

**LAW ON GAMES OF CHANCE**  
(“Official Gazette RS” no. 18/2020, 94/2024)

**I GENERAL PROVISIONS**

**Scope**

**Article 1**

This law regulates the right to organise games of chance, the types of games of chance, the conditions of the organisation, the rights and obligations of the organisers of games of chance (hereinafter: the organiser), gaining and ownership of revenues generated by the organisation of games of chance, as well as the supervision of the organising of games of chance.

This law establishes the jurisdiction of the Game of Chance Administration (hereinafter: the Administration), as an administrative body within the ministry responsible for financial matters.

**Definition of Games of Chance**

**Article 2**

The games of chance, for the purpose of this law, are considered games in which participants, for a fee, are provided the opportunity to win money, goods, services or rights, where the win or loss depends not on the knowledge or skills of the participant in the game, but on chance or some uncertain event.

Games of chance are not considered games that are organized in front of the public, in which one or more pre-qualified participants compete in knowledge and skill from various fields according to the rules set by the organiser, with direct participation of the participants in the game in the presence of a commission appointed by the organiser, where the final outcome depends exclusively on the results achieved in the designated field.

**Entertainment Games**

**Article 3**

Games of chance, for the purposes of this law, do not include computer games, simulators, video arcades, pinball machines, and other similar devices that are operated with money or tokens, as well as darts, billiards, and other similar games, in which participants pay to play, but where the participant cannot win money, goods, services, or rights, but rather is entitled to one or more free games of the same type (Entertainment games).

Entertainment games referred to in paragraph 1 above are not regulated by this law.

**Defining the Characteristics of a Game of Chance**

**Article 4**

In accordance with this law, only games of chance that are listed in the catalogue of types of games of chance and for which game rules have been adopted, in accordance with the provisions of this law, may be organised.

The ministry in charge of finance (hereinafter: the ministry) decides whether any particular game is considered a game of chance pursuant to this law.

## **Aim of Organising and Distribution of Funds**

### **Article 5**

Games of chance are organised for the entertainment of participants, the awarding of prizes in money, goods, services, or rights, and to generate revenue for the budget of the Republic of Serbia.

The part of the e funds allocated to the revenue of the budget of the Republic of Serbia, amounting to 40% (hereinafter: earmarked budget revenues), is used to finance the Red Cross of Serbia, organisations of persons with disabilities and other associations aimed at improving the socio-economic and social status of persons with disabilities and other socially vulnerable individuals, social welfare institutions, sports and youth, local self-government units, and the treatment of rare diseases.

Earmarked budget revenues referred to in paragraph 2 of this article are allocated, at a rate of 19% each, for financing:

- 1) the Red Cross of Serbia;
- 2) organisations of persons with disabilities and other associations aimed at improving the socio-economic and social status of persons with disabilities;
- 3) social welfare institutions and other associations aimed at improving the socio-economic and social status of socially vulnerable individuals;
- 4) sports and youth;
- 5) local self-government units.

A total of 5% of earmarked budget revenues referred to in paragraph 2 of this article are allocated for financing the treatment of rare diseases.

The method and criteria for the allocation of funds intended for financing entities and purposes referred to in paragraphs 3 and 4 of this article are determined by the competent ministers.

## **Social Responsibility**

### **Article 6**

Games of chance must be organised in a socially responsible manner, focused on protecting minors, preventing addiction among participants, and safeguarding the personal data of participants.

Organisers are required to enforce the ban on the participation of minors in games of chance in the most effective manner.

All employees of the organiser of games of chance who have direct contact with participants in the games must be trained in preventive measures against addiction before starting their work.

In the case of organising games of chance through electronic communication means, employees who have contact with participants in the games (e.g., customer service) are considered employees as referred to in paragraph 3 of this article.

It is the obligation of every organiser to display a poster, measuring 100 x 80 centimetres, near the entrance doors or in close proximity to them, both inside and outside the building where games of chance are organised. The poster must contain relevant information on the prevention of addiction, as well as the contact details of the institution certified by the ministry in charge of health for the treatment of addiction to games of chance.

A brochure or flyer containing the information specified in paragraph 5 of this article must be available at every counter or desk where participation in games of chance is registered.

Advertising and promotion of classic and special games of chance, including indirect references to them, must be conducted in accordance with regulations governing advertising, with a notice about the ban on the participation of minors in games of chance and an appropriate warning text on the prevention of addictive disorders.

Organisers of special games of chance through means of electronic communication are required to submit data to the Administration or provide access to data about players who have self-excluded themselves in accordance with this law.

Organisers are required to protect the personal data of participants in games of chance in the most effective manner and in accordance with applicable legal regulations.

The minister in charge of health prescribes the design and content of the poster referred to in paragraph 5 of this article, as well as the notice or warning referred to in paragraph 7 of this article.

## **Article 7**

The organisation of games of chance is the exclusive right of the Republic of Serbia, unless otherwise provided by this law.

The Republic of Serbia does not guarantee the winnings earned by participants in games of chance.

## **Transfer of the Right to Organise the Games of Chance**

### **Article 8**

The Republic of Serbia may, in accordance with this law, transfer the right to organise games of chance to legal entities or entrepreneurs with a registered offices in the territory of the Republic of Serbia.

Pursuant to this law, the right to organise games of chance referred to in paragraph 1 above is transferred based on:

- 1) a license;
- 2) an approval;
- 3) consent.

The right transferred based on a license, approval, or consent cannot be subject to disposal, either in part or in whole, except otherwise explicitly provided by this law.

Any legal transaction or other action through which the transfer of the right to organise games of chance is carried out contrary to paragraph 3 of this article is null and void.

The right to organise special games of chance cannot be transferred to legal entities whose approval for organising special games of chance on machines or special games of chance - betting has previously been revoked in accordance with Article 123 of this law.

## **Transfer of the Right to Organise in the Case of Status Changes**

### **Article 8a**

The organiser, except organisers holding license for organisation of games of chance in casinos, which as a part of status change of merger, carried out in accordance with the law governing companies (hereinafter: acquiring organiser), acquires assets and liabilities of another organiser (hereinafter: transferring organiser) and meets the requirements provided by this article, with prior consent of the Administration, will obtain the rights from approvals and consents granted to the transferring organiser.

Rights of the transferring organiser referred to in paragraph 1 above are transferred to the acquiring organiser from the date of status change pursuant to legislating governing registration of business entities and are valid until expiry of the period for which the acquiring organiser is granted the approval for organisation of special games of chance, which he obtained before the status change.

Notwithstanding paragraph 2 above, if rights originally granted to the transferring organiser are transferred to the acquiring organiser by status change of merger, in accordance with paragraph 1 above, and the acquiring organiser did not have the approval for any kind of organisation before the status change, after transferring to the acquiring organiser such rights remain valid until expiry of the period for which they were granted to the transferring organiser before the status change.

The acquiring organiser submits the request for prior consent referred to in paragraph 1 above, in electronic form through information-communication system of the Administration within 30 days from the date draft agreement on status change has been published, in accordance with legislation governing companies.

The following must be provided with the request referred to in paragraph 4 above:

- 1) information about name and address of registered offices of the organiser participating in status change;

- 2) copy of documentation published about the status change;

- 3) list of locations of slot machine clubs and betting shops of the transferring organiser where the acquiring organiser intends to continue organising special games of chance, with specification of labels issued in accordance with Article 88 hereof;

- 4) list of machines of the transferring organiser which the acquiring organiser intends to continue using with specification of labels of certified laboratory referred to in Article 73 hereof;

5) information about approval for organisation of games of chance through means of electronic communication, if the acquiring organiser intends to continue with organisation by means of electronic communication based on the approval previously granted to the transferring organiser.

Based on the submitted request referred to in Article 4 above, the Administration will within 30 days grant the prior consent or deny the request for prior consent for transferring the rights from the approval and consent originally granted to the transferring organiser.

In the case of obtaining the prior consent, as referred to in paragraph 6 above, the acquiring organiser is obliged to ensure the conditions for conducting the activities in accordance with provisions hereof related to the rights from the approvals and consents that have been transferred to the acquiring organiser based on the prior consent referred to in paragraph 6 above within 60 days from the date of registration of status change according to legislation governing registration of companies and provide evidence of this to the Administration within the same period.

Notwithstanding paragraph 7 above, the acquiring organiser is required, in relation to the status change, to ensure the alignment, connection and the exchange of data from Article 63, paragraph 1, Article 80, paragraph 1 and Article 95, paragraph 1 hereof within 15 days from the date of registration of the status change in accordance with legislation governing registration of companies.

Based on the prior consent referred to in paragraph 6 and evidence referred to in paragraph 7 and 8 above, the Administration issues a decision within 30 days.

In case of transferring the rights for organisation of games of chance in case of status changes referred to in this Article, the restrictions in terms of distance between two slot machine clubs or between the slot machine club and betting shop or casino, as set forth in Article 67, paragraph 3 and Article 82, paragraph 3 hereof, will not apply to the location for which the transferring organiser had the approval for organisation of special games of chance on machines and organisation of special games of chance - betting at the time of submitting the request for prior consent referred to in paragraph 4 above.

## **Definitions**

### **Article 9**

The terms used in this law have the following meaning:

1) organiser is a legal entity or entrepreneur who, in accordance with this law, has the right to organise games of chance based on a license of the Government or the approval or consent of the Administration;

2) An appointed person is a legal representative of the company or member of managing bodies of the company in accordance with legislation on companies;

3) An associate is any natural person who:

(1) is a member of management bodies or any other responsible person in which the designated person holds an executive position or is the beneficial owner of that entity,

(2) is the beneficial owner of the legal entity in which the designated person holds an executive position,

(3) hold beneficial ownership over the same legal entity with the designated person;

4) beneficial owner of legal entity is a person defined in the regulations on the Central Records of Beneficial Owners;

5) classic games of chance are games in which a large number of participants take part with intention of being the sole or partial winners of a pre-defined prize fund;

6) special games of chance are games in which participants play against each other or against the organiser, with the intention of winning a prize based on the amount wagered.

7) casino is a designated space for organising special games of chance on tables and gaming machines;

8) games of chance in casinos are special games of chance in which players compete against the casino or against each other at gaming tables (hereinafter: the table), using balls, dice, cards or other similar implements, and which are organised exclusively within the area of the casino;

9) ) a contract on transfer of rights to organise special games of chance in casinos is the agreement concluded between the minister in charge of finance (hereinafter: minister of finance) with prior consent of the Government and the legal entity which obtained the license for organisation of special games of chance in casinos, which contains provisions on mutual rights and obligations regarding the exercise of transferred rights;

10) slot machine club is a designated are for organising special games of chance on slot machines;

11) automatic equipment is considered to be electromechanical, electronic, and similar devices that operate based on a random number generator (RNG) on which special games of chance are organised;

12) games of chance on automatic equipment are games organised on the devices referred to in point 11) above, where players gain the opportunity to win a prize, as defined by the rules of the game, by wagering a specific amount of money;

13) betting shop is a designated are for organising special games of chance - betting where there is one or more pay-in-pay-out desks;

14) pay-in-pay-out desk is a desk in a betting shop that is numerically labelled for pay-in-pay-out and taking wagers related to the games of chance - betting or games of chance through electronic communication, containing the equipment meeting the requirements provided by this law;

15) betting games of chance are special games of chance in which participant places a bet on the outcome of sports event (results of matches, horse or dog races, etc.), other real events (dancing, singing, musical and similar events) or virtual events proposed by the organiser, in all of which the circumstances determining the winning or losing must not be known in advance to anyone and must be such that it cannot be influenced by either the organiser or the players and

the amount of winnings and betting odds are set at the time of the bet and cannot later be changed;

16) games of chance through means of electronic communication, for the purpose of this law, are all classic and special games of chance when they are organised through the means of electronic communication, such as: internet, telephone, television, radio, SMS messages and any other mean of electronic communication;

17) virtual event (virtual football, virtual betting on numbers, virtual horse and dog races, etc.) is a computer-generated event or any other uncertain event which outcome is determined by random number generator and which has to be explicitly described and explained in the game rules in each individual case;

18) pay-in-pay-out desk equipment is electronic or electromechanical device with integrated software for monitoring pay-ins, pay-outs and bets, as well as any other monitoring devices used in the pay-in-pay-out desk;

19) betting terminal is an electronic or electromechanical device that serves as a self-service pay-in-pay-out desk in a betting shop;

20) bet slip is certificate of bet place on betting game of chance, which can be in printed or electronic form depending on how the player made the bet, and must contain at least the identification number of the placed bet, information about the organiser, the bet amount, information about the time of the bet, and a QR code;

21) quick response code (QR code) is a standardized two-dimensions bar code that, for the purpose of this law, contains a hyperlink for data verification with at least the following set of data: identifier of the organiser, identification number of the placed bet, amount and the time of bet placement;

22) a tournament is a format of games of chance in casinos in which participants, in the form of a competition, based on a previously determined and paid entry fee, gain the opportunity to play against each other from the same starting position, and have the chance to win prizes in predetermined amounts based on their in-game results;

23) player verification is the process of checking person's age using electronic communication methods during the verification of birthdate information in the identification document when registering their account for participation in special games of chance through means of electronic communication;

24) transactional account is a unique account containing data on all transactions (bets, placed, winnings, payouts, transfers from promotional accounts, etc.), which is opened and managed for each player by the organiser of special games of chance through means of electronic communication in its information-communication system;

25) promotional account is a unique account containing data on all bonuses and transfers to specific transactional accounts of the player, which is opened and managed for each player by the organiser of special games of chance through means of electronic communication in its information-communication system exclusively for the purpose of awarding bonuses;

26) electronic bet confirmation is an electronic record confirming a bet placed in relation to games of chance through means of electronic communication, marked

with the player's identification number (ID) and a QR code, and electronically recorded in the player's transactional account within the information and communication system of the organiser of games of chance by means electronic communication;

27) bonus is any incentive that an organiser of games of chance through means of electronic communication grants to a player to encourage participation in a game it organises;

28) jackpot is a prize that is randomly awarded to a selected player, resulting from the accumulation of a portion of other player's wagers;

29) jackpot system is an information and communication system that collects data on placed wagers, processes it, and randomly awards the jackpot to a selected player when the conditions for its awarding are met.

30) shortest safe pedestrian path is a path that ensures the safe movement of pedestrians in accordance with regulations governing road safety;

31) self-exclusion or self-restriction is a measure of responsible organisation of games of chance that allows a player to voluntarily exclude or limit his/her access to activities related to participation in special games of chance organised by organiser of games of chance through means of electronic communication;

32) multiplayer automatic equipment is automatic equipment where multiple players can play simultaneously, each using separate, undetachable part of the equipment.

## **Prohibitions**

### **Article 10**

It is prohibited to organise games of chance contrary to the provisions of this law, as well as to:

1) dispose with the right transferred by a licence, approval or consent, either in part or in whole, unless otherwise provided by this law;

2) organise games of chance based on the right transferred in violation of the Article 8, paragraph 3 hereof;

3) participate in games of chance organised abroad, for which the wagers are placed within the territory of the Republic of Serbia;

4) enabling payment or placement of wagers in the Republic of Serbia for participation in games of chance organised abroad;

5) change the amount of winnings and odds determined at the time bet was placed;

6) enabling receipt of wagers or orders related to wagers for games of chance for and in behalf of the organiser, except explicitly provided by the law;

7) *deleted*

8) *deleted*

9) *deleted*

10) organise games of chance in free zones;



- 11) allow participation of minors in classic and special games of chance;
- 12) enabling participation of minors in classic and special games of chance;
- 13) enabling or enable minors access to facilities where games of chance are organised;
- 14) organise games of chance of pyramidal character (chains of luck, etc.);
- 15) organise prize games in goods and services where the prize is paid in money or other means of payment or where such monetary prizes or means of payment are an integral part of the prize;
- 16) replacing the prize in goods or service received in games of chance for a cash equivalent of the goods or services;
- 17) organise special games of chance on automatic equipment and special getting games of chance for longer than 18 hours a day in slot machine clubs or betting shops;
- 18) use words in violation of Article 56 hereof;
- 19) enable organisation of games of chance through means of electronic communication to an entity which does not hold an approval issued in accordance with this law;
- 20) enable participation of games of chance through means of electronic communication organised by an entity which does not hold an approval issued in accordance with this law;
- 21) organise games of chance that do not guarantee the same conditions to all players;
- 22) using word roots or the words: lottery, lotto, bingo and names of other types of classic games of chance, except by the National Lottery of Serbia;
- 23) keep automatic equipment, multiplayer automatic equipment, betting terminal, pay-in-pay-out desk equipment or desks for which the Administration did not issue an approval or issued an approval, but the equipment was not put in use in space where special games of chance are organised, except if such equipment is subject to the pending procedure for issuance of certificate by certified laboratory or in the procedure for obtaining the approval;
- 24) keep automatic equipment, multiplayer automatic equipment, betting terminal, pay-in-pay-out desk equipment or desks in spaces where special games of chance are organised, but which do not allow storing, archiving and real-time exchange of data by electronic means with software solution of the Administration;
- 25) organise betting special game of chance by the organiser who is the owner or co-owner of a sports club on events in that type of sport and competition of the same rank;
- 26) allow or enable registered player by organiser of special games of chance through means of electronic communication to transfer funds from his transactional account to transactional account of another player;
- 27) allow or enable natural persons by the organiser of special games of chance through means of electronic communication to transfer funds from their current account to other person's transactional account of a registered player or a

registered player to transfer funds from his transactional account to other person's current account;

28) carry out pay-ins and pay-outs in cash, except in registered pay-in-pay-out desk in the betting shop that organises special betting games of chance and for organisation of games of chance through means of electronic communication in accordance with Article 115, paragraph 11 hereof, in slot machine club for organisation of games of chance on automatic equipment, in casino for organisation of games of chance in casinos and on automatic equipment and on pay-in desk referred to in Article 115 hereof to top-up transactional account of the player for organisation of games of chance through means of electronic communication;

29) receive cash payments to transactional account of single player in the amount exceeding 1.175.000 dinars and making cash payouts from transactional account to a single player in the amount exceeding 1.175.000 dinars within any 30-days period beginning or ending within calendar month, at the betting shops of a single organiser of special games of chance through means of electronic communication;

30) provide services of topping up transactional account of player registered for participation of games of chance through means of electronic communication, as defined in Article 115 hereof, in a venue where games of chance are organized;

31) organise special games of chance through means of electronic communication in which players play against each other (Texas Hold'em poker, etc.);

32) enable participation in games of chance through means of electronic communication during the period of self-exclusion;

33) register transactional account and allow participation in games of chance through means of electronic communication to a player without prior verification of that person's age (player verification);

34) organise jackpot in violation of provisions of this law;

35) receive wagers in relation to special betting games of chance without issuing a bet slip or receiving wagers in relation to games of chance through means of electronic communication without issuing the electronic bet confirmation;

36) organise games of chance on multiplayer automatic equipment which outcome is not determined Random Number Generator;

37) organise tournament in games of chance, except by organiser holding a license to organise special games of chance in casinos.

