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OF THE REPUBLIC OF SRPSKA**

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BANJA LUKA

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On the basis of the Amendment XL, item 2 to the Constitution of the Republic of Srpska (“Official Gazette of the Republic of Srpska” number 28/94), I am making a

**DE C R E E  
ON PROMULGATION OF THE ACT ON GAMES OF CHANCE**

I am promulgating the Act on Games of Chance, adopted by the General Assembly of the Republic of Srpska at its Twenty-second session, held on 7<sup>th</sup> November 2012, and on 19<sup>th</sup> November 2012 the Council of Peoples stated that the adopted Act on Games of Chance is not jeopardizing any vital national interest of any constituent peoples in the Republic of Srpska.

No.: 01-020-3787/12  
27<sup>th</sup> November 2012  
Banja Luka

President of the Republic:  
Milorad Dodik

**A C T  
On The Games of Chance**

**I – BASIC PROVISIONS**

**Article 1**

This Act shall regulate the system and conditions of organizing games of chance, prize contests and amusement games, fees for organization, profit tax from games of chance and amusement games as well as supervision over fulfilling obligations from this Act, offences and sanctions relating to the games of chance.

**Article 2**

Provisions that regulate general administrative procedure apply to the issues that are not regulated by the provisions of this Act and which relate to the procedure lead by the Republic Administration for Games of Chance (hereinafter referred to as: Administration) and Ministry of Finance (hereinafter referred to as: Ministry).

### Article 3

(1) The Administration is a Republic authority within the composition of the Ministry and performs the duties of Republic administration from the domain of the games of chance in accordance with this Act and provision that regulates the Republic administration.

(2) Head office of the Administration is in Banja Luka.

### Article 4

(1) Games of chance, according to this Act, are considered to be the games where participants have equal opportunities to acquire gain with indirect or direct payment of a certain amount, and the result of the game solely or mainly depends on chance or an uncertain event in the game.

(2) Prize contests, according to this Act, are considered to be the games that are organized to promote own products and services, provided that for the participation in the game a separate payment is not requested, as well as the games that are organized in public - through telecommunication systems, where the participants are not required to pay for participation in the contest, indirectly - through telecommunication operators, with the possibility to win in goods and services.

(3) Amusement games, according to this Act, are considered to be the games on computers, simulators, video machines, pinball machines and other similar devices that are put into operation using money or chips, as well as darts, billiards and other similar games in which participation is possible after the participation fee is paid and in which participants cannot make profit in money, goods or rights, but gains the right to one or more free games of the same kind.

(4) It is prohibited to organize the Games of chance that are not regulated by this Act and described in the Catalogue of Games of Chance and that provide the possibility of obtaining the gain.

### Article 5

Games of chance are classified as follows:

a) Lottery games of chance (hereinafter referred to as: lottery games) including:

- 1) Lottery
- 2) Express Lottery
- 3) Instant lottery
- 4) TV tombola ie. TV Bingo
- 5) Classic tombola
- 6) Lotto
- 7) Keno
- 8) Sports betting or Totto
- 9) Additional lottery games of chance
- 10) Fonto
- 11) Other similar games of chance with drawing

b) Electronic games of chance (hereinafter referred to as: electronic games) including:

1) Electronic bingo

2) Other Electronic Games of Chance

c) Special Games of Chance, including:

1) Games in casinos

2) Betting games

3) Games of chance on the machines

4) Internet games of chance.

