

Based on Article IV.B.7. a) (IV) of the Constitution of the Federation of Bosnia and Herzegovina, I issue a

DECREE ON THE PROMULGATION OF THE LAW ON CONFISCATION OF UNLAWFULLY ACQUIRED PROPERTY THROUGH A CRIMINAL OFFENCE

The Law on Confiscation of Unlawfully Acquired Property as a Criminal Offence, which was passed by the Parliament of the Federation of Bosnia and Herzegovina at the session of the House of Representatives from May 06, 2014 and at the session of the House of Peoples from June 05, 2014.

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Sarajevo

President

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THE LAW ON CONFISCATION OF UNLAWFULLY ACQUIRED PROPERTY THROUGH A CRIMINAL OFFENCE

I. INTRODUCTORY PROVISIONS

Article 1.

(1) This law regulates: the conditions and procedure of confiscation of the proceeds from crime in the Federation of Bosnia and Herzegovina, the management of temporarily and permanently confiscated property and the establishment of the competent authority for the management of confiscated property in the Federation of Bosnia and Herzegovina.

(2) Regarding the provision from paragraph 1 of this article, the procedure refers to:

(a) the procedure for determining the proceeds obtained through a criminal offence,
(b) the procedure for securing the confiscation of the proceeds obtained by criminal offence,

(c) the procedure for the execution of decisions on the confiscation of the proceeds obtained through a criminal offence.

(3) The provisions of other laws governing the determination, securing of confiscation, execution of decisions on the confiscation of property benefits obtained by a criminal offence and the management of confiscated property are applied only if this law does not prescribe otherwise.

Article 2.

(1) No one can keep the proceeds obtained by a criminal offence.

(2) All property that is permanently confiscated according to the provisions of this law becomes the property of the Federation of Bosnia and Herzegovina.

(3) When proceeding under the provisions of this law, the court and other bodies that apply this law are, during the entire procedure of confiscation of the proceeds obtained

by a criminal offence, obliged to protect the rights of persons injured by a criminal offence, and protect the rights of third parties.

(4) Provisions of the Law on Criminal Procedure of the Federation of BiH ("Official Gazette of the Federation of BiH", no. 35/03, 37/03, 56/03, 78/04, 28/05, 55/06, 27/07, 53/07, 9/09, 12/10 and 8/13) (hereinafter: LCP of the Federation of Bosnia and Herzegovina) and the Criminal Code of the Federation of BiH ("Official Gazette of the Federation of BiH", no. 36/03, 37/03, 21/04, 69/04, 18/05, 42/10 and 42/11) (hereinafter: CC of the Federation of Bosnia and Herzegovina), which refer to the submitted property law claim that excludes confiscation of the proceeds obtained by criminal offence are fully applied during the proceedings of the competent institutions according to the provisions of this law.

(5) According to this law, proceedings are carried out on the basis of the prosecutor's proposal.

(6) In the event that the prosecutor does not submit a proposal for confiscation of the proceeds obtained by a criminal offence in the proceedings conducted under this law, the court will ex officio issue a decision on the confiscation of those proceeds.

Article 3.

The provisions of this law are applied in procedures for the confiscation of the proceeds obtained by criminal acts prescribed by the Criminal Code of Federation of Bosnia and Herzegovina, for which a prison sentence of three years or a heavier sentence may be imposed.

II. MEANING OF TERMS IN THIS LAW

Article 4.

(1) Certain expressions in this law have the following meanings:

- a) assets represent things and rights acquired by the perpetrator of a criminal offence or a related person, and include all things and rights that can be subject to execution, and in particular real estate and movable property, receivables, business shares, securities, money, works of art, precious metals and precious stones owned, possessed or controlled by the perpetrator or a related person;
- b) proceeds obtained by a criminal offence, in accordance with this and other laws, is any increase or prevention of reduction of property that originates from a criminal offence;
- c) the owner is a perpetrator of an illegal act or a person related to him;
- d) a related person is: an instigator or a facilitator in a criminal act; the legal successor of the perpetrator and participant in the criminal act or other natural or legal person for which the court determines that they were transferred on their name things or rights that represent the proceeds obtained through a criminal offence and that the transfer was not in good faith;
- e) a third person is a person who claims, related the proceeds representing a subject of

proceedings under this law, that he has a right that prevents its application and requests that the insurance or execution are declared unadmitted;

