued by competent authority, temporary measures and entries in terms of decisions delivered in accordance with other regulations.

## **II - REGISTRATION PROCEDURE**

### **Competence for Keeping the Registry**

#### **Article 8**

- (1) The Registry shall be maintained by courts determined by the Law on RS Courts (hereinafter: the registration court).
- (2) Subject of entry can be registered with the relevant registration court.
- (3) Only relevant registration court shall have active access to the Main Registry Book and can enter and amend data in the Main Book for subject of entry being entered in the Registry.
- (4) Application for registration of the subject of entry can be submitted to any registration court regardless of the location of the seat of subject of entry. If application for registration of subject of entry has been submitted to a non-competent registration court, that court will deliver the aforementioned application together with documents in the printed form originally attached to the application to the relevant registration court, ex officio and without any delay.
- (5) Relevant registration court shall be under obligation to act upon application received in the manner described in Paragraph (4) of this Article.
- (6) Relevant registration court shall be under obligation to maintain the Main Registry Book and Compendium of documents in printed form accurately and up to date and to ensure adequate conditions for maintenance of these books.
- (7) Should there be, within the structure of the subject of entry, any subjects (subsidiaries) with the seat in the area within jurisdiction of another registration court, all subjects shall be kept only in the registry of the relevant registration court at which the subject they are part of has been registered.
- (8) The relevant registration court shall be under obligation to notify the registration court in the area a subsidiary or business unit have been located and authorities under Article 77 of this Law, about the registration of subsidiary or a business unit defined in Paragraph (7) of this Article.

### **Competence in the Case of Change of the Seat Address**

#### **Article 9**

- (1) In case there is a change in location of the seat of the subject of entry resulting in the change of competency of the registration court, all electronic data and documents related to business entity that has changed the seat shall be delivered, ex officio and without delay, to the registration court competent according to the changed location of the seat of the subject of entry.
- (2) If subject of entry has moved the seat to the jurisdiction of another registration court, decision on the entry of the change shall be within competence of registration court in which area the new seat has been located.

- (3) In case of change in status of the subject of entry resulting in the change of the seat, after change of status has been registered, entry of the new subject in the registry will be administered by the court competent according to location of the new seat.

### **Content of the Registry**

#### **Article 10**

- (1) The Registry shall contain the Main Registry Book and Compendium of Registry Documents. Relevant registration court shall maintain the Main Registry Book and Compendium of documents for each individual subject of entry.
- (2) The Main Registry Book shall be a book of data that has been simultaneously kept in both printed and electronic version. The Main Registry Book in printed version shall be kept at the relevant registration court. The Main Registry Book in electronic form shall be accessible to all registration courts in Bosnia and Herzegovina.
- (3) Competent registration court shall be under obligation to ensure final entry into Main Registry Book currently accessible to all registration court in the territory Bosnia and Herzegovina.
- (4) At the time application for registration has been submitted, data available shall be restricted to details in regards to the application and the company subject of registration. After completion of registration procedure, i.e. after certificate of registration has been issued, all data from the Main Registry Book shall be available in accordance with provision from Para 2 and 3 of this Article.
- (5) Compendium of Registry documents shall be kept in printed form, however, it can also be kept in electronic form.
- (6) Registration courts shall be accountable for authenticity of registration entries they have administered.

### **Cost of Registration**

#### **Article 11**

- (1) Each participant in the registration procedure shall be responsible for its own expenses.

## **III – MANDATORY REGISTRY DATA**

### **General and Specific Data on Business Entities**

#### **Article 12**

- (1) Competent registration court shall be authorised and under obligation to request data stipulated by this Law and the Framework Law on Registration of Business Entities only.

### **General Data**

#### **Article 13**

- (1) General data on subjects of entry entered into the Main Registry Book by the competent registration court shall be as follows:

- a) company and the seat, i.e. name, surname and home address of (all) founders / owners of subject of entry:
  - a. object of entry;
  - b. date, day and hour application for entry received;
  - c. company and HQ of the subject of entry;
  - d. abbreviated logo of the company subject of entry;
  - e. single identification number of subject of entry;
  - f. form of the subject of entry;
  - g. name, reference number and date of founding documents of the subject of entry;
  - h. name, surname and position of authorised representative of the subject of entry;
  - i. scope of empowerment of an authorised representative of the subject of entry;
  - j. sum of agreed (registered) initial capital;
  - k. cash amount of capital paid;
  - l. value of capital in assets and property rights;
  - m. share of each individual founder in the capital of the subject of entry in percentages (cash, property rights and assets);
  - n. business activity of the subject of entry with codes for business activities defined in current classification of businesses.

**Special Data**  
**Article 14**

- (1) Special data, i.e. mandatory data for entry into the Registry in case of registration of subsidiaries of the subject of entry, registration of related subjects of entry and entry of changes in status or changes in general and special data of significance for legal transactions, shall refer to the entry of:
- a. a part of or a subsidiary of the subject of entry;
  - b. entry of reference number of subsidiary company;
  - c. merger of two or more subjects of entry;
  - d. acquisition of one or more subjects of entry by another subject of entry;
  - e. division of a subject of entry to two or more subjects of entry;
  - f. change of the form of subject of entry; and
  - g. termination of a subject of entry.

**Registration of a Part or Subsidiary of the Subject of Entry**  
**Article 15**

- (1) Mandatory data to be entered into the Registry in case of registration of a part or subsidiary of a subject of entry shall be as follows:
- a. the seat address of the part or subsidiary of the subject of entry;
  - b. business activity of the part or subsidiary of subject of entry;
  - c. name, number and date of found document of a part or subsidiary of subject of entry; and
  - d. name and surname of person authorised to represent a part or subsidiary of subject of entry.

- (2) A part or subsidiary of subject of entry shall be entered in the Main Registry Book of founders of a part or subsidiary of subject of entry.

**Subsidiary Companies**  
**Article 16**

- (1) In the course of registration of legally independent business entity but related to other business entity (subsidiary company) in terms of invested capital and management, entry in the Registry, i.e. the Main Registry Book, excerpts and Decision on Registration of majority shareholders, competent court shall registry this business relationship by entering single identification number of subsidiary company to the data of the main subject of entry or entering single identification number of the main subject of entry with data of the subsidiary company.