## **Administration**

### **Article 11**

The Administration independently performs state administration affairs in the field of games of chance for the entire territory of the Republic of Serbia and is organised in such a way as to provide a functional unity in the implementation of regulations in the field of games of chance.

If performing tasks referred to in paragraph 1 above requires the use of informational-communicational technologies, the Administration will perform such tasks through independently developed software solution, with technical support of

Government office in charge of design, integration, development and functioning of electronic government system (hereinafter: Government office).

When performing the tasks of state administration in the field of games of chance in accordance with this law, the Administration collects data necessary for decision-making from the data holder, by linking official records or through electronic data exchange with state authorities or organisations having such data.

Data holders are obliged to provide all data necessary for decision making in the manner provided by paragraph 3 above when any change of such data occurs.

For the purpose of obtaining the data referred to in paragraph 3 above, the Administration ensures that the software solutions it manages are connected with other electronic government systems.

For the purpose of performing the tasks in public interest and exercising the authority provided by the law, the Administration, according to procedure and in the manner provided by this law, collects personal data, which is either submitted by the organiser or entities referred to in Article 115 hereof or by the Administration directly accesses the data of the organiser or persons referred to in Article 115 hereof. Such personal data includes data from identification card or passport, such as: name, surname, identification card or passport number, personal number, date and place of birth and place of temporary or permanent residence, audio and video recordings from venues in which games of chance are organised, information about location, time, amount, method and destination of transferred prizes in goods and services, deposits, pay-ins, pay-outs, wagers, winnings or losses of a player, data on registration and promotional account of a player, as well as data related to self-exclusion.

Notwithstanding paragraph 6 above, for the purpose of performing the tasks in public interest and exercising the authority provided by the law, acting in accordance with the procedure and in the manner provided by the law, may collect other personal data from the organiser, if so provided hereby.

Personal data referred to in paragraphs 6 and 7 above are stored and retained for the period provided by this law, but no longer than ten years from the date of:

- 1) termination of the business relationship between the organiser and the player in the event of player's account being closed, for data pertaining to the player whose account was closed;

- 2) expiration of license, approval or consent for organisation of games of chance, for all other personal data collected by that organiser.

After expiry of the period provided by paragraph 8 above, the collected personal data is deleted, to the extent it is not data used by competent state authority for a particular purpose.

Data referred to in paragraphs 6 and 7 above may only be used for the purpose for which they were collected and cannot be disclosed to third parties or publicly released, except otherwise explicitly provided herein.

Data about self-excluded players is provided to the Administration and exchanged with organisers in order to prevent addiction among participants in games of chance and to enable application on self-exclusion provided herein.

In case of an obligation or need to allow third parties access to funds or data for the purpose of determining the technical correctness or repairing equipment used for games of chance, the Administration and organisers are required to implement appropriate technical, organisational, and staffing measures for the protection of personal data in accordance with the law governing the protection of personal data.

In the case of audio or video surveillance, the processing of personal data may only be carried out for the purpose of verifying the entry of minors into venues where games of chance are organised, detecting use of automatic equipment, multiplayer automatic equipment, betting terminals, or pay-in-pay-out desk equipment or tables for which the organizer does not have approval from the Administration or the Government's license, preventing rule violations, as well as for the purpose of controls aimed at prevention of money laundering and terrorist financing in the field of games of chance.

The Administration may not require organisers to store audio or video surveillance recording for a period longer than 180 days.

## **Competencies of the Administration**

### **Article 12**

The Administration performs the following tasks:

- 1) defines the draft catalogue of games of chance, which is adopted by the minister of finance;
- 2) grants and revokes approvals or consents for organisation of games of chance in accordance with this law;
- 3) sets the fees for issuance of approvals and consents;
- 4) supervises implementation of the provisions of the law and other regulations from the field of games of chance, as well as controls the prevention of money laundering and terrorism financing in the field of games of chance;
- 5) evaluates the value of prize fund for the organisation of prize games in goods and services;
- 6) appoints its representative in the committee for prize drawing in classic games of chance when draw is broadcast on live TV;
- 7) participates in the preparation of regulations within its competences;
- 8) keeps records and registers of the tasks within its competences;
- 9) plans and conducts training of its employees;
- 10) ensures transparency of its work;
- 11) performs other tasks pursuant to this and other laws.

The Administration concludes its proceedings with a decision.

The decision referred to in paragraph 2 above, except decision referred to in Article 124 hereof, is final and may be subject to administration proceedings.

## **Types of Games of Chance**

### **Article 13**

Games of chance referred to in Article 2 hereof are:

- 1) classic games of chance;
- 2) special games of chance;
- 3) prize games in goods and services.

## **Classic Games of Chance**

### **Article 14**

Classic games of chance are:

- 1) basic classic games of chance:
  - (1) lottery, instant lottery and other lottery-based games,
  - (2) sports forecast betting (guessing the outcome of football and other sports competitions),
  - (3) lotto, keno and similar games,
  - (4) tombola, bingo and other similar tombola-based games;
- 2) other classic games of chance:
  - (1) fonto,
  - (2) SMS lottery,
  - (3) other games of chance for the purpose of this article, contained in the catalogue of games of chance.

## **Special Games of Chance**

### **Article 15**

Special games of chance are:

- 1) games of chance organised in casinos;
- 2) games of chance organised on automatic equipment;
- 3) games of chance involving betting;

## **Prize Games in Goods and Services**

### **Article 16**

Prize games in goods and services are games organised for advertising and other purposes by a legal entity or entrepreneur, in which participants are given the equal opportunity to win a prize in goods or services that must be pre-determined.

Prize games in goods and services referred to in paragraph 1 above also include games in which all participants win a prize in goods or services, but the participants are not certain about the type or value of the prize.

The participant acquires the right to participate in the prize game referred to in paragraph 1 above by using a service or benefit or by purchasing a product or item owned by the organiser.

## **II ORGANISING GAMES OF CHANCE**

### ***1. Rights and Duties of the Organiser***

#### **Right to Organize Classic Games of Chance**

##### **Article 17**

Only the National Lottery of Serbia has the right to organise classic games of chance.

The National Lottery of Serbia may, with prior consent of the Government, engage certain legal entities - operators - to organise certain classic games of chance.

The operators, for the purpose of this law, are legal entities which organise certain classic games of chance for and on behalf of the National Lottery of Serbia.

The National Lottery of Serbia may engage legal entities, entrepreneurs or individuals - agents - for the sale of lottery tickets.

Mutual rights and obligations of the National Lottery of Serbia and these operators and agents are regulated by an agreement.

The Government regulates the manner and terms of the engagement of the operators and agents referred to herein.

The National Lottery of Serbia guarantees the payment of winnings made in classic games of chance.

The National Lottery of Serbia may organise other games of chance if it fulfils the requirements provided by this law for other organisers.

#### **Organising Games of Chance in Cooperation with Foreign Organisers**

##### **Article 18**

The National Lottery of Serbia may, with the prior consent of the Government, organise games referred to in Article 14 hereof, in cooperation with foreign organisations who organise games of chance, to which the foreign state has transferred the right to organise games of chance.

The request for consent referred to in paragraph 1 above is submitted along with the draft agreement on joint organisation of games of chance, containing the basic elements of the agreement.

The mutual rights and obligations of the National Lottery of Serbia and the organiser referred to in paragraph 1 above are regulated by agreement, with consent of the Government.

### **Right to Organize Special Games of Chance**

#### **Article 19**

The right to organise special games of chance in casinos is granted by way of a license issued by the Government.

The right to organise special games of chance on automatic equipment and the right to organise special games of chance involving betting is granted by approval issued by the Administration.

The organiser guarantees the payment of winnings made in special games of chance.

### **Right to Organise Games of Chance through Means of Electronic Communication**

#### **Article 20**

The right to organise games of chance through means of electronic communication is granted by approval issued by the Administration in accordance with this law.

Only the National Lottery of Serbia has the right to organise classic games of chance through means of electronic communication and without needing the special approval.

The organiser guarantees the payment of winnings made in the games of chance through means of electronic communication.

### **Right to Organize Prize Games**

#### **Article 21**

The right to organise prize games in goods and services is granted by the consent of the Administration.

The organiser guarantees awarding of prizes in goods and services.

### **Right to Use Sports Events**

#### **Article 22**

The organiser has the right to use sports activities (sport events from sports that are included in the Olympic Committee of Serbia, i.e. which are represented by the Sports Association of Serbia) for organising games of chance, free of charge and for an indefinite period.

## ***2. Classic Games of Chance***

### **Decision to Organise**

#### **Article 23**

The National Lottery of Serbia is obliged to submit to the Administration a proposal for the organisation of a game, which, among other things, contains the name of the game and its duration.

The proposal referred to in paragraph 1 above is accompanied by the rules of the game and the analysis of the economic effects of the game.

The Administration gives approval to decision referred to in paragraph 1 above.

## **Participants**

### **Article 24**

A participant in a classic game of chance is any person that meets the conditions for participating in a particular game of chance (a round or series), proof of which is the possession of a particular lottery ticket, ticket or other certificates of payment or registration in the central computer system of the organiser, depending on the type of game in which he/she intends to participate, in accordance with the respective rules of the game.

In the case of classic games of chance in which participation is proven by the possession of an appropriate certificate of payment, ticket or lottery ticket, a participant is a person who holds a certificate of payment, ticket or lottery ticket recorded in an indelible medium, i.e. whose electronic record of the document for participation in the game is registered in the central computer system of the organiser, if this is called for in the rules of the game.

In the case of classic games of chance through means of electronic communication (fonto, etc.), a participant is a person whose payment is registered in the central computer system of the National Lottery of Serbia, in accordance with the rules of the game.

## **Rules of the Game**

### **Article 25**

The rules of classic games of chance include, in particular:

- 1) the name and address of registered offices of the organiser;
- 2) the name of the organiser's body that made the decision on organisation of the game, date and number of the decision;
- 3) the name, description and duration of the game of chance;
- 4) the conditions for participation in the game of chance;
- 5) the place where the games are being organised, i.e. the area in which the sale of the lottery tickets will take place or payments will be received;
- 6) the price of single lottery ticket, i.e. combinations and deadline for making payment for participation in the game;
- 7) the quantity and monetary value of issued lottery tickets;



8) the description of the lottery tickets, tickets or cards, stating the text that will be written on them;

9) the amount of fund and type of winnings;

10) the manner and procedure of drawing, i.e. determining winnings and supervision of draw or determination of winnings;

11) the manner of publishing the amount of winning fund (except for betting) and results of the game;

12) the manner and deadline for payment of monetary winnings, i.e. acquiring other types of winnings;

13) the manner of informing the participants on the rules of the game;

14) the procedure in the event of cancellation of draw, sport or any other event.

The rules of classic games of chance cannot be changed if the sale of lottery tickets, tickets or cards for a particular round or series has begun or once wagers are accepted.

The National Lottery of Serbia is obliged to publish the rules of the game of chance in the daily or weekly press before the start of the game, and allow persons interested in participating in the game to get acquainted with the rules at the points of sale.

## **The Draw or Determining Winnings**

### **Article 26**

In classic games of chance, the draw and determining of winnings procedure has to be carried out before a committee of at least three members appointed by the organiser.

One member of the drawing committee must be a representative of the Administration when the drawing is broadcast live on television.

When drawing is carried out by operation of the random number generator, the attendance of the committee referred to in paragraph 1 above is regulated by the rules of the game.

The remuneration for members of the committee referred to in paragraph 1 above is determined and paid by the organiser.

The draw is public.

### **TV Draw**

### **Article 27**

In case the draw is organised in front of television cameras, the draw can only be broadcasted live.

## **Changing the Place and Date of Draw and Cancellation by the Organiser**

### **Article 28**

The Administration may, for justified reasons and at the request of the organiser, approve a change of place and delay of the draw by a maximum of 15 days.

The National Lottery of Serbia has to publish any change of place or date of the draw in the same way the rules of the game of chance are published.

If the date of the draw is changed due to technical reasons (power failure, breakdown of the lottery machine drum, etc.), the draw must be held within 24 hours, and the National Lottery of Serbia is obliged to inform the Administration about this.

If, in accordance with the provisions of paragraphs 1 and 2 above, the date of draw is postponed, the National Lottery of Serbia may continue to sell lottery tickets, tickets or cards until the new draw date.

The National Lottery of Serbia may, for justified reasons, make the decision to cancel the organisation of a game of chance, round or series of a particular game, for which the sale of lottery tickets, tickets or cards or accepting of wagers has begun, but it is obliged to refund the participants for sold lottery tickets, tickets or cards, i.e. paid wagers.

The Administration is required to give approval to decision referred to in paragraph 5 above.

## **Reports**

### **Article 29**

In the committee procedure referred to in Article 25 hereof, the committee prepares a report on the progress of the draw or the determining of winnings, which includes, in particular: place, time and manner of the draw, number of tickets or cards sold, total wagers paid in for the round or series, winning combinations and prize fund and complaints of the participants.

The National Lottery of Serbia submits the abovementioned report to the Administration within seven days from the date of the draw or determining of winnings.

## **Publishing the Results of Game of Chance**

### **Article 30**

The National Lottery of Serbia is obliged to publish the results of a game of chance in the press or on its official website within seven days from the date of the draw or determining of winnings.

## **Payment of Winnings**

### **Article 31**

Cash prizes must be paid and winnings of a different type in classic games of chance must be collected within the timeframe set forth by rules of the specific game of chance but no later than 60 days from the date of publication of the results of draw results or determining of winnings.

After expiry of the timeframe referred to in paragraph 1 above, the committee referred to in Article 26, paragraph 1 hereof determines which winnings have not been paid or collected, what is their value and prepares a report thereof.

If the winner in a classic game of chance fails to request the organiser to pay the winnings for a particular game (round, series, etc), within the timeframe referred to in paragraph 1 above, the winnings will be added to the prize fund of the same game or a different classic game of chance organised by that organiser.

The National Lottery of Serbia submits the report referred to in paragraph 2 above to the Administration within seven days from the expiry of the period for payment or issuance of winnings.

The National Lottery of Serbia may publish identity of the winner, with his/her prior consent, unless the rules of the game of chance provide that the identity of the winner may be published even without his/her consent.

## **Distribution of Funds**

### **Article 32**

From the funds generated by organising classic games of chance:

1) winnings are paid to the participants in the game, in accordance with the relevant rules for each game, for:

- basic classic games of chance at least 50% of the total value of the issued lottery tickets, i.e. the received payments for participation in the game;

- other classic games of chance at least 10% of the total value of the received payments for participating in the game;

2) a fee is paid for the organisation of classic games of chance, the income of which is used to finance the budget of the Republic of Serbia;

3) the organiser generates revenue.

## **Fee for Organising**

### **Article 33**

The fee for organising classic game of chance is 60% of the base fund, which is made up of the difference between the total value of received payments and the total amount of the prize fund.

The National Lottery of Serbia is obliged to maintain records on turnover and basis used to calculate fee referred to in paragraph 1 above in analytical manner for each game of chance separately and submit it to the Administration on fifth day of each month for the previous month.

The National Lottery of Serbia is obliged to pay the fee referred to in the paragraph 1 above to the relevant account for the payment of public revenues, no later than the fifth day of the month, for the previous month.

The manner in which the records and reports referred to in the paragraph 2 above are maintained is prescribed by the minister of finance.

### ***3. Special Games of Chance in Casinos***

#### **Organisers**

##### **Article 34**

Special games of chance in casinos may be organised by legal entities with registered offices in the territory of the Republic of Serbia, whose registered primary business activity is gambling and betting on the basis of a licence.

The license referred to in paragraph 1 above is granted by decision of the Government.

The legal entity referred to in paragraph 1 above may be granted a license for the organisation of special games of chance in casinos, only if that legal entity or its majority founder owns share in at least one casino and has been organising games of chance in casinos for at least five years.

#### **Number of Licenses**

##### **Article 35**

The Government may grant a maximum of 10 licences for organising games of chance in casinos.

The license referred to in paragraph 1 above applies to once casino.

The schedule of issuing licenses is set by the Government at the proposal of a ministry.

#### **Share Capital**

##### **Article 36**

A license for organising special games of chance in casinos may be granted to a legal entity which, in addition to meeting all other requirements, has share capital no less than dinar equivalent of 1.000.000 euro calculated at the official middle exchange rate of the National Bank of Serbia, provided that the value of subscribed and paid-in cash contribution of the founder cannot be lower than the above amount.

The share capital of the legal entity in the amount referred to in paragraph 1 above must be registered in accordance with the regulations on registration of legal entities.

The legal entity that is granted a license is obliged to maintain the share capital at the level defined in paragraph 1 above for the entire validity period of the license.

## **Change in the Capital Structure**

### **Article 37**

An interested legal entity may, in accordance with the law, buy a stake or shares or increase its own stake or number of shares in the capital structure of the organiser of games of chance in casinos, with prior consent from the minister of finance.

