



# ICLG

The International Comparative Legal Guide to:

## **Mergers & Acquisitions 2013**

**7th Edition**

A practical cross-border insight into mergers and acquisitions

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## EDITORIAL

Welcome to the seventh edition of *The International Comparative Legal Guide to: Mergers & Acquisitions*.

This guide provides corporate counsel and international practitioners with a comprehensive worldwide legal analysis of the laws and regulations of mergers and acquisitions.

It is divided into two main sections:

Five general chapters. These are designed to provide readers with a comprehensive overview of key issues affecting mergers and acquisitions, particularly from the perspective of a multi-jurisdictional transaction.

Country question and answer chapters. These provide a broad overview of common issues in mergers and acquisitions in 41 jurisdictions.

All chapters are written by leading mergers and acquisitions lawyers and we are extremely grateful for their excellent contributions.

Special thanks are reserved for the contributing editor Michael Hatchard of Skadden, Arps, Slate, Meagher & Flom (UK) LLP for his invaluable assistance.

Global Legal Group hopes that you find this guide practical and interesting.

*The International Comparative Legal Guide* series is also available online at [www.iclg.co.uk](http://www.iclg.co.uk)

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## 1 Relevant Authorities and Legislation

### 1.1 What regulates M&A?

Bosnia and Herzegovina (BiH) is a confederative country, consisting of two entities, the Republic of Srpska (RS) and the Federation of Bosnia and Herzegovina (FBiH), each having separate M&A legislation. While the legislative jurisdiction is divided, the applicable M&A laws are similar in both jurisdictions, as provided below:

**RS:** In RS, M&A transactions and all forms of corporate reorganisations (e.g. mergers, de-mergers, transformations, contributions in-kind) are governed by the RS Companies Act (RSCA). Other laws typically triggered in the context of M&A transactions are: (a) the RS Takeover Act (RSTA); (b) the RS Capital Markets Act (RSCMA), the various rules and regulations promulgated by the Securities Exchange Commission (SECRS) ([www.secrs.gov.ba](http://www.secrs.gov.ba)), the Central Securities Register (CSRRS) ([www.crhovrs.org](http://www.crhovrs.org)) and the Banja Luka Stock Exchange (BLSE) ([www.blberza.com](http://www.blberza.com)); (c) the Law on Obligations (RSLoo) (including other laws that contain rules generally applicable to RS civil and property law); and (d) the Labour Act (RSLA). Acquisitions and reorganisations of socially-owned or state-owned companies are governed by the Privatisation Act (RSPA). Lastly, the Bankruptcy Act (RSBA) applies to acquisitions of shares or assets of companies in insolvency proceedings.

**FBiH:** In the FBiH, M&A transactions and all forms of corporate reorganisations (e.g. mergers, de-mergers, transformations, contributions in-kind) are governed by the FBiH Companies Act (FBiHCA). Other laws typically triggered in the context of M&A transactions are: (a) the FBiH Takeover Act (FBiHTA); (b) the FBiH Capital Markets Act (FBiHCMA), the various rules and regulations promulgated by the Securities Exchange Commission (SECFBiH) ([www.komvp.gov.ba](http://www.komvp.gov.ba)), the Central Securities Register (CSRFBiH) ([www.rvp.ba](http://www.rvp.ba)) and the Sarajevo Stock Exchange (SASE) ([www.sase.ba](http://www.sase.ba)); (c) the Law on Obligations (FBiHLoO) (including other laws that contain rules generally applicable to FBiH civil and property law); and (d) the Labour Act (FBiHLA). Acquisitions and reorganisations of socially-owned or state-owned companies are governed by the Privatisation Act (FBiHPA). Lastly, the Bankruptcy Act (FBiHBA) applies to acquisitions of shares or assets of companies in insolvency proceedings.

In addition to the legislation on the entity level, competition aspects are governed by the Competition Act of BiH (CABiH), which is enacted on the country level and applies in both entities.

### 1.2 Are there different rules for different types of company?

In both Bosnian entities, RSTA, FBiHTA, RSCMA, FBiHCMA, and capital market rules apply to joint stock companies only. All other regulations apply in general to all types of companies, including joint stock companies.