**Registration of Merger of Two or More Subjects of Entry**  
**Article 17**

- (1) Mandatory data to be entered in the Main Registry Book in case of merger of two or more subjects of entry shall be as follows:
- a. company name and the seat address of business entities subject of merger;
  - b. number and date of the Decision on Registration of business entities subject of merger;
  - c. name, number and date of subjects of entry merger document;
  - d. company and the seat address of the new subject of entry derived from the merger with new general data.
- (2) Apart from facts about termination – removal from the Registry, Certificate of Registration of the subject of entry that has ceased to exist by way of merging into a new subject of entry shall include details of the merger, i.e. single identification number of the new subject.

**Registration of Acquisition of one or more Subjects of Entry by Another Subject of Entry**  
**Article 18**

- (1) Mandatory data to be entered into the Main Registry Book in case of acquisition of one or more business entities by another business entity shall be as follows:
- a. company name and the seat address of the subject of entry acquired to another subject of entry;
  - b. number and date of the Certificate of Registration of the subject of entry subject of acquisition;
  - c. name, number and date of acquisition document of the subject of entry; and
  - d. company name and the seat of the subject of entry that has acquired another subject of entry, with new general data.
- (2) Apart from facts in terms of termination of activities - removal from the Registry of the subject of entry that has ceased to exist due to acquisition by another



subject of entry, certificate of Registration shall also include the acquisition facts, i.e. number of certificate on registration of the subject of entry that has acquired it.

- (3) Certificate on Registration of the existing subject of entry shall include all acquisition details as well as the new data.

### **Registration of Division of Two or More Subjects of Entry** **Article 19**

- (1) Mandatory data to be entered into the Main Registry Book in case of division of one or more business entities by another business entity shall be as follows:
  - a. company name and the seat address of the subject of entry divided in two or more subjects of entry;
  - b. number and date of the Certificate of Registration of the subject of entry subject of acquisition;
  - c. name, number and date of acquisition document of the subject of entry; and
  - d. company name and the seat of the subject of entry that has acquired another subject of entry, with new general data.
- (2) Apart from details in terms of the division, i.e. termination of business activities – removal from the Registry, the decision on registration of subject of entry being divided shall include number and date of decision on registration of new subjects of entry as a result of the division.

### **Registration of the Change of Form of Subject of Entry** **Article 20**

- (1) Mandatory data to be entered to the Main Registry Book in the case of registration of the change of form of business of subject of entry shall be as follows:
  - a. name, number and date of the act on the change of form of the subject of entry; and
  - b. new general data, if they have been changed.

### **Registration of Termination of Business Activity (removal) of the Subject of Entry** **Article 21**

- (1) Mandatory data to be entered into the Main Registry Book in the case of registration of termination of business activities of the subject of entry in any way laid down by current RS regulations shall be as follows:
  - a. date subject of entry has ceased to exist; and
  - b. reason for termination of business of subject of entry.
- (2) Instigation of bankruptcy, i.e. liquidation procedure shall be entered following decision delivered by the competent court.
- (3) Following completion of the liquidation proceedings, i.e. bankruptcy, legally binding court decision on completion of this procedure shall be submitted to the

relevant registration court. In this respect, relevant registration court will, ex officio, remove subject of entry from the court registry.

#### **IV – DOCUMENTS AND OTHER ACTS REQUIRED FOR ENTRY OF BUSINESS ENTITY INTO THE REGISTRY**

##### **Registration Documents**

##### **Article 22**

- (1) For the purpose of assessment and verification of general and special data significant for legal transactions at the time of founding of business entity or change of data mandatory for entering in the Registry, the registration court shall, depending on subject of entry, request supply of documents as follows:
- a. ID card, passport or excerpt from the relevant Registry confirming identity of the founder of foreign or domestic physical or legal entity;
  - b. ID card, passport or appropriate receipt from the relevant internal affairs authority confirming identity of the applicant in the name domestic or foreign physical person;
  - c. ID card or passport and appropriate written power of attorney identifying capacity of person authorised to represent subject of entry including certified signature of this person;
  - d. Act on founding or act on amendments of general data significant for legal transactions of already founded, i.e. registered subject of entry ascertaining founding, i.e. amendments of relevant data with certified signatures of authorised persons;
  - e. Business entity's status;
  - f. Decision on appointment of person empowered to represent in internal and foreign trading if not otherwise stated in the founding act;
  - g. Bank's receipt on payment made to temporary account of deposited cash amounts stating amount of capital paid in cash;
  - h. Proof of guarantee in terms of unpaid amount of cash part of founding share in the case of one-member company capital;
  - i. Excerpt from relevant public registry establishing ownership in capital in terms of assets and rights, i.e. application for entry into relevant public registry and competent court expert's findings establishing the value of capital in terms of assets and rights;
  - j. Appropriate approval of Securities Commission and Central Securities Registry if prescribed by special law;
  - k. Proof of guarantee for non-entered part of non-cash capital in the case of one person company capital;
  - l. Approval of the relevant authority as condition for entry into the Registry defined in the provision of Article 46 of this Law.

## **V – DOCUMENTS AND OTHER ACTS REQUIRED FOR ENTRY OF PARTICULAR FORMS OF BUSINESS ENTITIES**

### **Documents required for entry of founding of Shareholding Company Article 23**

- (1) Enclosed with the application for founding of shareholding company, amongst other, the following documents shall be submitted:
  - a. documents determined in the provision of Article 22 Para 1 Items a., b and c of this Law;
  - b. founding act;
  - c. statute;
  - d. approval of competent authority (Securities Commission, Central Securities Registry) if defined by special regulation;
  - e. documents determined in the provision of Article 22 Para 1 Item i. of this Law;
  - f. banker's receipt on payment of founding capital in cash, i.e. proof of cash value of assets and rights brought into the company;
  - g. decision on appointing a person authorised for representation if not appointed in the founding act;
  - h. certified signature of person authorised for representation.
- (2) In the case of successive founding of Shareholding Company, subject of entry will also submit the proof of public invitation for entry and payment of shares, i.e. prospectus with approval of the prospectus by competent authority.
- (3) Enclosed with the application for entry into one-member shareholding company Registry, apart from the stated in Para (1) of this Article, shall be proof of guarantee for unpaid amount of cash part of the founding capital, i.e. for the value of non-entered non-cash share.
- (4) Founders of Shareholding Company shall be entered into the Registry.

### **Documents required for a bank founding entry or any other financial organisation Article 24**

- (1) Enclosed with application for entry of a bank into founding registry shall be as follows:
  - (1) documents determined in the provision of Article 22 Para (1), Items a, b and c;
  - (2) bank founding act;
  - (3) bank statute;
  - (4) decision delivered by the Banking Agency on issue of work permit including approval of the founding act and the statute;
  - (5) proof of payment of funds to temporary bank account;
  - (6) act on appointment of the Director or acting Director;
  - (7) certified signature of person authorised for representation;
  - (8) proof that the bank founders placed non-cash assets at the bank's disposal.

