

# **LAW ON GAMES OF CHANCE**

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## **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**”), the realisation and ownership of the 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 Games of Chance Administration (hereinafter: the “**Administration**”) as an administrative body within the Ministry of Finance, and regulates its competence.

### **Definition of Games of Chance**

#### **Article 2**

Games of chance, in terms of this law, are considered to be games in which, for a fee, participants are provided with the opportunity to win money, items, services or rights and the winning or losing does not depend on the knowledge or skill of the participants in a game, but rather on chance or some uncertain event.

Games of chance are not considered to be games that are organised for the public in which one or more qualified participants use their knowledge and skills to compete in various fields under the rules of the organiser with the direct involvement of participants in the game, in the presence of the commission appointed by the organiser, whereby the final outcome depends exclusively on the results achieved in the given area.

### **Entertainment Games**

#### **Article 3**

In terms of this law, games of chance are not considered to be those games played on computers, simulators, video game machines, pinball machines and other similar devices that are coin or token operated, as well as darts, billiards and other similar games, in which participation is for a fee and in which a successful participant cannot win money, items, services or rights but is entitled to one or more free games of the same type (entertainment games).

Entertainment games – as in those defined in the first paragraph of this article – are not subject to the regulations of this law.

## **Features of a Game of Chance**

### **Article 4**

In accordance with this law, only registered games of chance that follow the rules that have been approved by the minister responsible for finance (hereinafter: the “**minister of finance**”) can be organised.

The ministry in charge of finance (hereinafter: the “**ministry**”) shall decide whether any particular game will, pursuant to this law, be considered to be a game of chance.

## **Aim of Organising a Game of Chance and Distribution of Funds**

### **Article 5**

Games of chance are organised in order to entertain participants, award winnings of money, items, betting services or rights, and create revenue for the Republic of Serbia’s budget.

The part of the funds allocated for the revenue of the Republic of Serbia’s budget to the amount of 40% (hereinafter: “**earmarked budget revenues**”) is used for financing the Red Cross of Serbia, persons with disabilities, organisations and other associations aimed at improving the socio-economic and social status of persons with disabilities and other persons in need of social assistance, social welfare institutions, sports and youth, local self-government, and the treatment of rare diseases.

A total of 19% of the earmarked budget revenues referred to in the second paragraph of this article is distributed to each of the following:

- 1) the Red Cross of Serbia;
- 2) persons with disabilities and organisations and other associations aimed at improving the socio-economic and social status of persons with disabilities;
- 3) social welfare institutions and other associations whose aim is the improvement of the socio-economic and social status of individuals in need of social assistance;
- 4) sports and youth;
- 5) local self-government.

A total of 5% of the earmarked budget revenues referred to in the second paragraph of this article shall be distributed to finance the treatment of rare diseases.

The method and criteria for the distribution of funds intended for the financing of entities and purposes listed in the third and fourth paragraphs of this article shall be determined by the appropriate ministers.

## **Social Responsibility**

### **Article 6**

The organising of games of chance has to be carried out in a socially responsible way, and directed towards the protection of minors, the prevention of addictive disorders in those participating in games of chance and the protection of the personal data of participants in games of chance.

Organisers are obliged to apply the prohibition of the participation of minors in games of chance in the most effective ways.

Prior to starting work, all employees of organisers that will have direct contact with participants in games of chance have to be trained for preventive action against addictive disorders in those participating in games of chance.

In the case of organising games of chance by means of electrical communication, employees of organisers are considered to have contact with participants (e.g. customer service) and thus the third paragraph of this article applies to them as well.

The organisers are obliged to display a poster – 100cm by 80cm – in the direct vicinity of the entrance door of the facility where games of chance are organised, on which is written appropriate text on the prevention of addictive disorders, as well as the contact information of the institution certified by the ministry in charge of health for the treatment of addiction to games of chance.

On every desk or counter used for registering participation in games of chance, there has to be a leaflet with the information defined in the fifth paragraph of this article.

Marketing and advertising of classic and special games of chance, including indirect mention of them, must include notification of the ban on the participation of minors in games of chance, alongside the appropriate text on the prevention of addictive disorders.

The provisions of the seventh paragraph of this article are not applied to the logo, stamp, trademark and mark of the organiser

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

The minister in charge of health prescribes the look and content of the notice referred to in the fifth paragraph of this article, as well as the notifications or warnings referred to in paragraph 7 of this article.

## **General Interest**

### **Article 7**

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

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

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

### **Article 8**

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

This right to organise games of chance – referred to in the first paragraph of this article – is, in accordance with this law, transferred by way of:

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

Any right transferred by way of a licence, an approval or consent cannot be subject to disposal, either partially or in its entirety, unless otherwise stated in this law.

Legal action, i.e. any other action transferring the right to organise games of chance contrary to the third paragraph of this article is null and void.

## **Definitions**

### **Article 9**

Certain terms used in this law have the following meaning:

- 1) the organiser is a legal entity or an entrepreneur who, in accordance with this law, has the right to organise games of chance based on a licence from the Government or the approval or consent of the Administration;
- 2) An appointed person is a legal representative of the company or the member of the managing body of the company in accordance to the provisions on companies;
- 3) An associate is any natural person who:
  - 1) is a member of the managing body or another responsible person in a legal entity in which an appointed person is in an executive position or is a beneficial owner of that entity;
  - 2) is the beneficial owner of the legal entity in which an appointed person is in an executive position;
  - 3) has beneficial ownership over the same legal entity with an appointed person;
- 4) the beneficial owner of the legal entity is defined by the provisions of the Central Record of Beneficial Owners;
- 5) classic games of chance are games involving a larger number of participants, all of whom are intent on being the sole or joint winners of a pre-defined fund of winnings;
- 6) special games of chance are games in which participants play against each other, or against the organiser, in order to win a prize dependent on the stakes;
- 7) a casino is a furnished space for organising special games of chance at tables and on automatic equipment;
- 8) games of chance in casinos are games that players play against the house or against one another on gaming tables with small balls, small dice, cards or other similar props, and which are organised exclusively in the area of the casino;
- 9) a contract for the transfer of the right to organise special games of chance in casinos is a contract signed by the minister of finance – with prior consent from the Government – and the legal entity that has been granted licence to organise special games of chance in casinos, and which contains provisions on the mutual rights and obligations in relation to using the transferred right;
- 10) slot machine club is a furnished space for organising special games of chance on automatic equipment;

- 11) automatic equipment is considered electromechanical, electronic and similar devices that work based on an algorithm of random events, on which special games of chance are organised;
- 12) games of chance on automatic equipment are games played on the devices mentioned above, in which players paying a certain amount acquire the ability to obtain wins dependent on the game rules;
- 13) a betting shop is a furnished space for organising special betting games of chance where there is one or more pay-in-pay-out desk;
- 14) a pay-in-pay-out desk is a desk in a betting shop that is numerically labelled for pay-in-pay-out and taking bets, at which is the equipment that fulfils the conditions in accordance with this law;
- 15) betting games of chance are games of chance in which the participant bets on the outcome of a sports event (the results of matches, betting on horse and dog races, etc.), other real events (dance, singing, musical and similar events) or virtual events proposed by the organiser, in all of which the circumstances determining the outcome may not be known in advance to anyone, the execution has to be done in such a way that neither the organiser nor the players can have any influence over it and the amount of winning is determined at the time of paying for the stake and cannot be modified later;
- 16) games of chance by means of electronic communication, for the purpose of this law, are all games of chance organised by means of electronic communication, such as: the internet, telephone, television, radio, SMS and any other form of electronic communication;
- 17) a virtual event (virtual football, virtual betting on numbers, virtual horse and dog races, etc.) is a computer generated event or other uncertain event with an outcome determined by the generation of random numbers, and that has to be described and justified in every single case in the game rules.

## **Prohibitions**

### **Article 10**

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

- 1) disposing of the right transferred by a licence, approval or consent, either partially or in its entirety, unless otherwise stated in this law;
- 2) organising games of chance based on the right transferred contrary to the third paragraph of Article 8 of this law;
- 3) participating in games of chance organised abroad, for which the stakes were placed within the territory of the Republic of Serbia;
- 4) enabling the paying of stakes within the Republic of Serbia for the participation in games of chance that are organised abroad;
- 5) changing the amount of winnings and quotas determined at the time the bet was placed;
- 6) allowing for receipts of bets for games of chance in the name and for the benefit of the organiser, unless explicitly allowed by the law;
- 7) marketing and advertising classic and special games of chance without notification of the ban on the participation of the minors;
- 8) marketing and advertising classic and special games of chance without a licence, approval or consent for organising;
- 9) marketing and advertising classic and special games of chance, contrary to the seventh paragraph of Article 6 of this law;

- 10) organising games of chance in free zones;
- 11) allowing the participation of minors in classic and special games of chance;
- 12) enabling the participation of minors in classic and special games of chance;
- 13) enabling and allowing the entry of minors into facilities where games of chance are organised;
- 14) organising games with a pyramidal character (chains of luck, etc.);
- 15) organising prize games in goods and services in which the prize is paid in cash or other means of payment or that prize money is 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) organising special games of chance on automatic equipment and special betting games of chance for longer than 18 hours a day in slot machine clubs or betting shops;
- 18) displaying the words 'casino', 'kasino' or 'kazino' contrary to Article 56 of this law;
- 19) enabling the organisation of games of chance by means of electronic communication to a legal entity that does not possess approval;
- 20) enabling participation in games of chance by means of electronic communications that are organised by a legal entity who does not possess approval;
- 21) organising games of chance that do not guarantee the same conditions for 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) keeping automatic equipment and tables for which the Administration has issued approval but not putting them to use in premises where special games of chance are organised;
- 24) keeping equipment for organising betting games of chance or games on automatic equipment in premises where special games of chance are organised but not enabling the electronic keeping, archiving and exchanging of data using software issued by the Administration;
- 25) the organising of special betting games of chance by an organiser who is the owner or co-owner of a certain sports club on which the bet is based;
- 26) advertising and marketing of classical and special games of chance, including indirect mention of them, in places where bets are taken in accordance to Article 115 of this law.

## **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 performance of the tasks from the first paragraph of this article requires the use of informational-communicational technologies, the Administration will perform said tasks through the independent use of software with technical support from the Government office in charge of the development, integration and function of the electronic administration system (hereinafter: Government office).

When carrying out state administration in the field of games of chance, the Administration will gather the data necessary for decision making by connecting the official records or electronic exchange of data with state organs or organisations in charge of them.

Owners of the data are obliged to submit all data necessary for decision making, in accordance with the third paragraph of this article, when a change in data occurs.

## **Competencies of the Administration**

### **Article 12**

The Administration performs the following tasks:

- 1) determines the proposal for the catalogue of games of chance, which is issued by the minister of finance;
- 2) grants and revokes approvals, as in consent for the organisation of games of chance;
- 3) determines the amount of the fee for which it grants approvals and consents;
- 4) performs supervision over the application of the provisions of the laws and other regulations in the field of games of chance, as well as controls the prevention of money laundering and terrorism financing;
- 5) evaluates the value of the prize fund for the organisation of prize games in goods and services;
- 6) determines its representative in the committees for drawing out in classic games of chance when the draw is broadcast on live TV;
- 7) participates in the preparation of regulations within its competence;
- 8) keeps records and registers of the tasks within its competence;
- 9) plans and conducts the training of its employees;
- 10) ensures transparency of its work;
- 11) performs other tasks pursuant to this and other laws.