### 1.3 Are there special rules for foreign buyers?

Special rules for foreign investors exist on both the country and entity level in BiH. They are provided for the most part in the laws dealing with direct foreign investments, the Direct Foreign Investment Policy Act in BiH, Foreign Investment Act of RS and Foreign Investment Act of FBiH. These are not usually of significance in practice, and include only a small number of investor-friendly provisions (i.e. certain customs exemptions).

In addition, rules prescribed by the constantly evolving foreign exchange regulations should also be taken into account, primarily the Foreign Exchange Act of RS and Foreign Exchange Act of FBiH. They prescribe a number of cross-border payment restrictions, especially concerning outbound payments. The relevant regulators, Ministry of Finance of RS and Ministry of Finance of FBiH tend to have a rather conservative approach when applying these provisions, and it is common to consult them before structuring more unorthodox cross-border transactions.

### 1.4 Are there any special sector-related rules?

Acquisitions within regulated sectors (e.g. banking, leasing, insurance, media, telecommunications) are governed by special rules. Usually, a permit from, or notification to, the relevant regulator is required in case of either an acquisition of shares in the regulated companies, or an acquisition of a shareholding by regulated companies. For instance, in the financial sector, the specific thresholds for acquisition are prescribed, when prior approval of the relevant Banking Agency is required (acquiring 5%, 20%, 33%, and above 50% of shares in financial services companies); at the same time, it is not clear from the legislation nor from relevant practice whether indirect acquisitions of shares are subject to these rules.

### 1.5 Does protectionism operate in favour of local owners?

One of the important principles of corporate legislation in BiH is to attract foreign investment, thus it provides for positive discrimination of foreign investors in certain aspects (e.g.

exemptions from some customs and foreign exchange rules). In addition, foreign investors enjoy national treatment in corporate legislation. However, majority local ownership is still required in certain regulated industries (e.g. military industries). In addition, foreign investors continue to face a number of serious obstacles, including a complex legal and regulatory framework, non-transparent business procedures, and weak judicial structures, which in practice may give certain advantages to local owners.

### 1.6 What are the principal sources of liability?

General contractual liability rules apply to foreign investors, as well as to local owners. However, the most severe fines are prescribed by the legislation on protection of competition. CABiH prescribes fines of up to 10% of the total turnover of the offending party in the year preceding the year when the offence occurred. Thus, it is advisable to consult a competition consultant prior to implementation of any cross-border M&A transactions.

## 2 Mechanics of Acquisition

### 2.1 What alternative means of acquisition are there?

In addition to straight forward share and asset deals, both RSCA and FBiHCA provide alternative acquisition mechanisms:

- Mergers – allowing for the target company to be merged into the purchasing company, or two or more target companies to merge and form a new entity (in each case, merged companies cease to exist, with all rights and obligations transferred to a successor company).
- Divisions – allowing for the target company to cease to exist and its entire assets to be divided and merged to two or more existing or newly founded companies.
- Separation (RS jurisdiction only) – RSCA stipulates that only a part of the target company's assets and obligations can be separated and merged into an existing or newly established company.

### 2.2 What advisers do the parties need?

In typical M&A transactions, the parties usually engage local legal, financial and tax advisers. If a transaction involves securities and/or is implemented by way of a takeover bid, the parties should engage a licensed broker who typically also advises on technicalities relating to settlement. High-profile investments, which sometimes entail regulatory changes, may involve investment banking support, additional political advisory support, or a PR consultant.

### 2.3 How long does it take?

Timing primarily depends on: (a) the transaction structure; (b) whether or not the transaction involves a (mandatory or voluntary) takeover bid; and (c) obtaining merger clearance or other regulatory approvals.

The courts in BiH which implement corporate changes still lack efficiency, and the more complex the transaction structure, the more time will be necessary for registration of the changes with the competent court-maintained companies register. Although the relevant laws prescribe rather short deadlines for court deliberation in these matters, in practice these are never observed and registration of even the simplest corporate changes may take up to

a month. As for takeover bids, they must be open for a period of between 30 and 60 days. And in the event merger clearance is necessary, the regulator, the Competition Council of BiH, is legally obliged to decide thereon within three months of a full application being submitted.

### 2.4 What are the main hurdles?

The main hurdle is the inefficiency of local authorities handling corporate registrations (including registration courts and capital markets regulators) and a lack of developed legislation. The combination of these two factors often leads to unexpected delays in implementation of more complex transactions.