(2) Prize contests are classified as follows:

a) Classic prize contests and

b) Prize contests organized by telecommunication systems

## Article 6

(1) The terms of Article 5, paragraph 1 of this Act have the following meanings:

a) Lottery games of chance are the games that are organized by public drawing in which the winning fund has been determined in advance

b) Lottery is a game where each participant has a ticket issued by the organizer of the game, on which, in accordance with the rules of the game, certain number was pre-printed. Lottery ticket is considered to be a winning one when in a public lottery drawing, on the pre-determined day, certain parts of the number or entire number written on the lottery ticket is drawn.

c) Express lottery is a game where the participant has a ticket issued by the organizer of the game on which, in accordance with the rules of the game, already written are the type and amount of gain or a certain number, which are provided in a closed cover; a lottery ticket presents the gain if the gain, symbol or number are designated on it, which, according to the rules of the game, present the gain.

d) Instant lottery is a game in which the participant has a ticket issued by the game organizer on which, in accordance with the rules of the game, the type and amount of winning are pre-written or a certain number or symbol that is covered by adequate protection and which is removed by the participant by scratching. A winning lottery ticket is considered to be the one on which there is a winning or a number or symbol that, in accordance with the rules, presents the winning.

e) TV Tombola ie. TV Bingo is a game of chance in which the numbers are drawn in public on the pre-determined day and pre-determined time, through TV media.

f) Classic tombola is a game of chance in which the participant has a tombola card on which, in accordance with the rules of the game, the numbers have been pre-written and the participant wins if the numbers written on the card are drawn in the drawing that is not broadcasted through the media.

g) Lotto, keno and similar games are the games in which the participant fills out the papers published by the game organizer, on which, in accordance with the rules of the game, numbers have been pre-written, should guess a certain group of numbers, by crossing them out by his own choice and the paper slip is considered to be the winning one when the numbers or some of the numbers which are crossed out on it, match the numbers drawn in the public drawing and when other conditions are met.

h) Toto and sports betting are the games in which the participant, by filling out the papers issued by the organizer of the game on which the competition pairs are marked, guesses the results of sporting and other matches for each competitive pair, using the marks provided in the rules of the game; the paper is considered to be the winning one where the participant guessed all the results or the number of results stipulated by the rules of the game, provided that the marks for the results are entered, ie. crossed-out, on the talon and the coupon and when other conditions stipulated by the rules of the game are met.

i) Fonto and similar games over the phone and similar media are the games where the participant, upon his phone call and via “Short Message Service” (hereinafter referred to as: SMS), after other conditions are fulfilled (if they are stipulated by the rules of the game) is awarded a certain number or other unique mark, or the participant chooses it himself; the participant has a winning if the awarded number or another unique mark are drawn in the drawing, in accordance with the rules of the game;

j) Electronic games of chance are the games organized by terminals and by which the drawing ie. organization of the game is accomplished via electronic or mechanical generator of randomness and the result is transmitted electronically, and the winning fund does not have to be pre-determined.

h) Electronic tombola is a game of chance in which tickets are produced by the player on the terminal or machine and the drawing is carried out by central control and information system of the organizer, via electronic or mechanical generator of randomness, and the result is electronically transmitted to the terminals and displayed to the players (in accordance with the rules of the game).

i) Other electronic games of chance are all those games of chance that are not specifically regulated by this Act and are carried out on an electronic base

j) Special games of chance are the games in which participants play against each other or against the organizers and expect the winning depending on the amount of their stake and rules of the game.

k) Games in casinos are the games in which the players play against the casino or against each other in accordance with international rules, on the game tables, with:

1) Balls (such as “roulette”, “boulé”, “twenty-three” and so on)

2) Dices (such as “craps” and so on)

3) Cards (“baccarat”, “trente-guarante”, “black-jack”, “punto banco”, “mini punto banco”, “chemin de fer”, “carriben poker”, “texas holdem poker” etc.)

l) Betting games are the games in which the participants, in accordance with the rules of the game, bet on the results of various sports and other events.

1) Betting on the results of individual or group sporting events

2) Betting on the success of dancing, singing, music and other competitions

3) Other sport bettings

m) Games of chance on the slot machines are the games that are organized on the slot machines, electronic roulettes and other devices with multiple stake and winnings (“multiplayer” in English), slot machines with multiple stake and winnings (“multiplayer”) are mechanic, electronic or similar devices in which the players by paying a certain amount (chips, coins or direct payment in cash ie. the slot-machines) have the ability to win; if on one slot machine at the same time several players may play, any place to play in accordance with this Act is considered to be a special slot machine.

n) Internet games of chance are special games of chance in which participant can take part via global internet network (GIN).