- f) the insurance proposer is the competent prosecutor;
- g) the insurance opponent is the defendant and a related person;
- h) Confiscation is considered to be temporary or permanent confiscation of the proceeds acquired through a criminal offence;
- i) the agency is the Federal Seized Property Management Agency;
- j) the special procedure for confiscation of the proceeds is described in Art. 5, 6 and 7 of this law, and is carried out in exceptional cases prescribed by this law;
- k) the parties in the procedure of confiscation of the proceeds acquired by a criminal offence, in the procedural situations of conducting a special procedure, according to this law, are the prosecutor and the owner;
- l) other terms used in this law are defined by the Law on Criminal Procedure of Federation of Bosnia and Herzegovina, the Law on Civil Procedure ("Official Gazette of the Federation of Bosnia and Herzegovina", no. 53/03, 73/05 and 19/06), the Law on Bankruptcy Procedure ("Official Gazette of the Federation of Bosnia and Herzegovina", no. 29/03, 32/04 and 42/06) and the Law on Enforcement Procedure ("Official Gazette of the Federation of BiH", no. 32/03, 52/03, 33/06, 39/06, 39/09 and 35/12).

III. PROCEDURE FOR CONFISCATION OF THE PROCEEDS

A. Initiation of a special procedure for confiscation of the proceeds

Article 5.

(1) A special procedure for confiscation of the proceeds according to the provisions of this law is conducted when there is a reasonable suspicion that the proceeds were obtained by committing a criminal offence, and the conditions for conducting criminal proceedings are not met due to:

- a) death of the suspect or the accused or
- b) the escape of the suspect or the accused, and there is a danger of the statute of limitations for criminal prosecution.

(2) In the cases referred to in paragraph 1 of this article, the prosecutor shall submit a request to the competent court for the initiation of special proceedings for confiscation of the proceeds.

(3) The request from paragraph 2 of this article contains an explanation of the existence of procedural obstacles that are of such a nature that regular proceedings cannot be conducted for confiscation of the proceeds obtained through a criminal offence.

(4) The court that would be competent for trial in criminal proceedings for the criminal offence from which the proceeds were obtained, shall decide by a decision on the prosecutor's request from paragraph 2 of this article.

(5) The parties have the right to appeal against the decision from paragraph 4 of this article, which is decided by the Council of the same court composed of three judges.

(6) After the decision became final from paragraph 4 of this article, which initiated a

special procedure for confiscation of the proceeds, the prosecutor shall submit a proposal for confiscation of the proceeds to that court.

(7) The proposal from paragraph 6 of this article contains: information about the person whose proceeds are confiscated, description and legal name of the criminal offence, information or description of the property to be confiscated, evidence about the property that is the subject of confiscation; evidence obtained through implementation a financial investigation, evidence of the person's legitimate income, circumstances indicating the existence of an obvious disproportion between the person's assets and income, and reasons justifying the need for permanent asset confiscation.

The proposal against a related person contains evidence that he inherited the proceeds obtained through a criminal offence, and the proposal against a third person contains evidence that the proceeds acquired through the commission of a criminal offence was transferred without compensation or with compensation that does not correspond to the actual value in order to prevent confiscation.

(8) Unless otherwise prescribed by this law, during the special procedure referred to in paragraph 1 of this article, the court shall accordingly apply the provisions of the Law on Criminal Procedure Federation of Bosnia and Herzegovina.

(9) In the event that a suspect or defendant who was on the run, and against whom a special proceeding from paragraph 1 of this article was initiated, becomes available before the final conclusion of that proceeding, the court before which that proceeding was conducted, will invite him for questioning and presenting evidence in his favor.

Article 6.

(1) After the decision from Article 5, paragraph 4 of this law becomes final, by which it was decided that a special procedure for confiscation of the proceeds obtained by a criminal offence will be carried out, the court may hold a pre-trial hearing after submitting the proposal from Article 5, paragraph 7 of this law in order to consider issues important for the main hearing for confiscation of the proceeds according to the provisions of this law.

(2) At the main hearing of the special procedure, the court will present evidence and, if necessary, investigate the related person in order to determine whether the proceeds were obtained through a criminal offence and what constitutes the proceeds. After completing the evidentiary proceedings, the court will:

a) pass a judgement establishing that the proceeds were obtained through an illegal act that contains the legal elements of a criminal act,

b) to determine the composition, i.e. the value of the proceeds, more precisely which things and rights represent the proceeds acquired through an illegal act and their value,

c) determine that these things or rights become the property, that is, the property of the Federation of Bosnia and Herzegovina,

d) order the associated person to immediately hand over certain things to the Federation of Bosnia and Herzegovina, i.e. to transfer certain rights to it, if they have not already been transferred to the Federation of Bosnia and Herzegovina, or to pay an

amount that is proportional to the acquired proceeds within 15 days from on the date of finality of the judgment,

e) determine that the registration of ownership rights in favor of the Federation of Bosnia and Herzegovina shall be made in the public books or register maintained by the competent authorities.