## **Types of Games of Chance**

### **Article 13**

The games of chance referred to in Article 2 of this law 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) the other classic games of chance:
  - 1) fonto;
  - 2) SMS lottery;
  - 3) other games of chance for the purposes 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 opportunity to win a pre-determined prize in goods or services.

Prize games in goods and services – as defined in the first paragraph of this article – are also considered games in which all participants win a prize in goods or services, the type and value of which is unknown to the participant.

By purchasing certain products or goods owned by the organiser or by using the services or conveniences of the organiser, the participant acquires the right to participate in the games defined in the first paragraph of this article.

## **II. ORGANISING GAMES OF CHANCE**

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

#### **Right to Organise 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.

Operators, in terms of this law, are legal entities that organise certain classic games of chance on behalf of and for the account 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.

The mutual rights and obligations of the National Lottery of Serbia and these operators are regulated by a contract.

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

to in this article.

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 conditions prescribed 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 as referred to in Article 14 of this law, 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 obtaining the consent referred to in the first paragraph of this article is accompanied by a draft agreement on the joint organisation of games of chance containing the basic elements of the contract.

The mutual rights and obligations of the National Lottery of Serbia and the organiser referred to in the first paragraph of this article are regulated by a contract, of which the Government provides consent.

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

#### **Article 19**

The right to organise special games of chance in casinos shall be granted by way of a licence 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 shall be granted by way of approval issued by the Administration.

The organiser guarantees the payment of winnings obtained 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 by means of electronic communication is granted by the Administration, in accordance with this law.

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

The organiser guarantees the payment of winnings obtained in the games of chance by means of electronic communication.

## **Right to Organise Prize Games**

### **Article 21**

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

The organiser guarantees the payment of winnings obtained in the prize games.

## **Right to Use Sports Events**

### **Article 22**

The organiser has the right to use sports activities (sporting 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 a Classic Game of Chance**

#### **Article 23**

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

The proposal referred to in the first paragraph of this article is accompanied by the rules of the game and the analysis of the economic effects of the game.

The Administration is responsible for approving the proposal referred to in the first paragraph of this article.

## **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 demonstrated 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 by 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 specific rules of classic games of chance include:

- 1) the business name and registered address of the organiser;
- 2) the name of the organiser who made the decisions on the preparation of the game, the date and number of the decision;
- 3) the name, description and duration of the game of chance;
- 4) the conditions for participating in the game of chance;
- 5) the place where the game is being organised, i.e. the area in which the sale of the lottery tickets will take place or payments will be received;
- 6) the individual price of a lottery ticket, i.e. the combination and deadline for paying for participation in the game;
- 7) the quantity and monetary value of issued lottery tickets;
- 8) the description of lottery tickets, tickets or cards, stating the text that will be written on them;
- 9) the amount of the fund and type of winnings;
- 10) the manner and procedure of drawing, i.e. determination of winnings and supervision of draw;
- 11) the manner of publishing the amount of the winning fund (except for betting) and the results of the game;
- 12) the manner and deadline for payment of monetary winnings, i.e. the realisation of other types of winnings;
- 13) the manner in which participants of the game are informed of the rules of the game;
- 14) the procedure in the event of cancellation, i.e. sport or 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, i.e. the acceptance of a stake, has begun.

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, i.e. Determining Winnings**

### **Article 26**

In classic games of chance, the drawing and determining of winnings has to be carried out in accordance with the committee procedure, 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 of winnings is broadcast live on television.

When the drawing of winnings is conducted by a random number generator, the presence of the committee referred to in the first paragraph of this article is regulated by the rules of the game.

The fee for participation in the work of the committee referred to in the first paragraph of this article is determined and paid for by the organiser.

The draw is public.

### **TV Draw**

#### **Article 27**

In cases where the draw is organised in front of TV cameras, the draw can be broadcast exclusively in a live TV broadcast.

### **Changing the Place and Day of Drawing Prizes 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 day of the draw by a maximum of 15 days.

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

If the day 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 the first and second paragraphs of this article, the day 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 has started, i.e. the acceptance of stakes, but it is obliged to return the money from sold lottery tickets, tickets or cards, i.e. paid stakes.

The Administration shall give its consent to the decision referred to in the fifth paragraph of this article.

### **Reports**

#### **Article 29**

In the commission procedure referred to in Article 26 of this law, the commission shall prepare a report on the progress of the draw, or the determining of winnings, which shall contain in particular: the place, time and manner of the draw; the number of tickets or cards sold; the total payment for the round or series; the winning combinations and the fund of winnings; and remarks of the participants in the game.

The National Lottery of Serbia shall submit the aforementioned report to the Administration no later than seven days from the date of the draw, i.e. the determining of winnings.

### **Publication of the Results of Games 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, no later than seven days from the date of the draw, i.e. the determining of winnings.

### **Payment of Winnings**

#### **Article 31**

The payment of a cash prize, i.e. the taking of another winning in classic games of chance, shall be made within the deadline prescribed by the rules of the game of chance, but no later than 60 days from the date of publication of the draw results, i.e. the determining of winnings.

After the expiration of the deadline referred to in the first paragraph of this article, the committee referred to in the first paragraph of Article 26 of this law shall determine which winnings in the game have not been paid out, i.e. taken over, and make a record of their value.

If the winner in a classic game of chance does not ask the organiser to pay the winnings of a particular game (round, series, etc.) within the time limit referred to in the first paragraph of this article, the amount of the winnings shall be added to the prize fund of the same game or of a different classic game of chance organised by the organiser.

The National Lottery of Serbia shall submit the report referred to in the second paragraph of this article to the Administration within seven days of the expiration of the deadline for payment, i.e. the issuance of winnings.

The National Lottery of Serbia may publish the identity of the winner, with their prior consent, if the rules of the game of chance do not provide that the identity of the winner can be published even without the consent of the winner.

### **Distribution of Funds**

#### **Article 32**

From the funds generated by 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 provide separate data analysis on the base fund of each type of game of chance for the calculation of the fee referred to in the first paragraph of this article and submit it to the Administration by the fifth day of the month for the previous month.

The National Lottery of Serbia is obliged to pay the fee referred to in the first paragraph of this article 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 second paragraph of this article are kept 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 registered in the territory of the Republic of Serbia, whose registered primary business activity is gambling and betting on the basis of a licence.

The licence referred to in the first paragraph of this article is granted by the Government.

The legal entity referred to in the first paragraph of this article may be granted a licence for the organisation of special games of chance in casinos, only if that legal entity or its majority founder has participation in at least one casino and organises games of chance in casinos for at least five years.

#### **Number of Licences**

#### **Article 35**

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

The licence referred to in the first paragraph of this article refers to one casino.

The dynamics for obtaining the licences are determined by the Government as per the ministry's proposal.

## **Share Capital**

### **Article 36**

A licence for organising special games of chance in casinos may be granted to a legal entity which, along with meeting other requirements, has a share capital no less than the Serbian dinar equivalent of €1,000,000, calculated at the official median exchange rate of the National Bank of Serbia, on the day when the licence is granted, and the value of the registered and paid monetary fee cannot be lower than the aforementioned amount.

The share capital of a legal entity in the amount referred to in the first paragraph of this article has to be inscribed in the relevant register, in accordance with the regulations governing the registration of legal entities.

A legal entity that is granted a licence is obliged to maintain the value of its share capital as prescribed in the first paragraph of this article, throughout the validity period of the licence.

## **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 the consent referred to in the first paragraph of this article, which must contain, among other things, information on the business name and registered address of the legal entity, as well as the business name and registered address of the applicant's related parties, must be submitted with the following documents:

- 1) the decision on entry in the register of economic entities, i.e. the appropriate register if it is a foreign legal entity, with an attachment on the amount and structure of capital;
- 2) evidence of the ownership structure of a legal entity purchasing the shares, that is, shares of the beneficial owner, all in accordance with the regulations of the Central Register of Beneficial Owners;
- 3) auditor's reports for the last two business years;
- 4) proof that tax and other obligations on the basis of public revenues have been settled in the country where the legal entity, referred to in the first paragraph of this article, is established;
- 5) an act of the competent state body confirming that the applicant, its founder or owner, the beneficial owner, the associate or the named person have not been sentenced to a fine, if a legal entity, or to imprisonment, if a natural person, for a criminal offence in the Republic of Serbia or a foreign country, that is that they have not severely violated or repeated the violation of regulations governing the prevention of money laundering and terrorism financing during the period of the pronounced safeguard measure forbidding the performance of certain activities that represent the predominant activity of the company organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that are the predominant activity of company organising games of chance, i.e. during

the period of the pronounced protective measure prohibiting the responsible person from performing certain duties with the company whose predominant role is organising games of chance;

- 6) if, for justifiable reasons, the aforementioned evidence cannot be obtained, the persons referred to in the previous item may submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the person referred to in the previous item of this paragraph or the competent authority to provide 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 on the basis of which the legal entity referred to in the first paragraph of this article 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 the first paragraph of this article, i.e. a decision rejecting the request for consent, within 30 days of receiving the request and documentation referred to in the second paragraph of this article.

The aforementioned decision is final. An administrative dispute may be initiated against the decision.

If the minister of finance does not issue the decision referred to in the third paragraph of this article within 30 days of receipt of the request of the interested legal entity, and does not issue it within a further seven days after a subsequent request from the interested person, the interested person can initiate administrative proceedings for the failure to issue a decision on giving or rejecting consent.

## **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 obligations on the basis of public revenues, the organiser of special games of chance in casinos has to have a dedicated deposit of the Serbian dinar equivalent of at least €300,000 in a bank registered in the Republic of Serbia or a bank guarantee covering the same amount per casino and for the duration of the licence validity period.

The organiser of special games of chance in casinos is obliged to hand over authorisation for the disposal of the funds of the dedicated deposit referred to in the first paragraph of this article in favour of the Republic of Serbia.

The organiser of special games of chance in casinos shall ensure, on each day when the games are being organised, a risk deposit in the cash register of the Serbian dinar equivalent of at least €50,000 calculated at the official median exchange rate of the National Bank of Serbia.

## **Procedure for Obtaining a Licence**

### **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 location of the casino for which it will grant a licence for organising special games of chance in casinos, 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 registered address 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) the decision on entry of the legal entity in the appropriate register, with an attachment on the amount and structure of the share capital referred to in Article 36 of this law and relevant evidence from the competent registration authority;
- 2) evidence of ownership structure to the beneficial owner, all in accordance with the regulations of the Central Register of Beneficial Owners;
- 3) incorporation act 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) the balance sheet and profit and loss statement for the previous year, i.e. the audit reports on the financial statements of the founder or member of the legal entity (if they are the subject of the audit), for the previous two years, prepared by a certified auditor in accordance with the regulations of the country of origin of the member or founder, as well as its financial statements for the period from the date of the last audit report to the end of the six months immediately preceding the six months in which the request is submitted;
- 8) an act of the competent state body confirming that the applicant, its founder or owner, the beneficial owner, the associate or the named person have not been sentenced to a fine, if a legal entity, or to imprisonment, if a natural person, for a criminal offence in the Republic Serbia or a foreign country, that is that they have not severely violated or repeated the violation of regulations governing the prevention of money laundering and terrorism financing during the period of the pronounced safeguard measure forbidding the performance of certain activities that represent the predominant activity of the company organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that are the predominant activity of company organising games of chance, i.e. during the period of the pronounced protective measure prohibiting the responsible person from performing certain duties with the company whose predominant role is organising games of chance;

- 9) if, for justifiable reasons, the aforementioned evidence cannot be obtained, the persons referred to in the previous item may submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the person referred to in the previous item of this paragraph or the competent authority to provide evidence of non-conviction;
- 10) an offer of the amount of the licence fee;
- 11) a bank guarantee covering the minimum licence fee referred to in the previous;
- 12) the rules of the games of chance that will be organised.