(2) The terms of Article 5, paragraph 2 of the Act have the following meaning:

a) classic prize contests are considered to be the games that are organized to promote own products and services provided that no separate payment is required for the participation

b) prize contests that are organized through telecommunication systems are considered to be the games that are organized in public, on TV (such as: quizz, auction, auctions, counter-auctions and related games) where the participants are required to effect certain payment indirectly through telecommunication operators with clearly defined cost of calls ie. SMS that is being considered to be the payment for participation in the game

(3) Game of chance, prize contest or amusement game is individually stated and described in the Catalogue of the Games of Chance issued by the Director of the Administration with the consent of Minister of Finance (hereinafter referred to as: Minister)

#### Article 7

(1) Organization of the games of chance is an activity of public interest and the exclusive right of the Republic of Srpska (hereinafter referred to as: Republic), if not otherwise specified by this Act.

(2) The Republic transfers the right to organize the games of chance to legal entities registered for organization of the games of chance (hereinafter referred to as: organizer).

(3) The Lottery of the Republic of Srpska (hereinafter referred to as: Lottery) has the right to organize lottery games in accordance with this Act and regulations passed on the basis of that.

(4) The right to organize special games of chance in casinos is transferred by the concession contract, which is concluded on the basis of the decision of the Government of the Republic of Srpska (hereinafter referred to as: Government) with the organizer that meets the requirements prescribed by this Act.

(5) The right to organize a classic tombola and internet games of chance is transferred to the organizers through the Decision on Approval (hereinafter referred to as: Licence) passed by the Director of the Administration, and is subject to review after expiry of deadline of five years since the Decision has been passed.

(6) The right to organize electronic games, betting games and games of chance on machines is transferred to the organizers via licence, passed by the Director of the Administration, and is subject to review after expiry of deadline of ten years since the Decision has been passed.

(7) A legal entity who has been given the right to organize the games of chance cannot transfer that right to other persons.

#### Article 8

(1) Winnings from the games of chance may be in cash, goods, services or rights.

(2) The organizer guarantees with its entire property for the payout of winning funds from the games of chance.

(3) The Republic does not guarantee for payout of the winnings realized by participants in the games of chance.

#### Article 9

- (1) For organizing games of chance, the organizers pay fees determined by this Act which present the budget income of the Republic of Srpska.
- (2) Distribution of income from paragraph 1 of this Article is carried out on the basis of the regulation of the Government, which regulates criteria for determination of users and manner of distribution of income.
- (3) The following projects and programs have the priority in financing:
  - a) which deal with social care and humanitarian activity
  - b) which deal with problems and meeting the needs of persons with disability
  - c) which deal with culture
  - d) which deal with non-institutional education of children and youth
  - e) which contribute to the development of sports
  - f) which contribute to fight against drugs and all kinds of addiction and
  - g) which deal with development of civil society.
- (4) At least 50% of accomplished profit of the Lottery, which belongs to the Action Fund of the Republic of Srpska which is obligated to pay the funds to the budget of the Republic of Srpska, is allocated for financing of organizations that deal with activities from paragraph 3 of this Article.