(3) The procedure according to paragraphs 1 and 2 of this article is conducted according to the corresponding rules of criminal procedure. For passing judgment from paragraph 2 of this article is exclusively competent a court that would be competent to conduct criminal proceedings for a criminal offence by which material gain was obtained.

(4) If the suspect or the accused from paragraph 2 of this article, or a related person, do not hire a defense attorney themselves, the court will appoint a defense attorney ex officio, or appoint a guardian of the property in the event of the death of the suspect or the accused.

(5) If the court does not determine that the suspect or defendant committed an illegal act and obtained a material benefit, or the proceeds are covered by the awarded property-legal claim, the court will proceed according to the provisions of Article 11, paragraphs 2 and 3 of this law.

(6) The parties have the right to appeal directly to the higher court against the judgement from paragraph 2 of this article.

(7) After the judgement from paragraph 2 of this article becomes final, the court will submit it to the Agency for further processing.

Article 7.

(1) The prosecutor's proposal to initiate a special procedure from Article 5, paragraph 3 of this law is not subject to the statute of limitations.

(2) If, before confirmation of the indictment or during the duration of the criminal proceedings, the procedure is suspended or interrupted due to the death or escape of the suspect or the accused, and there is there a reasonable suspicion that the proceeds were obtained through a criminal offence, the special procedure for confiscating that proceeds under this law will be continued at the request of the prosecutor.

(3) The prosecutor is obliged to submit the request from paragraph 2 of this Article, and collect evidence and investigate circumstances that are important for determining the acquired proceeds.

(4) By submitting a request to initiate proceedings under this law, the statute of limitations is interrupted.

B. Financial investigation

Article 8.

(1) If it is necessary for the comprehensive determination of the real origin, value and structure of the proceeds for which there are reasonable grounds that they were

obtained by criminal act, the competent prosecutor can issue an order for the implementation of a financial investigation.

(2) Unless otherwise prescribed by this law, the provisions of the law on criminal procedure shall be applied, which regulate the conditions and methods of implementation of certain actions, which by their purpose and content constitute the actions of a financial investigation.

(3) All authorities and institutions in the Federation of Bosnia and Herzegovina, especially the home affairs bodies in the cantons and the Federal Ministry of the Interior, Financial Police of the Federation of Bosnia and Herzegovina, Tax Administration of the Federation of Bosnia and Herzegovina, Securities Commission of the Federation of Bosnia and Herzegovina and Securities Register in the Federation of Bosnia and Herzegovina will, within the framework of their powers, act in accordance with the orders of the prosecutor who issued the order on the implementation of the financial investigation based on this law.

Article 9.

(1) The goal of the financial investigation is to collect all evidence that indicates the scope, amount, type, real value and other circumstances related to the suspect's lawful income or the accused one, respectively, related persons, their living expenses and real possibilities of lawful acquisition of the proceeds for which there are reasonable grounds to suspect that they were obtained through a criminal offence.

(2) On the results of the implemented measures and actions, the institution that received the prosecutor's order from paragraph 1 of this article, shall prepare a report in which all data and information obtained during the financial investigation are stated. With the report are attached all the collected evidence, documents, official notes and other materials that can serve as a source of information for the prosecutor.

(3) The report referred to in paragraph 2 of this article shall be submitted to the prosecutor who issued the order referred to in article 8 of this law no later than three months from the date of submission of the order for processing. If the financial investigation is not completed within six months from the issuance of the order to conduct the financial investigation, the necessary measures to complete this investigation will be taken by the collegium of the prosecutor's office.

(4) If, in order to implement the order on the implementation of the financial investigation, it is necessary to undertake evidentiary actions, the corresponding provisions of the Criminal Procedure Act shall be applied.

(5) All evidence obtained through the implementation of the financial investigation can be used by the acting prosecutor in a regular or special procedure for confiscation of the proceeds.

(6) The prosecutor will suspend the financial investigation by order if it is established that there is not enough evidence that the suspect or the accused, or a related person, obtained material benefit from the criminal act.

(7) Against the decision of the prosecutor from the previous paragraph of this article, it is possible to lodge a complaint with the Office of the Chief Prosecutor.

(8) The prosecutor may re-open the financial investigation if new facts and circumstances are obtained indicating that there are reasonable grounds for suspecting that the suspect or defendant, or a related person, obtained material benefit from a criminal offence.

(9) The prosecutor ends the financial investigation when he finds that the state of affairs is sufficiently clarified that a proposal can be submitted for confiscation of the proceeds obtained by a criminal offence according to the provisions of this law.

C. Proceedings of the court in the regular procedure for confiscation of the proceeds

Article 10.

(1) The court shall determine the proceeds obtained through a criminal offence in its judgment declaring the defendant guilty.

