

Based on Article 86, Paragraph 1, and Article 98 of the Law on Banks of Republika Srpska (“Official Gazette of Republika Srpska” No. 44/03 and 74/04), and Article 4, Paragraph 1, Point d, Article 10, 25 and 26 of the Law on Banking Agency of Republika Srpska – Revised Text (Official Gazette of Republika Srpska No.67/07) and Article 15 of the Statute of the Banking Agency of Republika Srpska (“Official Gazette of Republika Srpska”, No. 67/04), on its session held on May 25, 2010 the Managing Board of the Banking Agency of Republika Srpska passed the

## **DECISION ON MORE DETAILED TERMS AND METHOD OF BANK’S ACTING UNDER CLIENT’S COMPLAINT**

### **Article 1**

- (1) In order to protect rights and interests of bank’s client (hereinafter: the client) this Decision, hereby, prescribes more detailed terms and method of bank’s acting under client’s complaint, i.e. when the client is of an opinion that bank is not in compliance with provisions of contract concluded, good business practices and/or general conditions of its operation disclosed, as well as with acting of the Banking Agency of Republika Srpska (hereinafter: the Agency) in protecting such rights and interests.
- (2) For the purpose of this Decision the client is any person in business relationship whatsoever with a bank.

### **Article 2**

Client shall submit his/her complaint either verbally or in writing.

### **Article 3**

- (1) If a client submits verbal complaint and is not satisfied with bank’s answer, the bank is obligated to inform the client about his/her right to submit complaint in writing.
- (2) Client’s written complaint should contain basic data on the client, as well as a description of the dispute between the client and the bank, which, in the client’s opinion, has emerged as a consequence of the bank’s incompliance with provisions of the contract concluded, good business practices and/or general conditions of its operation disclosed (hereinafter: the dispute).
- (3) General conditions of operation are considered to be standard conditions of bank operation applied to the client as contained in written policies or other bank’s enactment.

- (4) Bank is obligated to enable client to learn about general conditions of the bank's operation in such a manner that, under the client's request, the bank makes available written information on general conditions of the bank's operation relevant to the client's request, and provide for adequate explanations and instructions related to implementation of such conditions.

#### **Article 4**

- (1) Bank is obligated to enact written procedures to act under client's complaint, and, in that sense, to provide minimum of one employee in charge of carrying out the process.
- (2) In the process from Paragraph 1 of this Article the bank is obligated to review statements from the client's complaint, and to deliver its reply not later than 30 days from the day when the complaint was submitted (bank's reply).
- (3) The bank's reply shall be in writing, comprehensive and understandable to the client, and it shall contain description of the subject dispute, assessment of the grounds for the complaint, possible reasons due to which the subject dispute has emerged, and, obligatory, legal advice.
- (4) If the bank finds the complaint valid, the bank's reply shall contain proposal for solution of the dispute, as well as the time period by which the client should inform the bank whether he accepts the proposal, where time period shall not be shorter than 15 days nor longer than 30 days since the date of receipt of the bank's reply.
- (5) The bank shall deliver its reply to the client in a manner providing that such a delivery is confirmed by the client.

#### **Article 5**

Once the client accepts the bank's proposal for solution of the dispute, the bank's acting upon the client's complaint shall be considered as completed.

#### **Article 6**

- (1) In case the bank fails to deliver its reply to the client within the period of time from Article 4, Paragraph 2 of this Decision, or the bank considers the client's complaint unsubstantiated, or the client refuses to accept the bank's proposal for solution of the dispute – the client may submit to the Agency written information on being unsatisfied with the result of processing his/her complaint.
- (2) The information from Paragraph 1 of this Article shall include a brief description of the subject dispute, place and time of its occurrence, as well as the bank's reply.

### **Article 7**

- (1) Upon receipt of the information from Article 6 of this Decision, the Agency may, after finding the complaint well-founded, request the bank to present a written statement related to the client's information within a period of eight days.
- (2) The Agency shall send to the client a written notice on the bank's statement with information on mechanism for protection of his/her rights within a period of fifteen days after the receipt of such a statement.

### **Article 8**

The bank shall keep records on all clients' written complaints, including data on disputes resolved, as well as other data required for preparation of the report from Article 9 of this Decision.

### **Article 9**

- (1) The bank shall prepare quarterly reports including data on the total number of written complaints, on the number of complaints by physical i.e. legal persons, types of grounds for complaints, total number of complaints resolved, i.e. the number of positively resolved (well-founded complaints) and the number of complaints negatively resolved (unsubstantiated complaints). A separate part of the report shall contain written complaints by loan guarantors.
- (2) Quarterly reports from Paragraph 1 of this Article shall be submitted to the Agency by the bank on a form prescribed by the Agency, within 30 calendar days after the last day of the reporting quarter.
- (3) The bank's reports shall be signed by two persons authorized and responsible for representing the bank.
- (4) Obligatory constituent parts of such reports shall be as follows: a) evidence that it has been approved by supervisory board, b) confirmation of the bank's internal auditor that the report is complete and correct; and c) names of contact persons and numbers of contact phones.

### **Article 10**

This Decision shall come into force on the following day after its being published by the "Official Gazette of Republika Srpska".

UO number: 165/10  
May 25, 2010  
Banja Luka

PRESIDENT  
OF THE MANAGING BOARD  
Mirjana Jacimovic