- (2) Enclosed with application for entry into Registry of foreign payments, foreign credits and currency exchange transactions shall be approval of the Banking Agency and Decision on appointing person competent for representation including certified signature of these persons.
- (3) Approval of Banking Agency shall be enclosed with application for entry into the stock exchange market activities done by the bank or other organisations.
- (4) Provisions of Article 15 of this Law shall apply to the entry of a part of the bank into registry accordingly.
- (5) Provisions of Para (1) of this Article shall apply to the entry of saving banks, saving and credit organisations and saving and credit associations into the registry.

**Documents required for entry of founding of shareholding insurance company**  
**Article 25**

- (1) Documents enclosed with application for entry of shareholding insurance company into founding registry shall be as follows:
  - a. documents determined in the provision of Article 22 Para (1), Items a, b and c;
  - b. bank founding act;
  - c. bank statute;
  - d. permit issued by the competent authority for work of company;
  - e. act on appointment of the Director or acting Director;
  - f. certified signature of person authorised for representation;
  - g. proof of cash funds deposited to temporary account; and
  - h. proof of capital in assets and rights.
- (2) Provisions of Article 15 of this Law shall accordingly apply to entry of shareholding insurance company into the registry.
- (3) Enclosed with application for entry into registry of founding of company for mutual insurance, provision of Para (1) of this Article shall apply.
- (4) Enclosed with application for entry into registry of founding agency for provision of other insurance services shall be documents referring to registration of shareholding company or company with limited responsibility including permit issued by the competent authority for work of such an agency.

**Documents required for founding entry of company with limited liability**  
**Article 26**

- (1) Mandatory documents enclosed with application for entry into the registry founding of company with limited responsibility shall be as follows:
  - a. documents determined in the provision of Article 22 Para (1), Items a, b and c;
  - b. founding act;
  - c. bank's confirmation of payment of capital in cash, i.e. proof of cash value of assets and rights brought into company;
  - d. decision on appointing persons competent for representation provided they have not been nominated in the founding act;
  - e. certified signature of person authorised for representation.
- (2) Proof of guarantee for unpaid cash amount of part of founding capital, i.e. value of non-entered non-cash share shall be enclosed with the application for entry into

the registry of founding of one-member company with limited liability as well as documents stated in Para (1) of this Article.

**Documents required for registration of founding of Partnership Company and limited partnership company**  
**Article 27**

- (1) Documents enclosed with the application for entry into Registry of founding of partnership and limited partnership company shall be as follows:
- a. founding act
  - b. banker's receipt confirming payment of cash part of capital to temporary account, i.e. proof that assets and rights have been placed at company's disposal provided there is provision in the founding act for cash payment or bringing assets and rights into partnership; and
  - c. certified signature of person authorised for representation.

**Documents required for entry of founding of public company or privatisation of company into the court registry**  
**Article 28**

- (1) In the case of entry of founding of public company into the registry provisions of the law referring to the entry of shareholding company and company with limited liability shall apply accordingly depending on the structure of public company.
- (2) Provision of Article 22 Para (1), Items a, b and c shall not apply to administration authorities if they are company founders.
- (3) In the event of entry of completed privatisation into the registry, subject of entry shall be under obligation to apply within legally set deadlines for entry into the registry change of ownership provided that, depending on the type of change, i.e. form of structure, he has enclosed written notification on privatisation of the state capital in the company by Privatisation Agency, decision on the change of company form as an integral part of privatisation program, agreement on injection of fresh capital (increase of capital stock) and other documents in support of other general data.

**Documents required for entry of founding of company with public seal of approval into court registry**  
**Article 29**

- (1) Documents enclosed with application for entry of founding of company with public seal of approval into the court registry shall be as follows:
- a. documents defined in the provision of Article 22 Para (1), Items a, b and c of this Law;
  - b. founding act;
  - c. statute;
  - d. proof of funds for founding and start of operation of the company, i.e. proof that assets and rights brought into the company have been placed to company's disposal;
  - e. decision on appointment of Director or acting Director if not nominated in the founding act including certified signature;

- f. certificate issued by the competent authority on awarding company with public seal of approval;
- g. document issued by the competent authority stating that company with public seal of approval has met rules and conditions set for conducting business if laid down in the special law.

**Documents required for entry of business association in the court registry**  
**Article 30**

- (1) Enclosed with application for entry of founding of business association into the court registry shall be Founding Agreement, proof of payment of initial capital in cash and proof that assets and rights have been placed at disposal of the business association according to the Agreement, decision on nomination of association's representative and certified signature of business association's representative.

**Documents required for entry of co-operative and co-operative association into the court registry**  
**Article 31**

- (1) Documents enclosed with application for entry of co-operative into the court registry shall be as follows:
- a. founding act;
  - b. co-operative's rules and regulations;
  - c. proof of payment or bringing a portion or assets of the founder in keeping with the founding act;
  - d. decision on appointment of the Director
  - e. certified signature of person authorised for representation.
- (2) Provision of Paragraph (1) of this Article shall accordingly apply to the entry of co-operative association in the court registry.

**Documents required for entry of procurator into the Registry**  
**Article 32**

- (1) Documents enclosed with application for entry of procurator in the court registry shall be as follows:
- a. decision on giving procurator power to another person; and
  - b. procurator's certified signature.
- (2) Provisions referring to persons authorised to represent business entity shall equally apply to the application for entry of procurator and scope of empowerment different from those laid down by the special law.

**VI – DOCUMENTS REQUIRED FOR ENTRY OF CHANGE OF DATA  
SIGNIFICANT FOR LEGAL TRANSACTIONS INTO THE REGISTRY**

**Documents required for entry of changes significant for legal transactions into  
the registry  
Article 33**

- (1) Registration of change of data significant for legal transaction such as change of firm, the seat of subject of entry, registered business activities, persons authorised for representation, change of founders and other changes into the Registry shall include act on amendments and/or supplements of such data.

