

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 04/17), 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) and Article 33a, Paragraph 5 of the Law on foreign exchange operations ("Official Gazette of Republika Srpska", No.: 96/03, 123/06, 92/09, 20/14, 20/18 and 107/24), the Management Board of the Banking Agency of Republika Srpska, at its 23rd session, held on 24 December 2025 adopted the

DECISION ON REQUIREMENTS AND PROCEDURE FOR ISSUING LICENSE TO PERFORM FOREIGN EXCHANGE OPERATIONS

Subject of the Decision

Article 1

By means of this Decision, the Banking Agency of Republika Srpska (hereinafter: the Agency) shall stipulate the requirements and procedure for issuing licenses to residents to perform foreign exchange operations, rejecting requests and revoking licenses to perform foreign exchange operations.

Definitions

Article 2

Particular definitions, for the purpose of this Decision, shall have the following meaning:

- 1) foreign exchange operations are operations of purchasing from private individuals and selling to such persons effective foreign currency and checks denominated in foreign currency and which can be cashed in foreign currency,
- 2) a currency exchange office is a spatial and organizational unit in which foreign exchange operations are performed, and may contain one or more cash desks, as well as an ATM for foreign exchange operations,
- 3) a cash desk is a part of a currency exchange office where a cashier performs foreign exchange operations.

Foreign exchange operator

Article 3

Foreign exchange operations may be performed by a bank and a resident - a legal entity or entrepreneur which/who has a license from the Agency for performing foreign exchange operations (hereinafter: foreign exchange operator).

Contract between a bank and a foreign exchange operator

Article 4

- (1) A foreign exchange operator shall perform foreign exchange operations on the basis of a contract for the performance of foreign exchange operations concluded with a bank.
- (2) A foreign exchange operator may conclude a contract for the performance of foreign exchange operations with multiple banks if it has multiple exchange offices, whereby a contract for one exchange office may be concluded with only one bank.
- (3) The contract referred to in Paragraph 1 of this Article must necessarily contain provisions regulating:
 - 1) the application of the exchange rate list according to which exchange transactions will be performed,
 - 2) the amount and method of payment of the commission to the foreign exchange operator,
 - 3) the material and technical conditions that the exchange office must meet to perform exchange transactions,

- 4) the method and dynamics of handing over to the bank the purchased effective foreign currency and checks denominated in foreign currency,
 - 5) the method of supplying the exchange office with convertible marks and effective foreign currency,
 - 6) that, for the purposes of control by the authorized body, the persons responsible for the operation of the exchange office are the persons who perform foreign exchange transactions at the exchange office and the responsible persons of the foreign exchange operator,
 - 7) the method of issuing receipts on the sale and purchase of effective foreign currency and the purchase of checks, keeping records and cash operations in accordance with applicable regulations and bank instructions,
 - 8) the bank's obligations regarding informing the foreign exchange operator about the features of foreign banknotes, the appearance of counterfeit banknotes, regulations governing foreign exchange operations, etc.,
 - 9) the obligation of the foreign exchange operator to operate in accordance with regulations governing the prevention of money laundering and the financing of terrorist activities, and
 - 10) the duration of the contract (the exact date until which the contract is valid) and a provision that the contract shall not have legal effect if the resident does not obtain a license from the Agency for performing foreign exchange operations.
- (4) The foreign exchange operator may not transfer the powers granted by the contract referred to in Paragraph 1 of this Article to third parties.
- (5) The bank shall notify the Agency of the intention to terminate the contract referred to in Paragraph 1 of this Article no later than 15 days prior to the contract termination.

Request for obtaining a license to perform foreign exchange operations

Article 5

- (1) A resident shall submit a request for obtaining a license to perform foreign exchange operations to the Agency through a bank.
- (2) The following documentation shall be attached to the request referred to in Paragraph 1 of this Article, on the basis of which the Agency shall assess the fulfillment of the requirements for performing foreign exchange operations:
 - 1) for a legal entity, a decision from the court register, or for an entrepreneur, a decision of the competent authority from which it is evident that the legal entity, or entrepreneur, is registered to perform foreign exchange operations, not older than six months,
 - 2) a contract for performing foreign exchange operations, concluded between the bank and the resident,
 - 3) a certificate that the owner, founder of the legal entity, entrepreneur, director, member of the management board, or other person responsible for representing that legal entity, as well as the employee who will directly perform foreign exchange operations, have not been legally convicted of a criminal offense against life and limb, a criminal offense against property, a criminal offense against the economy and payment transactions, a criminal offense of money laundering, a criminal offense of financing terrorist activities, criminal offense against legal traffic and criminal offense against public order or other criminal offenses that make these persons unfit to perform foreign exchange operations, not older than six months,
 - 4) a certificate that the legal entity has not been convicted by a final judgment for a criminal offense, and that no criminal proceedings are being conducted against it, within the meaning of the law regulating the liability of legal entities for criminal offenses, not older than six months, and
 - 5) proof that it is organizationally, personnel-wise and technically capable of performing foreign exchange operations:
 1. proof that it meets the requirements in the field of occupational safety and health (ruling of the Ministry of Labor and Veterans' and Disabled Persons' Protection of Republika Srpska or proof that it has submitted a request for obtaining a ruling),
 2. proof of ownership or a lease agreement for business premises and
 3. information on the personnel structure.

- (3) The documents submitted to the Agency with the request must be in original or certified photocopy, adopted, signed and certified by the competent authorities, or persons.