The situation regarding legislation is currently much worse in FBiH, compared to RS. The FBiHCA and corresponding set of corporate regulations are outdated and fail to regulate some of the more basic corporate requirements, e.g. corporate governance rules are underdeveloped, and it is essential for a target company to have a detailed and clear set of corporate governance bylaws in order to avoid delays and court challenges by minority shareholders.

Privatisation deals often encounter political red tape, and generally, the privatisation process in BiH is not as efficient as in neighbouring countries. Again, this is much more evident in the FBiH, due to its very complex political structure.

### 2.5 How much flexibility is there over deal terms and price?

Pricing and other deal terms can be negotiated freely in transactions involving LLCs and private joint stock companies. However, the transfer of shares of joint stock companies must be settled against payment of a consideration in local currency through the mechanics and in accordance with operational bylaws of the CSRRS and CSRFBiH, depending on the jurisdiction.

Special rules also apply to listed joint stock companies. In case of takeover bids, the bid price must be the higher of (A) the price the purchaser (or an entity acting in concert with the purchaser) paid for shares in the target company in the last year in case of RS, or in the last six months in case of FBiH, and (B) the weighted average trading price for the previous six months.

### 2.6 What differences are there between offering cash and other consideration?

There is no special difference stipulated in the relevant regulations. However, both RSTA and FBiHTA structure the takeover bid process as a cash-for-share transaction.

### 2.7 Do the same terms have to be offered to all shareholders?

The capital markets regulations in both Bosnian entities provide for equal treatment of shareholders, meaning the same terms must be offered to all shareholders, and all shareholders must be provided with the same information.

### 2.8 Are there obligations to purchase other classes of target securities?

There is no obligation to purchase other classes of target securities. In addition, FBiHTA specifically provides that its provisions only relate to (i) shares with voting rights, both limited and unlimited, and (ii) securities with right of conversion.

## 2.9 Are there any limits on agreeing terms with employees?

There is no detailed regulation in this respect. Labour legislation in both entities stipulates that in case of a change of employer (by way of sale, inheritance, mergers, etc.) employment agreements are automatically transferred to the new employer, subject to the employees' consent. There are no specific rules in case there is no employee consent, other than the employment agreement may be terminated in accordance with the provision agreed with the previous employer.

## 2.10 What role do employees play?

The role of employees in M&A transactions varies depending on their rights under the applicable collective bargaining agreements. In state-owned or privatised companies, it is common that collective agreements contain very favourable terms for employees, e.g. union *veto* on mass redundancies, and high severance payments. As a result, in privatisations and state sponsored deals, negotiation of social programmes (*socijalni programi*) setting forth the future of a target's employees (e.g. moratorium on redundancies, minimum severance packages, distribution of the target's stock) is often the most important and difficult part of the deal. In other deals, employees may have less leverage, although strikes and other forms of employee activism are common if mass redundancies or deterioration of employment terms are in the back end of the deal.

## 2.11 What documentation is needed?

For completion of a straightforward share transfer in an LLC, it is in principle sufficient to have a notarised (and apostilled if applicable) sale and purchase agreement and a locally notarised amendment to the constitutive documents of the target company. Rather standard (ancillary) transaction documents (e.g. joint notices, filing forms, waivers of pre-emption rights) may also be required. Documentation requirements are considerably greater in case of a takeover under the RSTA and FBiHTA which both set forth a detailed list of documents and formalities. Structures involving mergers or de-mergers require different, and in certain aspects, more complex, documentation (e.g. audits by court-appointed auditors, corporate resolutions, merger/de-merger reports and plans, public notices, etc.). Further material is necessary for merger clearance or sector-specific regulatory approvals.

As of recently, notary publics in BiH have been given a very broad role in corporate registrations, making them an inevitable party to M&A transactions in BiH. Therefore, consultations regarding the required documents with the selected notary are advisable prior to implementation of the transaction, as their practice varies from region-to-region.

## 2.12 Are there any special disclosure requirements?

In the process of registration of any corporate changes, including shareholding changes, information on that change must be published in the Official Gazette of RS or FBiH. In addition, takeover bids must be published in one daily newspaper.

## 2.13 What are the key costs?

The costs are influenced by the transaction structure. Most significantly, in case merger clearance is required, the costs in a regular procedure amount to BAM 5,000 (approx. EUR 2,500) and

in a special procedure amount to BAM 27,000 (approx. EUR 13,500). Special procedure is required where issues have been identified in the course of approval (in practice, the overwhelming majority of transactions are resolved in a regular procedure).