The fee referred to in the tenth item of the third paragraph of this article may not be less than the Serbian dinar equivalent of €500,000 on the day of submitting the application for the public invitation.

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

All technical operations regarding the public invitation are carried out by the Administration.

The applicant, on the application form, must make a statement on the fulfilment of the requirements of the public invitation, state the issuers of evidence on the fulfilment of the conditions referred to in items 1), 2), 3), 4), 5) and 7) of the third paragraph of this article and declare that it will, upon request and without delay, provide such evidence.

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 access to evidence of the fulfilment of the conditions referred to in the seventh paragraph of this article.

### **Licence Validity Period**

#### **Article 40**

A licence for organising special games of chance in casinos is granted for a period of 10 years, starting from the day of delivery of the decision on granting the licence.

At the request of the organiser, the licence referred to in the first paragraph of this article can be renewed by a decision of the Government for a period of 10 years, provided the organiser fulfils all conditions prescribed by law and makes a payment of €500,000.

The request referred to in the second paragraph of this article should be submitted by the organiser to the competent authority no later than six months before the licence validity period expires.

The organiser, whose licence for organising special games of chance in casinos has been renewed, shall conclude an annex to the contract on transferring the rights for organising games of chance in casinos, which shall be signed by the minister of finance on behalf of the Government of the Republic of Serbia, provided that there is prior consent from the Government.

## **Article 41**

The decision of the Government approving or rejecting the request for obtaining a licence for organising special games of chance in casinos or renewing a licence is final. An administrative dispute may be initiated against the decision.

## **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 a contract with the Republic of Serbia on the transfer of the right to organise games of chance.

The contract referred to in the first paragraph of this article shall contain information on:

- 1) the name and registered address of the legal entity that was granted the licence;
- 2) the fee paid for the licence;
- 3) the location and address of the business premises where games of chance are organised;
- 4) the number of tables and automatic equipment on which special games of chance are organised;
- 5) the types of games of chance that can be organised in the casino;
- 6) the date of commencement of the organising of games of chance;
- 7) other rights and duties of the contractual parties.

The condition for concluding the contract referred to in the first paragraph of this article requires the applicant to submit evidence of the following:

- 1) share capital, as referred to in Article 36 of this law;
- 2) licence fee payment;
- 3) dedicated deposit and authorisation given to the Republic of Serbia or the bank guarantee referred to in Article 38 (paragraph 1) of this law;
- 4) secured risk deposit referred to in Article 38 (paragraph 3) of this law;
- 5) ownership right or right of use of adequate business premises in which special games of chance will be organised, i.e. the ownership right or lease of the land where the facility for organising special games of chances will be constructed, in accordance to the law.

The organiser is obliged to commence organising games of chance no later than two years from the date of issuance of the decision on which the licence was granted.

The contract on the transfer of the right to organise special games of chance in casinos shall be concluded no later than 45 days from the day of issuance of the decision on which the licence was granted.

The organiser may only organise the type of games of chance for which the licence was granted and which is stipulated in the contract on the transfer of the right to organise games of chance.

The minister of finance shall conclude the contract referred to in the first paragraph of this article and

any amendments thereof on behalf of the Republic of Serbia, after obtaining prior consent from the Government.

### **Moving a Casino**

#### **Article 43**

An organiser may submit to the Administration a request for moving a casino to a new location, along with proof of ownership or right of use of adequate premises in which special games of chance will be organised, as well as the relevant documents proving that all other requirements under this law have been fulfilled.

### **Technical and Functional Characteristics of Gaming Tables**

#### **Article 44**

Prior to putting a gaming table into use, the organiser is obliged to submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of that type of table.

Prior to putting a table into use which has had changes made to its technical or functional characteristics, the organiser is obliged to submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of the table.

The certificates referred to in the first and second paragraphs of this article are issued by a laboratory authorised by the minister of finance.

The control of the fulfilment of the technical and functional characteristics of the table is performed by the laboratory referred to in the third paragraph of this article.

The minister of finance shall prescribe in detail the technical and functional characteristics of the tables and the manner and procedure of examining the fulfilment of the necessary conditions.

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

#### **Article 45**

A table may be used only if it is registered and a visible label placed on it, containing the following information: the numerical number of the label, the name of the organiser, the name of the laboratory referred to in Article 44 (paragraph 3) of this law, a unique serial number, the location and the validity period of the approval.

The label referred to in the first paragraph of this article is produced and placed by the laboratory referred to in Article 44 (paragraph 3) of this law and shall be valid until the expiry of the licence validity period.

The costs of obtaining the label are borne by the organiser.

The shape and content of the label referred to in the first paragraph of this article are prescribed by the minister of finance.

### **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 accompanied by:

- 1) proof of the fulfilment of the conditions prescribed in Article 44 of this law;
- 2) proof of the ownership or lease, or leasing of the table with information on the label for that table.

With the request for the withdrawal of a table from use, information on the label for the table that is being withdrawn from use shall be submitted.

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 the first paragraph of this article within three days of the date of putting the table into use or withdrawing the table from use.

The organiser may put a table on which changes of technical or functional characteristics have been made back into use after submitting to the Administration the additional certificate referred to in Article 44 (paragraph 2) of this law, as well as the information on the label of said table.

### **Repair of Tables for Games of Chance**

#### **Article 47**

The repair of tables is carried out by legal entities authorised by the minister of finance.

After repair, the tables have to be in correct technical order.

The authorisation referred to in the first paragraph of this article may be granted to legal entities that do not organise games of chance and fulfil the conditions for performing table repairs, which are prescribed by the minister of finance.

### **Licence Revocation**

#### **Article 48**

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

- 1) that the organiser no longer fulfils the requirements from Articles 36 and 38 of this law;

- 2) that the licence was granted based on inaccurate information;
- 3) that the organiser failed to commence with organising games within the time frame prescribed in Article 42 of this law;
- 4) that the organiser stopped organising games contrary to the provisions of this law and the contract referred to in Article 42 of this law;
- 5) that the organiser does not meet the prescribed technical, technological and other requirements;
- 6) that the organiser violates the rules of games of chance;
- 7) that the organiser is not paying due obligations on the basis of public revenues or is not paying winnings to players;
- 8) that the organiser prevents or otherwise obstructs the monitoring prescribed by this law, or makes it difficult to carry out monitoring;
- 9) that the organiser incorrectly declares the turnover;
- 10) that the organiser is lending money to players;
- 11) that the organiser violates other contractual provisions referred to in Article 42 of this law;
- 12) that the organiser does not act in accordance with the regulations on the prevention of money laundering and terrorism financing;
- 13) that circumstances exist because of which the licence would not be granted;
- 14) that the organiser violates the provisions of this law on organising games on automatic equipment, if the games on automatic equipment are being organised in casinos;
- 15) that the organiser no longer fulfils other requirements or does not fulfil other obligations prescribed by this law.

By issuing the decision referred to in the first paragraph of this article, the contract on the transfer of the right to organise special games of chance in casinos shall be considered terminated.

The decision referred to in the first paragraph of this article is final. An administrative dispute can be initiated against the decision.

### **Conditions for Premises**

#### **Article 49**

A casino must be arranged so that the gaming area, as well as the areas for guests and staff represent 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 building specially arranged for that purpose or in a catering facility of the type or subtype of a hotel, categorised 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 of this law.

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

### **Article 50**

The organiser is obliged to provide non-stop audio and video recorded surveillance above all tables and automatic equipment, surveillance of all entries and exits to the casino, as well as surveillance of players and visitors, so that the games take place in full compliance with the provisions of this law.

The organiser is obliged to keep the recordings referred to in the first paragraph of this article for 30 days, or longer if instructed by the Administration.

The organiser is obliged to ensure the physical protection of players and visitors in the casino.

The data referred to in the first paragraph of this article represents internal, confidential information and the organiser may use it only for the purpose for which it was collected and not disclose it to third parties or publicly, unless otherwise expressly provided and only in accordance with the law.

Submitting data for the purpose of the implementation of this law and regulations governing the prevention of money laundering and terrorism financing is not considered to be a breach of confidentiality.

During the processing of data on persons referred to in the first paragraph of this article, the organiser is obliged to act in accordance with the regulation governing personal data protection.

In the event of an inspection, the organiser is obliged to submit to the Administration the surveillance footage covering the time period referred to in the first paragraph of this article, and the Administration is obliged to treat the recordings confidentially – especially concerning the identities of participants in the game.

More detailed conditions for the surveillance, document archiving and physical protection referred to in the first three paragraphs of this article are prescribed 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 residence or

stay, personal ID number 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 oath that they participate in games of chance for their own account and in their own name.

More detailed conditions concerning the permanent database referred to in the fourth paragraph of this article are prescribed 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 for believing that an individual has brought a technical device into the casino, as referred to in the sixth paragraph of this article, the organiser shall remove that 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 accepting tips, gifts, loans or any other benefits, either for themselves personally or for others, nor may they financially assist players.

As an exception to the second paragraph of this article, players may give tips for running certain special games of chance by leaving money in a special box (tip box) located on the table for games of chance.

### **Payment of Licence Fee**

#### **Article 53**

The fee for an obtained licence referred to in Article 42 (paragraph 3, item 2) of this law should be paid to the appropriate account for the payment of public revenues within 30 days of receipt of the decision on granting the licence, and the organiser may not start organising games until they conclude the contract on the transfer of rights to organise games of chance.

### **Fee for Organising the Game**

#### **Article 54**

The organiser pays a fee for organising each individual game of chance in a casino, calculated as a percentage of a predetermined base.

The base for the fee, as referred to in the first paragraph of this article, consists of:

- 1) for games in which players compete against each other (poker, chemin de fer, etc.) – the value of received payments;
- 2) for other games – the difference between the total received payments for participation in the game and winnings paid to the players in a particular game.

The value of received payments on the basis of which, as referred to in the second paragraph of this article, the basis 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 can be no more than four times the minimum value of a chip used in table games of chance, the value of which is determined by the rules of the particular casino.

The fee for organising special games of chance in casinos is determined at a rate of 3% of the base referred to in the second paragraph (item 1) of this article, or 25% of the base referred to in the second paragraph (item 2) of this article.

The organiser shall pay the fee referred to in the fifth paragraph of this article on a monthly basis into the appropriate public revenues account, no later than the fifth day of the month for the previous month.

### **Records of Fee Base**

#### **Article 55**

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

The records referred to in the first paragraph of this article 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 the first paragraph of this article, the organiser shall compile a monthly calculation of the organisation fee for each type of game and for each table separately.

The monthly calculation referred to in the third paragraph of this article 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.

The required content of the records and monthly calculation referred to in the first four paragraphs of this article is prescribed by the minister of finance.

### **Use of the Word Casino**

#### **Article 56**

The root of the word, i.e. the words “casino”, “cazino”, “kasino” or “kazino” can be used only by organisers who possess valid licences 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 – 76 of this law shall be applied, whereby the obligation of having a minimum of 100 machines shall not apply.

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

##### **Organisers**

##### **Article 58**

Subject to approval, special games of chance on automatic equipment may be organised by legal entities with a registered address in the territory of the Republic of Serbia, whose registered primary business activity is gambling and betting.

The approval referred to in the first paragraph of this article is granted by decision of the Administration.

The organiser may only use automatic equipment they own or are leasing.

