

RULEBOOK ON THE PROCEDURE OF SALE, RENT, KEEPING AND MAINTENANCE OF SEIZED PROPERTY

I. GENERAL PROVISIONS

Article 1.

This Rulebook regulates the procedure for selling, renting, keeping and maintaining property temporarily or permanently confiscated based on the decision of the competent court in the procedure for confiscation of the proceeds obtained by criminal offence (hereinafter: property).

Article 2.

- (1) The property is managed and disposed of by the Federal Seized Property Management Agency (hereinafter: the Agency) in accordance with the Law and the provisions of this Rulebook.
- (2) The Agency performs management of assets based on the principles of publicity, efficiency, expertise, responsibility, predictability and good stewardship.
- (3) In order to efficiently perform its tasks, the Agency establishes records on the management of the proceeds in accordance with the Law.
- (4) The Director of the Agency shall, by special instruction, prescribe the types and content of records from the previous paragraph of this Article.

Article 3.

- (1) Activities related to management and disposal of the proceeds relate to immovable property, movable property, monetary assets, monetary transactions, shares, securities, shares in funds, business shares, things, rights, precious metals, precious stones, objects of cultural, historical, artistic and scientific values, debts and claims and other forms of property.
- (2) The Agency shall without delay carry out the procedure for the execution of the Court's decisions on securing property, temporary confiscation and confiscation of property in accordance with the Law.
- (3) It shall bear the costs of managing and disposing of the property.

Article 4.

- (1) The Agency sells property on the basis of public bidding in accordance with the Law.
- (2) Under the conditions provided by the Law, the Agency may make a decision on the sale of the temporarily confiscated movable property.
- (3) The Agency may hand over certain property for safekeeping, rent, donate and destroy in accordance with the Law.

II. MANAGEMENT AND DISPOSAL OF TEMPORARILY SEIZED PROPERTY

Article 5.

- (1) The Agency performs management and disposal with assets and property that are secured or temporarily confiscated based on the decision of the competent Court in accordance with the Law.
- (2) The decision from paragraph (1) of this article has the character of an executive document.
- (3) The Agency will act with particular urgency upon delivery of the Court's decision from paragraph (1) of this Article, which ordered the insurance or temporary confiscation of property.
- (4) The Agency will carry out the procedure for the management of property from paragraph (1) of this Article in accordance with the instructions from the decision of the Court issuing the decision on security measures or temporary confiscation of property.
- (5) The Director of the Agency shall, by a special decision, determine the criteria for calculating the costs of keeping and maintaining temporarily seized property.

Article 6.

- (1) Upon the adoption of the Court's decision determining measures of insurance or temporary confiscation of real estate, the Agency will take care of the related real estate and manage it until the Court's decision.
- (2) Upon receiving the the Court's decision from paragraph (1) of this article and taking care over the property in question, the Agency will draw up a record of the takeover of the real estate and, as soon as possible, perform an expert assessment of its value and inform the competent Court on it.
- (3) If it is determined by the Court's decision, the Director of the Agency may decide that the temporarily confiscated real estate remains in the owner's possession, with the obligation to take care of it with the attention of a good householder. The owner bears the costs of keeping and maintaining the property.
- (4) In justified cases, the director of the Agency may entrust the management of temporarily confiscated real estate to another natural or legal person based on a contract in accordance with the Law.

Article 7.

- (1) Upon adoption of the Court's decision determining measures of insurance or temporary confiscation of movable property, the Agency will take care of these things and manage them until the Court's decision.
- (2) Upon receiving the decision of the Court from paragraph (1) of this Article and taking over the matters in question, the Agency will draw up a record of the taking over of the property and, as soon as possible, perform an expert assessment of their value and inform the Court that issued the decision from paragraph (1) about it.

(3) If it is determined by the Court's decision, the Director of the Agency may decide that the temporarily seized property remain in the owner's possession, with the obligation to take care of them with the attention of a good householder. The owner bears the costs of keeping and maintaining them things.

(4) If the property referred to in paragraph (1) of this article refers to weapons, tools or other dangerous substances, the Agency will take adequate measures to protect and store such items in accordance with special regulations.

Article 8.

(1) Upon the adoption of a Court decision determining the prohibition of the alienation or encumbrance of shares, securities, shares in funds, business shares, or the prohibition of using or disposing rights based on such shares, securities, shares in funds or business shares, the Agency will take over the management of such property by order of the Court.

(2) In carrying out the tasks referred to in paragraph (1) of this article, the Agency shall achieve the necessary official cooperation with the Register of Securities of the Federation of Bosnia and Herzegovina and the corresponding Register of Business Companies.

(3) The Agency may, by order of the Court, transfer the right to manage shares, securities, shares in funds or business shares to a third natural or legal person on the basis of a contract.

(4) The person to whom the right of management from paragraph (3) of this article has been transferred, has the powers, obligations and responsibilities as a representative of state capital in accordance with the Law.

Article 9

(1) The Director of the Agency will make a decision on the urgent sale of temporarily seized property if it is movable property whose safekeeping is dangerous, if there is a threat of immediate danger of their decay or significant loss of value or it is about things whose ownership cannot be reliably determined.