License to perform foreign exchange operations

Article 6

- (1) The Agency shall decide on the request for issuing license to perform foreign exchange operations within 30 days from the date of receipt of a duly submitted request.
- (2) If the request contains formal deficiencies that prevent the processing or if the request is incomprehensible or incomplete, the Agency shall request the applicant to remedy the deficiencies within a period set by the Agency. If the applicant fails to remedy the deficiencies within a period set by the Agency, the Agency shall reject the request as improper.
- (3) The license to perform foreign exchange operations shall be issued for the period of validity of the contract referred to in Article 4, Paragraph 1 of this Decision.
- (4) After the Agency issues a license to perform foreign exchange operations, the foreign exchange operator shall be obliged to notify the Agency of any changes to the data referred to in Article 5, Paragraph 2 of this Decision, within eight days from the date of such change.

Request for extension of license to perform foreign exchange operations

Article 7

- (1) The foreign exchange operator shall submit to the Agency, through the bank, a request for the extension of the license to perform foreign exchange operations.
- (2) The request referred to in Paragraph 1 of this Article shall be submitted no later than 30 days before the expiration of the license to perform foreign exchange operations.
- (3) If the contract for performing foreign exchange operations is concluded with a bank with which the foreign exchange operator had a contract and on the basis of which the license to be extended was issued, and there have been no other changes in terms of fulfilling the requirements for obtaining the license, the foreign exchange operator shall, together with the request referred to in Paragraph 2 of this Article, submit to the Agency a new contract for performing foreign exchange operations concluded between the bank and the foreign exchange operator and evidence of the fulfillment of the requirements referred to in Article 5, Paragraph 2, Items 3) and 4) of this Decision.
- (4) If the foreign exchange operator concludes a new contract with a bank with which it did not previously have a contract for performing foreign exchange operations, the foreign exchange operator shall, through the bank, submit evidence in accordance with Article 5 of this Decision along with a new request for obtaining a license to perform foreign exchange operations.

Request for issuing consent to change headquarters/address of the exchange office

Article 8

- (1) The foreign exchange operator shall submit, through the bank, a request to the Agency for the issuance of consent for the change of headquarters, i.e. the address of the exchange office.
- (2) Along with the request referred to in Paragraph 1 of this Article, the foreign exchange operator shall submit:
 - 1) an annex to the contract on the performance of foreign exchange operations concluded between the bank and the foreign exchange operator,
 - 2) proof of ownership of the business premises or a contract on the lease of business premises for the new location,
 - 3) proof that it meets the requirements in the field of occupational health and safety (ruling of the Ministry of Labor and Veterans' and Disabled Persons' Protection of Republika Srpska or proof that it has submitted a request for obtaining a ruling).
- (3) The foreign exchange operator shall be obliged to submit to the Agency a certified photocopy of the decision on the registration of the change of headquarters, i.e. the address of the exchange office, in the relevant register, within 15 days from the date of registration.

Rejecting a request for issuing license to perform foreign exchange operations

Article 9

The Agency shall reject a request for issuing license to perform foreign exchange operations if it determines that the resident does not meet the requirements for performing foreign exchange operations.

Revoking a license for performing foreign exchange operations

Article 10

The Agency shall revoke a license for performing foreign exchange operations if:

- 1) the foreign exchange operator fails to commence foreign exchange operations within 90 days from the date of license issuance,
- 2) the license has been obtained on the basis of false documentation, i.e. falsely presented data, or
- 3) after the issuance of the license, circumstances or reasons arise due to which the foreign exchange operator no longer meets the requirements for performing foreign exchange operations.

Conditions under which a license to perform foreign exchange operations may be revoked

Article 11

The Agency may revoke a license to perform foreign exchange operations if:

- 1) the foreign exchange operator has not executed an order to eliminate irregularities or illegalities within the period specified in an act of the Agency,
- 2) the foreign exchange operator has not provided the Agency with unhindered supervision, access to all premises, direct communication with the responsible person, insight into operations, requested documentation and data, the possibility of insight into business books and other documentation, or temporary seizure of effective foreign currency, checks and cash in convertible marks, or
- 3) it is determined that the foreign exchange operator's activities are related to money laundering or the financing of terrorist activities.

Ruling on revocation of license to perform foreign exchange operations

Article 12

- (1) The Agency shall revoke the license to perform foreign exchange operations by issuing a ruling on the revocation of the license.
- (2) By the ruling referred to in Paragraph 1 of this Article, the Agency shall determine the date on which the license to perform foreign exchange operations shall be revoked.
- (3) The Agency shall issue the ruling on the revocation of the license to perform foreign exchange operations no later than 30 days from the date of receipt of the documentation or other evidence, or within 30 days from the date of learning of the facts and circumstances due to which the license is being revoked.
- (4) The ruling on the revocation of the license to perform foreign exchange operations shall be delivered to the foreign exchange operator and the bank with which the foreign exchange operator has concluded a contract for performing foreign exchange operations.

Finality of the ruling and legal protection

Article 13

- (1) The Agency shall decide on the request by the ruling, which shall be final.
- (2) The applicant shall be obliged to pay the fee for issuing the ruling, determined by the decision or conclusion.
- (3) An administrative dispute may be initiated before the competent court against the ruling referred to in Paragraph 1 of this Article in accordance with the Law on Administrative Disputes.

Entry into force of the decision

Article 14

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

Number: UO-239/25
Date: 24 December 2025

PRESIDENT OF THE
MANAGEMENT
BOARD

Dejan Kusturić