By the decision referred to in Article 34 (paragraph 2), the Government can issue the approval referred to in the first paragraph of this article for organising games of chance on automatic equipment in premises approved for casino use.

##### **Condition of Premises**

##### **Article 59**

At the premises where special games of chance on automatic equipment are being organised, there must be at least five machines from the same organiser.

##### **Share Capital**

##### **Article 60**

Approval for organising special games of chance on automatic equipment may be granted to a legal entity which, along with meeting other requirements, has a share capital of no less than the Serbian dinar equivalent of €250,000, calculated at the official median exchange rate of the National Bank of Serbia on the day when approval is granted.

The share capital of a legal entity, in the amount referred to in the first paragraph of this article, has to be inscribed in the relevant register.

The legal entity that was granted approval is obliged to maintain the values of its share capital as prescribed in the first paragraph of this article throughout the period of validity 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 obligations on the basis of public revenues in accordance with this law, the organiser of special games of chance on automatic

equipment must have per machine, for the duration of the approval validity period, a special-purpose deposit of the Serbian dinar equivalent of €500 in a bank with a registered address in the territory of the Republic of Serbia, or a bank guarantee covering the same amount.

As an exception to the first paragraph of this article, an organiser that has at least 2,000 automatic machines may have a special-purpose deposit or bank guarantee as referred to in the first paragraph of this article of the Serbian dinar equivalent of €1,000,000.

The organiser of special games of chance on automatic equipment is obliged to hand over, in favour of the Republic of Serbia, an authorisation for the disposal of the funds of the special-purpose deposit referred to in the first and second paragraphs of this article.

The organiser of special games of chance on automatic equipment shall ensure, for each day a game is being organised, a risk deposit in the cash register of the Serbian dinar equivalent of at least €100 per machine, on the basis of the approval of the Administration.

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

### **Article 62**

Automatic equipment has to be constructed or set in such a way that within a cycle of all possible programmed combinations realised, it pays players at least 80% of the value of payments in that cycle.

Automatic equipment in use must have an appropriate system for recording the performance of automatic equipment.

The organiser is responsible for the accuracy, timeliness, reliability and protection of the technical and functional features of automatic equipment referred to in the first and second paragraphs of this article.

Prior to putting automatic equipment into use, the organiser is obliged to submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of that type of automatic equipment.

For any change in the technical and functional characteristics of automatic equipment, the organiser is obliged to submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of that type of automatic equipment.

The certificates referred to in the fourth and fifth paragraphs of this article are issued by a laboratory authorised by the minister of finance for testing technical and functional characteristics of automatic equipment.

Control of the fulfilment of the technical and functional characteristics of the automatic equipment is conducted by the laboratory referred to in the sixth paragraph of this article.

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

The minister of finance shall prescribe in detail the technical and functional characteristics of the automatic equipment referred to in the first paragraph of this article, as well as the manner and procedure of examining the fulfilment of the necessary conditions.

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

**Article 63**

The organiser is obliged to use an information and communication system for organising special games of chance on automatic equipment, which enables the storing, archiving and exchanging of data electronically with the software solution of the Administration for the purpose of supervision.

The organiser is responsible for the functionality and security of the information and communication system as referred to in the first paragraph of this article.

The organiser can procure or acquire the ownership of the system, i.e. their part, referred to in the first paragraph of this article, or they can develop it independently in accordance with the applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

For any change in the characteristics of the information and communication system, the organiser is obliged to submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

The certificates referred to in the fourth and fifth paragraphs of this article are issued by a laboratory authorised by the minister of finance.

The costs of testing the technical and functional characteristics of the information and communication system are borne by the organiser.

The minister of finance shall prescribe in detail the technical and functional characteristics of the information and communication system and the manner and procedure of examining the fulfilment of the necessary conditions, as well as more detailed conditions for the storing, archiving and exchanging of 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 non-stop audio and video recorded surveillance of all automatic equipment and surveillance of all entries and exits to the slot machine club, as well as surveillance of players and visitors.

The organiser is obliged to keep the recordings referred to in the first paragraph of this article for 30 days, or longer if instructed by the Administration.

The data referred to in the first paragraph of this article represents internal, confidential information and the organiser may use it only for the purpose for which it was collected and not disclose it to third parties or publicly, unless otherwise expressly provided and only in accordance with the law.

Submitting data for the purpose of the implementation of this law and regulations governing the prevention of money laundering and terrorism financing is not considered to be a breach of confidentiality.

During the processing of data on persons referred to in the first paragraph of this article, the organiser is obliged to act in accordance with the regulation governing personal data protection.

In the event of an inspection, the organiser is obliged to submit to the Administration the surveillance footage covering the time period referred to in the first paragraph of this article, and the Administration is obliged to treat the recordings confidentially – especially concerning the identities of participants in the game. More detailed conditions for the surveillance and document archiving referred to in the first two paragraphs of this article are prescribed by the minister of finance.

### **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 production.

The import of automatic equipment that does not fulfil the requirement referred to in the first paragraph of this article is not allowed.

### **Repair of Automatic Equipment**

#### **Article 66**

The repair of automatic equipment is performed by legal entities authorised by the minister of finance. After the repair, the automatic equipment has to be technically and functionally in working order.

The authorisation referred to in the first paragraph of this article may be granted to legal entities that do not organise games of chance and fulfil the conditions for automatic equipment repairs, which are prescribed by the minister of finance.

### **Conditions Related to Location**

#### **Article 67**

The distance of a slot machine club from an educational institution (primary or secondary schools) may not be less than 200 metres.

The distance referred to in the first paragraph of this article represents the shortest safe pedestrian route from the closest edge of the building of the educational institution (primary or secondary schools) to the entrance of the slot machine club in which games of chance on automatic equipment are organised.

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 the third paragraph of this article represents the shortest safe pedestrian route 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.

## **Procedure for Obtaining Approval**

### **Article 68**

A request for approval, which, among other things, contains data on the business name and registered address of the legal entity submitting the request, shall be accompanied by the following documents:

- 1) the decision on entry of the legal entity in the appropriate register, with an attachment on the amount of the share capital referred to in Article 60 of this law;
- 2) evidence of ownership structure to the beneficial owner, all in accordance with the regulations of the Central Register of Beneficial Owners;
- 3) incorporation act of the legal entity;
- 4) the balance sheet and profit and loss statement for the previous year, i.e. the audit reports on the financial statements of the founder or member of the legal entity (if they are the subject of the audit), for the previous two years, prepared by a certified auditor in accordance with the regulations of the country of origin of the member or founder, as well as its financial statements for the period from the date of the last audit report to the end of the six months immediately preceding the six months in which the request is submitted;
- 5) evidence of the fulfilment of the conditions prescribed in Articles 62 and 63 of this law;
- 6) proof of ownership or lease of no less than 100 automatic machines within the territory of the Republic of Serbia and their location, in accordance with the terms of Article 67 of this law;
- 7) proof of the right of ownership or the right to use or lease appropriate premises in which games of chance on automatic equipment will be organised and in which there must be at least five automatic machines;
- 8) an act of the competent state body confirming that the applicant, its founder or owner, the beneficial owner, the associate or the named person have not been sentenced to a fine, if a legal entity, or to imprisonment, if a natural person, for a criminal offence in the Republic Serbia or a foreign country, that is that they have not severely violated or repeated the violation of regulations governing the prevention of money laundering and terrorism financing during the period of the pronounced safeguard measure forbidding the performance of certain activities that represent the predominant activity of the company organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that are the predominant activity of company organising games of chance, i.e. during the period of the pronounced protective measure prohibiting the responsible person from performing certain duties with the company whose predominant role is organising games of chance;

- 9) if, for justifiable reasons, the aforementioned evidence cannot be obtained, the persons referred to in the previous item may submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the person referred to in the previous item of this paragraph or the competent authority to provide evidence of non-conviction;
- 10) the rules of the games 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 of the approval, any information referred to in the first paragraph of this article is changed, the organiser is obliged to inform the Administration within three days from the date of the change.

More detailed instructions on assessing the fulfilment of the conditions referred to in the first paragraph of this article are prescribed by the minister of finance.

### **Approval Validity Period**

#### **Article 69**

Approval for organising games of chance on automatic equipment is granted for a period of ten years.

The organiser may apply for the renewal of the approval no later than 60 days before the expiry of the deadline referred to in the first paragraph of this article.

The organiser may submit a request to stop organising games of chance on automatic equipment.

The Administration makes a decision on the cessation of organising special games of chance on automatic equipment based on the request of the organiser.

### **Withdrawal of Approval**

#### **Article 70**

If the organiser who was approved to organise games of chance on automatic equipment ceases to fulfil the conditions prescribed by this law, or does not pay the prescribed fees, or does not fulfil other obligations, or violates the prohibitions prescribed by this law, the Administration can issue a decision withdrawing approval.

#### **Article 71**

The decision of the Administration on which a request for a licence to organise special games of chance on automatic equipment is accepted or denied is final. An administrative dispute may be initiated against the decision.

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

### **Article 72**

Employees of the 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 a slot machine club without stating the reasons.

## **Registering Automatic Equipment and its Locations**

### **Article 73**

Putting a new automatic equipment into use, withdrawing automatic equipment from use, or the relocating of automatic equipment is done on the basis of approval issued by the Administration.

The request for putting new automatic equipment into use is accompanied by:

- 1) proof of the fulfilment of the conditions prescribed in Article 62 of this law;
- 2) proof of ownership or lease, i.e. the leasing of a new machine, with information on the label for the machine;
- 3) proof of ownership, the right of use or lease of appropriate premises where special games of chance will be organised on the new automatic equipment to be put into use, in which there must be at least five automatic machines, as well as the fulfilment of the location conditions referred to in Article 67 of this law.

With the request for the withdrawal of automatic equipment from use, information on the label for the recalled automatic equipment shall be submitted.

A request for moving automatic equipment to another location shall be accompanied by:

- 1) information on the label for the automatic equipment moving to another location;
- 2) proof of ownership, the right of use or lease of appropriate premises where special games of chance will be organised on the new automatic equipment to be put into use, in which there must be at least five automatic machines, as well as the fulfilment of the location conditions referred to in Article 67 of this law.

If more than one player can play on one automatic machine at a time, each place for playing, in terms of this law, shall be considered a separate automatic machine.

The organiser is obliged to notify the Administration every time automatic equipment is either put into use, relocated or withdrawn from use in accordance with the decision on the approval referred to in the first paragraph of this article within three days of the date of putting the automatic equipment into use, relocating the automatic equipment or withdrawing the automatic equipment from use.

The organiser may put automatic equipment on which changes of technical or functional characteristics have been made back into use after submitting to the Administration the additional certificate referred

to in Article 62 (paragraph 5) of this law, as well as the information on the label of said automatic equipment.

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

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

#### **Article 74**

Automatic equipment may be used only if it is registered and a visible label placed on it, containing the following information: the numerical number of the label, the name of the organiser, the name of the authorised laboratory, a unique serial number, the location and the validity period of the approval.

The label referred to in the first paragraph of this article is produced and placed by the laboratory referred to in Article 62 (paragraph 6) of this law and shall be valid until the expiry of the licence validity period.

The costs of obtaining the label are borne by the organiser.

The shape and content of the label referred to in the first paragraph of this article are prescribed by the minister of finance.

#### **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 €25 per month per automatic machine.

The fee referred to in the first paragraph of this article is paid for every additional automatic machine that is put into use during the approval validity period, in the manner referred to in the first paragraph of this article.