#### Article 10

- (1) The following is prohibited:
  - a) Participation in foreign games of chance, in the case in which stakes would be paid on the territory of the Republic.
  - b) Collecting stakes in the Republic for taking part in the games of chance that are being organized abroad.
  - c) Sale, possession, cession, publishing, advertising and any other representation of foreign tickets (cards) for the games of chance in the territory of the Republic, and
  - d) keeping the means for the games of chance (slot machines, terminals, tables for games of chance, drums, tokens etc.) without licence, ie. approval for organizing games of chance in its registered business units, where physical entities can have access to these means and where some of the games of chance may be organized without approval of the Administration
  - e) organization of the competition in the games of chance without possessing licence
  - f) organization of the games of chance where participants pay certain cash amounts to the participants that joined the game before them and expect payment of certain cash amount from the participants that would join the game after them (cash chain and similar) as well as receiving other payments and promising gains contrary to Article 6 of this Act
  - g) organization of the games of chance in public places (especially: catering facilities, all spaces where games of chance are organized, business premises of any purpose and similar structures) and placing of personal computers or devices that have the access to internet in public aimed at organization and playing internet games of chance.
  - h) networking of terminals for electronic games and slot machines for games of chance into one network with the purpose to form "jack pot" and
  - i) using the words lottery, lotto, bingo, as well as other names for lottery games of chance and name of the game of chance in a sense of this Act does not belong to the lottery game
- (2) Exceptionally from the provision of the paragraph 1 item c) of this Article, it is allowed that an individual possesses lottery tickets of foreign games of chance for personal participation in the game of chance if the stakes are paid abroad.

## Article 11

- (1) Persons under 18 years of age cannot be participants to the games of chance under Article 5, paragraph 1 of this Act.
- (2) Persons under 18 years of age are not allowed to enter casinos, spaces where classic tombola is organized, betting shops and slot machine clubs.
- (3) Checking of the facts from paragraphs 1 and 2 of this Article shall be carried out by the organizer by control of personal documents, in case of doubt.
- (4) The organizer of the games of chance is obligated to put the provisions from paragraphs 1 and 2 of this Article in all business units at a visible place.

## Article 12

The organizers of the games of chance are required in their business to comply with the regulations governing the prevention of money laundering and financing of terrorism.

## Article 13

- (1) Organizers and employees of the organizer are required to keep confidential the information about players and their participation in the game, including information about their winnings and losses.
- (2) The obligation of confidentiality of data referred to in paragraph 1 of this Article shall not be violated in cases where, in accordance with the regulations governing the tax secret, there is no obligation of keeping tax secrets in cases when the organizer is obligated to proceed in accordance with the rules governing prevention of money laundering and financing of terrorism.
- (3) The organizer is obligated, upon the request of the player, to issue a certificate on the player's name about his actual winnings, and the organizer is obligated to keep records of issued receipts for five years following the year in which the receipt was issued.

## Article 14

Announcements and advertisements related to the game of chance cannot be published in radio and television programs for children and minors or in the printed media intended for children and minors.

## II - GENERAL CONDITIONS FOR ORGANIZING THE GAMES OF CHANCE

## Article 15

(1) Organization of the games of chance may be conducted by legal entities with the head office in the territory of the Republic, whose founders ie. person in charge have not been convicted for criminal offence, except from the domain of traffic if they meet the conditions provided by the law.

(2) When awarding concessions ie. licenses for organization of the games of chance, the following will be evaluated:

- a) activity, business, previous business and financial standing of the legal entity
- b) fulfillment of tax and other obligations by legal entities and their owners
- c) satiety by the offer of the games of chance in the Republic, ie. in particular unit of local self-government and
- d) scope of organization of the games of chance from the aspect of supplementing tourist offer.

#### Article 16

(1) In order to be awarded the concession ie. be granted a licence, the legal entity is obligated to possess minimal initial capital in the following amounts for organization of:

- a) classic tombola – minimal 200.000 BAM
- b) games of chance in casino – minimal 2.000.000 BAM
- c) electronic games of chance – minimal 50.000 BAM
- d) betting games – minimal 500.000 BAM
- e) games of chance on the slot machines – minimal 500.000 BAM
- f) internet games of chance – minimal 1.000.000 BAM

(2) If a legal entity, ie. the organizer submits the request for obtaining licence for organizing several types of the games of chance, he is obligated to have the cumulative amount of minimal initial capital from paragraph 1 of this Article for every licence granted.