(2) The judgment referred to in paragraph 1 of this article is passed on the basis of a proposal for confiscation of the proceeds obtained by a criminal offence presented by the competent prosecutor when the indictment is filed.

(3) The proposal from paragraph 2 of this article contains: information about the person whose the proceeds are confiscated, description and legal name of the criminal offence, information or description of the proceeds to be confiscated, evidence of the property that is the subject of confiscation and which was obtained by conducting a financial investigation, evidence of the legal income of that person and circumstances that indicate the existence of an obvious disparity between the assets and income of that person. The proposal against a related person contains evidence that he/she inherited the proceeds obtained through a criminal offence, and the proposal against a third person contains evidence that the proceeds acquired through a criminal offence were transferred without compensation or with compensation that does not correspond to the actual value in order to prevent confiscation.

(4) By the judgment referred to in paragraph 1 of this article, the court shall confiscate the proceeds obtained by the criminal offence for which the prosecutor provides sufficient evidence that it is justified to believe that such proceeds were obtained by a criminal offence, and the perpetrator did not provide evidence that the proceeds were obtained legally.

(5) The operative part of the verdict from paragraph 1 of this article that refers to the determination and confiscation of the proceeds obtained by a criminal offence must be explained.

(6) The parties have the right to appeal directly to the higher court against the judgement from paragraph 1 of this article.

(7) After the judgment referred to in paragraph 1 of this Article becomes final, the court will submit it to the Agency for further processing.

Article 11.

- (1) The court judgment declaring the defendant guilty also establishes:
- a) which things or rights represent the proceeds acquired through a criminal offence and their value,
 - b) that these things and rights become the property, respectively, the property of the Federation of Bosnia and Herzegovina,
 - c) that the defendant or related persons must immediately hand over certain things to the Federation of Bosnia and Herzegovina, respectively, have to transfer certain rights to it, if they have not already been transferred to the Federation of Bosnia and Herzegovina, or pay the amount that is proportional to the acquired proceeds within 15 days from the date of finality of the judgment,
 - d) to register ownership rights in favor of the Federation of Bosnia and Herzegovina in public books or registers kept by competent authorities.
- (2) If the court rejects the prosecutor's proposal for confiscation of the proceeds obtained by a criminal offence, the data from the file will be submitted to the Tax Administration of the Federation of Bosnia and Herzegovina for further processing.
- (3) If the accused is not acquitted, and a property claim has been awarded, the corresponding provisions of the Law on Criminal Procedure of the Federation of Bosnia and Herzegovina CPC and the Criminal Law of the Federation of Bosnia and Herzegovina will be applied.

Article 12.

- (1) If the legal consequences of opening bankruptcy proceedings have occurred, this does not affect the provisions of this law.
- (2) The Federation of Bosnia and Herzegovina is:
- a) separate creditor with regard to the realization of monetary claims from decisions made according to the provisions of this law that were insured according to the provisions of this law, if that insurance is determined on things or rights entered in a public book or register,
 - b) a separate creditor in respect of items that are its property based on the provisions of this law.

Article 13.

- (1) During the procedure for confiscation of proceeds obtained by a criminal offence under this law, the court may order state bodies, banks, financial institutions and other legal and natural persons to submit data and information necessary for decision-making under this law.
- (2) If necessary, the court may order the legal and natural persons referred to in paragraph 1 of this article to submit a report regarding the determination of the facts necessary for making decisions under this law.
- (3) All legal and natural persons who have been ordered to act by court order from paragraph 1 of this article shall act with particular urgency.

(4) In the order for the delivery of data and information from Paragraph 1 of this Article, the court shall determine the deadline in which it must be carried out, which cannot be longer than one month.

(5) For non-execution of the order referred to in paragraph 1 of this article within the set deadline or incomplete execution of the order, the court may by its decision punish a legal entity with a fine in the amount of up to 200,000 BAM, and a natural person and a responsible person in a legal entity or state body with a fine in the amount of 2,000 BAM to 50,000 BAM. If a natural person and a responsible person in a legal entity who has been sentenced to this sentence does not accept the order of the court, it may be sentenced to prison until the order is executed, and a maximum of three months.

(6) An appeal may be filed against the decision from paragraph 5 of this article directly to the higher court, which does not delay its execution.

(7) The suspect and the accused cannot be punished for failure to comply with the court order from paragraph 1 of this article.

Article 14.

(1) If the court determines during the procedure conducted according to the provisions of this law that objects have been acquired through a criminal offence that must be confiscated according to the Criminal Law of the Federation of Bosnia and Herzegovina, it will issue a decision on the confiscation of these objects.

(2) If the Law does not prescribe otherwise, the decision referred to in paragraph 1 of this Article shall be issued by the court before which the proceedings were conducted, after the proceedings have been completed or suspended. An appeal is allowed against this decision, which is decided directly by the higher court.