The fee referred to in the first and second paragraphs of this article is paid to the appropriate public revenues account within eight days of receiving the decision on approval, 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 the first and second paragraphs of this article is paid at the official median exchange rate of the National Bank of Serbia on the date of payment.

#### **Fee for Organising Games**

#### **Article 76**

The organiser is obliged to calculate and pay a fee for organising games of chance on automatic equipment, to the amount of 10% on the basis of the difference between the total pay-ins and total pay-

outs, provided that the fee cannot be less than the Serbian dinar equivalent of €40 per month per automatic machine, calculated proportional to the number of days until the end of the month from the date of receipt of the decision on approval.

The fee referred to in the first paragraph of this article is paid for every new automatic machine put into use during the validity of the approval, in the way prescribed in the first paragraph of this article.

The fee referred to in the first and second paragraphs of this article is paid into the appropriate public revenues account by the fifth day of the month for the previous month.

The fee referred to in the first and second paragraphs of this article is paid at the official median exchange rate of the National Bank of Serbia on the day of payment.

The organiser is obliged to keep records of the turnover per machine, on the basis of which it determines the fee referred to in the first and second paragraphs of this article, and to submit them to the Administration by the fifth day of the month for the previous month.

The manner of keeping the records referred to in the fifth paragraph of this article is prescribed by the minister of finance.

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

### **Organisers**

#### **Article 77**

Subject to approval, special betting games of chance may be organised by legal entities with a registered address in the territory of the Republic of Serbia.

The approval referred to in the first paragraph of this article is granted by decision of the Administration.

As an exception to the first paragraph of this article, betting on the results of equestrian races may be organised only by legal entities that meet the requirements of the first paragraph of this article and also possess a horse racecourse, for competitions that are organised at said horse racecourse, or the legal entity whose shareholder possesses a horse racecourse.

Betting on the results of horse races may also be organised by legal entities referred to in the first paragraph of this article provided that they conclude a contract with such a person as referred to in the third paragraph of this article.

### **Share Capital**

#### **Article 78**

Approval for organising special betting games of chance may be granted to a legal entity which, along with meeting other requirements, has a share capital of no less than the Serbian dinar equivalent of €250,000, calculated at the official median exchange rate of the National Bank of Serbia on the day when approval is granted.

The share capital of a legal entity, in the amount referred to in the first paragraph of this article, has to be inscribed in the relevant register.

The legal entity that was granted approval is obliged to maintain the values of its share capital as prescribed in the first paragraph of this article throughout the period of validity 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 obligations on the basis of public revenues, the organiser of special betting games of chance has to have a dedicated deposit of the Serbian dinar equivalent of at least €5,000 in a bank registered in the Republic of Serbia or a bank guarantee covering the same amount per betting shop and for the duration of the licence validity period.

As an exception to the first paragraph of this article, an organiser that has at least 300 betting shops may have a special-purpose deposit of the Serbian dinar equivalent of €1,500,000 in a bank registered in the territory of the Republic of Serbia or a bank guarantee covering the same amount.

The organiser of special betting games of chance is obliged to hand over authorisation for the disposal of the funds of the dedicated deposit referred to in the first and second paragraphs of this article in favour of the Republic of Serbia.

The organiser of special betting games of chance shall ensure, on each day when the games are being organised, a risk deposit in the cash register of the Serbian dinar equivalent of at least €150 per pay-in-pay-out desk, on the basis of the approval of the Administration.

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

#### **Article 80**

The organiser is obliged to use an information and communication system for organising special betting games of chance, which enables the storing, archiving and exchanging of data electronically with the software solution of the Administration for the purpose of supervision.

The organiser is responsible for the functionality and security of the information and communication system as referred to in the first paragraph of this article.

The organiser can procure or acquire the ownership of the system, i.e. their part, referred to in the first paragraph of this article, or they can develop it independently in accordance with the applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

For any change in the characteristics of the information and communication system, the organiser is obliged to submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

The certificates referred to in the fourth and fifth paragraphs of this article are issued by a laboratory authorised by the minister of finance.

The costs of testing the technical and functional characteristics of the information and communication system are borne by the organiser.

The minister of finance shall prescribe in detail the technical and functional characteristics of the information and communication system and the manner and procedure of examining the fulfilment of the necessary conditions, as well as more detailed conditions for the storing, archiving and exchanging of data with the Administration.

## **Video Surveillance**

### **Article 81**

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 non-stop audio and video recorded surveillance of the betting shop, especially of every pay-in-pay-out desk, surveillance of all entries and exits to the betting shop, as well as surveillance of players and visitors.

The organiser is obliged to keep the recordings referred to in the first paragraph of this article for 30 days, or longer if instructed by the Administration.

The data referred to in the first paragraph of this article represents internal, confidential information and the organiser may use it only for the purpose for which it was collected and not disclose it to third parties or publicly, unless otherwise expressly provided and only in accordance with the law.

Submitting data for the purpose of the implementation of this law and regulations governing the prevention of money laundering and terrorism financing is not considered to be a breach of confidentiality.

During the processing of data on persons referred to in the first paragraph of this article, the organiser is obliged to act in accordance with the regulation governing personal data protection.

In the event of an inspection, the organiser is obliged to submit to the Administration the surveillance footage covering the time period referred to in the first paragraph of this article, and the Administration is obliged to treat the recordings confidentially – especially concerning the identities of participants in the game.

More detailed conditions for the surveillance and document archiving and physical protection referred to in the first two paragraphs of this article are prescribed by the minister of finance.

## **Conditions Related to Location**

### **Article 82**

The distance of a betting shop from an educational institution (primary or secondary schools) may not be less than 200 metres.

The distance referred to in the first paragraph of this article represents the shortest safe pedestrian route from the closest edge of the building of the educational institution (primary or secondary schools) to the entrance of the betting shop in which betting games of chance are organised.

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

The distance referred to in the third paragraph of this article represents the shortest safe pedestrian route from the entrance of a betting shop to the entrance of another betting shop, slot machine club or casino where betting games of chance are organised.

## **Procedure for Obtaining Approval**

### **Article 83**

A request for approval, which, among other things, contains data on the business name and registered address of the legal entity submitting the request, shall be accompanied by the following documents:

- 1) the decision on entry of the legal entity in the appropriate register, with an attachment on the amount of the share capital referred to in Article 78 of this law;
- 2) evidence of ownership structure to the beneficial owner, all in accordance with the regulations of the Central Register of Beneficial Owners;
- 3) incorporation act of the legal entity;
- 4) the balance sheet and profit and loss statement for the previous year, i.e. the audit reports on the financial statements of the founder or member of the legal entity (if they are the subject of the audit), for the previous two years, prepared by a certified auditor in accordance with the regulations of the country of origin of the member or founder, as well as its financial statements for the period from the date of the last audit report to the end of the six months immediately preceding the six months in which the request is submitted;
- 5) proof of the right of ownership or the right to use or lease appropriate premises in which special betting games of chance will be organised subject to approval, where the the number of betting shops can be no less than 30, except in the case of the legal entities referred to in Article 77 (paragraph 3) of this law;
- 6) the list of pay in-pay-out desks per betting shop;
- 7) evidence of the fulfilment of the conditions prescribed in Article 80 of this law with the specification of numerical numbers of labels for pay-in-pay-out desks;
- 8) evidence of the location of the facility where betting games of chance are organised, in accordance with Article 82 of this law;

- 9) an act of the competent state body confirming that the applicant, its founder or owner, the beneficial owner, the associate or the named person have not been sentenced to a fine, if a legal entity, or to imprisonment, if a natural person, for a criminal offence in the Republic Serbia or a foreign country, that is that they have not severely violated or repeated the violation of regulations governing the prevention of money laundering and terrorism financing during the period of the pronounced safeguard measure forbidding the performance of certain activities that represent the predominant activity of the company organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that are the predominant activity of company organising games of chance, i.e. during the period of the pronounced protective measure prohibiting the responsible person from performing certain duties with the company whose predominant role is organising games of chance;
- 10) if, for justifiable reasons, the aforementioned evidence cannot be obtained, the persons referred to in the previous item may submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the person referred to in the previous item of this paragraph or the competent authority to provide evidence of non-conviction;
- 11) the rules of the games 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 of the approval, any information referred to in the first paragraph of this article is changed, the organiser is obliged to inform the Administration within three days from the date of the change.

More detailed instructions on assessing the fulfilment of the conditions referred to in the first paragraph of this article are prescribed by the minister of finance.

### **Approval Validity Period**

#### **Article 84**

Approval for organising special betting games of chance is granted for a period of ten years.

As an exception to the first paragraph of this article, approval for the organising of betting is granted to the legal entities referred to in Article 77 (paragraph 3) of this law for the duration of the equestrian racing season.

The period of the equestrian racing season is determined by the propositions of the competition, which are certified by the Equestrian Federation of Serbia.

The organiser may apply for the renewal of the approval no later than 60 days before the expiry of the deadline referred to in the first paragraph of this article.

The organiser may submit a request to stop organising special betting games of chance.

The Administration makes a decision on the cessation of organising special betting games of chance based on the request of the organiser.

### **Withdrawal of Approval**

#### **Article 85**

If the organiser who was approved to organise betting games of chance ceases to fulfil the conditions prescribed by this law, or does not pay the prescribed fees, or does not fulfil other obligations, or violates the prohibitions prescribed by this law, the Administration can issue a decision withdrawing approval.

#### **Article 86**

The decision of the Administration on which a request for a licence to organise special betting games of chance is accepted or denied is final. An administrative dispute may be initiated against the decision.

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

#### **Article 87**

Employees of the 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 a slot machine club without stating the reasons.

### **Registering Pay-In-Pay-Out Desks**

#### **Article 88**

Opening and closing pay-in-pay-out desks is done on the basis of approval issued by the Administration.

The request for opening new pay-in-pay-out desks is accompanied by:

- 1) proof of ownership, right of use or lease of the appropriate premises where special betting games of chance will be organised, as well as the fulfilment of the conditions from Article 82 of this law;
- 2) information on the label for the pay-in-pay-out desks, in accordance with Article 89 of this law.

With the request for the withdrawal of a pay-in-pay-out desk from use, information on the label for the pay-in-pay-out desk that is being withdrawn from use shall be submitted, within the meaning of Article 89 of this Law.

The organiser is obliged to notify the Administration every time a pay-in-pay-out desk is either put into use or withdrawn from use in accordance with the decision on the approval referred to in the first paragraph of this article within three days of the date of putting the pay-in-pay-out desk into use or withdrawing the pay-in-pay-out desk from use.

The organiser may put a pay-in-pay-out desk on which changes of technical or functional characteristics have been made back into use after submitting to the Administration the additional certificate referred to in Article 80 (paragraph 5) of this law, as well as the information on the label of said 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.

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

### **Article 89**

A pay-in-pay-out desk may be used only if it is registered and a visible label placed on it, containing the following information: the type of betting ticket printer, the manufacturer of the betting ticket printer, the name of the organiser, a unique serial number, the location and the validity period of the approval.

The label referred to in the first paragraph of this article is produced and placed by the laboratory referred to in Article 80 (paragraph 6) of this law and shall be valid until the expiry of the licence validity period.

The costs of obtaining the label are borne by the organiser.

The shape and content of the label referred to in the first paragraph of this article are prescribed by the minister of finance.

### **Approval Fee**

### **Article 90**

The organiser pays a fee for approval to organise special betting games of chance of the Serbian dinar equivalent of €100 per month per betting shop.