(3) Legal entity being granted ie. given the concession, is obligated to maintain the amount of the initial capital in the amount prescribed by paragraphs 1 and 2 of this Article, in the period of validity of the concession.

#### Article 17

(1) In order to be granted a licence, an one-off licence fee is paid for organization in the following amounts:

- a) for classic tombola – the fee is 50.000 BAM
- b) for electronic games of chance in casinos – the fee is 100.000 BAM
- c) for betting games of chance – the fee is 100.000 BAM
- d) games of chance on the slot machines – the fee is 100.000 BAM
- f) internet games of chance – the fee is 200.000 BAM

(2) The fees from the paragraph 1 of this Article are paid on the occasion of receiving the licence and are not returned to the organizer in case that the organizer does not use the licence.

## Article 18

- (1) The licence from the Article 7, paragraphs 5 and 6 of this Act is passed by the Director of the Administration upon the request of the organizer.
- (2) By expiry of the deadline from Article 7, paragraphs 5 and 6 of this Act, the licence, upon the request of the organizer, may be extended for the following five, ie. ten years if the conditions prescribed by this Act are fulfilled.
- (3) The request from paragraph 2 of this Article is submitted to the Administration not later than six months before expiry of the deadline for the period of which the licence has been issued.
- (4) In order to be granted ie. extend the licence, the organizer must fulfill both legally prescribed special conditions with respect to space, personnel and equipment.

## Article 19

The licence for organization of the games of chance must include:

- a) business name and head office of the legal entity
- b) types of the games of chance that can be organized
- c) date of beginning of the organizing games of chance
- d) period of duration of licence
- e) regulations on other rights and liabilities of the organizer of the games of chance
- f) amount and type of payment of fee for awarding the licence.

## Article 20

- (1) The licence is revoked to the organizer if:
  - a) it has been issued on the basis of the untruthful data
  - b) it has not started with organization of the games of chance within the deadline from the licence
  - c) it has been determined that one of conditions necessary for obtaining a licence stopped or is absent
  - d) does not allow or in other way prevents supervision prescribed by this Act or complicates implementation of supervision.
  - e) shows the realized turnover incorrectly
  - f) borrows money to the players
  - g) does not maintain value of initial capital prescribed by this Act.
- (2) Licence is deprived on the basis of the Revoking Decision passed by the director of the Administration, after he determines compliance of one or more conditions for revoking licence from paragraph 1 of this Article.

## Article 21

The organizer of the games of chance, holder of the licence from Article 7, paragraphs 5 and 6 of this Act, organizes games of chance in its registered business premises on the basis of special Decision of Approval (hereinafter referred to as: Approval), passed by the director of Administration in accordance with provisions of this Act and provisions passed on the basis of it.

#### Article 22

Organizers of the games of chance are obligated, for the purpose of supervision, to possess appropriate computer system which provides saving of data on all elements of organizing games of chance and which has a possibility of networking with Central Computer System of Administration.

### III – LOTTERY GAMES OF CHANCE

#### Article 23

- (1) The Lottery has the right to organize lottery games of chance, except classic tombola.
- (2) The Lottery organizes lottery games by classic manner and via other telecommunication means.
- (3) The Lottery can realize lottery games in business cooperation also with other entities registered for turnover of goods and services, ie. it may, within business cooperation, check distribution of tickets and other means for organization of the lottery games of chance to those persons.
- (4) The Lottery may organize lottery games of chance in cooperation with legal entities that have the right to organize lottery games of chance in another entity or in other countries.
- (5) The Lottery may be a member of international associations that gather organizers of lottery games.