Article 15.

When rendering a judgment on the confiscation of the proceeds obtained by a criminal offence under this law, the court will not recognize as costs, funds invested in the preparation, commission, participation or dissimulation of a criminal offence.

D. Securing deprivation of the proceeds

Article 16.

(1) In the procedure of securing a temporary measure according to this law, it is assumed that there is a risk that the claims of the Federation of Bosnia and Herzegovina regarding the confiscation of the proceeds obtained by a criminal offence will not be realized, or that their realization will be difficult if the temporary measure is not determined.

(2) Security referred to in paragraph 1 of this article may be determined even before the suspect, defendant or related person has been given the opportunity to comment on the prosecutor's proposal for the determination of security measures.

Article 17

(1) In order to secure the proceeds that are suspected to have been obtained through a criminal offence, the prosecutor may during or after the end of the criminal proceedings, or when the conditions for conducting criminal proceedings are not met due to circumstances from Article 5, paragraph 1 of this law, to propose insurance by any temporary measure that can most effectively achieve the purpose of insurance.

(2) Insurance of the proceeds from paragraph 1 of this article can be determined:

- a) by prohibiting alienation and encumbrance of real estate or real rights registered on real estate, with the recording of a prohibition in the land register, confiscating the real estate and entrusting it to the Agency for safekeeping and management,
- b) prohibiting the suspect, the accused or a related person from alienating, hiding, encumbering or disposing of movable property, confiscating and entrusting these things to the Agency for safekeeping,
- c) confiscating cash and securities and handing them over to the Agency,
- d) by prohibiting the debtor of the suspect, the accused or a related person from voluntarily fulfilling his obligation to them, and by prohibiting the suspect, the accused or a related person from receiving the fulfillment of that obligation, i.e. from disposing of their claims,
- e) by an order to a bank or other legal entity to deny the suspect, the accused or a related person from making the payment of money on the basis of their order funds from their account, in the value for which a temporary measure has been determined,
- f) by prohibiting the alienation or encumbrance of shares, securities, shares in funds, shares or business shares with the registration of the ban at the Register of Securities of the Federation of Bosnia and Herzegovina, the Register of Business Companies, by banning the use or disposal of rights based on such shares, securities, shares in funds, shares or business shares, by entrusting them to the Agency for management or by appointing temporary management in the company,
- g) prohibiting the debtor of the suspect, the accused or a related person from handing over things to them, transferring the right, or performing another monetary transaction.

(3) The court that would be competent for trial in criminal proceedings for a criminal offence from which the proceeds, that are the subject of insurance were obtained, shall decide on the prosecutor's proposal for the determination of temporary measures from paragraph 1 of this article. This decision must also contain the exact time for which the temporary measure is set, after which the court, depending on the outcome of the criminal proceedings or special proceedings for confiscation of the proceeds, issues a decision on the extension of the temporary measure or a decision on the cancellation of the temporary measure.

(4) The decision determining security measures until the indictment is filed is made by the judge for preliminary proceedings. After the indictment is filed until its confirmation, the judge for preliminary hearing, and after confirmation of the indictment, a single judge or a Council of the criminal department of the court in accordance with the Law on Criminal Procedure of the Federation of Bosnia and Herzegovina no later than seven working days from the date of submission of the prosecutor's proposal from paragraph 1

of this Article.

(5) If it is a proposal to ensure confiscation of the proceeds that are submitted within the framework of a special procedure from Article 5 of this law, it shall be decided by the court that would be competent for trial in criminal proceedings for the criminal offence from which the proceeds were obtained.

(6) An appeal may be filed against the decision from paragraph 3 of this article directly to the higher court within three days from the date of its delivery. The appeal does not delay the execution of the decision.

(7) The execution of the decision referred to in paragraph 3 of this Article shall be carried out by the court, the Agency or another body determined by the Law.

(8) The decision referred to in paragraph 3 of this article shall be submitted to the court, the Agency or another body competent for its execution immediately, and at the latest on the first following working day after the day of adoption of the decision.

(9) The procedure for executing the decision from paragraph 3 of this article is considered urgent.

Article 18.

(1) If a temporary measure needs to be entered in public books, public registers or registers, the court's decision will also contain an order for the entry of a temporary measure in public books, public registers or registers.

(2) If the temporary measure needs to be deleted from public books, public registers or registers, the court's decision will also contain an order to delete the temporary measure from public books, public registers or registers.

(3) In the procedure referred to in paragraphs 1 and 2 of this article, no fees are charged, except in cases where the entry and deletion of a temporary measure is made in the register, for which a fee is paid from the funds collected from the sale of confiscated proceeds according to the provisions of this law regulations.