The fee referred to in the first paragraph of this article is paid for every additional betting shop that is put into use during the approval validity period, in the manner referred to in the first paragraph of this article.

The fee referred to in the first and second paragraphs of this article is paid to the appropriate public revenues account upon receiving the decision on approval by the fifth day of the following month for the month in which the decision on approval was received, 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 the first and second paragraphs of this article is paid at the official median exchange rate of the National Bank of Serbia on the date of payment.

## **Fee for Organising Games**

### **Article 91**

The organiser is obliged to calculate and pay a fee for organising betting games of chance, to the amount of 15% on the basis of the difference between the total pay-ins and total pay-outs, provided that the fee cannot be less than the Serbian dinar equivalent of €550 per month per betting shop, calculated proportional to the number of days until the end of the month from the date of receipt of the decision on approval.

The fee referred to in the first paragraph of this article is paid for every new betting shop opened during the validity of the approval, in the way prescribed in the first paragraph of this article.

The fee referred to in the first and second paragraphs of this article is paid into the appropriate public revenues account by the fifth day of the month for the previous month.

The fee referred to in the first and second paragraphs of this article is paid at the official median exchange rate of the National Bank of Serbia on the day of payment.

The organiser is obliged to keep records of the turnover for every pay-in-pay-out desk in the betting shop, on the basis of which it determines the fee referred to in the first and second paragraphs of this article, and to submit them to the Administration by the fifth day of the month for the previous month.

The manner of keeping the records referred to in the fifth paragraph of this article is prescribed by the minister of finance.

## **6. Special Games of Chance Through Means of Electronic Communication**

### **Organisers**

#### **Article 92**

Subject to approval, special games of chance through means of electronic communication may be organised by the National Lottery of Serbia and organisers whose predominant activity is gambling and betting.

The approval referred to in the first paragraph of this article 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 between the National Lottery of Serbia and the operators referred to in the third paragraph of this article are regulated by a contract to which the Government gives consent.

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**

Approval for organising special games of chance through means of electronic communication may be granted to a legal entity which, along with meeting other requirements, has a share capital of no less than the Serbian dinar equivalent of €250,000, calculated at the official median exchange rate of the National Bank of Serbia on the day when approval is granted.

The share capital of a legal entity, in the amount referred to in the first paragraph of this article, has to be inscribed in the relevant register.

The legal entity that was granted approval is obliged to maintain the values of its share capital as prescribed in the first paragraph of this article throughout the period of validity 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 obligations on the basis of public revenues, the organiser of special games of chance through means of electronic communication has to have a dedicated deposit of the Serbian dinar equivalent of at least €300,000 in a bank registered in the Republic of Serbia or a bank guarantee covering the same amount for the duration of the licence validity period.

The organiser of special games of chance through means of electronic communication is obliged to hand over authorisation for the disposal of the funds of the dedicated deposit referred to in the first paragraph of this article in favour of the Republic of Serbia.

The organiser of special games of chance through means of electronic communication shall ensure, on each day when the games are being organised, a risk deposit in the cash register of the Serbian dinar equivalent of at least €10,000, on the basis of the approval of the Administration.

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

### **Article 95**

The organiser is obliged to use an information and communication system for organising special games of chance through means of electronic communication, which enables the storing, archiving and exchanging of data electronically with the software solution of the Administration for the purpose of supervision.

The organiser is responsible for the functionality and security of the information and communication system as referred to in the first paragraph of this article.

The organiser can procure or acquire the ownership of the system, i.e. their part, referred to in the first paragraph of this article, or they can develop it independently in accordance with the applicable standards.

Prior to putting the information and communication system into use, the organiser is obliged to submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

For any change in the characteristics of the information and communication system, the organiser is obliged to submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of the information and communication system.

The certificates referred to in the fourth and fifth paragraphs of this article are issued by a laboratory authorised by the minister of finance.

The costs of testing the technical and functional characteristics of the information and communication system are borne by the organiser.

The minister of finance shall prescribe in detail the technical and functional characteristics of the information and communication system referred to in the first paragraph of this article, as well as the manner and procedure of examining the fulfilment of the necessary conditions and more detailed conditions for the storing, archiving and exchanging of data with the Administration.

### **Procedure for Obtaining Approval**

#### **Article 96**

The application for the approval of organising special games of chance through means of electronic communication contains:

- 1) the name and registered address of the legal entity, i.e. the applicant;
- 2) the manner of identifying and registering players;
- 3) the procedure in case communication with the player is interrupted;
- 4) a description of the system for the protection of the system (backup);
- 5) a description of the system for the restoration of the last saved position.

The application referred to in the first paragraph of this article shall be accompanied by the following documents:

- 1) a study on the prevention of unwanted impacts of games of chance through the means of electronic communication on participants in games of chance;
- 2) proof of ownership or right to use of the premises where the equipment for special games of chance through means of electronic communication will be located;
- 3) evidence of the fulfilment of the conditions prescribed in Article 95 of this law;
- 4) the rules of the game of chance, i.e. the games of chance that will be organised;
- 5) the decision on entry of the legal entity in the appropriate register, with an attachment on the amount of the share capital referred to in Article 93 of this law;

- 6) evidence of ownership structure to the beneficial owner, all in accordance with the regulations of the Central Register of Beneficial Owners;
- 7) incorporation act of the legal entity;
- 8) the balance sheet and profit and loss statement for the previous year, i.e. the audit reports on the financial statements of the founder or member of the legal entity (if they are the subject of the audit), for the previous two years, prepared by a certified auditor in accordance with the regulations of the country of origin of the member or founder, as well as its financial statements for the period from the date of the last audit report to the end of the semester immediately preceding the semester in which the request is submitted;
- 9) an act of the competent state body confirming that the applicant, its founder or owner, the beneficial owner, the associate or the named person have not been sentenced to a fine, if a legal entity, or to imprisonment, if a natural person, for a criminal offence in the Republic Serbia or a foreign country, that is that they have not severely violated or repeated the violation of regulations governing the prevention of money laundering and terrorism financing during the period of the pronounced safeguard measure forbidding the performance of certain activities that represent the predominant activity of the company organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that are the predominant activity of company organising games of chance, i.e. during the period of the pronounced protective measure prohibiting the responsible person from performing certain duties with the company whose predominant role is organising games of chance;
- 10) if, for justifiable reasons, the aforementioned evidence cannot be obtained, the persons referred to in the previous item may submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the person referred to in the previous item of this paragraph or the competent authority to provide evidence of non-conviction;

If, during the validity of the approval, any information referred to in the first and second paragraphs of this article is changed, the organiser is obliged to inform the Administration within three days from the date of the change.

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

More detailed instructions on assessing the fulfilment of the conditions referred to in the first paragraph of this article are prescribed by the minister of finance.

### **Approval Validity Period**

#### **Article 97**

Approval for organising games of chance through means of electronic communication is granted for a period of ten years.

The organiser may apply for the renewal of the approval no later than 60 days before the expiry of the deadline referred to in the first paragraph of this article.

The organiser may submit a request to stop organising games of chance through means of electronic communication.

The Administration makes a decision on the cessation of organising special games of chance on through means of electronic communication based on the request of the organiser.

### **Withdrawal of Approval**

#### **Article 98**

If the organiser who was approved to organise games of chance through means of electronic communication ceases to fulfil the conditions prescribed by this law, or does not pay the prescribed fees, or does not fulfil other obligations, or violates the prohibitions prescribed by this law, the Administration can issue a decision withdrawing approval.

#### **Article 99**

The decision of the Administration on which a request for a licence to organise special games of chance through means of electronic communication is accepted or denied, the termination of organising at the request of the organiser and the revoking of approval are final. An administrative dispute may be initiated against the decision.

### **Prohibition for Employees**

#### **Article 100**

Employees of an organiser of special games of chance through means of electronic communication are prohibited from taking part 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 through means of electronic communication of the Serbian dinar equivalent of €2,500 per month.

The fee referred to in the first paragraph of this article is paid to the appropriate public revenues account within eight days of receiving the decision on approval, 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 the first paragraph of this article is paid at the official median exchange rate of the National Bank of Serbia on the date of payment.

## **Fee for Organising Games**

### **Article 102**

The organiser is obliged to calculate and pay a fee for organising betting games of chance through means of electronic communication to the amount of 15% and for other special games of chance through means of electronic communication to the amount of 10%, on the basis of the difference between the total pay-ins and total pay-outs, provided that the fee cannot be less than the Serbian dinar equivalent of €10,000 per month, calculated proportional to the number of days until the end of the month from the date of receipt of the decision on approval.

The fee for organising classic games of chance through means of electronic communication shall be paid in accordance with Article 33 of this law.

The fee referred to in the first paragraph of this article is paid into the appropriate public revenues account by the fifth day of the month for the previous month.

The fee referred to in the first paragraph of this article is paid at the official median exchange rate of the National Bank of Serbia on the day of payment.

The organiser is obliged to keep records of the turnover for special games of chance through the means of electronic communication, on the basis of which it determines the fee referred to in the first and second paragraphs of this article, and to submit them to the Administration by the fifth day of the month for the previous month.

The manner of keeping the records referred to in the fifth paragraph of this article is prescribed by the minister of finance.

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

### **Organiser**

### **Article 103**

During the calendar year, an organiser may organise a maximum of four prize games with the previously obtained consent of the Administration for each prize game individually.

The consent referred to in the first paragraph of this article is granted by the decision of the Administration.

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

Within the request for obtaining the consent referred to in the first paragraph of this article, the organiser shall specify the type and the rules of the prize game, the prize fund value and the length of the prize game.

The organiser of the prize game in goods and services may apply for approval of the prize game no later than 30 days before the day the prize game begins.

The minister of finance shall determine in more detail the manner for assessing the fulfilment of the requirements from the first four paragraphs of this article.

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 at least eight days before commencement of the prize game and submit proof of publication to the Administration within three days.

As an exception to the first paragraph of this article, a state authority or organisation may, in order to enhance the implementation of a particular regulation, organise a prize game exclusively for that purpose.

The Government shall establish the criteria and give approval for organising the prize game referred to in the eighth paragraph of this article.

### **Procedure for Obtaining of consent**

#### **Article 104**

A request for approval, which, among other things, contains data on the business name and registered address of the legal entity submitting the request and the prize fund with the specification of prizes, shall be accompanied by the following documents:

- 1) the decision of the competent authority on the organising of prize games;
- 2) the decision on registration in the appropriate register;
- 3) the rules of the prize game.

More detailed instructions on assessing the fulfilment of the conditions referred to in the first paragraph of this article are prescribed by the minister of finance.

The Administration ex officio obtains data from official records and the applicant is not obliged to submit the document referred to in item 1 (paragraph 2) of this article unless the applicant explicitly states that they will obtain the data themselves.

### **Withdrawal of Approval**

#### **Article 105**

The Administration issues an act on withdrawing the consent to organise prize games in goods and services if it determines that:

- 1) the consent was granted based on untrue information;
- 2) the organiser has not paid the due obligation based on the fee for organising the prize game;
- 3) organiser is not acting in accordance to the rules of the game.

## **Article 106**

The decision of the Administration on which a request for a licence to organise special games of chance in goods and services is accepted or denied is final. An administrative dispute may be initiated against the decision.

### **Fee for Organising Games**

## **Article 107**

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

If the Administration determines that the prize fund referred to in the first paragraph of this article does not correspond to the market value, it may determine the market value of said prize funds.

The fee referred to in the first paragraph of this article is paid to the appropriate public revenues account upon receipt of the decision on obtaining consent for organising the prize game and prior to the commencement of the prize game.