(2) Upon completion of the sale of movable property referred to in paragraph (1) of this Article, the Agency shall inform the Court issuing the decision on the securing and temporary confiscation of such movable property.

(3) The sale of property referred to in paragraph (1) of this article is carried out in an urgent procedure of direct negotiation, the decision of which is made by the Director of the Agency.

(4) The Agency will keep the funds obtained from the sale of property from paragraph (1) of this article in a separate account until the final decision of the Court on its origin.

(5) Funds referred to in paragraph (4) of this Article may be termed only in the banks majority-owned by the Federation of Bosnia and Herzegovina. Interest income belongs to the Agency.

(6) When taking over and selling property from paragraph (1) of this article, the Agency will make an expert assessment of the value of that property.

(7) The decision on the destruction of property from paragraph (1) of this article is made by the Government of the Federation of Bosnia and Herzegovina on the proposal of the Director of the Agency.

(8) When making a decision on the destruction of property from paragraph (1) of this Article, health, veterinary, phytosanitary, safety and other reasons prescribed by the Law, shall be taken into account.

(9) The costs of destruction of property from paragraph (1) of this article shall be borne by the Agency.

Article 10.

(1) If items of cultural, historical, artistic and scientific value are temporarily confiscated by the Court's decision, they can be transferred for safekeeping or use to specialized institutions that are primarily financed from the state, federal or cantonal budget.

(2) The decision on the transfer of property from paragraph (1) of this article is made by the Government of the Federation of Bosnia and Herzegovina upon the proposal of the Agency's Director.

Article 11.

(1) The Agency shall return to the owner of temporarily confiscated property, the funds obtained from the sale of that property with accrued interest at sight without delay, which in court's proceedings was determined not to be the result of a criminal offence.

(2) The property owner from paragraph (1) of this article who believes that the payment of the funds from the previous paragraph did not represent the adequate value of the property, can submit a request to the Agency for compensation for damage caused by the temporary property confiscation.

(3) The Agency will make a decision on acceptance, rejection or partial acceptance of the request from paragraph (2) of this article within three months from the date of submission of the request.

(4) The Agency shall inform the Court issuing the decision on the temporary property confiscation from paragraph (1) of this article about the result of the procedure referred to in paragraph (3) of this article.

(5) The Agency will return the funds from paragraph (1) of this article ex officio or at the owner's request.

III. MANAGEMENT AND DISPOSAL OF PERMANENTLY SEIZED PROPERTY

Article 12.

(1) After the finality of the decision on the execution over the property permanently confiscated and which became the property of the Federation of Bosnia and Herzegovina based on the Court's judgment, the Agency will initiate the procedure for the sale of that property.

(2) Before starting the property sale procedure referred to in paragraph (1) of this article, the Agency will perform an expert assessment of the property that is the subject of sale and inform the Federal Attorney General's Office and the Court issuing the judgment determining the permanent confiscation.

(3) The sale of the property referred to in paragraph (1) of this article is carried out by public bidding, which is published in the "Official Gazette of the Federation of Bosnia and Herzegovina" and in at least two daily newspapers that are distributed throughout Bosnia and Herzegovina.

(4) The property from paragraph (1) of this article is being sold at the same or higher price than the estimated value determined by the Agency.

(5) The criteria for assessing the value of property from paragraph (1) of this article will be regulated in more detail by a special decision of the Government of the Federation of Bosnia and Herzegovina.

(6) In the event that the property referred to in paragraph (1) of this Article is not sold after one public auction, the sale may be carried out at another public auction, but for a price that cannot be lower than 50% of the assessed value of the property.

(7) If the property referred to in paragraph (1) of this article is not sold within one year, the property may be donated to an institution that is primarily financed from the Budget of the Federation of Bosnia and Herzegovina or for humanitarian purposes, or destroyed.

(8) The decision on the gift of property and the decision on the destruction of property referred to in paragraph (1) of this article shall be made by the Government of the Federation of Bosnia and Herzegovina upon the proposal of the Director of the Agency.

(9) The costs of destruction of property shall be borne by the Agency.

(10) The Agency will inform the Federal Attorney's Office and the Court that passed the judgment determining permanent confiscation of the outcome of the sale or destruction of the property referred to in paragraph (1) of this Article.

IV. TRANSITIONAL AND FINAL PROVISIONS

Article 13.

(1) The Director of the Agency, in order to ensure the publicity of the proceedings, will issue a special instruction on the manner of conducting the public bidding procedure for the sale of permanently confiscated property.

(2) The Government of the Federation of Bosnia and Herzegovina shall, based on the request of the Agency's Director, make special decisions on the recognition and payment of the management, disposal and destruction costs of property if such costs are not included in the Agency's annual budget.

Article 14.

This regulation enters into force on the day of its adoption.

V number 367/2015

February 25, 2015, Sarajevo, Prime Minister, Nermin Nikšić.

I hereby certify that the above is true and correct translation of the original document written in local language.

Log-book n° 131/I/24, date: September 5, 2024 Sarajevo

Jasmina Penava

Certified Court Interpreter for English Language.