**Application for entry of increase in Shareholding Company's initial capital into  
the Registry  
Article 34**

- (1) Enclosed with application for entry of increase in shareholding company's initial capital into the Registry on the basis of new shares capital, the decision delivered by shareholder's assembly on increase of initial capital, proof of notice and content of the public notice for entries and payments of shares (prospectus) with an approval of prospectus by the relevant authority, banker's receipt on registered and paid shares or any other evidence about increase of capital, i.e. report by authorised valuer on the value of shares in kinds and rights.
- (2) Enclosed with the request for conditional increase of shareholding company's capital shall be decision of company's assembly on conditional increase of capital. Bank's report on registered and paid shares or any other proof of increase in capital and statement issued by the Director that shares have been issued for purposes underlined in this decision shall be enclosed with the application for entry of total amount of shares issued in the course of previous year following decision on conditional increase of capital.
- (3) Enclosed with application for entry of increase in initial capital on the basis of approved capital into the Registry, shall be decision delivered by the company board on the increase of capital, excerpt from the statute, i.e. decision by the assembly authorising the board for delivering such a decision as well as bank's receipt on entered and paid shares or any other proof of increase in capital.
- (4) Decision by the shareholders assembly on increase of initial capital and the balance sheet based on which decision on increase in capital has been delivered shall be enclosed with application for entry of increase of initial capital of the shareholding company into the registry by converting reserves and non-allocated profits into the initial capital.
- (5) Enclosed with application for entry of decision on issuance of convertible and participating bonds into the Registry shall be decision of the assembly or decision of company's board on issuance of these bonds with approval of the assembly for delivery of such a decision.
- (6) Provisions from Para (1) to (4) of this Article shall apply to entry of increase of initial capital of one-member shareholding company accordingly.

**Documents required for entry of reduction in Shareholding Company's initial capital**  
**Article 35**

- (1) Enclosed with application for entry of reduction in shareholding company's initial capital into the Registry on the basis of new shares capital, the decision delivered by shareholder's assembly on reduction of initial capital, proof of publication of the decision on reduction in initial capital and invitation to trustees to register their claims in keeping with the law, proof of invitation to shareholders to submit shares for consolidation or change of nominal value according to the law, i.e. proof of cancellation of shares or pronouncing them null and void.
- (2) Provision of Para (1) of this Article shall accordingly apply in the case of application for registration of simplified reduction in the initial capital.

**Documents required for entry of increase or reduction in the initial capital of company with limited liability into the registry**  
**Article 36**

- (1) Enclosed with application for entry of increase in the initial capital of the company with limited liability into the Registry shall be decision on increase of initial capital and amendments of founding charter, i.e. company's statute enacted according to the company statute, bank's receipt on payment of share capital, i.e. proof of bringing in new shares according to that decision or, if necessary, approval of competent authority for acquisition of significant participation or majority shares in capital.
- (2) Enclosed with application for entry of reduction in the initial capital of the company with limited liability into the Registry shall be decision on reduction in the initial capital and the proof that trustees of the subject of entry have been notified about intention to reduce the capital.

**Documents required for entry into the registry of the remaining registered cash amount of the initial capital**  
**Article 37**

- (1) Enclosed with the application for entry into the registry of payment of remaining enlisted cash amount of the initial capital of Shareholding Company and company with limited liability shall include bank's receipt that payment has been made.

**Documents required for entry of the new member or termination of membership**  
**Article 38**

- (1) Amendments to the founding charter shall be enclosed with application for entry into the court registry of the new member of Partnership Company.
- (2) Document proving grounds for termination of membership in Partnership Company and amendment of founding charter shall be enclosed with application for entry into court registry.
- (3) Documents enclosed with the application for entry of new member of limited partnership and company with limited liability into the Registry shall include decision of management body of the subject of entry, i.e. agreement on transfer of shares as well amendments and supplements of the founding charter or statute.



- (4) Documents enclosed with application for entry of membership status within limited partnership and company with limited liability into the registry shall include document proving grounds for termination of membership status and amendments and supplements of founding charter, i.e. statute.

**Documents required for registration of amendments of data significant for legal transactions**  
**Article 39**

**Change of company name of the subject of entry**

- (1) Decision on the change of company name shall be enclosed with application for entry into the Registry.

**Change of the seat of the subject of entry**

- (1) Decision on the change of the seat of subject of entry shall be enclosed with application for entry of change of company seat into the Registry.

**Change of business activity of subject of entry**

- (1) Application for entry of change of activity into the Registry shall include decision on the change of activities and approval issued by the competent authority provided it has been prescribed by the special law.

**Change of responsibilities for liabilities**

- (1) Application for entry into the Registry of the change of responsibility of subject for liabilities of other subjects of entry in legal transactions shall include an agreement, i.e. its amendments.

**Replacement of person authorised for representation**

- (1) Application for entry of the replacement of person authorised to represent subject of entry into the Registry shall include decision by competent authority of the subject of entry in which one person has been discharged, i.e. by which this person has lost the right of representation and other person nominated or authorised for representation including the scope of empowerment and certified signature of this person.

**Change of the founder or the share in founding capital**

- (1) Documents enclosed with application for entry into the Registry of the change of founder or the increase or reduction in number of founders or amendment in the founding capital shall include an agreement or decision on the change of founders, i.e. share capital.

**VII – DOCUMENTS REQUIRED FOR REGISTRATION OF CHANGE OF STATUS AND FORM OF BUSINESS ENTITIES**

**Documents required for entry of merger of business entities into the Registry**  
**Article 40**

- (1) Documents enclosed with application for entry of merger of business entities into the Registry shall include merger agreement, findings by competent court expert on the value of property subject of merger with explanation, approval of merger

by companies' assemblies and proof of public announcement of instigation of the procedure.

- (2) In the event that company with public seal of approval shall participate in the merger, apart from documents stated in Paragraph (1) of this Article, approval of merger by a competent authority shall also be enclosed.
- (3) Should merger include the increase in initial capital of business entity that has merged with other business entities, the proof of total amount of initial capital shall be submitted.
- (4) If 90% of initial capital of dependant company is owned by parent company the former has been merged with, it shall not be necessary to include approval of the dependant company's assembly, except if shareholders or members of staff holding at least 1/10 of initial capital in the company do not request meeting of the assembly in order to deliver a decision.

#### **Documents required for entry of merger of business entities into the Registry** **Article 41**

- (1) Documents enclosed with application for merger of business subjects shall include a merger agreement, approval of business entities respective assemblies in terms of merger agreement and proof that notice re merger intention has been published.
- (2) In the event that company with public seal of approval should participate in the merger, apart from documents mentioned in Paragraph (1) of this Article, approval of competent authority in terms merger agreement shall be enclosed.

#### **Documents required for entry of division of business entities into the Registry** **Article 42**

- (1) Enclosed with application for registration of new business entity derived as a result of the division shall be decision of the assembly on division of business entity and division balance approved by the assembly.