### **Reports on Prize Games**

## **Article 108**

Within 30 days of the completion of a prize game, the organiser is obliged to notify the Administration of the prize game results.

The minister of finance shall determine in more detail the manner of reporting referred to in the first paragraph of this article.

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

### **Rules of the Game**

## **Article 109**

For each type of game of chance, the request for organising submitted to the Administration must be accompanied by the rules of the game.

The minister of finance prescribes in more detail the conditions that the rules of the game have to fulfil, as well as provides consent on the submitted rules of the game.

The rules of the game have to be displayed in a visible place in the premises where the game is organised or published in some other manner prescribed by this law.

The rules of the game may not be changed during the game duration.

## **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 made a profit, 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 the first paragraph of this article may be used only for the purpose for which it was collected and may not be disclosed to third parties or made public, unless otherwise explicitly provided.

Submitting data for the purpose of the implementation of this law and regulations governing the prevention of money laundering and terrorism financing is not considered to be a breach of confidentiality.

During the processing of data on persons referred to in the first paragraph of this article, the organiser is obliged to act in accordance with the regulation governing personal data protection.

The organiser is obliged to keep electronic data and other documentation prescribed by this law for at least five years, starting from the last day of the year to which the data refers.

## **Prevention of Money Laundering and the 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 determine by their internal acts the actions and measures that will be taken against clients, as well as when the actions and measures are implemented.

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

### **Article 112**

The founder of the organiser, that is, the owner, the beneficial owner of the organiser, the appointed person and associate of these persons, or in the case of the appointed person being a legal entity, its member, its beneficial owner, the appointed person in such an entity and the associate of these persons cannot have received a fine if they are a legal entity, or sentenced to imprisonment if they are a natural person, for a criminal offence in the Republic of Serbia or a foreign country, or that they did not seriously injure or repeatedly violate regulations governing the prevention of money laundering and terrorism financing, during the time protective measures for the prohibition of performing certain activities that are the predominant activity of a company for organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that represent the predominant activity of a company for organising games of chance, or during the period

of the pronounced protective measure of banning the responsible person from performing certain duties with a company whose predominant activity is the organisation of games of chance.

The organiser, upon each appointment or change of the appointed person, shall submit an act of the competent state body confirming that such a person is not a person sentenced to a monetary fine, if he is a legal entity, or to imprisonment, if he is a natural person, for a criminal offence in the Republic of Serbia or to a foreign country, or that they did not seriously injure or repeatedly violate regulations governing the prevention of money laundering and terrorism financing, during the time protective measures for the prohibition of performing certain activities that are the predominant activity of a company for organising games of chance or the duration of the protective measure prohibiting the responsible person from performing certain activities that represent the predominant activity of a company for organising games of chance, or during the period of the pronounced protective measure of banning the responsible person from performing certain duties with a company whose predominant activity is the organisation of games of chance.

If for a justified reason the act of the competent state body referred to in the second paragraph of this article cannot be obtained, the organiser may also submit a statement made under oath that they have not been convicted and that they are not members of an organised criminal group. The Administration may at any time request the organiser provide the said proof or request it directly from the competent authority.

### **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) and Article 93 (paragraph 1) of this law must be cumulatively fulfilled by the organiser for each individual authorisation, for the organisation of special games of chance on automatic equipment, for the organisation of special betting games of chance or for organising special games of chance through means of electronic communication.

The condition referred to in the first paragraph of this article does not apply to organisers of games of chance in casinos.

### **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 to the service provider.

When, due to nature of the game of chance (fonto, SMS, etc.), the fee for electronic communication services is paid by the participant, the participant may not be charged more than the regular price for the respective service.

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

### **Article 115**

A legal entity and an entrepreneur established in the territory of the Republic of Serbia may receive payments for the organiser of special games of chance through means of electronic communication.

A legal entity referred to in the first paragraph of this article shall act in accordance with the regulations governing the prevention of money laundering and terrorism financing, as well as other relevant regulations.

A legal entity referred to in the first paragraph of this article is obliged to prominently display the poster referred to in Article 6 (paragraph 5) of this law in a place visible to the persons making the payment.

Facilities receiving payments within the context of the first paragraph of this article must meet the requirements of Articles 67 and 82 of this law regarding the distance from educational institutions (primary and secondary schools).

## **III. INSPECTION**

### **Competence of the Administration in Inspection Notion and Forms of Inspection**

#### **Article 116**

Inspection entails the process of inspecting and establishing the legality and regularity of the fulfilment of conditions and obligations, that is, the observance of prohibitions in accordance with this law and other regulations in the field of games of chance, as well as the law governing the prevention of money laundering and terrorism financing in the field of games of chance.

Inspection referred to in the first paragraph of this article can be in the form of an office inspection or a field inspection.

A field inspection is performed outside the official premises of the Administration and consists of direct inspection of objects, premises, equipment, devices and other objects, acts and documentation of the entity being inspected.

Office inspection is performed in the official premises of the Administration, by inspecting the acts, data and documentation of the entity being inspected and collecting, processing and analysing the data, information and documentation submitted to the Administration by the organiser of games of chance.

The Administration also conducts an inspection based on information received from other state bodies and public authority holders.

#### **Article 117**

The entity being inspected is obliged, at the request of the Administration and within a reasonable period of time that it determines, to provide all available information, to submit business documents and other documents and evidence for the purpose of establishing the factual situation, i.e. checking the fulfilment

of conditions and obligations, or observing the prohibitions related to the preparation of organising games of chance.

### **Initiating Inspection**

#### **Article 118**

The organisers are supervised on the basis of the annual plan, which is adopted by the director of the Administration.

The inspection supervisor or a person authorised by them shall issue a written inspection order.

The inspector of the Administration shall notify the entity being inspected in writing of the forthcoming regular inspection, no later than three days before the start of the inspection. The notification shall be made electronically and can also be done in paper form.

The inspector of the Administration has an official identity card by which they prove their official capacity and identity.

If the inspection is carried out by an authorised official, the authorisation issued to them shall contain elements of identification, which in addition to the image has the character of official identification and shall be used as official identification.

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 gives the entity being inspected, or the person present, 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 particularly justified circumstances that prevent 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 serve the order, it is considered that the inspection begins with presenting its contents to the entity being inspected or person present.

The entity being inspected is obliged to allow the inspector of the Administration unobstructed inspection supervision.

### **Competence of the Inspector**

#### **Article 119**

The inspector of the Administration is, in order to establish the facts, authorised to do the following:

- 1) inspect a personal or other public document with a photograph that is eligible to identify authorised persons in the entity being inspected, other employed persons as well as natural persons 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 regularity 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) photograph and record the space in which the inspection is performed and other items 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 the first paragraph of this article.

Within eight days of submitting the report referred to in the first paragraph of this article, objections can be made.

The inspector of the Administration is obliged to examine the objections referred to in the third paragraph of this article within five days of them being submitted and make an additional 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 may be made to the revised report.

If the inspector of the Administration does not establish unlawfulness, irregularities or deficiencies in the course of the inspection, they shall, without issuing a decision, end the inspection procedure by submitting a report stating that no unlawfulness, irregularities or deficiencies in the business or conduct have been identified.

## **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 supervised entity to eliminate the identified irregularities within 15 days of the day of delivery of the decision.

## **Inspection Procedure Measures**

### **Article 122**

When, in the course of a field inspection, the inspector of the Administration discovers that an unregistered entity that does not have the Government's permission, 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 objects that have been used, or could have been used, to organise games of chance.

The costs of seizing and storing the items referred to in the first paragraph of this article shall be borne by the unregistered entity who organised the games of chance without the Government's permission, approval or consent of the Administration.

An inspector of the Administration imposing a restraining order within the context of the first paragraph of this article shall have the right to order that the business premises and facilities in which the organisation of games of chance is performed are sealed.

An appeal does not delay the execution of the decision.

### **Article 123**

During a field inspection, if the Administration's inspector discovers the existence of automatic equipment, a table, a pay-in-pay-out desk or other equipment for which the registered subject does not hold a licence issued by the Government, approval or consent of the Administration, the inspector will issue a decision banning the performing of activities, seizing equipment, merchandise, documentation and other items that have been used, or could have been used, for the illegal activities.

The measure prohibiting the organisation of games of chance shall be imposed on the organiser only for business premises in which the irregularities referred to in the first paragraph of this article have been established during the inspection.

The measure prohibiting the performing of activities of an organiser who has been found to have an irregularity referred to in the first paragraph of this article shall be:

- 1) for a period of 15 days if an irregularity is established for the first time during the inspection procedure with the organiser;
- 2) for a period of 90 days if an irregularity is established a second time during the inspection procedure with the organiser.

The organiser who has been found to have an irregularity referred to in the first paragraph of this article for a third time in the inspection shall have their licence, approval or consent for the organisation of games of chance revoked.

Prohibition of performing the activities referred to in the third and fourth paragraphs of this article shall be pronounced for irregularities determined within a period of 24 months from the first irregularity found during the inspection procedure.

The costs of seizing and storing the items referred to in the first paragraph of this article shall be borne by the organiser.

### **Appeal**

#### **Article 124**

An appeal may be filed against the decision of the Administration issued during the inspection within 15 days of the day the decision was delivered.

The appeal does not delay the execution of the decision.

The decision of the second instance body on the appeal is final and an administrative dispute can be initiated before the administrative court within 30 days of the day the decision was delivered.

The appeal shall be submitted to the competent second instance authority, and through the first instance authority it is submitted directly or by registered mail.

### **Jurisdiction to Deal with Complaints**

#### **Article 125**

On the appeals filed against acts of the Administration brought in the first instance, a second instance body – the ministry – decides, unless otherwise regulated by this law.

#### **Article 126**

Procedures of office and field inspection are subject to the provisions of the law regulating inspectional supervision and the law regulating general administrative procedure, unless otherwise regulated by this law.

### **Interest**

#### **Article 127**

To the amounts of less paid fees, interest is calculated and paid at a rate equal to the annual reference rate of the National Bank of Serbia, increased by 10% by applying a simple interest account of one hundred.

On the amount of fees due, interest is calculated starting from the next day after the due date.

### **Activation of Special-Purpose Deposits and Bank Guarantees**

#### **Article 128**

If the organiser does not settle the obligations due on fees in the manner and within the period prescribed by this law, the Administration will collect the fees due from the funds of the special-purpose deposit or the bank guarantee of the organiser.

The procedure for activating the funds of a special-purpose deposit or a bank guarantee is regulated more closely by the minister of finance.

## **Enforcement**

### **Article 129**

Enforcement is carried out by the Administration in accordance with the provisions of the law that regulates enforcement and security.

## **Statute of Limitations on the Determining and Collecting 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 following year from 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 is 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 establishment and payment is always obsolete within ten years of the end of the year in which the fee was to be determined or collected.

The Administration's right to determine and collect fees and interest does not expire during the period from the initiation of the administrative dispute to the validity 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 subject to the provisions of the law governing misdemeanours.