Article 19

The legal action by which the opponent of insurance disposes of things or rights that are the subject of insurance after the entry of a temporary measure in the public book or register, has no legal effect.

Article 20.

(1) If the proposal referred to in Article 17, paragraph 1 of this law is submitted in cases where the conditions for conducting criminal proceedings are not met due to the circumstances referred to in Article 5, paragraph 1 of this law, the insurance will be terminated as a temporary measure if, within two years from the day when this measure is determined, a hearing is not scheduled to decide on a property claim or a claim from Article 5, paragraph 2 of this law.

(2) A temporary measure can be canceled or replaced by another one before the expiration of the time for which it was set or before the expiration of the period referred to in paragraph 1 of this article, if the court, on the proposal of the opponent of the

insurance, determines that it is not necessary or that the insurance can be achieved by another temporary measure , and if the insurance opponent or a third party posts a guarantee. The guarantee is always given in cash, and exceptionally in things or rights that, according to the judgment of the court, can be cashed out in a short period of time.

(3) If the temporary measure is set for a period that is shorter than the deadline referred to in paragraph 1 of this article, the insurance proponent may propose that the duration of the temporary measure is to be extended.

(4) On the procedure of cancellation, extension, replacement or determination of additional temporary measures, the provisions of Article 17 of this law shall be applied accordingly.

Article 21

(1) Insurance as a temporary measure can last for a maximum of 60 days after the court delivers the insurance applicant a notice that the judgment from articles 6, 10 and 11 of this law became final.

(2) If the judgment from articles 6, 10 and 11 of this law, was contested by an appeal, the deadline from paragraph 1 of this article runs from the day when the decision of the second-instance court confirming the judgement, was delivered to the insurance applicant.

Article 22.

(1) The Federation of Bosnia and Herzegovina shall be responsible for the damage resulting from a temporary measure to ensure the confiscation of the proceeds obtained through a criminal offence.

(2) The opponent of the insurance may initiate a civil proceeding for damages before the competent court within one year from the finality of the judgment acquitting the defendant or dismissing the charge or rejecting proposal for a judgment from Article 6 of this law. In the case referred to in paragraph 1 of this article, the insurance opponent may initiate a civil proceeding within 30 days from the day when the request for mediation was rejected.

E. Protection of third-party rights

Article 23.

(1) The third person has the right to submit an objection until the enforcement decision is made and request that the temporary measure is lifted.

(2) The court that issued the decision on temporary insurance shall decide on the objection referred to in paragraph 1 of this article. An appeal against this decision is allowed within three days from the day of its delivery. The appeal does not delay the execution of the insurance determined under this law. The appeal is decided directly by the higher court.

(3) If a third person proves his right with a public document or the existence of that right

can be established on the basis of the rule on legal presumptions, the appeal postpones the implementation of the decision on insurance as a temporary measure.

IV. ENFORCEMENT

Article 24

(1) If this law does not prescribe otherwise, enforcement for confiscation of the proceeds obtained by criminal offence is determined and carried out at the proposal of the Federal Attorney's Office of the Federation of Bosnia and Herzegovina in accordance with the Law on Enforcement Procedure in the Federation of Bosnia and Herzegovina.

(2) For passing a decision on enforcement based on a judgment confiscating the proceeds obtained by a criminal offence and for making other decisions in that procedure, is competent the municipal court that has local jurisdiction in the seat of the court, which passed the judgment from articles. 6 and 10 of this law.

(3) The court is competent to implement enforcement based on the decision from paragraph 2 of this Article.

(4) The court may fully or partially entrust the implementation of the decision from paragraph 2 of this article to the Agency.

V. ADMINISTRATION OF SEIZED PROPERTY

A. Organization and powers of the Agency

Article 25

(1) In order to carry out the work and implement the measures provided for in this law, the Federal Seized Property Management Agency (hereinafter: the Agency) is being established.

(2) The headquarters of the Agency is in Sarajevo, and it may also have special organizational units outside its headquarters, which is governed by the Rulebook on internal organization

(3) Funds required for the work of the Agency are provided in the Budget of the Federation of Bosnia and Herzegovina, and may be provided from other sources, in accordance with the Law.

(4) State and other bodies, public services and organizations are obliged to provide support to the Agency in its work.

Article 26

(1) The Agency is an independent federal administrative organization that has the status of a legal entity.

(2) The Agency is managed and managed by the Director, who is appointed by the Government of the Federation of Bosnia and Herzegovina after the competition procedure has been carried out in accordance with the Law on Civil Service in the Federation of Bosnia and Herzegovina.

(3) The Director has the status of a leading civil servant.

(4) The Director of the Agency will be appointed no later than 60 days after the entry into force of this law. The Government of the Federation of Bosnia and Herzegovina will appoint an Acting Director, if the Director is not appointed within this period.