A request for consent referred to in the paragraph 1 above, which must contain, among other things, information on the business name and address of registered offices of the legal entity and the following documents:

1) decision on registration in the register of business entities or in other appropriate register in case of foreign legal entities, with information about the amount and structure of capital attached;

2) evidence of the ownership structure of the entity purchasing stake or share from the beneficial owner, all in accordance with regulations on the Central Records of Beneficial Owners;

3) auditor's report for the last two business years;

4) proof that tax and other obligations related to public revenues have been settled in the country of origin of the legal entity referred to in paragraph 1 above;

5) regulation of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

6) if, for justifiable reasons, the evidence of non-conviction referred to in point 5 above cannot be obtained, the persons referred to in point 5 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of organised crime group; The Administration may at any point in time request the person referred to in point 5 above or the competent authority to provide the evidence of non-conviction.

7) a more detailed explanation of the reasons for the purchase of stake or shares or the increase of its existing stake or number of shares in the capital structure of the organiser of the special games of chance in the casinos;

8) a business development plan for a period of at least three years;

9) other documentation based on which the legal entity referred to in paragraph 1 above can be evaluated and the impact of the purchase of stake or shares or the increase of its existing stake or number of shares in the capital

structure of the organiser of the special games of chance in casinos on future business of the organiser and the development of the activity of games of chance.

The minister of finance is obliged to issue a decision on granting the consent referred to in paragraph 1 above or the decision on denying the request for consent within 30 days from the date of receiving the request and documentation referred to in paragraph 2 above.

The decision referred to in paragraph 3 above is final. The decision may be subject to administrative dispute.

If the minister of finance does not issue the decision referred to in paragraph 3 above within 30 days from the date of receiving the request of the interest party, and does not issue it within 7 days after the repeated request of the interested party, after expiry of this timeframe the interested party may start the administrative dispute for the failure to issue a decision on granting the consent or the decision on denying the request for consent.

The request referred to in paragraph 2 above is submitted in electronic form via information-communication system of the Administration.

## **Securing the Payment of Winnings and Collection of Public Revenues**

### **Article 38**

In order to ensure the payment of winnings to players and the settlement of fees due according to this law, the organiser of special games of chance in casinos must for the period corresponding to the validity period of the license hold a special-purpose deposit in a bank registered in the territory of the Republic of Serbia of at least €300,000 in dinar equivalent per casino or have bank guarantee of the same amount.

The organiser of special games of chance in casinos is obliged to provide authorization for disposal with funds from the special-purpose deposit referred to in paragraph 1 above to the Republic of Serbia.

The organiser of special game of chance in casino must ensure, on each day when the games are being organised, a risk deposit in the cash register of the casino in the amount of 50.000 euro in dinar equivalent calculated at official middle exchange rate of the National Bank of Serbia.

## **Procedure for Obtaining the License**

### **Article 39**

A licence for organising special games of chance in casinos is granted on the basis of a public invitation, announced in the daily press, in the manner and according to the procedure determined by the Government.

In the public invitation, the Government shall specify the territory in which the casino for which it grants a licence for organising special games of chance in casinos will be located, in accordance with the law that regulates the balanced regional development of the Republic of Serbia.

Along with the application form for the public invitation for a licence for organising special games of chance in casinos, which, among other things, contains data on the business name and address of registered offices of the legal entity, as

well as data about the founders of the legal entity submitting the application, the following documents shall be submitted:

1) decision on registration of the legal entity in appropriate register, with information about amount of share capital referred to in Article 36 hereof and the appropriate evidence of the registering authority attached;

2) evidence of the ownership structure up to the level of beneficial owner, all in accordance with regulations on the Central Records of Beneficial Owners;

3) incorporation documents of the legal entity;

4) proof that the applicant or its majority founder has a share in at least one casino;

5) proof that the applicant or its majority founder has been organising games of chance in casinos for at least five years;

6) a business plan of the legal entity for a period of at least three years;

7) balance sheet and income statement for the previous year, i.e. reports on audit of financial statements of the founder and member of the legal entity (if subject to the audit) for the previous two years prepared by certified auditor in accordance with regulations of the country of origin of the member or the founder, as well as its financial statements for the period from the date of last audit report to the end of the semi-annual period immediately preceding the semi-annual period for which the request is submitted;

8) an act of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

9) if, for justifiable reasons, the evidence of non-conviction referred to in point 8 above cannot be obtained, the persons referred to in point 8 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of organised crime group; The Administration may at any time request the person referred to in paragraph 8 above or the competent authority to provide evidence of non-conviction.

10) an offer of the amount of the license fee;

11) bank guarantee covering the minimum license fee referred to in point 10) above;

12) rules of the game of chance that will be organised.

The fee referred to in paragraph 3, point 10 above may not be less than 1.000.000 euro on the date of submitting the application for the public invitation.

More detailed conditions for the obtaining of a licence are set by the Government.

All expert tasks regarding the public invitation are carried out by the Administration.

As part of the application form, the applicant must make a statement on the fulfilment of the requirements of the public invitation, list the issuers of evidence on the fulfilment of the requirements referred to in paragraph 3, points 1), 2), 3), 4), 5) and 7) above and declare that it will provide such evidence at request and without delay.

In the statement, the applicant shall provide information on the internet address of the database, all necessary identification data, as well as a statement of consent through which evidence may be obtained, or evidence of the fulfilment of the requirements referred to in paragraph 7 above can be reviewed.

## **License Validity Period**

### **Article 40**

A licence for organising special games of chance in casinos is granted for a period of ten years, starting from the date of delivery of the decision on granting the licence.

At the request of the organiser, the licence referred to in paragraph 1 above can be renewed by a decision of the Government for a period of ten years, provided the organiser fulfils all conditions prescribed by law and pays the license fee in the amount of 1.000.000 euro.

The request referred to in paragraph 2 above should be submitted by the organiser to the competent authority in electronic form via information-communication system of the Administration within six months before expiry of the license.

When submitting the request referred to in paragraph 2 above, organiser attaches documents referred to in Article 39, paragraph 3, points 2), 4), 7), 8) and 9) of this law.

The organiser whose license for organisation of special games of chance in casinos has been renewed concludes an amendment to the agreement on transfer of rights for organising games of chance in casinos with the Republic of Serbia which is executed by the minister of finance on behalf of the Republic of Serbia and with prior consent of the Government.

### **Article 41**

The decision of the Government to approve or reject the request for a license for organising special games of chance in casinos or renewing a licence is final. The decision may be subject to administrative dispute.

## **Contract for the Transfer of Rights**

### **Article 42**

A legal entity that was granted a licence for organising special games of chance in casinos shall conclude an agreement with the Republic of Serbia on the transfer of the right to organise games of chance.



The Agreement referred to in paragraph 1 above contains information on:

- 1) the name and address of registered offices of the legal entity the was granted the license;
- 2) the fee paid for the license;
- 3) the city and address of the business premises where special games of chance are organised;
- 4) *deleted*
- 5) *deleted*
- 6) the date of commencement of organising the games of chance;
- 7) other rights and obligations of the parties to the agreement.

The condition for conclusion of the agreement referred to in paragraph 1 above is to submit evidence on:

- 1) share capital referred to in Article 36 hereof;
- 2) licence fee payment
- 3) created special-purpose deposit and authorization given to the Republic of Serbia or the bank guarantee referred to in Article 38, paragraph 1 hereof;
- 4) secured risk deposit referred to in Article 38, paragraph 3 hereof;
- 5) ownership right or use right over adequate business premises in which special games of chance will be organised, i.e. ownership right or lease of the land on which the facility for organisation of special games of chance will be constructed, in accordance with the law.

The organiser must start organising games of chance within two years from the date of the decision by which the license was granted.

The agreement on transfer of right to organise special games of chance in casinos is concluded within 45 days from the date of the decision on granting the license.

The organiser may only organise the type of games of chance for which the license was granted and which is set forth in the agreement on transfer of rights to organise games.

The Agreement referred to in paragraph 1 above and its amendments referred to in paragraph 2 is executed by the minister of finance on behalf of the Republic of Serbia with prior consent of the Government.

## **Moving a Casino**

### **Article 43**

An organiser may submit a request to relocate the casino. Along with the request the organiser must provide the following:

- 1) decision of the competent body of the organiser on relocation of casino;
- 2) detailed explanation of reasons for relocating the casino;

3) evidence of ownership or use rights over relevant premises at new location where special games of chance will be organised in accordance with Article 49, paragraph 3 hereof;

4) information about labels for tables and automatic equipment moved to the new location with information from Articles 45 and 74 hereof;

The request referred to in paragraph 1 above is submitted to the ministry in electronic form via information-communication system of the Administration.

Minister of finance, with prior consent of the Government, and the organiser referred to in paragraph 1 above shall conclude an amendment to the agreement on transfer of rights to organise games of chance in accordance with Article 42, paragraph 7 hereof.

Before starting to organise games of chance on the new location the organiser referred to in paragraph 1 above shall provide to the Administration evidence on fulfilment of conditions from Articles 44, 45, 49, 50, 63 and 74 hereof.

### **Information and Communication System for Organising Special Games of Chance in Casinos and Technical and Functional Characteristics of Gaming Tables**

#### **Article 44**

An organiser of special games of chance in casinos is obliged to use an information and communication system for organising special games in casinos (i.e. Casino Management System) that enables storage, archiving and electronic exchange of data with software solution of the Administration for the purpose of real-time supervision.

The organiser is liable for functioning and security of the casino management system referred to in paragraph 1 above.

The organiser may obtain or acquire right to own or use the system referred to in paragraph 1 above or may independently develop it in accordance with applicable standards.

Prior to putting a table or casino management system into use the organiser is obliged to submit to the Administration a certificate proving that the table or casino management system have the required technical and functional characteristics.

Before reusing a table which technical and functional characteristics have been modified or in case of any modifications of the casino management system, the organiser is obliged to submit to the Administration an additional certificate proving that the table or casino management system have the required technical and functional characteristics.

The certificates referred to in paragraphs 4 and 5 above are issued by the laboratory authorized by the minister of finance.

The control of the fulfilment of technical and functional characteristics of tables or casino management systems is performed by the laboratory referred to in paragraph 6 above.

The organiser bears the costs of testing the compliance with technical and functional characteristics of the tables or the casino management system.

Minister of finance sets detailed technical and functional characteristics of tables and casino management system referred to in paragraph 1 above, methods and procedures for testing the compliance with the technical and functional characteristics and the casino management system, as well as detailed conditions for storing, archiving and exchanging data with the Administration.

## **Labelling and Registration of Gaming Tables**

### **Article 45**

A table may be used only if it has a visibly displayed label for identification and registration, containing the following information: the numerical designation of the label, name of the organiser, name of the laboratory referred to in Article 44, paragraph 3 hereof, unique serial number, location and license validity period.

The label referred to in paragraph 1 above is issued and placed by the laboratory referred to in Article 44, paragraph 3 hereof and is valid until expiry of the license.

The costs of labels purchasing are borne by the organiser.

Minister of finance prescribes the shape and contents of labels referred to in paragraph 1 above.

## **Registering Tables for Games of Chance**

### **Article 46**

Putting a table into use, as well as withdrawing a table from use is done on the basis of approval issued by the Administration.

The request for putting a table into use is sent along with:

- 1) proof of the fulfilment of conditions from Article 44 hereof;
- 2) proof of ownership, rental or lease of the table with information about the label for that table.

The request for withdrawal of table from use is submitted along with information about the label for the table being withdrawn from use.

The organiser is obliged to notify the Administration every time a table is either put into use or withdrawn from use in accordance with the decision on the approval referred to in paragraph 1 above within three days of the date of putting the table into use or withdrawing it from use.

The organiser may put a table which technical and functional characteristics have been modified back into use after providing the Administration with additional certificate referred to in Article 44, paragraph 5 above, as well as the information about the label for such table.

The organiser may organise a tournament in casino after obtaining prior consent from the Administration.

The consent referred to in paragraph 6 above is granted by decision of the Administration.

The following information must be provided along with the request for organisation of a tournament:

- 1) place and time period of the tournament;

- 2) minimum total entry fee;
- 3) minimum total prize fund of the tournament for payouts to the participants (prize fund);
- 4) difference between minimum total entry fee and minimum total prize fund for payouts to the participants;
- 5) label specifications for tables used in the tournament.

The request referred to in paragraphs 2, 3 and 8 above is submitted in electronic form via information and communication system of the Administration.

## **Repair and Verification of Functionality of Gaming Tables**

### **Article 47**

Tables are repaired by legal entities authorized by the minister of finances.

After repair the tables must be in proper working condition.

Verification of table functionality is carried out as a part of the procedure of functionality testing conducted by authorized entity referred to in paragraph 1 above.

Authorization referred to in paragraph 1 above can be granted to legal entities that do not organise games of chance and meet the requirements for table repairing set forth by the minister of finance.

Minister of finance more closely defined method and procedure of verification gaming tables functionality.

## **License Revocation**

### **Article 48**

The Government may, at the minister's proposal, adopt a decision to revoke a licence for organising special games of chance in casinos, if it establishes that:

- 1) the organiser no longer fulfils the requirements from Articles 36 and 38 hereof;
- 2) the license was granted based on false information;
- 3) the organiser failed to commence with organising games within the time frame set by Article 42 hereof;
- 4) the organiser stopped organising games in violation of the provisions of this law and the agreement referred to in Article 42 hereof;
- 5) the organiser does not meet the prescribed technical, technological and other requirements;
- 6) the organiser violates the rules of games of chance;
- 7) the organiser is not paying due liabilities related to fees provided by this law or is not paying winnings to players;
- 8) the organiser does not allow or in any otherwise obstructs supervision provided by this law or hinders the implementation of the supervision;

- 9) the organiser falsely presents the turnover;
- 10) the organiser lends money to players;
- 11) the organiser violates other provisions of the agreement referred to in Article 42 hereof;
- 12) the organiser does not act in accordance with regulations on prevention of money laundering and terrorism financing;
- 13) circumstances exist due to which the license would not be granted;
- 14) the organiser violates provisions of this law related to organisation of games on automatic equipment, if the games on automatic equipment are being organised in casinos;
- 15) the organiser no longer meets other requirements or fails to meet other obligations provided by this law.

By issuing the decision referred to in paragraph 1 above the agreement on transfer of rights to organise games of chance in casinos is deemed terminated.

The decision referred to in paragraph 1 above is final. The decision may be subject to administrative dispute.

## **Conditions for Premises**

### **Article 49**

A casino must be arranged in such way that the gaming area, as well as the areas for guests and casino staff forms a single unit.

A casino must have a reception service for the identification of all persons entering (players, guests, etc.) into the casino.

A casino must be located in a separate building specifically designed for this purpose or in a hospitality establishment of a type or subtype of hotel, classified with three or more stars.

A casino must have a cash register, an exchange office and a separate and protected area for keeping money, other valuables and the audio-video recordings referred to in Article 50 hereof.

The casino must have at least 15 tables where special games of chance are organised.

## **Audio and Video Surveillance and Player Protection**

### **Article 50**

For the purpose of preventing violation of rules of the game and implementation of this law, the organiser is obliged to ensure continuous video and audio recorded surveillance over all gaming tables, cash register and entry/exit to casino, as well as video surveillance over automatic equipment for games of chance, players and visitors, so that the games are carried out in compliance with provisions hereof.

The organiser is required to provide the Administration with a link through which authorised representatives of the Administration can monitor live video surveillance as referred to in paragraph 1 above, and to keep the video surveillance

recordings from paragraph 1 above for 90 days, or longer if so instructed by the Administration.

The organiser is obliged to provide physical protection for players and visitors inside the casino.

The data referred to in paragraph 1 above constitute the organiser's internal documentation and are confidential, and the organiser may only use them for the purpose for which they were collected. They may not be provided to third parties or made publicly available, unless explicitly otherwise provided.

The disclosure of data for the purpose of enforcing this law and the regulations governing the prevention of money laundering and the financing of terrorism is not considered a violation of the confidentiality obligation.

The organiser is required to process data about individuals referred to in paragraph 1 above in accordance with the regulations governing the protection of personal data.

The organiser is required to provide the Administration with the documentation referred to in paragraph 1 above in the event of an inspection. The Administration is obliged to treat the received documentation as a confidential information, particularly regarding the identity of the participants in the game and the live monitoring of video surveillance.

Closer conditions for the surveillance, storage of documentation and physical protection referred to in paragraphs 1 to 3 above are defined by the minister of finance.

## **Conditions for Entering a Casino**

### **Article 51**

The conditions for entering a casino premises are determined by the organiser.

The organiser may prohibit any person or group of persons from entering into a casino, without stating the reasons.

The organiser may prohibit further participation in games of players who break the rules of games of chance while playing.

Adults are allowed to enter a casino, and it is the obligation of the organiser to, for the purposes of this law, provide a permanent database (name and surname, date and place of birth, place of temporary or permanent residence, identification card or passport number, date and time of entry and exit from the casino, etc.), as well as a written statement from each person declaring under civil and criminal liability that they participate in games of chance for their own account and in their own behalf.

More detailed conditions concerning the permanent database referred to in paragraph 4 above are set by the minister of finance.

Visitors and players are not allowed to bring technical devices into the casino, which could allow them or other participants to gain an advantage in the game.

If there are grounds to believe that an individual brought a technical device referred to in paragraph 6 above to the casino, the organiser will remove such individual from the casino.

## **Obligations of Employees**

### **Article 52**

Employees of an organiser are prohibited from taking part in games organised by that organiser

Employees in a casino are prohibited from receiving commissions, gifts, loans or any other benefits for themselves or for others from the players, as well as from providing financial assistance to the players.

Notwithstanding paragraph 2 above, the players may give tips by leaving money in designated box (tip box) in the casino area.