Notary costs must be taken into account, and they vary depending on the transaction value and can be calculated based on the official tariff. In addition, administrative costs and taxes, including court register taxes, must be paid. In the majority of transactions, these costs do not exceed EUR 500.

## 2.14 What consents are needed?

The main consents/approvals may be necessary in the following cases:

- Transactions in regulated industries may require the approval or consent by the relevant industry regulator, depending on the circumstances.
- Merger clearance must be obtained should the thresholds prescribed by the CABiH be met.
- Takeover bids must be approved by SECRS/SECFBiH prior to publication.

## 2.15 What levels of approval or acceptance are needed?

Most M&A transactions must, at some stage, be approved by the shareholders' meeting. While in structures involving a de-merger, the shareholders' meeting of the seller, and in case of structures involving a merger, the shareholders' meeting of the seller and the acquirer, are typically involved, straightforward acquisitions of shares or assets generally (i.e. unless the seller's constitutive documents provide otherwise) only require approval of the seller's shareholders' meeting if an asset deal qualifies as a disposal of high value assets (exceeding 30% of the company book value), or if a share deal requires an amendment of constitutive documents. A special regime may apply in respect of individuals, in particular in cases involving community property (*zajednicka imovina*).

## 2.16 When does cash consideration need to be committed and available?

In private transactions, the parties are generally free to agree on the terms of settlement of the consideration. However, when purchasing the shares of joint stock companies, the consideration must be available in local currency before settlement in the CSRRS/CSRFBiH in accordance with the DVP principle. In addition, the potential purchaser may launch a public takeover bid only if the purchase price for 100% of the shares of the target is deposited in advance or it is secured by a bank guarantee or a bank loan beforehand.

## 3 Friendly or Hostile

### 3.1 Is there a choice?

In the Bosnian legal system, management has a restricted role in the takeover process, and therefore this distinction is not relevant in practice. The target management is in most cases factually quite dependent on a limited number of majority shareholders which are generally approached by the interested bidder directly. The same is true for transactions involving non-listed joint stock companies and LLCs where there is generally even greater (factual) shareholder power over management.

### 3.2 Are there rules about an approach to the target?

There are no special rules on approach to the target, except for insider trading regulations, which must be observed. However, potential bidders must also observe the rules regarding the takeover bid process.

### 3.3 How relevant is the target board?

Although the target management is legally not very relevant, board members' cooperation is particularly important in administrative aspects of transaction implementation. This is especially the case with the following:

- the due diligence process, where management obstruction may in practice obstruct the deal;
- the takeover bid process, when negative management opinion may influence the planned transaction; and
- shareholders' meeting preparation, especially in FBiH jurisdiction, where FBiHCA does not provide sufficient regulations – as a result, in cases where relevant company bylaws are non-existent or not detailed enough, the management may obstruct the convocation of a necessary shareholders' meeting session (it is not uncommon for management to initiate court action, thus involving the shareholders in a lengthy judicial process).

### 3.4 Does the choice affect process?

In general, the process is conducted more smoothly and with less controversy if the co-operation of the target company's management board has been assured in advance.

## 4 Information

### 4.1 What information is available to a buyer?

Generally, only publically available information and documents, which can be accessed and procured from the following sources:

- Basic corporate information is not officially available online, although the information in FBiH jurisdiction can be accessed through a beta version of the official online database at <http://bizreg.pravosudje.ba> (the data available on this website is usually reliable and up-to-date, although not all FBiH companies are included in the database). In order to access official records, the commercial register excerpt must be obtained in person from the competent registration court (this procedure may take up to a week, depending on the database digitalisation status of the relevant court).
- Joint stock companies' shareholder data may be obtained from CSRRS/CSRFBiH and/or BLSE/SASE.
- Full financial annual (and, where applicable, semi-annual) reports may be obtained in person from the specialised agencies, which are legally tasked with collecting and processing such reports. Three such agencies have been established in BiH, each covering a different territorial jurisdiction.

For information not publicly available, the co-operation of the target company's management board is necessary. Although due diligence of listed joint stock companies is conducted in practice, it is questionable if and under what circumstances this is compatible with the equal treatment and insider trading rules under relevant capital markets regulations.