#### **Documents required for entry into the Registry of change in the form of business entities** **Article 43**

- (1) Enclosed with application for registration of change in the form of a business entity shall be decision of the assembly or any other authority within business entity on the change in the form.

#### **Amendment of mandatory data and status changes** **Article 44**

- (1) In terms of applications, i.e. contents of documents to be enclosed with applications for entry of status changes and amendment of data on subjects of entry, provisions regulating entry into the Registry of establishment of appropriate form of business entity shall apply accordingly.

**Documents required for entry into the Registry of procedure data in terms of liquidation, bankruptcy ban on conducting business or activities and other facts laid down in the law**

**Article 45**

- (1) Should competent court deliver ruling on instigation of liquidation procedure or opening of bankruptcy procedure, court competent in this matter shall send decision to the registration court. Upon receiving decision in question Registration court shall, ex officio, administer entry of this decision. This fact shall be recorded in the Main Registry Book to include name of the authority that delivered a decision, number and date of decision and status of the procedure.
- (2) In case competent authority delivered decision on banning certain activities of the subject of entry, after this decision has entered into force this authority shall be obliged to file a request for entry of the ban on conducting these activities into the Registry with certified transcript of the decision. The court shall, ex officio, register ban on conducting business activities. This fact shall be recorded in the Main Registry Book to include name of the authority that delivered a decision, number and date of decision and the factual details in terms of ban on particular activities.
- (3) Recordings shall be entered into the Main Registry Book in the part reserved for comments.

**Special approvals as condition of entry into Court Registry**

**Article 46**

- (1) In the event issue of approvals, permits, certificates, authorisations, receipts or any other relevant documents are a condition for entry at the registration court, these documents shall be enclosed with application for entry into the registry.

**Business premises of the subject of entry**

**Article 47**

- (1) Entry into the Registry shall not be subject to possession of document (decision, approval or receipt) confirming technical and other characteristics of business subject of entry, i.e. approval for its use unless otherwise defined by the special RS law for certain activities.

**VIII – PROCEDURE OF ENTRY OF DATA INTO APPLICATIONS REGISTRY AND SCRUTINY OF APPLICATIONS FOR ENTRY INTO THE REGISTRY**

**Method of lodging an application for registration**

**Article 48**

- (1) Founders of the subject of entry shall submit application for registration in person or through authorised representative/agent or plenipotentiary.
- (2) Request for entry into the registry can also be submitted electronically if there are facilities for application and verification of electronic signature. Application for entry into the Registry and documents for registration can also be sent by post. Application send by post must be signed by person authorised for representing subject of entry.

- (3) The court shall be compelled to act upon application submitted in the way described in Para (2) of this Article, however, decision on registration will not be issued until verification of identity of applicant or founder can be carried out.

### **Application form Article 49**

- (1) Applicant for registration of subject of entry shall submit completed and signed application form for registration at the registration court together with necessary documents.
- (2) Application shall include request for entry of all mandatory general and special data or their amendments into the court registry.
- (3) Apart from data established in provisions of Article 13 of this Law, application for registration shall also have number of ID card or passport of applicant, founder of subject of entry and authorise representative of subject of entry stating his position.

### **Procedure following receipt of application Article 50**

- (1) Having received request for registration, court shall verify identity of applicant, that the company name is exclusive to subject of registration and that all necessary fees have been paid.
- (2) Request for registration in electronic form shall be send immediately upon receiving it to the tax or, if necessary, customs authority competent according to location of the seat of subject of entry for the purpose of obtaining tax and customs identification number.
- (3) At the same time, applicant shall enclose with request for registration necessary documents determined in Article 22 of this Law, an original or certified photocopy.

### **Identity of applicant Article 51**

- (1) Applicant shall identify himself by producing ID card or valid passport or appropriate registration with relevant internal affairs authority. The court shall determine applicant's identity at the time of receiving the application.
- (2) Applicant shall submit application form as valid and true statement. Should there be discrepancy between determined data and personal data presented in the application, court can ask for further verification.

### **Principle of exclusivity of logo/name of business entity Article 52**

- (1) Two or more business entities conducting the same or similar activity cannot be registered with the same court under the same or similar name.
- (2) In the case of duplication of presented company name with an already registered company, the court shall point out to applicant the existence of identical company name, which shall be an obstacle for registration. Application will be accepted and court will make decision accordingly.

- (3) In case the name of company subject of entry is identical, i.e. duplication of an existing or similar already registered company name, the court will request from applicant to change the company name within 15 days and adjust already enclosed documents accordingly. Otherwise the court shall reject application for entry into the Registry.
- (4) Prior to submitting application for entry into the registry and at request of person interested in founding and registration of business entity, the court will facilitate verification of exclusivity of the chosen name, i.e. the name business entity intended to register.

### **Competent registration court procedure Procedure following receipt of request for registration**

#### **Article 53**

- (1) In the course of application scrutiny procedure, the court shall check whether formal and material conditions have been met in terms of registration.
- (2) Formal conditions from Para (1) of this Article: that application is submitted by authorised person; application has been submitted on prescribed form and signed by applicant; all prescribed documents attached should be originals or certified copies, that all documents have been issued following prescribed procedure, i.e. that they have prescribed content and that other formal conditions laid down in this law and other regulations have been met.
- (3) Material conditions from Para (1) of this Article shall include that request for registration of certain data is in accordance with this and other regulations regulating mandatory entry of these data as well as with provisions of general acts regulating data, i.e. changes to be entered into the Registry.

### **Scrutiny of Applications**

#### **Article 54**

- (1) Competent registration court shall without delay and no longer than within three days from the date application has been received, check if all necessary documents have been attached with request for registration and whether they are in keeping with special regulations of Republika Srpska regulating founding, organisation and business activities of individual business entities.
- (2) Should application for entry into the Registry contain request that contravenes with legally prescribed conditions or if a document enclosed with application does not have all necessary data required for entry into the Registry or if the content is in contravention with the one prescribed by the law or if it has not been issued in the legally prescribed procedure, the court shall notify the applicant and instruct necessary corrections within deadlines that cannot exceed 30 days.
- (3) In the event applicant has not proceeded in the manner and within deadlines defined in the provision of Para (2) of this Article, the court shall reject application for entry into the court Registry.

### **Scrutiny of Documents**

#### **Article 55**

- (1) In case competent registration court has reason to suspect authenticity of document that is the proof of the fact subject of registration or legality of

procedure administered to issue document in question or legal grounds of activity subject of entry, registration court shall summon applicant and possibly persons likely to be familiar with controversial circumstances and make the ruling accordingly.