## **Payment of the License Fee**

### **Article 53**

The fee for the obtained license referred to in Article 42, paragraph 3, point 2) hereof is paid to the appropriate account of public revenues within 30 days from the date of receiving a decision on granting of the license and the organiser may not commence organising the game before concluding the agreement on transfer of rights for organisation of the game.

## **Fee for Organising the Game**

### **Article 54**

The organiser pays a fee for organising each individual game of chance in a casino at the prescribed percentage and on the prescribed base.

The base for the fee referred to in paragraph 1 above consists of:

1) for games in which participants compete against each other (poker, chemin de fer, etc.) - value of payments received for participation in the game that the organiser retains from all participants in the game;

1a) For games in which participants play against each other in a tournament referred to in Article 9, point 22) hereof - the difference between the amount of payments received for participation (entry fees) and the prize fund paid out to participants, not less than 5% of the total payments received for participation (entry fees).

2) for other games, where participants play against the casino - the difference between the value of payments made for participation in the game and the winnings paid to players for all tables cumulatively.

The value of received payments based on which, as defined in paragraph 2 above, the base for calculation and payment of the fee is determined, can be reduced by a maximum of 2% on behalf of the total value of promotional chips.

The value of a promotional chip cannot exceed four times the value of the lowest denomination chip for playing at gaming tables in the casino, as determined by the rules of the specific casino.

The fee for organising special games of chance in casinos is determined at a rate of 25% of the base amount specified in paragraph 2 above.

The minimum monthly fee for organising special games of chance in casinos, as specified in paragraph 2, point 2) of this article, cannot be lower than the product of the amount of 2,000 euros in dinar equivalent and the highest number of registered tables for games against the casino during the month.

The fee referred to in paragraph 5 above is paid monthly by the organiser to the appropriate public revenue account, no later than the fifth day of the month for the previous month, or for the previous month in which the tournament referred to in Article 9, point 22) of this law was completed.

## **Records of the Fee Base**

### **Article 55**

The organiser is obliged to keep records of the fee base, which is used to calculate and pay the fees for organising special games of chance.

The records referred to in paragraph 1 above are kept on a daily basis and for each table and for each type of game of chance separately.

Based on data from the records referred to in paragraph 1 above, the organiser shall compile a monthly calculation of the organisation.

The monthly calculation referred to in paragraph 3 above shall be submitted to the Administration by the fifth day of the month for the previous month, together with proof of payment of the organisation fee.

In case a tournament referred to in Article 9, point 22) hereof is organised, the organiser is obliged to keep separate records of payments received for participation (entry fees) and the prize fund paid to the tournament participants.

Based on the data from the records referred to in paragraph 5 above, the organiser prepares the calculation of fees for organisation which is submitted to the Administration by the fifth day of the month for the previous month during which the tournament was completed.

Contents of the records and monthly calculation referred to in paragraphs 1 to 6 above are defined by the minister of finance.

## **Use of the Word Casino**

### **Article 56**

The terms "casino," "cazino," "kasino," "kazino" and their synonyms, translations, and all derived words, including combinations of letters, numbers, and special characters in these words, can be used in the name of the organiser, inside the venue, as well as on the exterior of the venue where special games of chance are organised, only by those organisers who hold a valid license for organising games of chance in casinos.

## **Organising Games of Chance on Automatic Equipment in Casinos**

### **Article 57**



If games of chance on automatic equipment are being organised on the premises approved for the casino, the provisions of Articles 58 to 76 hereof shall apply, without the obligation to have at least 100 units of automatic equipment.

#### ***4. Special Games of Chance on Automatic Equipment***

##### **Organisers**

##### **Article 58**

Special games of chance on automatic equipment may be organised by legal entities with registered offices in the territory of the Republic of Serbia, whose registered primary business activity is gambling and betting on the basis of an approval.

The approval referred to in paragraph 1 above is granted by decision of the Administration.

The organiser may only use automatic equipment they own, rent or lease.

By decision referred to in Article 34, paragraph 2 hereof, the Government may grant the approval referred to in paragraph 1 above for organising games of chance on automatic equipment in premises approved for casino.

##### **Conditions for Premises**

##### **Article 59**

At least five gaming machines must be located in the premises where special games of chance on automatic equipment are organised.

In the premises where special games of chance on automatic equipment are organised, serving and consumption of food and alcoholic beverages is prohibited, except for low-alcohol beverages containing no more than 5% alcohol by volume, as defined by the law governing excise duties.

The premises in which special games of chance on automatic equipment are organised must not have direct access to the area where food or alcoholic beverages are served, except low-alcohol beverages referred to in paragraph 2 above.

The organiser is obliged to display a notice in a visible location in the premises where special games of chance are organised, regarding the prohibition referred to in paragraph 2 above.

##### **Share Capital**

##### **Article 60**

An approval for organising special games of chance on automatic equipment may be granted to a legal entity which, in addition to meeting all other requirements, has share capital no less than dinar equivalent of 250.000 euro calculated at the official middle exchange rate of the National Bank of Serbia, provided that the value of subscribed and paid-in cash contribution of the founder cannot be lower than the above amount.

The share capital of the legal entity in the amount referred to in paragraph 1 above must be registered in accordance with the regulations on registration of legal entities.

The legal entity that is granted an approval is obliged to maintain the share capital at the level defined in paragraph 1 above for the entire validity period of the approval.

## **Securing the Payment of Winnings and Collection of Public Revenues**

### **Article 61**

In order to ensure the payment of winnings to players and the settlement of fees due according to this law, the organiser of special games of chance on automatic equipment must for the period corresponding to the validity period of the approval hold a special-purpose deposit in a bank registered in the territory of the Republic of Serbia of at least 500 euro in dinar equivalent per gaming machine or have bank guarantee of the same amount.

Notwithstanding paragraph 1 above, the organiser owning at least 2000 gaming machines, may have a special-purpose deposit or bank guarantee referred to in paragraph 1 above in the amount of 1.000.000 euro in dinar equivalent.

The organiser of special games of chance on automatic equipment is obliged to provide authorization for disposal with funds from the special-purpose deposit referred to in paragraphs 1 and 2 to the Republic of Serbia.

The organiser of special games of chance on automatic equipment must ensure a daily risk deposit in the cash register in the amount of at least 100 euro in dinar equivalent per gaming machine.

## **Technical and Functional Characteristics of Automatic Equipment**

### **Article 62**

Automatic equipment must be constructed or set in such way that within a cycle of all possible programmed combinations it pays at least 80% of the amount wagered in that cycle (Return to Player - RTP).

The automatic equipment in use must have an appropriate logging system and be directly connected to the information and communication system of the organiser, while in case of multiplayer automatic equipment each separate, undetachable part must be separately connected to the information and communication system of the organiser.

The organiser is liable for accuracy, currency and protection of technical and functional characteristic of automatic equipment referred to in paragraph 1 and 2 above.

Prior to putting automatic equipment into use, the organiser is obliged to submit to the Administration a certificate proving that the automatic equipment fulfils technical and functional characteristics.

In case of any modification of technical or functional characteristic of automatic equipment, the organiser is obliged to submit to the Administration an additional certificate proving that the automatic equipment fulfils technical and functional characteristics.

The certificates referred to in paragraphs 4 and 5 above are issued by the laboratory authorized by the minister of finance for testing technical and functional characteristics of the automatic equipment.

The control of the fulfilment of technical and functional characteristics of automatic equipment is performed by the laboratory referred to in paragraph 6 above.

Costs of testing technical and functional characteristics of the automatic equipment are borne by the organiser.

Minister of finance more closely defined technical and functional characteristics of the automatic equipment referred to in paragraph 1 above, including the method and procedure for testing the fulfilment of the requirements.

### **Information and Communication System for Organising Special Games of Chance on Automatic Equipment**

#### **Article 63**

The organiser of special games of chance on automatic equipment is obliged to use the information and communication system to organise special games of chance on automatic equipment, which allows for storage, archiving and electronic exchange of data with software solution of the Administration for the purpose of real-time supervision.

The organiser is liable for functioning and security of the information and communication system referred to in paragraph 1 above.

The organiser may obtain or acquire right to own or use the system referred to in paragraph 1 above or may independently develop it in accordance with applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate proving that the information and communication system has the required technical and functional characteristics.

In case of any modification of characteristics of information and communication system, the organiser is obliged to submit to the Administration an additional certificate proving that the information and communication system has the required technical and functional characteristics.

The certificates referred to in paragraphs 4 and 5 above are issued by the laboratory authorized by the minister of finance.

The organiser bears the costs of testing the fulfilment with technical and functional characteristics of the information and communication system.

Minister of finance sets detailed technical and functional characteristics of information and communication systems referred to in paragraph 1 above, methods and procedures for testing the compliance with the technical and functional characteristics of the information and communication system, as well as detailed conditions for storing, archiving and exchanging data with the Administration.

### **Video Surveillance**

#### **Article 64**

In order to prevent violations of the rules of the game and for the purposes of implementing this law, the organiser is obliged to provide continuous audio and video recorded surveillance of all gaming machines in the slot machine club, all entries and exits to the slot machine club, as well as surveillance of players and visitors.

The organiser is required to provide the Administration with a link through which authorised representatives of the Administration can monitor live video surveillance as referred to in paragraph 1 above, and to keep the video surveillance recordings from paragraph 1 above for 90 days, or longer if so instructed by the Administration.

The data referred to in paragraph 1 above constitute the organiser's internal documentation and are confidential, and the organiser may only use them for the purpose for which they were collected. They may not be provided to third parties or made publicly available, unless explicitly otherwise provided.

The disclosure of data for the purpose of enforcing this law is not considered a violation of the confidentiality obligation.

The organiser is required to process data about individuals referred to in paragraph 1 above in accordance with the regulations governing the protection of personal data.

The organiser is required to provide the Administration with the documentation referred to in paragraph 1 above in the event of an inspection. The Administration is obliged to treat the received documentation as a confidential information, particularly regarding the identity of the participants in the game and the live monitoring of video surveillance. Detailed conditions for the surveillance and storage of documentation referred to in paragraphs 1 to 2 above are defined by the minister of finance.

In order to comply with the prohibition set forth in Article 10, point 13) the organiser verifies the age of an individual solely by reviewing the photograph and date of birth in the individual's identification document and must not process, store or use the data from the identification document for any other purpose.

## **Special Conditions for Automatic Equipment**

### **Article 65**

Automatic equipment that is being put into use for the first time cannot, at the moment of its acquisition, be older than one year from the date of its manufacture.

Import of automatic equipment that meets the condition referred to in paragraph 1 above is not allowed.

Controls of conditions referred to in paragraphs 1 and 2 above are carried out by laboratory authorised by the minister of finance when testing the technical and functional characteristics of the automatic equipment referred to in Article 62 hereof.

## **Repair and Verification of Functionality of Automatic Equipment**

### **Article 66**

Automatic equipment is repaired by legal entities authorized by the minister of finances. After repair, automatic equipment must be in proper working condition, both technically and functionally, in accordance with requirements of Article 62 hereof.

Verification of automatic equipment functionality is carried out as a part of the procedure of functionality testing conducted by authorized entity referred to in paragraph 1 above.

Authorization referred to in paragraph 1 above can be granted to legal entities that do not organise games of chance and meet the requirements for automatic equipment repairing set forth by the minister of finance.

Minister of finance more closely defined method and procedure of verification automatic equipment functionality.

## **Conditions related to Location**

### **Article 67**

The distance of a slot machine club from an educational institution (primary or secondary schools) attended by children, minors and young adults up to the age of 19 must not be less than 200 metres.

The distance referred to in paragraph 1 above is the shortest safe pedestrian path from the nearest edge of the educational institution's building referred to in paragraph 1 above to the nearest entrance to the slot machine club.

The distance between two slot machine clubs, or between a slot machine club and a betting shop or casino cannot be less than 100 metres.

The distance referred to in paragraph 3 above represents the shortest safe pedestrian path from the entrance of a slot machine club to the entrance of another slot machine club, betting shop or casino where games of chance on automatic equipment are organised.

Proof regarding the distance referred to in paragraphs 1 and 3 of this article shall be considered a certificate issued by the Republic Geodetic Authority and an expert opinion from a transport specialist on the shortest safe walking path referred to in paragraphs 2 and 4 above.

## **Procedure for Obtaining the Approval**

### **Article 68**

The following documents have to be submitted along the request for approval, which among other things contains information about the name and address of registered offices of the legal entity applying for the approval:

1) decision on registration in appropriate register, with information about amount of share capital referred to in Article 60 hereof;

2) evidence of the ownership structure up to the level of beneficial owner, all in accordance with regulations on the Central Records of Beneficial Owners;

3) incorporation documents of the applicant;

4) balance sheet and income statement for the previous year, i.e. reports on audit of financial statements of the founder and member of the legal entity (if subject to the audit) for the previous two years prepared by certified auditor in accordance with regulations of the country of origin of the member or the founder, as well as its financial statements for the period from the date of last audit report to the end of the semi-annual period immediately preceding the semi-annual period for which the request is submitted;

5) evidence on fulfilment of conditions from Articles 62 and 63 hereof;

6) proof of ownership, renting or lease of at least 100 gaming machines in the territory of the Republic of Serbia and their location, as defined in Article 67 hereof, with specification of numerical designation of labels;

7) proof of the right of ownership, right of use or lease of appropriate premises where special games of chance on automatic equipment will be organised and which must contain at least five gaming machines;

8) regulation of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

9) if, for justifiable reasons, the evidence of non-conviction referred to in point 8 above cannot be obtained, the persons referred to in point 8 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of organised crime group; The Administration may at any time request the person referred to in paragraph 8 above or the competent authority to provide evidence of non-conviction.

10) rules of the game of chance that will be organised.

The Administration ex officio obtains data from official records, unless the applicant explicitly states that they will obtain the data themselves.

If, during the validity period of the approval, any information referred to in the paragraph 1 above is changed, the organiser is obliged to inform the Administration within three days from the date of the change.

The request with documentation referred to in paragraph 1 above is submitted in electronic form via information-communication system of the Administration.

Multiplayer automatic equipment for the purpose of paragraph 1, points 6 to 7 above is deemed a single gaming machine.

Minister of finance more closely regulates the manner of establishing if conditions from paragraph 1 above have been fulfilled.

## **Approval Validity Period**

### **Article 69**

The approval for organising special games of chance on automatic equipment is issued for a period of ten years.

At the request of the organiser, the approval referred to in paragraph 1 above can be renewed by a decision of the Administration for a period of ten years, provided the organiser fulfils all conditions prescribed by law.

The request referred to in paragraph 2 above is submitted in electronic form via information-communication system of the Administration within 90 days before expiry of the approval.

When submitting the request referred to in paragraph 2 above, organiser attaches documents referred to in Articles 67 and 68, paragraph 1, points 2), 4), 7), 8) and 9) of this law.

The organiser must commence organising special games of chance on automatic equipment at the approved location within 120 days from the date of obtaining approval.

If the organiser fails to commence organising the games of chance at the location within the deadline specified in paragraph 5 above and in accordance with the conditions set out in the approval, the Administration shall issue a decision revoking the approval for that location.

An organiser whose approval has been revoked pursuant to the decision referred to in paragraph 6 above shall not be granted approval to organise special games of chance on automatic location at the same location for which the approval was revoked.

The organiser may submit a request to cease the organisation of special games of chance on automatic equipment through the Administration's information and communication system.

The Administration issues a decision on the approval, extension, or cessation of organising special games of chance on automatic equipment based on the organiser's request.

## **Withdrawal of Approval**

### **Article 70**

If an organiser who obtained the approval to organise special games of chance on automatic equipment no longer meets the legally prescribed conditions, fails to pay the prescribed fees, fails to fulfil other obligations, or violates the prohibitions stipulated by this law, the Administration may issue a decision revoking the approval.

## **Article 71**

*Deleted*

## **Prohibition for Employees and Other Individual**

## **Article 72**

Employees of an organiser are prohibited from taking part in games of chance organised by that organiser.

The organiser may prohibit any person or group of persons from entering the slot machine club without stating the reasons.

## **Registering Automatic Equipment and its Location**

## **Article 73**

Putting a new automatic equipment into use, withdrawing automatic equipment from use, or relocation of automatic equipment requires an approval issued by the Administration.

The request for putting new automatic equipment into use must be submitted along with:

- 1) proof of the fulfilment of conditions from Article 62 hereof;
- 2) proof of ownership, rental or lease of the new gaming machine with information about the label for that machine.
- 3) proof of the right of ownership, right of use or lease of appropriate premises where special games of chance will be organised on new gaming machines that are being put into use, where such premises must contain at least five gaming machines, as well as compliance with conditions of the location, as defined in Article 67 hereof.

The request for withdrawal of gaming machine from use is submitted along with information about the label for the gaming machine being withdrawn from use.

A request for relocation of the gaming machine is submitted along with the following:

- 1) information about the label of the machine being relocated;
- 2) proof of the right of ownership, right of use or lease of appropriate premises where special games of chance will be organised on relocated gaming machine, where such premises must contain at least five gaming machines, as well as compliance with conditions of the location, as defined in Article 67 hereof.

When multiplayer automatic equipment is put into use, the proof on compliance with conditions from Article 62 hereof is submitted for each separate, undetachable part that can be used by a player.

Multiplayer automatic equipment can be put into use, withdrawn from use or relocated only as a single machine, with all of its separate, undetachable parts together, where approval referred to in paragraph 1 above is issued individually for each separate, undetachable unit.

The organiser is obliged to notify the Administration every time a new machine or multiplayer automatic equipment is either put into use, relocated or withdrawn from use in accordance with the decision on the approval referred to in



paragraph 1 above within three days from the date on which the machine or multiplayer automatic equipment has been put into use, relocated or withdrawn from use.

The organiser may put a gaming machine or multiplayer automatic equipment that have been modified back into use after providing the Administration with additional certificate referred to in Article 62, paragraph 5 above, as well as the information about the label for such automatic equipment.