(5) The Director may not be a member of the body of a political party. The Director of the Agency is elected for a term of four years, and one person can be appointed for a maximum of two consecutive terms.

Article 27

The provisions of the Law on Civil Service in the Federation of Bosnia and Herzegovina and the Law on Employees in the Federation of Bosnia and Herzegovina are applied to the employment status of persons employed in the Agency.

Article 28

The Director manages the Agency, represents the Agency and is responsible for the legality of work, proper and legal management of the Agency's material and financial operations.

Article 29

Every six months, the Director is obliged to submit a report on the Agency's work and financial and material operations to the Government of the Federation of Bosnia and Herzegovina, which submits it to the Parliament of the Federation of Bosnia and Herzegovina for adoption. If the report is not adopted, the Government of the Federation of Bosnia and Herzegovina will initiate the procedure for the dismissal of the Director of the Agency.

Article 30.

(1) The Agency is responsible for:

- a) management of temporarily seized and confiscated property according to the provisions of this and other laws,
- b) carrying out analyzes in the field of confiscation of the proceeds obtained through a criminal offence,
- c) professional education in the field of financial investigations and confiscation of the proceeds obtained through a criminal offence,
- d) performing other tasks prescribed by this law.

(2) The Agency does not have operational powers to carry out financial investigations and confiscate the proceeds obtained through criminal offences.

Article 31

(1) In implementing its powers, the Agency performs the following tasks:

- a) stores, preserves, sells, leases property confiscated on the basis of the Law; if there is a justified need for it, the Agency can entrust this property for safekeeping to another

institution, for which a separate contract is concluded;

- b) performs an expert assessment of the value of temporarily confiscated and confiscated the proceeds according to the provisions of this and other laws;
- c) keeps records on the assets it disposes of and manages, on court proceedings in deciding on such assets;
- d) collects from competent institutions data, statistical reports and other information from legally concluded procedures for confiscation of the proceeds in accordance with this law, with the aim to process and analyze such data and information, observing trends in committing criminal offences from which the proceeds are obtained;
- e) collects information from court registers, tax administration, securities register and other public registers regarding ownership over the property;
- f) performs analyzes and risk assessments with the aim to identify factors and circumstances that favor the acquisition of the proceeds coming from criminal acts,
- g) publishes regular and annual reports on the situation in the field of confiscation of the proceeds obtained by criminal offences, and submits them to the Government of the Federation of Bosnia and Herzegovina and the Parliament of the Federation of Bosnia and Herzegovina;
- h) informs the Government of the Federation of Bosnia and Herzegovina and the Parliament of the Federation of Bosnia and Herzegovina about the results of analyzes related to the implementation of laws or other regulations on financial investigations and confiscation of the proceeds obtained by criminal offences;
- i) initiates and makes recommendations for the improvement of legal regulations in the field of financial investigations and confiscation of the proceeds obtained by criminal acts;
- j) prepares a proposal for a Strategy for Confiscation of the Proceeds Obtained by Criminal Offences in the Federation of Bosnia and Herzegovina and an Action Plan for its execution and sends them to the Government of the Federation of Bosnia and Herzegovina and the Parliament of the Federation of Bosnia and Herzegovina for adoption;
- k) coordinates and monitors the implementation of the Strategy for Confiscation of the Proceeds Obtained by Criminal Crime in the Federation of Bosnia and Herzegovina and the Action Plan, and gives opinions and recommendations for their more effective implementation;
- l) in cooperation with other competent institutions, participates in the training of state and police officers and holders of judicial functions in connection with financial investigations and confiscation of the proceeds obtained by criminal offences.

B. Management of temporarily and permanently confiscated property

Article 32.

(1) The sale of property managed and disposed of by the Agency in terms of this law shall be carried out by public bidding, which shall be published in the "Official Gazette of the Federation of Bosnia and Herzegovina" and in at least two daily newspapers

distributed throughout the territory of Bosnia and Herzegovina.

(2) The property is being sold at the same or higher price than the estimated value determined by the Agency. The Government of the Federation of Bosnia and Herzegovina will adopt a special regulation that will prescribe the criteria for assessing the value of property.

(3) In the event that the property is not sold after one public auction, the sale can be carried out at another public auction, but for a price that cannot be lower than 50% of the assessed value of the property.

(4) If the property 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 BiH or for humanitarian purposes or destroyed.

(5) 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 on the proposal of the Director of the Agency. The costs of destruction of property are borne by the Agency.

(6) The sale of shares and other securities is carried out in accordance with the laws governing the securities market.

(7) The Government of the Federation of Bosnia and Herzegovina shall, on the proposal of the Federal Minister of Justice, prescribe the procedure for the sale, lease, safekeeping and maintenance of confiscated proceeds within a special Rulebook.