#### Article 24

- (1) To ensure the payout of winnings to the players and payment of liabilities, the Lottery must, on an annual basis, not later than 31<sup>st</sup> January for the current year, submit to the Administration the bank guarantee with the head office in the Republic or branches of the banks from BiH Federation and Brcko District BiH (hereinafter referred to as: Bank), in the amount of at least 25 % of total planned annual costs on the basis of the fees for organizing games of chance for that year.
- (2) The Administration activates the bank guarantee from paragraph 1 of this Article in case of non-payment of liabilities determined by this Act, not later than expiry of five days since the date when organizer was obligated to pay the monthly amount of the fee for organizing games of chance.

#### Article 25

Conditions for organizing particular lottery games of chance are determined by the rules prepared by the Lottery, for each type of game individually, according to previously obtained consent by the Administration.

#### Article 26

(1) The participant in the lottery game of chance is a physical entity who fulfils the conditions to participate in certain lottery game (round or series) in accordance with the rules of particular lottery game.

(2) The participant in lottery games in which the participation in the game is proved by possession of certificate of payment is the holder of such certificate, if the information on the certificate of payment are identical to those recorded on a microfilm, magnetic media or if they are registered in central computer system at the organizer of the lottery game.

(3) Participant in lottery games - lottery, instant lottery and express lottery is the holder of indisputable, undamaged ticket issued by the organizer of the lottery game.

#### Article 27

(1) The rules of lottery games must include:

- a) Business name and head office of the organizer
- b) Name of the authority of the organizer that made the decision on organization of the game, the date and the number of decision
- c) Name, description and duration of the lottery game
- d) Conditions for participation in the game
- e) Place in which the game will be organized, ie. the area where tickets are sold
- f) Single ticket price (combinations) and payment deadline for participation in the game
- g) Quantity and monetary value of issue of the tickets
- h) Establishment of fund amount and type of earnings
- i) Description of ticket, payment slip or certificate of payment
- j) Methods, procedures and control of the drawing ie. determining profit
- k) Manner of disclosure of winning fund, individual values of winnings and results of the game
- m) The ways and method of payout of cash earnings, ie. realization of winning of other kinds
- n) Procedure in the event of cancellation of the drawing

(2) The rules of lottery games cannot be changed after start of the sale of tickets of a certain round or series of lottery game.

#### Article 28

Before start of a certain round or series of the lottery game, the organizer is obligated to announce the rules in public in at least one daily printed papers available in the territory on which the tickets are sold, and to enable the persons interested in participation in the game to be acquainted with the rules of the game at the place of sale.

#### Article 29

(1) In lottery games in which the winning combinations are determined by drawing, the drawing is public and must be carried out before a Commission composed of at least three members appointed by the Lottery.

(2) Before start of the drawing, the organizer of the lottery game must establish and publish the total number of tickets sold before the Commission referred to in paragraph 1 of this Article.

#### Article 30

(1) At the request of the organizer, the Director of Administration may approve the change of the place of drawing or the day of drawing for a maximum of 30 days since the day when the drawing was initially scheduled.

(2) Change of place or delay of the drawing day must be published by the organizer in the same way in which the rules on the organization of the lottery game are published.

(3) If, in the case referred to in paragraph 1 above, the day of drawing is postponed, the organizer may continue to sell tickets until the day scheduled to be the drawing day.

(4) If the day of the drawing is changed due to technical reasons (blackout, failure of the drawing drum, etc.), the drawing is to be continued within 24 hours, and the organizer is obligated to inform the Administration about it.

(5) The organizer of the lottery games may cancel the organization of the games, the round or the series of individual games for which it has started to sell tickets, only with the consent of Administration and provided that money from the sale of tickets is returned to the players.

#### Article 31

1) The Minutes is kept on the drawing for every game of chance signed by the Commission members.

(2) The Minutes referred to in paragraph 1 of this Article must include: location, time and method of drawing of winnings, number of tickets and cards sold as well as unsold, ie. total payment in that round or the series, drawn winning combinations and possible objections of the participants in the game.

(3) The Minutes on the course of drawing is submitted by the organizer to the Administration within seven days from the date of publishing the drawing.