The Administration ex officio obtains data from official records, unless the applicant explicitly states that they will obtain the data themselves.

The request referred to in paragraphs 2 to 4 above, as well as the additional certificate referred to in paragraph 8 above is submitted via information and communication system of the Administration.

## **Labelling and Registration of Automatic Equipment**

### **Article 74**

Automatic equipment may be used only if it has a visibly displayed label for identification and registration, containing the following information: numerical designation of the label, name of the organiser, name of certified laboratory, unique serial number of the automatic equipment, location and validity period of the approval.

The label referred to in paragraph 1 above is issued and placed by the certified laboratory referred to in Article 62, paragraph 6 hereof and is valid until expiry of the approval.

For the purpose of this article, each separate, undetachable part of the multiplayer automatic equipment on which playing is possible is deemed a separate gaming machine.

In case of automatic equipment that has been withdrawn from use and for which a new request for putting into use has been submitted, the certified laboratory referred to in Article 62, paragraph 6 above prepares and places the same numerical designation of the label as the automatic equipment had before it was withdrawn from use.

The costs of labels purchasing are borne by the organiser.

Minister of finance more closely prescribes the shape and contents of labels referred to in paragraph 1 above.

## **Approval Fee**

### **Article 75**

The organiser pays a fee for approval to organise special games of chance on automatic equipment of the Serbian dinar equivalent of 50 euro per month per machine.

The fee referred to in paragraph 1 above is paid for every additional machine that is put into use during the approval validity period, in the manner referred to in paragraph 1 above.

The fee referred to in paragraphs 1 and 2 above is paid to the appropriate public revenues account after receiving a decision on approval by the fifth day of the month following the month during which the decision on approval was issued, proportional to the number of days until the end of the month, and for the forthcoming months by the fifth day of the month for the previous month during the approval validity period.

The fee referred to in paragraphs 1 and 2 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

For the purpose of this article, each separate, undetachable part of the multiplayer automatic equipment on which playing is possible is deemed a separate gaming machine.

### **Fee for Organising Games**

#### **Article 76**

The organiser is obliged to calculate and pay a fee for organising games of chance on automatic equipment, at a rate of 15% applied to the base which is calculated as the difference between the total payments made by players and total value of winnings paid to the players, but which cannot be less than the product of 100 euro in dinar equivalent and the maximum number of registered gaming machines during a month.

The fee referred to in the paragraph 1 above is paid to the relevant public revenues account, no later than the fifth day of the month, for the previous month.

The fee referred to in paragraph 1 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

The organiser is required to keep records on received payments, payouts made, as well as on the wagers made and winnings paid per machine based on which he will determine the fee referred to in paragraph 1 above and submit the records to the Administration by the fifth day of the month for the previous month.

For the purpose of this article, each separate, undetachable part of the multiplayer automatic equipment on which playing is possible is deemed a separate gaming machine.

The manner in which the records and reports referred to in the paragraph 4 above are maintained is prescribed by the minister of finance.

### ***5. Special Games of Chance Involving Betting***

#### **Organisers**

#### **Article 77**

Special games of chance involving betting may be organised by legal entities with registered offices in the territory of the Republic of Serbia, whose registered primary business activity is gambling and betting on the basis of an approval.

The approval referred to in paragraph 1 above is granted by decision of the Administration.

Notwithstanding paragraph 1 above, betting on the results of horse races can be organised only by a legal entity which, in addition to meeting other requirements from paragraph 1 above, owns a horse racing venue and for competitions held in that venue or a legal entity which shareholder owns a horse racing venue.

Betting on results of horse races can also be organised by an entity referred to in paragraph 1 above which concludes an agreement with the entity referred to in paragraph 3 above regarding that matter.

## **Share Capital**

### **Article 78**

An approval for organising special games of chance involving betting may be granted to a legal entity which, in addition to meeting all other requirements, has share capital no less than dinar equivalent of 250.000 euro calculated at the official middle exchange rate of the National Bank of Serbia, provided that the value of subscribed and paid-in cash contribution of the founder cannot be lower than the above amount.

The share capital of the legal entity in the amount referred to in paragraph 1 above must be registered in accordance with the regulations on registration of legal entities.

The legal entity that is granted an approval is obliged to maintain the share capital at the level defined in paragraph 1 above for the entire validity period of the approval.

## **Securing the Payment of Winnings and Collection of Public Revenues**

### **Article 79**

In order to ensure the payment of winnings to players and the settlement of fees due according to this law, the organiser of special games of chance involving betting must for the period corresponding to the validity period of the approval hold a special-purpose deposit in a bank registered in the territory of the Republic of Serbia of at least 5,000 euro in dinar equivalent per betting shop or have bank guarantee of the same amount.

As an exception, the organiser referred to in paragraph 1 above who owns at least 300 betting shops may for the period of the approval maintained in a bank with registered offices in the territory of the Republic of Serbia a special purpose deposit in the amount of 1.500.000 euro in dinar equivalent or have a bank guarantee for the same amount.

The organiser of special games of chance involving betting is obliged to provide authorization for disposal with funds from the special-purpose deposit referred to in paragraphs 1 and 2 above.

The organiser of special games of chance involving betting must ensure a risk deposit in the cash register in the amount of at least 150 euro in dinar equivalent per pay-in-pay-out desk for every day during which games are organised.

## **Information and Communication System for Organising Special Games of Chance Involving Betting**

### **Article 80**

The organiser of special games of chance involving betting is obliged to use the information and communication system to organise special games of chance involving betting, which allows for storage, archiving and electronic exchange of data with software solution of the Administration for the purpose of real-time supervision.

The organiser is liable for functioning and security of the information and communication system referred to in paragraph 1 above.

The organiser may obtain or acquire right to own or use the system referred to in paragraph 1 above or may independently develop it in accordance with applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate proving that the information and communication system has the required technical and functional characteristics.

In case of any change of technical and functional characteristics of information and communication system, the organiser is obliged to submit to the Administration an additional certificate proving that the information and communication system has the required technical and functional characteristics.

The certificates referred to in paragraphs 4 and 5 above are issued by the laboratory authorized by the minister of finance.

The organiser bears the costs of testing the fulfilment with technical and functional characteristics of the information and communication system.

Minister of finance sets detailed technical and functional characteristics of information and communication systems referred to in paragraph 1 above, methods and procedures for testing the compliance with the technical and functional characteristics of the information and communication system, as well as detailed conditions for storing, archiving and exchanging data with the Administration.

## **Special Conditions for Betting Terminals**

### **Article 80a**

The betting terminals that are put to use are subject to provisions of Article 62, paragraph 2 to 9 hereof.

Repair and verification of technical functionality of betting terminals is conducted in accordance with provisions of Article 66 hereof.

## **Video Surveillance**

### **Article 81**

The organiser is obliged to ensure continuous video recorded surveillance in betting shop, in particular of each pay-in-pay-out desk, all entries and exits to the betting shop, betting terminal, cash register as well as surveillance of players and visitors.

The organiser is required to provide the Administration with a link through which authorised representatives of the Administration can monitor live video surveillance as referred to in paragraph 1 above, and to keep the video surveillance recordings from paragraph 1 above for 90 days, or longer if so instructed by the Administration.

The data referred to in paragraph 1 above constitute the organiser's internal documentation and are confidential, and the organiser may only use them for the purpose for which they were collected. They may not be provided to third parties or made publicly available, unless explicitly otherwise provided.

The disclosure of data for the purpose of enforcing this law is not considered a violation of the confidentiality obligation.

The organiser is required to process data about individuals referred to in paragraph 1 above in accordance with the regulations governing the protection of personal data.

The organiser is required to provide the Administration with the documentation referred to in paragraph 1 above in the event of an inspection. The Administration is obliged to treat the received documentation as a confidential information, particularly regarding the identity of the participants in the game and the live monitoring of video surveillance.

In order to comply with the prohibition set forth in Article 10, point 13) the organiser verifies the age of an individual solely by reviewing the photograph and date of birth in the individual's identification document and must not process, store or use the data from the identification document for any other purpose.

Detailed conditions for the surveillance and storage of documentation referred to in paragraphs 1 to 2 above are defined by the minister of finance.

## **Conditions for Premises**

### **Article 81a**

In the premises where special games of chance involving betting are organised, serving and consumption of food and alcoholic beverages is prohibited, except for low-alcohol beverages containing no more than 5% alcohol by volume, as defined by the law governing excise duties.

The premises in which special games of chance involving betting are organised must not have direct access to the area where food or alcoholic beverages are served, except low-alcohol beverages referred to in paragraph 1 above.

The organiser is obliged to display a notice in a visible location in the premises where special games of chance involving betting are organised, regarding the prohibition referred to in paragraph 1 above.

## **Conditions related to Location**

### **Article 82**

The distance of a betting shop from an educational institution (primary or secondary schools) attended by children, minors and young adults up to the age of 19 must not be less than 200 metres.

The distance referred to in paragraph 1 above is the shortest safe pedestrian path from the nearest edge of the educational institution's building referred to in paragraph 1 above to the nearest entrance to the betting shop.

The distance between two betting shops or between a betting shop and slot machine club or casino cannot be less than 100 metres.

The distance referred to in paragraph 3 above represents the shortest safe pedestrian path from the entrance of another betting shop, slot machine club or casino where games of chance are organised.

Proof regarding the distance referred to in paragraphs 1 and 3 of this article shall be considered a certificate issued by the Republic Geodetic Authority and an expert opinion from a transport specialist on the shortest safe walking path referred to in paragraphs 2 and 4 above.

## **Procedure for Obtaining the Approval**

### **Article 83**

The following documents have to be submitted along the request for approval, which among other things contains information about the name and address of registered offices of the legal entity applying for the approval:

1) decision on registration in appropriate register, with information about amount of share capital referred to in Article 78 hereof;

2) evidence of the ownership structure up to the level of beneficial owner, all in accordance with regulations on the Central Records of Beneficial Owners;

3) incorporation documents of the applicant;

4) balance sheet and income statement for the previous year, i.e. reports on audit of financial statements of the founder and member of the legal entity (if subject to the audit) for the previous two years prepared by certified auditor in accordance with regulations of the country of origin of the member or the founder, as well as its financial statements for the period from the date of last audit report to the end of the semi-annual period immediately preceding the semi-annual period for which the request is submitted;

5) proof of the right of ownership or right of use for appropriate premises where special games of chance involving betting will be organised based on the

approval, provided that the number of betting shops may not be less than 30, except in case of legal entities referred to in Article 77, paragraph 3 hereof;

6) the list of pay-in-pay-out desks per betting shop;

7) evidence on compliance with requirements from Article 80 hereof with specification of numerical designations of labels for pay-in-pay-out desks;

8) evidence about location of the premises where games of chance involving betting are organised, as defined in Article 82 hereof;

9) regulation of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

10) if, for justifiable reasons, the evidence of non-conviction referred to in point 9 above cannot be obtained, the persons referred to in point 9 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of organised crime group; The Administration may at any time request the person referred to in paragraph 9 above or the competent authority to provide evidence of non-conviction.

11) the rules of the game of chance that will be organised.

The Administration ex officio obtains data from official records, unless the applicant explicitly states that they will obtain the data themselves.

If, during the validity period of the approval, any information referred to in the paragraph 1 above is changed, the organiser is obliged to inform the Administration within three days from the date of the change.

The request with documentation referred to in paragraph 1 above is submitted in electronic form via information-communication system of the Administration.

Minister of finance more closely regulates the manner of establishing if conditions from paragraph 1 above have been fulfilled.

### **Approval Validity Period**

#### **Article 84**

The approval for organising special games of chance involving betting is issued for a period of ten years.

Notwithstanding paragraph 1 above, legal entities referred to in Article 77, paragraph 3 hereof are issued the approval for organising special games of chance involving betting for the period of horse racing season.

The period of the horse racing season is defined by rules of the competition, which have been certified by the Equestrian Federation of Serbia.

At the request of the organiser, the approval referred to in paragraph 1 above can be renewed by a decision of the Administration for a period of ten years, provided the organiser fulfils all conditions prescribed by law.

The request referred to in paragraph 4 above is submitted in electronic form via information-communication system of the Administration within 90 days before expiry of the approval.

When submitting the request referred to in paragraph 4 above, organiser attaches documents referred to in Article 83, paragraph 1, points 2, 4, 5, 8, 9 and 10 hereof.

The organiser must commence organising special games of chance involving betting at the approved location within 120 days from the date of obtaining approval.

If the organiser fails to commence organising the games of chance at the location within the deadline specified in paragraph 7 above and in accordance with the conditions set out in the approval, the Administration shall issue a decision revoking the approval for that location.

An organiser whose approval has been revoked pursuant to the decision referred to in paragraph 8 above shall not be granted approval to organise special games of chance involving betting location at the same location for which the approval was revoked.

The organiser may submit a request to cease the organisation of special games of chance involving betting through the Administration's information and communication system.

The Administration issues a decision on the approval, extension, or cessation of organising special games of chance involving betting based on the organiser's request.

## **Withdrawal of Approval**

### **Article 85**

If an organiser who obtained the approval to organise special games of chance involving betting no longer meets the legally prescribed conditions, fails to pay the prescribed fees, fails to fulfil other obligations, or violates the prohibitions stipulated by this law, the Administration may issue a decision revoking the approval.

### **Article 86**

*Deleted*

## **Prohibition for Employees and Other Individuals**

### **Article 87**

Employees of an organiser are prohibited from taking part in games of chance organised by that organiser.

The organiser may prohibit any person or group of persons from entering the betting shop without stating the reasons.



## **Registering the Pay-In-Pay-Out desks and Issuing Bet Slips**

### **Article 88**

Every opening of a new and closing of existing pay-in-pay-out desk requires an approval issued by the Administration.

The request for opening a new pay-in-pay-out desk must be submitted along with:

1) proof of the right of ownership, right of use or lease of appropriate premises where special games of chance involving betting will be organised, as well as compliance with requirements from Article 82 hereof;

2) information about label for the pay-in-pay-out desk, as defined in Article 89 hereof.

Information about the label, as defined in Article 89 hereof, must be provided along with the request for closing the pay-in-pay-out desk.

The organiser is obliged to notify the Administration about every opening of new or closing of existing pay-in-pay-out desk in accordance with the decision on the approval referred to in paragraph 1 above within three days from the date on which the pay-in-pay-out desk was opened or closed.

The organiser may reopen existing pay-in-pay-out desk which technical or functional characteristics have been modified after providing the Administration with additional certificate referred to in Article 80, paragraph 5 above, as well as the information about the label for pay-in-pay-out desk.

The Administration ex officio obtains data from official records, unless the applicant explicitly states that they will obtain the data themselves.

For each bet received related to the games of chance involving betting the organiser is obliged to immediately issue a bet slip.

Minister of finance more closely defines the design and contents of the bet slip.

## **Labelling and Registration of Pay-In-Pay-Out Desk**

### **Article 89**

Pay-in-pay-out desk may be used only if the equipment used in the pay-in-pay-out desk or a betting terminal has a visibly displayed label for identification and registration, containing the following information: numerical designation of the label, name of the organiser, name of certified laboratory, location and validity period of the approval.

The label referred to in paragraph 1 above is issued and placed by the laboratory referred to in Article 80, paragraph 6 hereof and is valid until expiry of the approval.

The costs of labels purchasing are borne by the organiser.

Minister of finance prescribes the shape and contents of labels referred to in paragraph 1 above.

## **Approval Fee**

### **Article 90**

The organiser pays a fee for approval to organise special games of chance involving betting of the Serbian dinar equivalent of 200 euro monthly per betting shop.

The fee referred to in paragraph 1 above is paid for every betting shop opened during the approval validity period, in the manner set forth in paragraph 1 above.

The fee referred to in paragraphs 1 and 2 above is paid to the appropriate public revenues account after receiving a decision on approval by the fifth day of the month following the month during which the decision on approval was issued, proportional to the number of days until the end of the month, and for the forthcoming months by the fifth day of the month for the previous month during the approval validity period.

The fee referred to in paragraphs 1 and 2 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

## **Fee for Organising Games**

### **Article 91**

The organiser pays a fee for organising games of chance involving betting, at a rate of 15% applied to the base which is calculated as the difference between the total payments made by players and total value of winnings paid to the players, but which cannot be less than the product of 1,000 euro in dinar equivalent and the maximum number of registered betting shops where games of chance are organised during a month.

The fee referred to in the paragraph 1 above is paid to the relevant public revenues account, no later than the fifth day of the month, for the previous month.

The fee referred to in paragraph 1 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

The organiser is required to keep records on received payments, payouts made, as well as on the bets made and winnings paid by each pay-in-pay-out desk in the betting shop based on which he will determine the fee referred to in paragraph 1 above and submit the records to the Administration by the fifth day of the month for the previous month.

The manner in which the records and reports referred to in the paragraph 4 above are maintained is prescribed by the minister of finance.

## ***6. Games of Chance through Means of Electronic Communication***

### **Organisers**

#### **Article 92**

The right to organise games of chance through means of electronic communication is held by National Lottery of Serbia and organisers whose

registered main activity is gambling and betting, to whom the Administration granted the approval and thus transferred to them the right to organise special games of chance through means of electronic communication.

The approval referred to in paragraph 1 above is granted by decision of the Administration.

The National Lottery of Serbia may, with the prior consent of the Government, engage certain legal entities – operators – to organise special games of chance through means of electronic communication.

The mutual rights and obligations of the National Lottery of Serbia and the operator referred to in paragraph 3 above are regulated by agreement, with consent of the Government.

The National Lottery of Serbia, or the organisers that have been issued approval to organise special games of chance through means of electronic communication by the Administration, guarantee the payment of winnings.

## **Share Capital**

### **Article 93**

An approval for organising special games of chance through means of electronic communication may be granted to a legal entity which, in addition to meeting all other requirements, has share capital no less than dinar equivalent of 250.000 euro calculated at the official middle exchange rate of the National Bank of Serbia, provided that the value of subscribed and paid-in cash contribution of the founder cannot be lower than the above amount.