Article 33.

(1) The Agency may, without prior publication of a public tender, make a decision on the sale of temporarily confiscated movable property:

- a) if their storage is dangerous or
- b) if there is a direct danger of their deterioration or significant loss of value
- c) whose ownership cannot be reliably determined.

(2) The Director of the Agency may make a decision to rent or lease the temporarily confiscated property in accordance with their purpose.

(3) Due to the urgency of the procedure, the provisions of the Law on Public Procurement do not apply to the procedures for selling, renting, keeping and maintaining confiscated proceeds, which the Agency manages in accordance with this law.

(4) The Agency shall inform the court which determined the measures to secure the property, on the sale of the property referred to in paragraph 1 of this Article.

Article 34

(1) The Agency keeps the funds obtained from the sale of property from Article 33, paragraph 1 of this law in a separate account until the court takes final decision on its origin. These funds can be termed, exclusively with banks majority-owned by the Federation of Bosnia and Herzegovina. Interest income belongs to the Agency.

(2) The funds obtained from the sale of that property with accrued interest at sight shall be returned without delay to the owner of temporarily confiscated proceeds, which in

accordance with this law has been determined not to have originated from a criminal offence.

(3) The owner 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 confiscation of property.

(4) If the request for compensation is not accepted or the Agency does not make a decision on the request within three months from the date of submission of the request, the owner of the property may file a claim for compensation against the Federation of Bosnia and Herzegovina to the competent court.

(5) If the request is partially accepted, the owner can file a lawsuit in relation to the remaining part of the request.

Article 35.

Temporarily or permanently confiscated objects of cultural, historical, artistic and scientific value can be transferred for safekeeping or use to specialized institutions that are primarily financed from the state, federal or cantonal budget, which is decided by the Government of the Federation of Bosnia and Herzegovina.

Article 36.

Revenues obtained from the sale of temporarily or permanently confiscated property belong to the Budget of the Federation of Bosnia and Herzegovina.

Article 37

(1) In its work, the Agency shall achieve the necessary cooperation with the competent authorities in Bosnia and Herzegovina in procedures for providing request for international legal assistance with the aim to temporarily or permanently confiscate the proceeds obtained by a criminal offence.

(2) Decisions of competent bodies in Bosnia and Herzegovina, made on the basis of the Law on International Legal Assistance in Criminal Matters, ordering the temporary confiscation of items/movable or assets and their consigning to foreign judicial authorities, are submitted to the Agency for execution if necessary.

(3) The provision from paragraph 2 of this article shall also apply accordingly to the decisions of the competent authorities in Bosnia and Herzegovina which recognize and enforce foreign court decisions, if those decisions contain the measure of confiscation of the proceeds obtained through a criminal offence.

VI. TRANSITIONAL AND FINAL PROVISIONS

Article 38

(1) Proceedings in the confiscation insurance matters and decision-making on confiscation of the proceeds obtained by criminal offence in which a first-instance decision was made by the date of application of this law, will continue according to the provisions of the regulations that were in force at the time of initiation of those

proceedings.

(2) If, on the date of the application of this law, no decision has been made to ensure confiscation or confiscation of the proceeds obtained by a criminal offence or if the first-instance decision from paragraph 1 of this article has been revoked and the case referred to the first-instance court for retrial and decision-making, the provisions of this of the law will be applied.

Article 39

The execution of the final decisions on confiscation of proceeds obtained by a criminal offence made on the basis of the regulations that were in force before the start of the application of this law, shall be carried out according to the regulations that were valid before beginning its application.

Article 40.

(1) The Government of the Federation of Bosnia and Herzegovina shall, within 15 days from the date of entry into force of this law, appoint a committee that will carry out the procedure for electing the Agency's Director.

(2) Within 30 days from the date of appointment, the Director shall adopt the Rulebook on the internal organization and systematization of workplaces with the approval of the Government of the Federation of Bosnia and Herzegovina.

(3) The Government of the Federation of Bosnia and Herzegovina shall, within 60 days from the date of entry into force of this law, adopt the act referred to in Article 32, paragraph 7 of this law.

Article 41

This law enters into force on the eighth day from the day of its publication in the "Official Gazette of the Federation of Bosnia and Herzegovina", and will begin to be applied six months after the date of its entry into force.

Chairman of the House of Peoples
Parliament of the Federation of Bosnia and Herzegovina
Tomislav Martinović
Chairman of the House of Representatives
Parliament of the Federation of Bosnia and Herzegovina
Safet Softić, acting director

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

Log-book n° 130/I/24, date: September 5, 2024 Sarajevo

Jasmina Penava

Certified Court Interpreter for English Language.