- (2) Should competent registration court suspect absence of any fact crucial to establishing whether application for entry into the Registry has been in keeping with this and other laws and it is not within its jurisdiction to establish presence of this fact, it shall order applicant to obtain relevant document within set deadlines from competent authority or other institution.
- (3) In the event that another court shall be competent to establish a fact from Para (2) of this Article, competent registration court shall notify applicant and competent authority, i.e. institution from Para (2) of this Article to instigate procedure before that court and duly inform the registration court. Having received information that procedure has been instigated, registration court shall stop the Registry entry procedure until lawful completion of this procedure.

### **Written Errors Article 56**

- (1) Detection of apparent written errors that can be verified with certainty and established based on submitted registration documents, shall not delay further registration procedure but, instead, official note shall be made about it to be signed by applicant at the time of collecting the decision on registration in order to confirm that correct data have been entered into the registry.

## **IX – RULINGS OF THE COMPETENT REGISTRATION COURT**

### **Rulings of the Competent Registration Court Article 57**

- (1) In the course of entry into the Registry the court shall deliver decision or conclusion. Decision shall rule upon request for entry of founding and all amendments of data significant for legal transactions and required for entry into the Registry. Court conclusion shall decide upon issues pertinent to conducting procedure.
- (2) Competent registration court may reject application for registration only in cases defined by this law.
- (3) Request for entry into the Registry shall be decided upon by a single judge, however, in second instance it shall be a council consisting of three judges.
- (4) In the course of entry into the Registry, reversing procedure to the previous state shall not be permitted and there shall be no deadlock situation either.
- (5) Revision or reopening of procedure shall not be permitted against legally binding decision on entry into the Registry.
- (6) In the course of entry into the Registry procedure, provisions of current regulations on legal proceedings shall accordingly apply to issues not defined by this law.

**Ruling**  
**Article 58**

- (1) Competent registration court shall deliver decision on request for entry into the Registry without court hearing, as a rule.
- (2) Notwithstanding provision from Para (1) of this Article, court can set court appearance date should it find necessary to take statements or establish facts of decisive nature.
- (3) Registration court can interview participant in the procedure and other person outside court appearance date should it find necessary for entry of accurate data into the Registry.

**Form and Content of Decision on Registration**  
**Article 59**

- (1) Decision on entry into the Registry shall include name and stamp of relevant registration court, first name and surname of the judge, date decision has been delivered and basic data defined in provisions of Articles 13 – 21 of this Law.
- (2) Decision on registration shall be issued on the form containing general public data on the subject of entry.
- (3) Apart from personal identification number, decision on registration shall also contain unique identification number. Decision shall also have customs number for business entities registered for foreign trade according to provisions of Article 75 of this Law, if any.
- (4) Decision on registration shall be valid on the whole Bosnia and Herzegovina territory regardless of where registration has taken place.
- (5) Decision by which request or application have been rejected or if it has ruled upon proposals of mutually conflicting participants shall contain, as a matter of obligation, introduction, ruling part and explanation.

**Conclusion**  
**Article 60**

- (1) Conclusion shall include name of the court, name of the judge, date conclusion has been made, company name, i.e. name of subject of entry and subject of application, instruction given to subject of entry to eliminate established mistakes in the application within set deadlines, i.e. rectify or obtain certain documents from relevant authority or institution, as well as legal repercussion in terms of non compliance with the conclusion.

**Correction of the Decision**  
**Article 61**

- (1) In case of discrepancy between data entered in the Registry and data in the decision on registration, competent registration court shall, ex officio or at request of the subject of entry, send corrected transcript of decision to subject of entry stating that it is replacement of the previous decision.
- (2) Competent registration court shall, in another decision, correct obvious mistakes made in the decision on registration and data entered in the Registry, ex officio or

at request of the subject of entry. Correction shall replace existing data and the court shall deliver new decision that shall replace the corrected one.

- (3) In case of events mentioned in Para (1) and (2) of this Article, subjects of entry shall not bear any additional costs.

### **Withdrawal of Application for Entry into the Registry**

#### **Article 62**

- (1) Applicant can withdraw his application for entry into the Registry until legally binding decision has been delivered.
- (2) When applicant has withdrawn application for entry into the Registry, the court shall stop the procedure by way of issuing the decision.

### **X – LEGAL REMEDY**

#### **Right of Appeal**

#### **Article 63**

- (1) Interested party can appeal against decision on entry into the Registry within eight days of receiving it.
- (2) Subject of entry has right of appeal together with person who has legal interest.
- (3) Person that is of the opinion that decision on entry has violated his rights and interest on legal basis and he has not received transcript of the decision, can lodge an appeal within 15 days from the day he has learned about the entry and no longer than 60 days from the day entry has been publicised.
- (4) Appeal against the Conclusion shall not be permitted.

#### **Court Ruling upon Appeal**

#### **Article 64**

- (1) In case of appeal, competent registration court can rule upon request for entry differently should it find that appeal is justified and there is no need to instigate further procedure and if this does not violate rights of other persons on grounds of refuted decision.
- (2) Competent registration court can reject untimely, incomplete or unsubstantiated appeal.
- (3) Should competent registration court fail to proceed according to provisions from Para (1) and (2) of this Article, it shall be obliged to send the case file to relevant second instance court for ruling, within eight days.

#### **Decisions of Second Instance Court upon Appeal**

#### **Article 65**

- (1) In the course of ruling upon appeal second instance court shall:
  - a. reject appeal as untimely, incomplete and unsubstantiated if not already done by the registration court;
  - b. reject appeal as unsubstantiated and confirm ruling of the registration court;
  - c. accept appeal and repeal ruling of the registration court and return the case for renewed procedure; or



- d. alter ruling of the registration court.

**Reasons for Alteration of Registration Court Ruling**  
**Article 66**

- (1) Second instance court shall alter ruling of the registration court:
  - a. if registration court appraised documents incorrectly and court ruling was based exclusively on these documents;
  - b. if, based on established facts, registration court made incorrect conclusion about existence of other facts and it has based its ruling on these very facts; and
  - c. if matter of fact situation has been correctly identified and registration court applied material law incorrectly as a result.
- (2) On the basis of decision from Paragraph (1) of this Article regulating entry or rejecting request for entry into the court registry, registration court shall, ex officio, carry out entry, i.e. delete entry from the register.