### 4.2 Is negotiation confidential and is access restricted?

This is not specifically regulated in Bosnian corporate legislation; thus, the parties can in principle agree to keep negotiations confidential. However, as soon as *ad hoc* reporting requirements under applicable securities laws and regulations are triggered (in general terms, a company must issue an *ad hoc* report whenever circumstances occur which might affect the price of its securities), the target company must notify the public accordingly.

### 4.3 What will become public?

All the transactional documents submitted to the court maintained commercial register are archived there, and anyone who can prove legal interest may access them. Thus, it is common that transactions containing confidential terms and conditions are registered through standard short-form transfer agreements, while the central transaction document remains undisclosed. In case of transactions implemented through mergers, de-mergers or divisions, the information on such transactions must be publically published in order for creditors to exercise their rights. In the RS, this obligation entails publication of a draft of the merger/demerger agreement prior to the transaction, while in the FBiH several consecutive notifications must be published within six months of the transaction.

Where merger clearance has been obtained for a transaction, it will be published on the Competition Council website, and available to the general public, save for certain business secrets.

### 4.4 What if the information is wrong or changes?

The rules on *ad hoc*, regular reporting and the mandatory content of takeover bids contained in the RSCMA/FBiHCMA and the RSTA/FBiHTA provide for administrative penalties and in severe instances also criminal liability for publishing misleading, incomplete or inaccurate information. False or incorrect reporting to the court-maintained commercial registers also carries administrative penalties.

## 5 Stakebuilding

### 5.1 Can shares be bought outside the offer process?

The shares of listed joint stock companies may be directly or indirectly acquired outside of the offer process (subject to insider trading and other restrictions) until the following thresholds are met: (A) 25% shares in the RS; or (B) 30% of shares in the FBiH. Once these thresholds are exceeded, a potential purchaser must initiate a takeover bid and suspend further purchases of the target's shares outside of this process.

### 5.2 What are the disclosure triggers?

Slightly different rules are prescribed in the two entities in this respect:

- **RS:** the RSCMA prescribes that CSRRS shall inform the issuer and SECRS in case any entity acquires 5% or more of the voting shares, or in case any entity already holding voting shares exceeds or falls below the thresholds which are divisible by 5.
- **FBiH:** pursuant to FBiHCMA, any entity which acquires more than 5% of the voting shares, or which exceeds or falls

below the thresholds of 1/10, 1/5, 1/4, 1/3, 1/2, or 2/3 of voting shares, has an obligation to publish the acquisition information and to inform the SEC FBiH of these changes. The manner of the publication has not been regulated.

### 5.3 What are the limitations and implications?

In case of acquisition of shares contrary to RSTA/FBiHTA, without initiating a takeover bid procedure when required, the entity which acquired such shares shall not be entitled to the corresponding voting rights until such time as a proper takeover bid procedure is duly implemented. In addition, fines may be imposed against such acquirer.

## 6 Deal Protection

### 6.1 Are break fees available?

Break fees may be agreed; however, they should be agreed on reasonable terms, especially where the potential purchaser is an existing shareholder – the break fees in such cases should be at arm's length principle. There is no specific regulation regarding break fees in Bosnian corporate legislation.

### 6.2 Can the target agree not to shop the company or its assets?

Generally, shop agreements at the shareholder level are not prohibited (there are no specific regulations on this topic). However, the permissibility of no-shop undertakings by the target must be assessed on a case-by-case basis (especially from a competition law perspective). To assure validity of the transaction, shareholder approval (by majority vote of non-conflicted shareholders) for any such agreement is recommended and at times mandatory.

However, where a takeover is conducted by way of a takeover bid, shareholders may not be prevented from responding to a competitive takeover bid by concluding no-shop agreements. This is regulated implicitly in the RS and explicitly in the FBiH, where FBiHTA provides that even in the case a shareholder gave its written consent to the takeover bid, such shareholder can waive its consent when accepting the competitive takeover bid.

### 6.3 Can the target agree to issue shares or sell assets?

Starting with the notification of the takeover bid intention to the target and until the takeover bid procedure is finalised, the target is prohibited from increasing its share capital (and thus to issue new shares), nor it is allowed to undertake a transaction which would significantly influence the status of the company's property or obligations.