The share capital of the legal entity in the amount referred to in paragraph 1 above must be registered in accordance with the regulations on registration of legal entities.

The legal entity that is granted an approval is obliged to maintain the share capital at the level defined in paragraph 1 above for the entire validity period of the approval.

## **Securing the Payment of Winnings and Collection of Public Revenues**

### **Article 94**

In order to ensure the payment of winnings to players and the settlement of fees due according to this law, the organiser of special games of chance through means of electronic communication must for the period corresponding to the validity period of the approval hold a special-purpose deposit in a bank registered in the territory of the Republic of Serbia of at least 500,000 euro in dinar equivalent or have bank guarantee of the same amount.

The organiser of special games of chance through means of electronic communication is obliged to provide authorization for disposal with funds from the special-purpose deposit referred to in paragraph 1 above to the Republic of Serbia.

## **Information and Communication System for Organising Special Games of Chance through Means of Electronic Communication**

### **Article 95**

The organiser of special games of chance through means of electronic communication is obliged to use the information and communication system to organise special games of chance through means of electronic communication, which allows for storage, archiving and electronic exchange of data with software solution of the Administration for the purpose of real-time supervision.

The organiser referred to in paragraph 1 above is obliged to ensure that the Administration can access its databases or mirror server which are located in the territory of the Republic of Serbia.

Data bases referred to in paragraph 2 above contain tables with all information reported to the Administration according to this law.

The organiser referred to in paragraph 1 above is obliged to provide the Administration with access parameters for the account with selected privileges for accessing the data referred in paragraphs 2 and 3 above.

The organiser referred to in paragraph 1 above is obliged to make information and communication system for organising special games of chance available to the players through a single website only.

The organiser referred to in paragraph 1 above is obliged to use exclusively one logo, trademark, trade name or sign of the organiser on the website referred to in paragraph 5 above.

The organiser is liable for functioning and security of the information and communication system referred to in paragraph 1 above.

The organiser may obtain or acquire right to own or use the system referred to in paragraph 1 above or may independently develop it in accordance with applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate proving that the information and communication system has the required technical and functional characteristics.

In case of any change of technical and functional characteristics of information and communication system, the organiser is obliged to submit to the Administration an additional certificate proving that the system has the required technical and functional characteristics.

The certificates referred to in paragraphs 9 and 10 above are issued by the laboratory authorized by the minister of finance.

The organiser bears the costs of testing the fulfilment with technical and functional characteristics of the information and communication system.

Minister of finance sets detailed technical and functional characteristics of information and communication systems referred to in paragraph 1 above, methods and procedures for testing the compliance with the technical and functional characteristics of the information and communication system, as well as detailed conditions for storing, archiving and exchanging data with the Administration.

## **Self-Exclusion and Self-Limitation of Players**

### **Article 95a**

An organiser of special games of chance through means of electronic communication is obliged to provide players with the possibility of self-exclusion and self-limitation.

A player may request, in writing or electronically, from an organiser referred to in paragraph 1 to be excluded from participating in special games of chance through means of electronic communication for a set period of time that cannot be shorter than 24 hours or permanently, in which case the self-exclusion cannot be withdrawn before expiry of 12 months. The player may also request to limit the maximum amount they can pay within a specific period of time to such organiser of games of chance through means of electronic communication (self-limitation).

Immediately after receiving a request for self-exclusion or self-limitation, the organiser of special games of chance through means of electronic communication is obliged to prevent the player from accessing the user account in case of self-exclusion or limit the payments in accordance with the request of the player in case of self-limitation and electronically submit to Administration the data about the player who has self-excluded, as well as information about his/her request, and in particular the following:

- 1) personal number of the player;
- 2) date of the request for self-exclusion;
- 3) time period of self-exclusion.

After receiving the data referred to in paragraph 3 above, the Administration shall exchange the data with all organisers of games of chance through means of electronic communication with whom the self-excluded player has active user accounts.

Immediately after receiving the data referred to in paragraph 4 above, the organiser referred to in paragraph 4 of this article is obliged to prevent the player from accessing the user account or from participating in games of chance through means of electronic communication in accordance with the request.

An organiser which receives a player's request to withdraw self-exclusion from a player, is obliged to notify Administration thereof immediately upon receiving such request.

Minister of finance more closely prescribes the technical procedure and the manner in which data about a self-excluded player is exchanged between the Administration and organiser of games of chance through means of electronic communication.

## **Procedure for Obtaining the Approval**

### **Article 96**

A request for approval for organising special games of chance through means of electronic communication contains the following information:

- 1) information about the name and the address of registered offices of the legal entity - applicant;

- 2) method of identification and registration of players;
- 3) procedure in case of interrupted communication with the player;
- 4) description of the backup system for saving the system state;
- 5) description of the recovery system for restoring the last saved state.

The following shall be provided with the request referred to in paragraph 1 above:

1) study on prevention of adverse effects of games of chance through means of electronic communication on participants;

2) evidence of ownership or use rights over relevant premises where the equipment used for special games of chance through means of electronic communication will be held in accordance with Article 95, paragraph 2 hereof;

3) proof of the fulfilment of conditions from Article 95 hereof;

4) rules of the game of chance that will be organised;

5) decision on registration in appropriate register, with information about amount of share capital referred to in Article 93 hereof;

6) evidence of the ownership structure up to the level of beneficial owner, all in accordance with regulations on the Central Records of Beneficial Owners;

7) incorporation documents of the applicant;

8) balance sheet and income statement for the previous year, i.e. reports on audit of financial statements of the founder and member of the legal entity (if subject to the audit) for the previous two years prepared by certified auditor in accordance with regulations of the country of origin of the member or the founder, as well as its financial statements for the period from the date of last audit report to the end of the semi-annual period immediately preceding the semi-annual period for which the request is submitted;

9) regulation of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

10) if, for justifiable reasons, the evidence of non-conviction referred to in point 9 above cannot be obtained, the persons referred to in point 9 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of organised crime group; The Administration may at any time request the person referred to in paragraph 9 above or the competent authority to provide evidence of non-conviction.

If during the approval validity period any data or evidence referred to in paragraphs 1 and 2 above are changed, the organiser shall notify the Administration thereof within three days from any such change.

The Administration ex officio obtains data from official records, unless the applicant explicitly states that they will obtain the data themselves.

The request with documentation referred to in paragraph 1 above is submitted in electronic form via information-communication system of the Administration.

Minister of finance prescribes more detailed procedure for determining the requirements for obtaining the approval referred to in paragraph 1 of this article.

## **Approval Validity Period**

### **Article 97**

The approval for organising special games of chance through means of electronic communication is issued for a period of ten years.

At the request of the organiser, the approval referred to in paragraph 1 above can be renewed by a decision of the Administration for a period of ten years, provided the organiser fulfils all conditions prescribed by law.

The request referred to in paragraph 2 above is submitted by the organiser in electronic form via information-communication system of the Administration within 90 days before expiry of the approval.

When submitting the request referred to in paragraph 2 above, organiser attaches documents referred to in Article 96, paragraph 2, points 2), 6), 8), 9) and 10) of this law.

The organiser must commence organising special games of chance through means of electronic communication within 120 days from the date of obtaining approval.

If the organiser fails to commence organising the games of chance within 120 days, the Administration shall issue a decision revoking the approval.

The organiser may submit a request to cease the organisation of special games of chance through means of electronic communication via the Administration's information and communication system.

The Administration issues a decision on the approval, extension, or cessation of organising special games of chance through means of electronic communication based on the organiser's request.

## **Withdrawal of Approval**

### **Article 98**

If an organiser who obtained the approval to organise special games of chance through means of electronic communication no longer meets the legally prescribed conditions, fails to pay the prescribed fees, fails to fulfil other obligations, or violates the prohibitions stipulated by this law, the Administration may issue a decision revoking the approval.

## **Article 99**

*Deleted*

## **Prohibition for Employees**

### **Article 100**

Employees of the organiser of games of chance through means of electronic communication are prohibited from participating in games of chance through means of electronic communication organised by that organiser.

## **Approval Fee**

### **Article 101**

The organiser pays a fee for approval to organise special games of chance on through means of electronic communication of the Serbian dinar equivalent of 10,000 euro per month.

The fee referred to in paragraph 1 above is paid to the appropriate public revenues account after receiving a decision on approval by the fifth day of the month following the month during which the decision on approval was issued, proportional to the number of days until the end of the month, and for the forthcoming months by the fifth day of the month for the previous month during the approval validity period.

The fee referred to in paragraph 1 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

## **Fee for Organising Games**

### **Article 102**

The organiser pays a fee for organising games of chance through means of electronic communication, at a rate of 15% applied to the base which is calculated as the difference between the total payments made by players and total value of players' winnings.

Notwithstanding paragraph 1 above, a fee at a rate of 25% applied to the base referred to in paragraph 1 of this article is paid to special games of chance through means of electronic communication that are organised as a (re)broadcasting, i.e. delayed or direct broadcast of live game played by the players against the organiser (roulette, blackjack, baccarat, etc.).

Minimum total fee referred to in paragraphs 1 and 2 of this article cannot be less than dinar equivalent of 50.000 euro monthly calculated proportionally to the number of days left in the month on the date of receiving the decision of approval.

The fee for organising classic games of chance through means of electronic communication is paid in accordance with Article 33 hereof.

The fee referred to in paragraph 1 above is paid to the relevant public revenues account, no later than the fifth day of the month, for the previous month.



The fee referred to in paragraph 1 above is paid according to the official middle exchange rate of the National Bank of Serbia applicable on the date of payment.

The organiser is required to keep records on received payments, payouts made, as well as on the payments made and winnings paid in the game of chance through means of electronic communication based on which he will calculate the fee referred to in paragraph 1 above and submit the records to the Administration by the fifth day of the month for the previous month.

The manner in which the records and reports referred to in the paragraph 7 above are maintained is prescribed by the minister of finance.

## **Verification of Players and Electronic Wager Confirmation**

### **Article 102a**

In order to protect minors and enforce the ban on their participation in games of chance, the organiser of special games of chance through means of electronic communication is obliged to verify the player's age during the registration of the player's account by checking the date of birth in the identification document of that person using electronic communication means (player verification).

For each bet received related to the games of chance through means of electronic communication the organiser is obliged to immediately issue an electronic wager confirmation.

More detailed conditions and procedure of verification, as well as the design and contents of the electronic wager confirmation referred to in paragraphs 1 to 2 above are defined by the minister of finance.

## **Special Rules regarding Bonuses**

### **Article 102b**

An organiser of games of chance through means of electronic communication may grant bonuses to players, but exclusively through a promotional account.

An organiser may open one promotional account for each registered player who holds a transactional account with the organiser.

The bonus referred to in paragraph 1 of this article, which the organiser of games of chance through means of electronic communication grants or approves for a player via the promotional account, can only be used for play. Such a bonus and the funds the player wins from the game through the promotional account cannot be combined (mixed) with the funds in the player's transactional account and cannot be withdrawn by the player directly from the promotional account.

The player is not allowed to make deposits into the promotional account on their own.

The wager or winnings in the promotional account are not considered as a wager or winnings in accordance with Article 102, paragraph 1 of this law.

The organizer may transfer funds won on the promotional account to the player's transactional account.

The value referred to in paragraph 6 of this article is considered a wager, as defined by Article 102, paragraph 1 hereof, both at the moment of transfer from the promotional to transactional account and at the time of any actual wager is placed through transactional account of the player.

## ***7. Prize Games in Goods and Services***

### **Organiser**

#### **Article 103**

During a calendar year, an organiser may organise a maximum of four prize games based on the previously

obtained consent of the Administration for each prize game individually.

The consent referred to in paragraph 1 above is granted by decision of the Administration.

The prize games referred to in paragraph 1 of this article may not last longer than 45 days and the organiser may not organise two prize games referred to in paragraph 1 above simultaneously.

In the request for consent referred to in paragraph 1 above, the organiser is required to state the type and rules of the prize game, amount of prize fund and duration of the prize game.

The organiser of prize game in goods and services may submit a request for consent to organise prize game within 30 days from the start date of the prize game.

The minister of finance more closely defines the manner of establishing if conditions from paragraphs 1 to 4 hereof have been met.

At least eight days before the start of the prize game, the organiser who was granted consent for organising a prize game is obliged to publish the rules of the game in at least one daily newspaper distributed throughout the territory of the Republic of Serbia and submit proof of publication to the Administration within three days from the date such rules have been published.

Notwithstanding paragraphs 1 to 5 of this article, state authority or organisation may organise a prize game which only purpose is to improve the implementation of a particular regulation.

The Government sets the criteria and grants consent for organisation of prize game referred to in paragraph 8 above.

## **Procedure for Obtaining the Consent**

### **Article 104**

The following documents have to be submitted along the request for consent, which among other things contains information about the name and address of registered offices of the applicant and prize fund with specification of prizes and:

- 1) decision of the competent body of the organiser on organisation of prize game;
- 2) decision on registration in appropriate register;
- 3) rules of the prize game.

The minister of finance prescribes more detailed procedure for determining if the requirements for obtaining the approval referred to in paragraph 1 of this article have been met.

The Administration ex officio obtains data from official records and the applicant is not obliged to submit the document referred to in paragraph 1, point 1 of this article unless the applicant explicitly states that they will obtain the data themselves.

### **Withdrawal of Approval**

#### **Article 105**

The Administration issues a decision on revocation of consent for organisation of prize games in goods and services, if it determines that:

- 1) the consent was granted based on false information;
- 2) the organiser failed to pay the due liabilities related to the fee for organising the prize game;
- 3) the organiser is not acting in accordance with the rules of the prize game.

#### **Article 106**

*Deleted*

### **Fee for Organising Games**

#### **Article 107**

The organiser pays a fee for organising a prize game in goods and services to the amount of 25% of the total value of the prize fund value.

If the Administration determines the value of prize fund referred to in paragraph 1 above does not correspond to the market value, it has the right to determine the market value of the prize fund.

The fee referred to in the paragraph 1 above is paid to the relevant public revenues account within three days from the start date of the prize game.

### **Report on Prize Game**

#### **Article 108**

The organiser is obliged to notify the Administration about the results of the prize game within 30 days from the date of completion of the prize game.

The manner of reporting referred to in the paragraph 1 above is more closely defined by the minister of finance.

## ***8. Special Obligations of the Organiser and Game Participants***

## **Rules of the Game**

### **Article 109**

Each request for organisation of any type of game of chance submitted to the Administration must be accompanied with the rules of the game.

The minister of finance more closely defines the conditions that must be included in the rules of the game.

The rules of the game must be displayed at visible location in the premises where the game is organised or published in another manner provided by this law.

The rules of the game may not be change during the course of the game.

In the event of organising games of chance through means of electronic communication, the rules of the game must be clearly posted on the website or portal of the organiser through which the participants engage in the games of chance, in a prominent location and in the manner that they are easily accessible for reading, downloading and storing by visitors of the website or portal of the organiser.

The consent for the rules of the game referred to in paragraph 1 of this article is issued by the Administration.

## **Records of Players and Storage of Documentation**

### **Article 110**

The organiser is obliged to, for the purposes of implementing this law, keep a database of persons who have received winnings, in the manner prescribed by the minister of finance.

The organisers and the employees of the organisers are obliged to keep confidential the information about the players and their participation in the game, including information about their winnings.

The data referred to in paragraph 1 above may only be used for the purpose for which they were collected and cannot be disclosed to third parties or publicly released, except otherwise explicitly provided.

The disclosure of data for the purpose of enforcing this law and the regulations governing the prevention of money laundering and the financing of terrorism is not considered a violation of the confidentiality obligation.

The data about individuals referred to in paragraph 1 above is collected and processed in accordance with the regulations governing the protection of personal data.

The organiser is obliged to retain electronic data and other documentation provided by this law for five years, starting from the last day of the year to which such data refers.

## **Prevention of Money Laundering and Financing of Terrorism**

### **Article 111**

Organisers who are obliged to comply with the regulations governing the prevention of money laundering and terrorism financing are obliged to act in accordance with the aforementioned regulations and to define in their internal regulations the actions and measures that will be taken against clients, as well as when such actions and measures will be implemented.

## **General Conditions for Organisers of Special Games of Chance**

### **Article 112**

The founder of the organiser, i.e. the owner, beneficial owner, designated person and associates of these persons or in the case the designated person is a legal entity, its member, its beneficial owner, designated person in such entity and associate to these persons cannot be a person sentenced to a fine, in case of a legal entity, or to imprisonment, in case of natural persons, for a criminal offence committed in the Republic of Serbia or a foreign country and must have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance.

Whenever the organiser appoints or changes the designated person he is obliged to submit an official document of the competent state authority certifying that such person has not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence committed in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

The organiser is obliged to submit to the Administration the official document of the competent state authority referred to in paragraph 2 above for the founder, i.e. owner, beneficial owner and designated person of the organiser by 30 June of the current year.

If such official document of the competent state authority referred to in paragraphs 2 and 3 above cannot be reasonably obtained, the organiser may also submit a statement of such person given under full civil and criminal liability that

they have not been convicted and are not members of organised crime group. The Administration may at any time approach the organiser or directly the competent authority requesting such evidence to be provided.

## **Cumulation of Conditions Related to Share Capital**

### **Article 113**

The conditions regarding the amount of share capital referred to in Article 60, paragraph 1, Article 78, paragraph 1 or Article 93, paragraph 1 hereof, must be cumulatively fulfilled by the organiser for each individual authorization for organisation of special games of chance on automatic equipment, organisation of special games of chance involving betting or organisation of special games of chance through means of electronic communication.

The condition referred to in paragraph 1 above does not apply to organisers of games of chance in casinos.

## **Change in the Capital Structure**

### **Article 113a**

An interested party may, in accordance with the law, purchase stake or shares, or join as a new member or shareholder in the capital structure of the organiser of special games of chance on automatic equipment, special games of chance involving betting and special games of chance through means of electronic communication, with prior consent of the Administration.