**XI – ENTRY PROCEDURE OF DATA SIGNIFICANT FOR LEGAL  
TRANSACTIONS AND RELEVANT AMENDMENTS**

**Registry Data Amendments**  
**Article 67**

- (1) Registered business entities shall declare all amendments of data significant for legal transactions to the competent registration court within 30 days from the day amendments have taken place. Amendment shall be deemed to have taken place on the day decision upon amendment has come into effect.
- (2) Each amendment to mandatory data shall be entered next to existing piece of data subject of amendment including date of amendment.
- (3) In case of amendments to data significant for legal transactions or closure of subject of entry, actual data shall be entered into the registry next to the existing ones. Registry shall include information on subject of entry pending bankruptcy or liquidation procedure in keeping with current regulations of Republika Srpska together with any other present status of registered subject of entry.
- (4) In case of amendments to data in terms of facts to be entered in comments box of the Main Registry Book, only present state or status shall remain in the Main Registry Book. Previous state shall be filed in the Compendium of Registry documents in the form of official note.

**XII - REMOVAL FROM THE REGISTRY PROCEDURE**

**Removal from Registry**  
**Article 68**

- (1) Competent registration court shall be competent for removal from the registry.

- (2) Person with legal interest can lodge a request for removal of unsubstantiated final entry to the relevant registration court.
- (3) Request stated in Para (2) of this Article can be filed within 15 days from the day the entry has come to the knowledge and not later than 90 days from the day it was published in the “RS Official Gazette”.

**Reasons for Removal from the Registry**  
**Article 69**

- (1) Competent registration court shall remove unsubstantiated entry at request of the person with legal interest or ex officio should the procedure establish:
  - a. that entry has been made without presentation of prescribed document;
  - b. that different conditions for registration of business entity have been prescribed after decision on registration was delivered and business entity failed to make adjustments within set deadlines; and
  - c. in other cases whereby according to the law entry was not permissible or has become non-permissible at a later date.

**Court Procedure following Removal Request**  
**Article 70**

- (1) Competent registration court shall, ex officio or at request made by interested party, notify subject of entry about instigation of removal from registry procedure, i.e. request lodged, together with invitation to the business entity to give comments upon request and/or supply necessary documents.
- (2) In the case defined in Para (1) of this Article, competent registration court shall set court appearance date with a view to establishing decisive facts. Summoned to appear before the court shall be subject of entry that is also subject of request for removal and applicant who requested removal of subject of entry from the Registry.
- (3) Following assessment of established facts the court shall issue ruling on removal of final entry or stoppage of procedure, i.e. rejection of request for removal.
- (4) Unsubstantiated entry shall be removed after decision on removal delivered in the course of this procedure has become valid and authorities defined in provision of Article 77 of this Law shall be notified.

**Removal of Subject of Entry at request of Special Category of Applicants**  
**Article 71**

- (1) Special category of applicants shall include:
  - a. Ministry for Internal Affairs;
  - b. Customs Administration;
  - c. Tax Administration; and
  - d. Financial Police.
- (2) Person falling into special category of applicants can instigate procedure for removal of subject of entry from the Registry for the following reasons:

- a. if documents are false or information used for entry into the Registry are false;
- b. if documents or information used for extension of court registration are false;
- c. if any of founders of subject of entry has tax or customs debt and if subject of entry – debtor has previously been removed from the Registry;
- d. in the case subject of registration has been used or was used for organised crime activities.

**Court procedure following request for removal lodged by special category of applicants**  
**Article 72**

- (1) Procedure upon request is urgent.
- (2) Within eight days from the day request for removal from the Registry has been received the court shall set a court hearing date and, together with notification on lodged request, send invitation to subject of entry who is subject of removal from the registry and applicant as well as other interested parties, if necessary.
- (3) Notification from Para (1) of this Article shall be send to the available seat address of subject of entry taken from the register for sending documents and address obtained and suggested by the applicant.
- (4) Failure to appear at the court hearing, i.e. failure to provide written statement in terms of request for removal from the registry shall not prevent the court to deliver decision on removal of the subject against whom request has been made, from the registry.
- (5) Competent court shall be obliged to set the court hearing date following a lodged request for removal within deadlines defined in Para (1) of this Article, no longer than 30 days from the day request for removal has been received.

**Court Decision following Request for Removal**  
**Article 73**

- (1) In the event the request and summons for court hearing in terms of request for removal from registry have not been duly delivered, the court shall publish the lodged request and summons for court hearing in the “RS Official Gazette” and on the court’s notice board two days from the days of notification about unduly delivery.
- (2) At the same time summons from Para (1) of this Article have been published the court shall invite interested parties to give comments on proposed removal.
- (3) Interested parties, according to this provision, shall be:
  - a. creditors of the subject of entry;
  - b. parties with legal interest in the subject of entry;
  - c. members of the subject of entry; and
  - d. individuals authorised to represent subject of entry.
- (4) Legally binding decision on removal of subject of entry from registry shall be published in the “RS Official Gazette” and on the court’s notice board.
- (5) A note about instigation of procedure for removal of subject of entry from the registry, according to provisions of Article 45, shall be entered ex officio in the Main Registry Book. Final removal shall be entered after decision on removal of subject of entry from the Registry has entered into force.

- (6) Registry shall include the list of removed subject of entry. Founder of deleted subject of entry cannot submit another subject of entry for registration while circumstances that have caused removal from the registry or consequences of decisions of competent authority preceding removal of subject of entry still exist.

**XIII – OBTAINING REGISTRATION IDENTIFICATION AND CUSTOMS  
NUMBER PROCEDURE AND IDENTIFICATION OF PRINCIPAL AND  
SUBSIDIARY ACTIVITIES**

**Competent Tax Authority Procedure  
Article 74**

- (1) The court shall send application for founding of subject of entry and registration of a subsidiary of subject of entry immediately to competent tax authority according to the seat of subject of entry in order to obtain registration ID number.
- (2) Enclosed with application from Para (1) of this Article shall be an instruction to competent tax authority to send registration ID number within three day from the day it has been received. Competent tax administration shall be liable to send registration ID number, i.e. sub-number within three days from receiving application for registration or notify the court about reasons for failing to send it.
- (3) Competent tax administration shall within deadlines set in Para (2) of this Article send registration ID number for the subject of entry together with registration ID number for the part of company or subsidiary.
- (4) Reason for refusing to issue registration ID number can be an outstanding tax liability on part of founder of the subject of entry.
- (5) Allocation of registration ID number shall not exempt taxpayer from obligation to register with competent tax authority, i.e. to provide tax authority with data prescribed by the special law.
- (6) Should competent tax authority fail to send registration ID number and sub-number within set deadlines, the court shall not deliver decision on registration of subject of entry. The court shall deliver decision on registration of subject of entry immediately after receiving registration ID number, with no added costs for subject of entry.
- (7) In the event registration ID number has not been sent within twelve months from the day of application to the court, the court shall reject the application.
- (8) Registration ID number and sub-number shall be unique in the territory Bosnia and Herzegovina.