### 6.4 What commitments are available to tie up a deal?

Generally, break-up fees, no-shop and exclusivity undertakings can be used. However, in transactions involving listed joint stock companies, some of these deal-protection mechanisms are either unavailable or difficult to implement, especially when a transaction is implemented by way of a takeover bid procedure.

## 7 Bidder Protection

### 7.1 What deal conditions are permitted?

In private transactions, the parties are generally free to agree on any conditions they deem fit. However, mandatory takeover bids generally may not be conditional, with two exceptions – both RSTA and FBiHTA prescribe that a potential bidder may undertake not to purchase shares: (A) which are encumbered; or (B) in case the combined shares of the bidder, any entity acting in concert with the bidder and shareholders accepting the offer do not exceed 50% threshold of the target's voting rights. In addition, voluntary takeover bids may be subject to minimum share thresholds – in case the number of deposited shares at the end of the process is below set minimum, the bidder may walk away from the transaction.

### 7.2 What control does the bidder have over the target during the process?

Bosnian laws do not regulate such option, and in addition, exercise of control over the target prior to receipt of merger clearance is generally prohibited. Therefore, any mechanism used in this respect should be carefully tailored in order to avoid collision with either competition protection or capital markets regulations (including insider trading protections).

### 7.3 When does control pass to the bidder?

The norm is that control passes to the bidder only after the transaction is finalised and the respective shareholder change is registered with the competent court-maintained commercial register and/or CSRRS/CSRFBiH (in the case of joint stock companies). In case of hostile management, effective control of the target shall be established once the management change is implemented with the commercial register (unless otherwise provided for in the target's constitutive acts, the management change may be instituted at any time by a shareholders' meeting resolution).

### 7.4 How can the bidder get 100% control?

Optional squeeze-out rights are legislated for in the RS only, and can be exercised in the takeover bid process only upon acquisition of 95% of shares at the end of that procedure (however, the squeeze-out intention must be included in the published takeover bid). Sell-out rules also become applicable if a 95% stake in a target has been reached in the RS.

## 8 Target Defences

### 8.1 Does the board of the target have to publicise discussions?

In the RS, when a takeover is conducted by way of a takeover bid procedure, the target board is required to publicise its opinion on the transaction, which, *inter alia*, must include a report on the content of any agreement with the bidder. FBiH jurisdiction does not contain this express obligation; however, it can be derived from the obligation of listed companies to make *ad hoc* announcements of events that may affect a target's financial transactions.



## 8.2 What can the target do to resist change of control?

Under Bosnian regulations, the target board has very limited takeover defences available. Once the takeover bid is initiated, the target is prohibited from: (i) making changes to the share capital and legal form of the company and terminating the company; (ii) undertaking transactions which would significantly impact the status of company's assets and obligations; and (iii) acquiring or selling own shares. In addition, in the FBiH, the board is expressly prohibited from engaging in any activities which would influence the takeover bid. However, the board may exert some influence by publishing a negative opinion on the takeover bid.

## 8.3 Is it a fair fight?

The defensive possibilities of the target company's board are quite limited under Bosnian regulations, as discussed above; however, all these restrictions appear to be drafted with a view to safeguarding equal treatment and protecting the interest of the shareholders.

## 9 Other Useful Facts

### 9.1 What are the major influences on the success of an acquisition?

The single most important influence is the cooperation between the bidder, the target's shareholders and the target's board. The chances

of success increase exponentially where cooperation develops positively.

## 9.2 What happens if it fails?

A failed takeover bid results in the release of the tendered shares to the selling shareholders and the release of the deposited consideration to the potential purchaser. Parties are generally free to agree on consequences of a failed transaction.

## 10 Updates

### 10.1 Please provide a summary of any relevant new law or practices in M&A in Bosnia and Herzegovina.

One of the most important recent changes in Bosnian corporate regulations is the RSCA, applicable in the RS as of 1 January 2010. This law significantly modernised company regulation in the RS, even to the point that some of its provisions may still not be applied in practice due to the fact that some other regulations have not been duly amended, especially on the country level.

On the flip side, the quite outdated FBiHCA is still in force in the FBiH, and the often lacking provisions of which are in stark contrast to the wealth of provisions provided in the RSCA. Therefore, the long overdue introduction of a new companies act in the FBiH would be the most welcome change with regard to corporate laws and practices in Bosnia.



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