## **IV. Penalty Clauses**

### **Misdemeanours**

#### **Article 132**

The National Lottery of Serbia and legal entities shall be fined with a pecuniary fine ranging from RSD 100,000 to RSD 2,000,000 if they:

- 1) act contrary to the ban prescribed in Article 10 of this law;
- 2) do not guarantee payment of winnings (Articles 17, 19, 20 and 21)
- 3) do not submit to the Administration a decision on organising games of chance (Article 23, paragraph 1);
- 4) change the rules of classic games of chance after the sale of lottery tickets, tickets or cards for the round or series, or the acceptance of stakes (Article 25, paragraph 2);
- 5) do not publish the game rules in a daily or weekly newspaper before starting the organisation of games of chance, or fail to ensure that all persons interested in participating can get acquainted with the rules of the game at sale (pay in) points (Article 25, paragraph 3);
- 6) do not draw and determine winnings in the presence of a committee of no less than three members appointed by the organiser, or fail to do so publicly (Article 26);
- 7) do not draw winnings in a live TV broadcast (Article 27);
- 8) do not announce a change of venue or date of a prize draw in the same manner as announcing the rules of the game, or fail to notify the Administration on the postponing of a draw due to technical reasons (Article 28, paragraphs 2 and 3);
- 9) do not refund lottery tickets, tickets or cards purchased, i.e. stakes accepted, to the participants in the case of cancellation (Article 28, paragraph 5);
- 10) do not submit to the Administration the report of the draw, i.e. the determination of winnings within the prescribed time frame (Article 29, paragraph 2);
- 11) do not announce the results of a draw in daily papers or on its official webpage within the prescribed time frame (Article 30);
- 12) do not pay the winnings, i.e. fails to ensure the takeover of other winnings in classic games of chance within the prescribed time frame or fails to submit the report to the Administration within the prescribed time frame (Article 31, paragraphs 1 and 4);
- 13) publish the identity of the winner contrary to the rules of the game (Article 31, paragraph 5);
- 14) do not pay the prescribed fee for organising classic games of chance, in the prescribed manner and within the prescribed time frame (Article 33, paragraphs 1 and 3; Article 102, paragraph 2);
- 15) do not submit records in the manner and within the deadline prescribed by this law (Article 33, paragraph 2; Article 76, paragraph 5; Article 91, paragraph 5; Article 102, paragraph 5);
- 16) do not maintain its share capital at the prescribed level during the licence or approval validity period, in accordance with Articles 36, 60, 78, 93 and 113 of this law;
- 17) buy the stake, or shares, or increases its own stake or number of shares in the share capital structure of the organiser of the games of chance in casino, without acquiring prior consent of the minister of finance (Article 37, paragraph 1);
- 18) do not secure a risk deposit at the cash register of the amount required by Article 38 (paragraph 3), Article 61 (paragraph 4), Article 79 (paragraph 4) and Article 94 (paragraph 3) of this law;
- 19) do not submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of the type of table (Article 44, paragraph 1);

- ~~20~~) do not submit to the Administration an additional certificate on the fulfilment of the technical and functional characteristics of the type of table (Article 44, paragraph 2);
- 21) do not furnish premises in accordance with Article 49 of this law;
- 22) do not ensure non-stop audio and video recorded surveillance and the keeping of recordings as prescribed by this law (Articles 50, 64 and 81);
- 23) do not ensure the physical protection of players and visitors in the casinos (Article 50, paragraph 3);
- 24) do not provide a permanent database on individuals that are allowed entrance to the gaming facility or does not provide their appropriate written statements (Article 51, paragraph 4);
- 25) enable employees of the organiser to participate in games organised by that organiser (Article 52, paragraph 1; Article 72, paragraph 1; Article 87, paragraph 1; Article 100);
- 26) enable employees to receive tips, gifts, loans or any other benefit, either for themselves personally or for others, or allow them to financially assist players (Article 52, paragraph 2);
- 27) act contrary to the provision of article 54 (paragraph 3) of this law;
- 28) do not pay the prescribed fee on organising special games of chance in casinos, according to procedures and within the specified time frame (Article 54, paragraphs 5 and 6);
- 29) do not keep records of the daily base or the tips collected in games of chance, based on which the base is calculated and paid, in accordance with the procedures and terms prescribed by the minister of finance (Article 55);
- 30) have less than five automatic machines in the facility on which the approval for organising special games of chance on automatic equipment is based (Article 59);
- 31) do not adjust the automatic equipment in the way provided for in Article 62 (paragraph 1) of this law;
- 32) do not ensure the appropriate accuracy, updating and protection of technical and functional characteristics of the automatic equipment (Article 62, paragraph 3);
- 33) do not submit to the Administration a certificate of the fulfilment of the technical and functional characteristics of the automatic equipment prior to putting the automatic equipment into use (Article 62, paragraph 4);
- 34) do not submit to the Administration an additional certificate for any change in the technical and functional characteristics of the automatic equipment (Article 62, paragraph 5);
- 35) do not use an appropriate information and communication system for organising special games of chance on automatic equipment (Article 63, paragraph 1);
- 36) do not submit to the Administration a certificate on the fulfilment of the technical and functional characteristics of the information and communication system prior to putting it in use (Article 63, paragraph 4);
- 37) do not submit to the Administration an additional certificate for any change in the characteristics of the information and communication system (Article 63, paragraph 5);
- 38) if they organise games of chance in a slot machine club or betting shop at a distance shorter than prescribed (Articles 67 and 82);
- 39) do not inform the Administration of any change in any information relevant to obtaining approval during the validity of the approval (Article 68, paragraph 3; Article 83, paragraph 3; Article 96, paragraph 3);
- 40) do not pay the appropriate fee for approval for organising special games of chance on automatic equipment, according to procedures and within the specified time frame (Article 75);
- 41) do not pay the appropriate fee on organising special games of chance on automatic equipment, according to procedures and within the specified time frame (Article 76, paragraphs 1 - 4);
- 42) do not keep a record of the turnover per automatic machine (Article 76, paragraph 5);

- 43) do not ensure the appropriate information and communication system for organising special betting games of chance (Article 80, paragraph 1);
- 44) do not submit to the Administration a certificate of the fulfilment of the technical and functional characteristics of the information and communication system prior to putting it in use (Article 80, paragraph 4);
- 45) do not submit to the Administration an additional certificate for any change in the technical and functional characteristics of the information and communication system (Article 80, paragraph 5);
- 46) do not pay the appropriate fee for obtained approval for organising special betting games of chance, according to procedures and within the specified time frame (Article 90);
- 47) do not pay the appropriate fee for organising special betting games of chance, according to procedures and within the specified time frame (Article 91 paragraphs 1 - 4);
- 48) do not keep a record of the turnover for every pay-in-pay-out desk (Article 91, paragraph 5)
  
- 49) do not use an appropriate information and communication system for organising special games of chance through means of electronic communication (Article 95, paragraph 1)
- 50) do not submit to the Administration a certificate of the fulfilment of the technical and functional characteristics of the information and communication system prior to putting it in use (Article 95, paragraph 4);
- 51) do not submit to the Administration an additional certificate for any change in the technical and functional characteristics of the system (Article 95, paragraph 5);
- 52) do not pay the appropriate fee for obtained approval for organising games of chance through means of electronic communication, according to procedures and within the specified time frame (Article 101);
- 53) do not pay the appropriate fee for organising games of chance through means of electronic communication, according to procedures and within the specified time frame (Article 102, paragraphs 1, 3 and 4);
- 54) do not keep a record of the turnover for organising special games of chance through means of electronic communications in the prescribed way (Article 102, paragraph 5);
- 55) do not publish the rules of the game in at least one daily newspaper distributed throughout the territory of the Republic of Serbia, eight days prior to the start of the prize game (Article 103, paragraph 7);
- 56) do not pay the appropriate fee for organising a prize game, according to procedures and within the prescribed time frame (Article 107);
- 57) do not notify the Administration on the results on the prize game within 30 days of its completion (Article 108, paragraph 1);
- 58) do not display the rules of the game in a visible place in the premises where the game is organised or to publish them in some other way prescribed by this law (Article 109, paragraph 3);
- 59) change the rules of the game during the course of the game (Article 109, paragraph 4);
- 60) act contrary to the provisions of Article 110 of this law;
- 61) receive payments for the organiser of special games of chance through means of electronic communications at facilities less than 200 metres from the building of educational institutions (primary and secondary schools) (Article 115, paragraph 4);
- 62) do not submit business documentation and other documents in accordance with the request of the Administration (Article 117);

63) are not present at the place of inspection, and is duly notified of the impending inspection (Article 118, paragraph 8);

64) do not enable the inspector of the Administration to perform an unobstructed field inspection (Article 118, paragraph 11).

For actions referred to in the first paragraph of this article, the responsible officer of the National Lottery of Serbia or responsible officer of the legal entity shall also be fined between RSD 5,000 and RSD 150,000.

For actions referred to in the first paragraph (items 55, 56, 57 and 61) of this article, the entrepreneur shall be fined between RSD 10,000 and RSD 500,000.

### **Article 133**

The Administration submits a request to initiate misdemeanour proceedings to the competent local misdemeanour court.

## **V. CLOSING PROVISIONS**

### **Article 134**

From the date of application of this law, all special games of chance referred to in Article 9 (paragraph 1, item 6) of this law shall be considered as games of chance referred to in Article 83 (paragraph 4, item 2) of the Law on Income Tax (Official Gazette of the Republic of Serbia, Nos. 24/01, 80/02, 80/02 other Law, 135/04, 62/06, 65/06-correction, 31/09, 44/09, 18/10, 50/11, 91/11-US, 93/12, 114/12-US, 47/13, 48/13-correction, 108/13, 57/14, 68/14-other law, 112/15, 113/17, 95/18 and 86/19).

### **Cessation of the Application of the Previous Law**

#### **Article 135**

On the day this law enters into force, the Law on Games of Chance (Official Gazette of the Republic of Serbia, no. 88/11, 93/12-other law, 30/18, 95/18 and 91/19) will cease to apply.

### **Adoption of Regulations**

#### **Article 136**

By-laws for the implementation of this law shall be adopted within 120 days from the day this law enters into force.

### **Validity of Earlier Regulations**

#### **Article 137**

Regulations adopted on the basis of the Law on Gambling (Official Gazette of the Republic of Serbia, Nos. 88/11, 93/12-other Law, 30/18, 95/18 and 91/19) shall be applied until the application of the regulations adopted on the basis of this law, if they do not contravene this law.

## **Compliance with the Provisions of the Law**

### **Article 138**

The organisers are obliged, within 15 months from the date of application of this law, to harmonise their businesses in accordance with the provisions of Art. 45, 60, 61, 63, 64, 74, 78, 79, 80, 81, 89, 93, 94, 95 and 113 of this law.

The organisers are required to submit the evidence referred to in Article 39 (paragraph 3, items 2, 7, 8 and 9), Article 68 (paragraph 1, items 2, 4, 8 and 9), Article 83 (paragraph 1, items 2, 4, 9 and 10) and Article 96 (paragraph 2, items 6, 8, 9 and 10) of this law by 30<sup>th</sup> June 2020.

Notwithstanding from the provisions of Article 67 (paragraph 3) and Article 82 (paragraph 3) of this law, the restrictions regarding the distance between two slot machine clubs, or between two betting shops, or between a slot machine club and a betting shop or casino, shall not apply to the location for which the organiser has had approval to organise special games of chance on automatic equipment, or for the organisation of special betting games of chance, before the application of this law.

## **Completion of Initiated Proceedings**

### **Article 139**

Proceedings which have not been completed by the beginning of the application of this law shall be completed in accordance with the provisions of the law applicable before the start of the application of this law.

If, after the beginning of application of this law, the act of the Administration is annulled or repealed, further procedures shall be carried out in accordance with the provisions of this law.

## **Entry into Force and Commencement of Application**

### **Article 140**

This law shall enter into force on the eighth day from the day of its publication in the “Official Gazette of the Republic of Serbia”, and shall be enforced after the expiration of 30 days from the date of its entry into force.