**Registration of Foreign Trade  
Article 75**

- (1) The court shall send application for registration of subject of entry intending to register foreign trade activities to competent customs authority for allocation of customs number.
- (2) Application for registration from Para (1) of this Article shall include the court's instruction to competent customs authority to send customs number within three days from receiving application.
- (3) Should competent customs authority fail to allocate customs number within set deadlines the court shall deliver decision on registration without customs number

**Identification of principal (prevalent) and subsidiary activities**  
**Article 76**

- (1) The court shall send application for registration of establishment of subject of entry and its subsidiary to competent statistics institute for purpose of identification of principal (prevalent) activities or identification of subsidiary activities.
- (2) Identification of principal (prevalent) activities of subjects of entry and subsidiary activities of subjects of entry as well as subsidiary activities of company's branch office shall be determined based on special regulations.
- (3) The court shall send application for establishment of subject of entry and registration of subsidiary of subject of entry to the relevant statistics institute for the purpose of identifying principal (prevalent) activities, i.e. subsidiary activities.

**XIV – MANDATORY NOTIFICATIONS**

**Mandatory Notifications**  
**Article 77**

- (1) Competent court shall send decision on company founding registration, i.e. changes in status of subject of entry to the following authorities:
  - a. tax administration competent according to the seat of subject of entry / indirect taxation authority;
  - b. municipality competent according to the seat of subject of entry;
  - c. statistics institute and chamber of commerce;
  - d. pension and disability insurance company according to the seat of subject of entry for registration purposes;
  - e. customs authorities competent according to the seat of subject of entry provided subject of entry has been registered for foreign trade business activities; and
  - f. competent regulatory body according to special regulations regulating conditions and issuing licences or permits for conducting particular activities provided subject of entry has been registered for such an activity.

**XV – OTHER SERVICES OF THE REGISTRY**

**Accessibility of data via communications network or through IT media**  
**Article 78**

- (1) State, Entities and District Brcko authorities must have access to data entered into the Main Registry Book via telecommunication network or through IT media.
- (2) Decision on entry into the Registry shall be presently available to all registration courts in territory Bosnia and Herzegovina.

**Issue of Entry from the Registry**  
**Article 79**

- (1) All registration courts in Republika Srpska shall be obliged to facilitate access to the Main Registry Book data to all interested parties, i.e. to issue excerpt from the same regardless of competence of that particular court in terms of registration of the subject in question.
- (2) Certified excerpt from the Registry issued by any registration court shall represent a public document in the territory Bosnia and Herzegovina.

**Information and Instructions**  
**Article 80**

- (1) At request of interested party, competent registration court shall be obliged to provide information on registration procedure as laid down by this law.

**XVI – PENALTY CLAUSES**

**Article 81**

- (1) Responsible person at the court shall be fined 200 to 1.000 KM in the case of:
  - a. if the Main Registry Book or Compendium of Documents have not been maintained in keeping with provisions of Article 8 Para (6);
  - b. should applicant for registration be asked to provide documents or details not required by this law or any other regulation as condition for entry into the Registry;
  - c. if, without justified reasons, interested party has not been allowed access to the Registry data, i.e. has not issued excerpt from the Registry at his request;
  - d. if, with no justified reasons, decision on registration has not been issued within deadlines prescribed by this law.
- (2) For the purpose of this Article, responsible person shall be deemed to be a person empowered to execute jobs from Para (1) of this Article.

**XVII – DEADLINES**

**Deadline for issue of decision on registration of subject of entry**  
**Article 82**

- (1) Competent registration court shall issue decision on registration within five days from the day of duly submitted application.
- (2) Should competent court find that there are reasons registration cannot be carried out according to provisions of this Law, it shall notify applicant to rectify relevant discrepancies within set deadlines.

## **XVIII – PUBLICATION OF REGISTRATION**

### **Article 83**

- (1) Legally binding decision on registration shall be published in the “RS Official Gazette”.

## **XIX – INTERIM AND CLOSING PROVISIONS**

### **Setting up Uniform Registry**

#### **Article 84**

- (1) Setting up a database, i.e. the Registry and organising registration courts on RS territory shall be implemented within deadlines defined in the Framework Law on Registration of Business Entities in Bosnia and Herzegovina.
- (2) Transfer of data on existing subjects of entry from previous registries at competent courts shall be carried out within deadlines laid down in the Framework Law. All established facts and documents shall be taken over from previous registries based on which the Main Registry Book and Compendium of Registry Documents can be set up, individually for each subject of entry, with all mandatory data, including registration documents filed in previous registries that, after aforementioned data and documents have been taken over, shall cease to become active.
- (3) In the event that, at the time of take over, has been established based on data and documents that a particular subject of entry has ceased to be active, competent registration court shall send invitation to subject of entry to the address from documents available or Registry, to provide within 30 days information on its current status or send necessary data, i.e. documents.
- (4) Should subject of entry fail to respond to requests of competent registration court within deadline from Para (3) of this Article, competent registration court shall ask for information on subject of entry from the relevant tax authority according to the seat of subject of entry.

### **Functioning of the System**

#### **Article 85**

- (1) RS Ministry of Justice shall be obliged to ensure software program, technical accuracy, maintenance and instant delivery of electronic data from the Main registry Book as well as functioning of registration system.
- (2) RS Minister of Justice shall, within 60 days from the day this law has entered into force, issue Book of Rules in the use, technical characteristics and maintenance of electronic part of the Registry.

### **Entering into Force**

#### **Article 86**

- (1) RS Law on Registration of Business Entities shall enter into force on the eight day from the day of publication in the “RS Official Gazette and shall start with implementation within 60 days from the day this law has entered into force.

- (2) On the day this law has started to be implemented, the Law on Entry into the Court Registry (“RS Official gazette”, No. 24/98, 37/01, 24/03 and 39/03) together with all implementing regulations enacted on the basis of that law regulating procedure of registration of business entities shall become null and void.
- (3) Regulations contrary to provisions of this law shall be harmonised with this law within 60 days from the days this law has entered into force.

**Ref: 01-204/05**  
**6 April 2005**  
**Banja Luka**

**President of the Assembly**  
**Dusan Stojicic**