Along with the request for consent referred to in paragraph 1 above, which among other things contains information about the name and address of registered offices of the legal entity or information about name, surname, temporary or permanent residence (if any) of a natural person intending to become a member of a shareholder, the following documentation must be submitted:

1) decision on registration in the register of business entities or in other appropriate register in case of foreign legal entities, including the information about the amount and structure of capital or information from the identification card, in case of a natural person;

2) evidence that tax liabilities have been fully settled in the Republic of Serbia for legal or natural entity referred to in paragraph 1 above;

3) regulation of the competent state authority confirming that the applicant, its founder, beneficial owner, associate, designated person have not been sentenced to a fine, in case of legal entity, or to imprisonment, in case of natural persons, for a criminal offence in the Republic of Serbia or a foreign country and that they have not severely or repeatedly violated the regulations governing the prevention of money laundering and terrorism financing during the period of restrictive measures prohibiting performance of certain activities that are the main business activity of the company for organisation of games of chance or during the period of restrictive measures prohibiting the authorized person to perform certain activities which are the main business activity of the company for organisation of games of chance and during the period of restrictive measures prohibiting the authorized persons to perform certain duties in the company which main business activity is organisation of games of chance;

4) if, for justifiable reasons, the evidence of non-conviction referred to in point 3 above cannot be obtained, the persons referred to in point 3 above may also submit a statement under full civil and criminal liability that they have not been convicted and they are not members of an organised crime group; the Administration may at any time request the person referred to in point 3) of this paragraph or the competent authority to provide the evidence of non-conviction.

The Administration is obliged to issue a decision on granting the consent referred to in paragraph 1 above or the decision on denying the request for consent within 30 days from the date of receiving a due request and documentation referred to in paragraph 2 above.

The request referred to in paragraph 2 above is submitted in electronic form via information-communication system of the Administration.

### **Fee for Electronic Communication Services**

#### **Article 114**

The fee for electronic communication services when organising games of chance through means of electronic communication is paid by the organiser of games of chance to the service provider.

When, due to nature of the game of chance (fonto, SMS message, etc.) fee for electronic communication services is paid by the participant in the game, the fee charged may not exceed the regular price for such services.

### **Receiving Payments for Games of Chance through Means of Electronic Communication**

#### **Article 115**

Organiser of special games of chance through means of electronic communication may engage a legal entity or entrepreneur for provision of services of receiving top-ups of transactional account of the player registered for participation in games of chance with that organiser, based on prior consent of the Administration.

The organiser referred to in paragraph 1 above may conclude the legal transaction referred to in paragraph 1 only with the entity referred to in paragraph 1 of this article without any third parties (intermediaries).

Along with the request for consent, the organiser shall submit to the Administration the following:

1) proof that the entity engaged for provision of service of receiving top-ups of transactional account is a legal entity or entrepreneur with registered offices located in the territory of the Republic of Serbia;

2) certificate of the Republic Geodetic Authority as evidence that every venue where top-ups of transactional account, as defined in paragraph 1 above, are received located at a distance of at least 200 meters from educational institutions attended by children, minors and young adults up to the 19 years of age;

3) certificate of certified laboratory that the entity engaged to provide services of receiving top-ups of transactional account uses the information and communication system to receive top-ups of transactional account;

4) list of all venues with addresses in which the service of receiving top-ups of transactional account of players is provided;

5) evidence of the ownership structure of the entity referred to in paragraph 1 above, all in accordance with regulations on the Central Records of Beneficial Owners;

6) agreement concluded for provision of services of receiving top-ups for transactional account, according to which such services cannot be provided without consent of the Administration.

Certified laboratory shall issue the certificate referred to in paragraph 3, point 3) of this article if it establishes that the information and communication system for provision of service of top-up of transactional accounts used by the entity referred to in paragraph 1 above:

1) represents a system independent from the information and communication system of the organiser;

2) enables storage, archiving and real-time electronic exchange of data with software solutions of the Administration and the organiser.

The Administration grants consent referred to in paragraph 1 above after establishing that the conditions from paragraphs 3 and 4 above have been fulfilled.

Mandatory elements of the service agreement for top-up of transactional account are the following provisions:

1) that every venue where top-ups of transactional account, as defined in paragraph 1 above, are received is located at a distance of at least 200 meters from educational institutions attended by children, minors and young adults up to the 19 years of age;

2) that the entity providing the transactional account top-up services has continuous video surveillance of the location where top-ups are received, where recordings are retained for 90 days;

3) that provision of transactional account top-up service to a player registered for participation in games of chance with the organiser can start after receiving consent of the Administration.

The organiser is obliged to notify the administration on every violation of mandatory elements of the agreement within three days from the date he becomes aware of such event or circumstances.

An entity referred to in paragraph 1 above is obliged to display a poster referred to in Article 6, paragraph 5 hereof in location that is visible to registered players that top-up their transactional account.

If an entity referred to in paragraph 1 above receives top-ups for transactional accounts the poster referred to in paragraph 8 above may be on A4 paper format, i.e. dimensions 21 x 29.7 cm and placed on the exterior of the facility or the counter (kiosk, etc.).

Provisions of this article do not apply to provision of services within the meaning of regulations governing payment services.

Organiser of special games of chance through means of electronic communication which also holds the approval for organisation of games of chance



involving betting may receive payments and pay out funds from the transactional account of the player registered for participation in games of chance with that organiser at pay-in-pay-out locations in betting shops which are subject to such approval.

Closer conditions and manner of fulfilling conditions for provision of transactional account top-up services, video surveillance, as well as storing, archiving and electronic data exchange with software solution of the Administration will be defined by the minister of finance.

## **General Conditions for Certified Laboratories and Legal Entities Authorized for the Repair of Gaming Tables and Machines**

### **Article 115a**

A laboratory authorized by the minister of finance is obliged to verify compliance with technical and functional characteristics of tables, automatic equipment, multiplayer automatic equipment and betting terminals referred to in Articles 44, 62 and 80a hereof, by affixing labels referred to in Articles 45, 74 and 89 hereof and information and communication system for organisation of special games of chance referred to in Articles 44, 63, 80, 95, 115 and 115b at the location where the subject of inspection is situated, if the specific activity carried out by the laboratory requires physical presence at such place.

The laboratory referred to in paragraph 1 above and the entity for repair of gaming tables and machines authorized by the minister of finance is obliged to enable storing, archiving and electronic exchange of data with software solution of the Administration.

A certified laboratory may, through a contract, delegate to third parties the task of inspecting the compliance of technical and functional characteristics of tables and automatic equipment, including multiplayer automatic equipment and betting terminals, referred to in Articles 44, 62, and 80a of this law, as well as affixing labels referenced in Articles 45, 74, and 89 of this law, at the location where the subject of inspection is situated.

The certified laboratory is required to submit the agreement referred to in paragraph 3 above to the Administration within three days from the date of agreement.

The certified laboratory is liable for all actions entrusted to third parties in accordance with paragraph 3 above.

The minister of finance may authorize a laboratory to perform one or several activities related to the examination of conditions and issuance of certificates provided by this law.

The minister of finance defines detailed conditions of storing, archiving and exchange of data with the Administration referred to in paragraph 2 above.

## **Jackpot**

### **Article 115b**

Jackpot may be organised by an organiser holding an approval for organising special games of chance with prior consent of the Administration.

The organiser is required to submit a request for organising jackpot to the Administration at least 30 days before organising the jackpot, along with certificate confirming the compliance of the jackpot system, as well as other documentation provided by legislation referred to in paragraph 5 above.

The certificate referred to in paragraph 2 above is issued by the laboratory authorised by the minister of finance.

The Administration is obliged to issue a decision on granting the consent referred to in paragraph 1 above or the decision on denying the request for consent within 30 days from the date of receiving a fully prepared request.

Closer conditions, documentation, manner and procedure of organising jackpot, checking compliance of the jackpot system and data exchange with the Administration are defined by the minister of finance.

## **III INSPECTION**

### ***Competence of the Administration in Inspection***

#### **Notion and Forms of Inspection**

##### **Article 116**

Supervision entails the process of verifying and determining the legality and compliance with conditions and obligations, as well as adherence to prohibitions in accordance with this law and other regulations governing games of chance, including the law on the prevention of money laundering and terrorist financing in the field of games of chance.

The inspection referred to in paragraph 1 above can be offsite and onsite.

The onsite inspection is conducted outside the official premises of the Administration and involves direct examination of the facilities, rooms, equipment, devices and other items, records and documentation of the inspected entity.

The offsite inspection is conducted in official premises of the Administration through examination of records, data and documentation of the inspected subject, as well as through collection, processing and analysis of data, information and documentation provided to the Administration by the organiser of games of chance.

The Authority conducts inspection based on data received from other state bodies and holders of public authorizations.

##### **Article 117**

The entity being inspected is required to, at the request of Administration and within reasonable time period determined at its own discretion, provide for review business documents and other documents and evidence for the purpose of establishing factual situation and/or for checking compliance with conditions and

obligations and adherence with prohibitions related to preparation or organisation of games of chance.

## **Initiating Inspection**

### **Article 118**

The inspection of organisers is carried out according to the annual plan, which is adopted by the director of the Administration.

The inspection supervisor or other person authorized by him/her issues a written inspection order.

An inspection of the Administration notifies the entity being inspected in writing of the forthcoming inspection at least three days before start of the inspection. The notice is sent electronically, but can also be sent in paper form.

The inspector of the Administration carries an official identity card to prove their official capacity and identity.

If the inspection is carried out by authorised officer, the authorisation issued contains elements of identification, which, excluding picture, has the character of official identification document and is used as official identification document.

The inspector of the Administration has the right and duty to use official identification while performing inspection tasks.

The inspection begins when the inspector of the Administration serves the entity being inspected, or the present individual, the inspection order.

When duly notified of the forthcoming inspection, the entity being inspected is required to be present at the place of inspection, unless there are specific reasonable circumstances preventing them from being there.

If the entity being inspected has been duly notified but is not present at the place of supervision and did not notify the Administration of their absence in a timely manner, the inspection shall be carried out in the presence of an official or other person found at the place of inspection.

If the entity being inspected or the person present refuses to accept the order, it is considered that the inspection has after the entity being inspected or person present are informed about the contents of the inspection order.

The entity being inspected is obliged to allow the inspector of the Administration unhindered access to conduct the inspection.

## **Competence of the Inspector**

### **Article 119**

For the purpose of establishing facts, the inspector of the Administration is authorised to:

- 1) inspect a personal or other public document with a photograph that is suitable for identifying authorised persons in the entity being inspected, other employees as well as individuals found at the place of inspection;
- 2) take written and oral statements of the entity being inspected;

3) inspect facilities, premises, business records, reports, records, software and other documents, records or data on the basis of which the legality and compliance of the business of the entity being inspected can be determined;

4) attend the opening, calculation and closing of tables and automatic equipment, as well as the daily calculation of the cash registers in casinos, in the premises with automatic equipment and pay-in-pay-out desks;

5) inspect, i.e. review and check the location, facilities or business premises, devices, equipment, etc.;

6) take photographs and make recordings of the area in which the inspection is conducted and of other items that are subject to inspection;

7) take other actions to determine the facts.

## **Reports**

### **Article 120**

The inspector of the Administration is obliged to make a report on the factual situation determined during the office inspection procedure.

Checklists are an integral part of the report referred to in paragraph 1 above.

Objections to the report referred to in paragraph 1 above can be filed within eight days from the date the report has been received.

The inspector of the Administration is obliged to examine the objections referred to in paragraph 3 above within five days of the date they are received and make a revised report if the objections present new evidence and facts, due to which the factual situation established in the original report should be changed.

No objections can be made to the revised report.

If the inspector of the Administration, does not find any illegality, incompliance, or deficiency during the inspection, they conclude the inspection procedure without issuing a decision, by providing a report stating that no illegalities, incompliances, or deficiencies have been found in the entity's operations or actions.

## **Decision**

### **Article 121**

The Administration issues a decision within 60 days of the day of delivery of the report, or the revised report, ordering the entity being inspected to rectify the identified irregularities within 15 days of the day of receiving the decision.

## **Inspection Procedure Measures**

### **Article 122**

When, in the course of an onsite inspection, the inspector of the Administration discovers that an unregistered entity that does not have the

Government's license, i.e. approval or consent of the Administration is organising games of chance, they will issue an immediate decision prohibiting the organisation of games of chance, seizing automatic equipment, other equipment, money, documentation and other items that have been or could have been used, to organise games of chance.

In case of multiplayer automatic equipment, the inspection procedure measures referred to in paragraph 1 above apply to the multiplayer automatic equipment as a whole.

The costs of seizing and storing the items referred to in paragraph 1 above shall be borne by the unregistered entity who organised the games of chance without the Government's license, i.e. approval or consent of the Administration.

An inspector of the Administration imposing a ban within the meaning of paragraph 1 above, has the right to order sealing of the business premises and facilities in which the games of chance are organised.

When during inspection an inspector of the Administration discovers that a foreign individual is organising games of chance through means of electronic communication without approval of the Administration issued in accordance with this law, they will issue a decision prohibiting organisation of games of chance and send it to the competent authority that will ensure that the internet address of such entity cannot be accessed by blocking its IP address by operators of electronic communication and public communication networks and by blocking any payment transactions through banks and other providers of payment services in the Republic of Serbia.

The appeal does not suspend the execution of the decision.

### **Article 123**

When during an onsite inspection with the organiser of special games of chance on automatic equipment, special games of chance involving betting or special games of chance in casinos an inspector of the Administration discovers automatic equipment, multiplayer automatic equipment, table or pay-in-pay-out desk for which the organiser does not hold an approval of the Administration or a license of the Government and which are not the subject of pending procedure for issuance of certification by the certified laboratory or a pending procedure for issuance of an approval, the inspector issues a decision to prohibit organisation of special games of chance, and orders confiscation of the goods, equipment, documentation and other items that have been or could have been used for unauthorized organisation of special games of chance.

In case of multiplayer automatic equipment, the inspection procedure measures referred to in paragraph 1 above will be applied to the multiplayer automatic equipment as a single machine, regardless of the number of separate, undetachable parts.

The ban on organisation of special games of chance in business premises where the incompliance referred to in paragraph 1 above has been established is issued to the organiser for the period of 30 days and applies to all types of special games of chance.

If an inspector of Administration, during the inspection process, determines that the same violation referred to in paragraph 1 above has been committed in the

business premises in which the organiser, to whom the prohibition on organisation has been imposed under paragraph 3 above, organises special games of chance on automatic equipment or special games of chance involving betting, the inspector of the Administration will impose a ban on organising special games of chance in that business premises.

The ban on organising special games of chance on automatic equipment or special games of chance involving betting referred to in paragraph 4 above is imposed for the validity period of the approval for organisation of games of chance on automatic equipment or special games of chance involving betting.

The organiser of special games of chance on automatic equipment or special games of chance involving betting referred to in paragraph 4 above will have their approval for organisation of special games of chance for that business premises revoked.

The decision revoking the approval referred to in paragraph 6 above is issued by the Administration.

When in the course of onsite inspection the inspector of Administration establishes that the organiser of special games of chance in casino repeated the violation referred to in paragraph 1 above in the same business premises for which the ban on organisation referred to in paragraph 3 above has been imposed, the Administration sends a proposal to the minister of finance to revoke the license of that organiser for organisation of special games of chance in casino for that business premises.

The license referred to in paragraph 8 is revoked by the Government at proposal of the minister of finance.

The business premises where the measure of banning the organization of games of chance applies, as specified in paragraphs 3 and 4 of this article, must be marked with a notice, tape, or poster issued by the Administration.

The method of marking, as well as the content and design of the signs used to mark the business premises of an organizer subject to the measure of prohibiting the organization of games of chance, will be prescribed by the minister of finance.

## **Appeal**

### **Article 124**

The decision of Administration issued within inspection procedure is appealable within 15 days from the date it was delivered.

The appeal does not suspend the execution of the decision.

The decision of the second-instance authority on the appeal is final and may be subject to administrative dispute that has to be initiated within 30 days from the date the decision was delivered.

The appeal is submitted personally or by registered mail to the competent second-instance authority through the first-instance authority.

## **Jurisdiction for Handling Appeals**

### **Article 125**

Ministry of finance - the second-instance authority - decides on the appeals filed against the decisions of the Administration in the first-instance proceedings, except otherwise provided by this law.

### **Article 126**

The procedures of offsite and onsite inspection are governed by the law regulating inspection and the law regulating general administrative procedure, except otherwise provided by this law.

## **Interest**

### **Article 127**

Interest is calculated and paid on the amount of underpaid fees at a rate equal to the annual reference rate of the National Bank of Serbia, increased by ten percentage points, using simple interest calculation at a rate of one hundred.

On the amount of fees due, interest is accrued starting from the next day after the due date.

## **Activation of Special-Purpose Deposits and Bank Guarantees**

### **Article 128**

If the organiser fails to meet due obligations related to fees in the manner and within the timeframe provided by this law, the Administration will collect all due fees from the special-purpose deposit or bank guarantee of the organiser.

The procedure of activating the special-purpose deposit or bank guarantee is more closely regulated by the minister of finance.

## **Enforced Collection**

### **Article 129**

Enforced collection of claims is carried out in accordance with provisions of the law regulating enforcement and security.

## **Statute of Limitations on the Determining and Collection of Fees and Interest**

### **Article 130**

The Administration's right to determine and collect fees and interest expires five years from the date when the statute of limitations started.

The statute of limitations on the right to determine fees and interest starts from the first day of the year following the year in which the fee or interest was to be determined.

The statute of limitations on the right to collect fees and interest starts from the first day of the year following the year in which the debtor's obligation became due.

The statute of limitations shall be interrupted by any action taken by the Administration against the debtor in order to determine and collect fees and interest.

After the interruption, the statute of limitation begins again and the time elapsed before the interruption does not count towards the statute of limitations.

The right of determining and collection is always obsolete after ten years from the end of the year in which the fee was to be determined or collected.

The statute of limitations for the authority's right to determine and collect fees and interest does not run during the period from the initiation of an administrative dispute until the finality of the court decision.

### **Statute of Limitations on Initiating and Conducting Misdemeanour Proceedings**

#### **Article 131**

Misdemeanour proceedings cannot be initiated or conducted if five years have elapsed since the day the offence was committed.

Issues of statute of limitations on initiating and conducting misdemeanour proceedings not regulated by this law shall be governed by the law regulating misdemeanours.

## **IV PENALTY PROVISIONS**

### **Misdemeanours**

#### **Article 132**

A monetary fine ranging from 100,000 dinars to 2,000,000 dinars will be imposed for the offence on the State Lottery of Serbia and the legal entity that:

1) fails to display a poster with the appropriate text on the prevention of addiction in accordance with Article 6, paragraph 5 hereof;

2) fails to provide the Administration with data or fails to allow access to data on players who have self-excluded (Article 6, paragraph 8);

3) fails to ensure the conditions for conducting activities in accordance with the provisions of this law within 60 days from the date of registration of the status change, in accordance with the regulations governing registration, and does not submit evidence to the Administration within the same period (Article 8a, paragraph 7);

4) in relation to the status change made, fails to ensure the alignment, connection and the exchange of data from Article 63, paragraph 1, Article 80, paragraph 1 and Article 95, paragraph 1 hereof within 15 days from the date of registration of the status change in accordance with legislation governing registration of companies (Article 8a, paragraph 8);

5) acts contrary to the prohibition set out in Article 10 hereof;

6) fails to guarantee the payment or allocation of winnings (Articles 17, 19, 20, and 21);

7) fails to provide the Administration with the decision on organising the games of chance (Article 23, paragraph 1);



8) changes the rules of classic games after the sale of lottery tickets, tickets, or cards for a specific round or series, or after the receipt of payments (Article 25, paragraph 2);

9) fails to publish the rules of the game of chance in the daily or weekly press before the start of the game, and does not allow persons interested in participating in the game to get acquainted with the rules at the points of sale.

10) fails to conduct the draw or determine the winnings in the presence of a committee consisting of at least three members appointed by the organiser, or fails to conduct the draw publicly (Article 26);

11) fails to conduct the drawing in a live TV broadcast when the draw is organised in front of TV cameras (Article 27);

12) fails to publish any change of place or date of the draw in the same way the rules of the game of chance are published or fails to notify the Administration on changing the date of the draw due to technical reasons (Article 28, paragraphs 2 and 3);

13) fails to refund the participants for sold lottery tickets, tickets or cards, i.e. paid wagers in case of game of chance is cancelled (Article 28, paragraph 5);

14) fails to submit the report to the Administration on progress of the draw within the timeframe provided (Article 29, paragraph 2);

15) fails to publish the results of a game of chance in the press or in its official website within the timeframe provided (Article 30);

16) fails to pay out the cash prize or fails to ensure collection of another prize in classic games of chance within the prescribe timeframe or fails to submit a report to the Administration within the prescribed timeframe (Article 31, paragraph 1 and 4);

17) publishes the identity of the winner in violation of the game rules (Article 31, paragraph 5);

18) fails to pay the fee for organising classic games of chance in the prescribed amount, manner, and within the prescribed timeframe (Article 33, paragraphs 1 and 3, and Article 102, paragraph 4);

19) fails to submit records in the manner and within the timeframe prescribed by this law (Article 33, paragraph 2, Article 55, paragraphs 4 and 6, Article 76, paragraph 4, Article 91, paragraph 4, and Article 102, paragraph 7);

20) fails to maintain the amount of the share capital referred to in Articles 36, 60, 78, 93, and 113 hereof during the validity period of the licence or approval;

21) purchases a stake or shares, or increases the existing stake or number of shares in the capital structure of the organiser of games of chance in casinos, without prior approval from the minister of finance (Article 37, paragraph 1);

22) fails to use the appropriate information and communication system for organising special games of chance in casinos (Article 44, paragraph 1);

23) fails to provide the Administration with a certificate of compliance with the technical and functional characteristics of the table before putting it into use, or the information and communication system (Article 44, paragraph 4);

24) fails to provide the Administration with an additional certificate for any change in the technical and functional characteristics of the table, or the information and communication system (Article 44, paragraph 5);

25) fails to verify technical functionality of gaming tables (Article 47);

26) fails to arrange the premises in accordance with Article 49 hereof;

27) fails to ensure continuous audio and video surveillance, as well as storing of recordings in the manner provided by this law (Article 50, 64 and 81);

28) fails to provide the Administration with the link that can be used by authorised representatives of Administration to monitor the video surveillance live (Article 50, paragraph 2, Article 64, paragraph 2 and Article 81, paragraph 2);

29) fails to ensure physical protection for players and visitors of the casino (Article 50, paragraph 3);

30) fails to ensure a permanent database of individuals who are permitted entry into the casino or fails to provide their appropriate written statements (Article 51, paragraph 4);

31) allows employees of the organiser to participate in the games organised by that organiser (Article 52, paragraph 1, Article 72, paragraph 1, Article 87, paragraph 1, and Article 100);

32) allows employees to receive commissions, gifts, loans, or other benefits for themselves or others from players, or to financially assist players (Article 52, paragraph 2);

33) acts in violation of provisions of Article 54, paragraph 3 hereof;

34) fails to pay the fee for organising special games of chance in casino in the prescribed amount, manner, and within the prescribed timeframe (Article 54, 5, 6 and 7);

35) fails to keep records of the fee base, which is used to calculate and pay the fees, in the manner and under conditions defined by the minister of finance or fails to submit monthly calculation of fees for organisation of games of chance within provide timeframes (Article 55);

36) has less than five gaming machines in the premises where special games of chance on automatic equipment are organised (Article 59, paragraph 1);

37) serves food or alcoholic beverages or allows their consumption in the premises where special games of chance are organised, or allows direct access to the area where food and alcoholic beverages are served contrary to provisions hereof or fails to display a notice in a visible location no prohibition provided by the law (Article 59, paragraphs 2 to 4 and Article 81a);

38) fails to set up the gaming machine in the manner provided by Article 62, paragraph 1 hereof;

39) fails to connect automatic equipment directly to this information and communication system or fails to ensure appropriate accuracy, currency and protection of technical and functional characteristics of automatic equipment (Article 62, paragraphs 2 and 3);

40) fails to provide the Administration with a certificate of compliance with the technical and functional characteristics of the automatic equipment before putting it into use (Article 62, paragraph 4);

41) fails to provide the Administration with an additional certificate for any change in the technical and functional characteristics of the automatic equipment (Article 62, paragraph 5);

42) fails to use the appropriate information and communication system for organising special games of chance on automatic equipment (Article 63, paragraph 1);

43) fails to provide the Administration with a certificate of compliance with the technical and functional characteristics of the information and communication system putting it into use (Article 63, paragraph 4);

44) fails to provide the Administration with an additional certificate for any change in characteristics of the information and communication system (Article 63, paragraph 5);

45) acts in violation of provisions of Article 64, paragraph 7 and Article 81, paragraph 7 hereof;

46) fails to verify technical functionality of automatic equipment (Article 66);

47) acts in violation of provisions of Article 65, paragraphs 1 and 2 hereof;

48) organises games of chance in slot machine club or casino at a distance that is shorter than the one provided by the law (Article 57, paragraphs 1 to 4 and Article 82, paragraphs 1 to 4);

49) fails to notify the Administration if during the validity period any information of importance for issuance of the approval is changed (Article 68, paragraph 3, Article 83, paragraph 3 and Article 96, paragraph 3);

50) fails to commence with the activity of organising special games of chance on automatic equipment within 120 days from the date of receiving the approval (Article 69, paragraph 5);

51) fails to pay the fee for the approval for organising special games of chance on automatic equipment in the prescribed amount, manner, and within the prescribed timeframe (Article 75);

52) fails to pay the fee for organising special games of chance on automatic equipment in the prescribed amount, manner, and within the prescribed timeframe (Article 76, paragraphs 1 to 3);

53) fails to keep records on received payments, payouts made, as well as on wagers made and winnings paid per machine (Article 76, paragraph 4);

54) fails to use the appropriate information and communication system for organising special games of chance involving betting (Article 80, paragraph 1);

55) fails to provide the Administration with a certificate of compliance with the technical and functional characteristics of the information and communication system putting it into use (Article 80, paragraph 4);

56) fails to provide the Administration with an additional certificate for any change in the technical and functional characteristics of the information and communication system (Article 80, paragraph 5);

57) fails to commence with the activity of organising special games of chance involving betting within 120 days from the date of receiving the approval (Article 84, paragraph 7);

58) fails to pay the fee for the approval for organising special games of chance involving betting in the prescribed amount, manner, and within the prescribed timeframe (Article 90);

59) fails to pay the fee for organising special games of chance involving betting in the prescribed amount, manner, and within the prescribed timeframe (Article 91, paragraphs 1 to 3);

60) fails to keep records on received payments, payouts made, as well as on wagers made and winnings paid for each pay-in-pay-out desk (Article 91, paragraph 4);

61) fails to use the appropriate information and communication system for organising special games of chance through means of electronic communication (Article 95, paragraph 1);

62) fails to provide access to its databases or mirror server which are located in the territory of the Republic of Serbia (Article 95, paragraph 2);

63) fails to provide the Administration with access parameters for the account with selected privileges for accessing the required data (Article 95, paragraph 4);

64) makes information and communication system for organising games of chance available to the players through more than one website (Article 95, paragraph 5);

65) uses more than one logo, trademark, trade name or sign of the organiser on the website (Article 95, paragraph 6);

66) fails to provide the Administration with a certificate of compliance with the technical and functional characteristics of the information and communication system putting it into use (Article 95, paragraph 9);

67) fails to provide the Administration with an additional certificate for any change in the technical and functional characteristics of the system (Article 95, paragraph 10);

68) fails to give a player the option of self-exclusion or self-limitation (Article 95a, paragraph 1);

69) fails to immediately, upon receiving a request for self-exclusion or self-limitation, prevent access to the player's account or participation in games of chance via electronic communication means in accordance with the player's request, or fails to submit to the Administration data about the player who has self-excluded (Article 95a, paragraph 3);

70) fails to, immediately upon receiving data from the Administration as per Article 95a, paragraph 4, disable the player's access to their user account or prevent their participation in games of chance via electronic communication means in accordance with their request (Article 95a, paragraph 5);

71) fails to commence with the activity of organising special games of chance through means of electronic communication with the timeframe provided (Article 97, paragraph 5);

72) grants bonuses or handles bonuses contrary to the provisions of Article 102b hereof;

73) fails to pay the fee for the approval for organising special games of chance through means of electronic communication in the prescribed amount, manner, and within the prescribed timeframe (Article 101);

74) fails to pay the fee for organising special games of chance through means of electronic communication in the prescribed amount, manner, and within the prescribed timeframe (Article 102, paragraph 1 to 6);

75) fails to keep records on received payments, payouts made, as well as on the payments made and winnings paid in the game of chance through means of electronic communication in the prescribed manner (Article 102, paragraph 7);

76) fails to publish the rules of the game in at least daily newspaper distributed throughout the territory of the Republic of Serbia at least eight days before the start of the prize game and fails to submit proof to the Administration that the rules have been published (Article 103, paragraph 7);

77) fails to pay the fee for organising prize games in the prescribed amount, manner, and within the prescribed timeframe (Article 107)

78) fails to notify the Administration of results of the prize game within 30 days from the date the prize game was completed (Article 108, paragraph 1);

79) fails to display the rules of the game at visible location in the premises where the game is organised or fails to publish them in another manner provided by this law (Article 109, paragraphs 3 and 5);

80) changes the rules of the game during the course of the game (Article 109, paragraph 4);

81) acts contrary to the provisions of Article 110 hereof;

82) acts in violation of provisions of Article 112, paragraphs 2 to 4 hereof;

83) allows for change of capital structure without prior consent of the Administration (Article 113a);

84) acts in violation of provisions of Article 115b;

85) fails to provide information, business documents and other documents in accordance with the request of the Administration (Article 117);

86) fails to be present at the location of inspection, although it has been duly notified about the forthcoming inspection (Article 118, paragraph 8);

87) fails to allow the inspector to conduct unhindered inspection (Article 118, paragraph 11).

For offences referred to in paragraph 1 of this Article the responsible person in the National Lottery of Serbia and the responsible person in the legal entity will be fined in the amount between 5.000 and 150.000 dinars.

For offences Tasks referred to in paragraph 1, points 76), 77), 78) and 85) of this article an entrepreneur will be fined in the amount between 10.000 and 500.000 dinars.

### **Article 133**

The Administration submits a request to initiate misdemeanour proceedings to the competent local misdemeanour court.

## **V TRANSITIONAL AND CLOSING PROVISIONS**

### **Article 134**

From the effective date of this law all special games of chance referred to in Article 9, paragraph 1, point 6) hereof are for the purpose of taxation considered games of chance defined in Article 83, paragraph 4, point 2) of the Law on Income Tax ("Official Gazette RS", no. 24/01, 80/02, 80/02 - as amended, 135/04, 62/06, 65/06 - corrigendum, 31/09, 44/09, 18/10, 50/11, 91/11 - CC, 93/12, 114/12 - CC, 47/13, 48/13 - corrigendum, 108/13, 57/14, 68/14 - as amended, 112/15, 113/17, 95/18 i 86/19).

### **Cessation of the Effect of the Previous Law**

### **Article 135**

From the effective date of this law the Law on Games of Chance ("Official Gazette RS", no. 88/11, 93/12 - as amended, 30/18, 95/18 and 91/19) shall cease to be in effect.

### **Adoption of Regulations**

### **Article 136**

Secondary legislation required for the enforcement of this law shall be adopted within 120 days from the date of entry into force of this law.

### **Validity of Earlier Regulations**

### **Article 137**

Regulations adopted based on the Law on Games of Chance ("Official Gazette RS", no. 88/11, 93/12 - as amended, 30/18, 95/18 and 91/19) will remain in effect until the regulations adopted based on this law become effective, provided they are not contrary to this law.

### **Compliance with the Provisions of the Law**

### **Article 138**

The organisers are obliged to ensure that their business activities are in compliance with provisions of Articles 45, 60, 61, 63, 64, 74, 78, 79, 80, 81, 89, 93, 94, 95 and 113 hereof within 15 months from the effective date of this law.

The organisers are obliged to provide evidence referred to in Articles 39, paragraph 3, points 2), 7), 8) and 9), Article 68, paragraph 1, points 2), 4), 8) and 9), Article 83, paragraph 1, points 2), 4), 9) and 10) and Article 96, paragraph 2, points 6), 8), 9) and 10) of this law by 30 June 2020.

Notwithstanding provisions of Article 67, paragraph 3 and Article 82, paragraph 3 hereof, the restrictions regarding the distance between two slot machine clubs or two betting shops, or between slot machine club and a betting shop or casino shall not apply to locations for which the organiser already held

approval for organisation of special games of chance on automatic equipment or for organisation of special games of chance involving betting before the effective date of this law.

## **Completion of Initiated Proceedings**

### **Article 139**

Proceedings which have not been completed by the effective date of this law shall be completed in accordance with the provisions of the law that was in effect before the effective date of this law.

If the decision of the Administration is annulled or repealed after the effective date of this law further proceedings will be carried out in accordance with the provisions of this law.

## **Entry into Force and Effective Date**

### **Article 140**

This law shall enter into force on the eighth day from the day it is published in the "Official Gazette of the Republic of Serbia" and shall become effective 30 days after the date of entry into force.

## **Independent Articles of the Law Amending the Law on Games of Chance**

("Official Gazette RS", no. 94/2024)

## **Transitional Provisions**

### **Article 67**

Secondary legislation required for the enforcement of this law shall be adopted within 120 days from the date of entry into force of this law.

### **Article 68**

The organisers are obliged to ensure that their business activities are in compliance with the provisions of Articles 2, 17, 23, 32, 44, 45, 49, 50, 56, 61 and provisions of Article 63 hereof related to jackpot, as well as the provisions related to certified laboratories and legal entities authorized for repair of gaming tables and machines in accordance with Article 63 hereof, within 180 days from the effective date of this law.

The organisers are obliged to ensure that their business activities are in compliance with the provisions of Articles 4, 9, 11, 13, 15, 29, 30, 41, 42, 51 and 52 hereof, which provide for obligation of submitting an electronic request through information and communication system of the Administration within the timeframe set forth in paragraph 1 above.

The organisers are obliged to ensure that their business activities are in compliance with the provisions of Articles 14, 48 and 62 of this law, as well as the provisions of Articles 18, 25 and 38 hereof, which provide for obligation to provide the Administration with the link that allows authorized representatives to monitor the video surveillance live and set the retention period for the video recordings, by 1 January 2026.

The organisers are obliged to ensure that their business activities are in compliance with the provisions of Articles 22 and 39 hereof by 1 July 2026.

Fees for approvals and organisation of games of chance in accordance with provisions of Articles 19, 34, 35, 46, 47, 54 and 55 hereof are calculated from the first day of the following month until the effective date of this law.

Notwithstanding paragraph 5 above, the fee for each separate, undetachable part of the multiplayer automatic equipment referred to in Articles 34 and 35 hereof is calculated from the first day of the following month until the date of expiry of the period defined in paragraph 1 above.

#### **Article 69**

Proceedings which have not been completed by the effective date of this law shall be completed in accordance with the provisions of the law that was in effect before the effective date of this law.

If the decision of the Administration is annulled or repealed after the effective date of this law further proceedings will be carried out in accordance with the provisions of this law.

#### **Final Provision**

#### **Article 70**

This law shall enter into force on the eighth day from the day it is published in the "Official Gazette of the Republic of Serbia" and shall become effective 30 days after the date of entry into force.