#### Article 32

The organizer is required to publish the final reports on the results of the drawing and the amount of winnings in public in daily papers in which he published the rules of the game and in selling places, not later than seven days from the date of the drawing.

#### Article 33

(1) Winning fund in lottery games of chance is at least 50% of the payments received for participation in the game.

(2) The amount of the winning fund in a particular game of chance from paragraph 1 of this Article per particular round or series of game of chance must be published before drawing.

(3) The winning fund from paragraph 1 above is returned as winning to players.

#### Article 34

(1) The payout of monetary prize, ie. taking over of commodity and other winnings in lottery games of chance shall be conducted within the deadline determined by the rules of the game of chance, which cannot be longer than 60 days from publishing the final report on the results of games.

(2) After expiry of the deadline referred to in paragraph 1 of this Article, the Commission determines which winnings in the round and series have not been paid-out ie. taken over, what is their value, and shall make a Minutes about it signed by the Commission members.

(3) If the winner of the lottery games of chance does not seek his winning from the organizers of the games within the deadline referred to in paragraph 1 of this Article, the amount of that winning is transferred to the next rounds, series, for the winnings in other games or is used to increase the winning fund above the amount prescribed by this Act.

(4) The Minutes referred to in paragraph 2 of this Article shall be submitted to the Administration within seven days from the expiry of the deadline for payment ie. distribution of winnings.

#### Article 35

(1) For organization of lottery games, the fee of 5% is paid to the base consisted of total value of all sold tickets and cards.

(2) The fee referred to in paragraph 1 above shall be paid to the 15th day of the month for the previous month.

### IV – CLASSIC TOMOBOLA

#### Article 36

(1) Licence for organization of classic tombola from Article 7, paragraph 5 of this Act is issued to a legal entity, which, besides the conditions from Article 16, paragraph 1, item a) and Article 17, paragraph 1, item a) of this Act fulfills also special conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) In addition to the request for issuing the licence from paragraph 1 of this Article, the legal entity must submit the following:

- a) Information about the business name and head office of the legal entity
- b) Decision on registration
- c) Proof of ownership or right to use the premises where classic tombola is organized
- d) Proof of right of ownership or right to use equipment for organizing classic tombola
- e) Proof that no criminal proceedings are conducted against authorized persons
- f) Rules of the game
- g) Proof of payment of fee from Article 17, item a) of this Act and

h) Proof by the Tax administration of the Republic of Srpska (hereinafter referred to as: Tax Administration) of tax liabilities paid.

(3) The rules of the game are published in public and are available to every player in all business units in which the classic tombola is organized.

#### Article 37

(1) Approval for organization of classic tombola from Article 21 of this Act is given to legal entity who possesses the licence from Article 36 of this Act for every business unit ie. every place of organization of classic tombola and which fulfills conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) In addition to the request for issuing the licence from paragraph 1 of this Article, the organizer must submit the following:

a) Rules of the game

b) Proof of ownership or right to use the premises where classic tombola is organized and

c) Proof of fulfillment of spatial and technical conditions for organizing classic tombola in those business premises.

#### Article 38

(1) Classic tombola can be organized only in specially designed premises, adapted for organization of this type of games, owned by the organizer or for which the organizer has the usage right.

(2) Classic tombola can be organized solely through tombola cards that are registered and approved by the Administration and at a price determined by sublegal deeds of Administration.

(3) In order to ensure payment of winnings to players and settlement of the fee for organizing game of chance and other obligations, the organizer of the classic tombola is obligated, on an annual basis, not later than 31<sup>st</sup> January during the period of licence, to submit the bank guarantee from the Bank, in the amount of 25% of totally planned annual costs on the basis of the fee for organizing game of chance in accordance with this Act.

(4) The Administration will activate the bank guarantee from the paragraph 3 of this Article in case on non-payment of liabilities from this Act, not later than expiry of five days since the date when the organizer of classic tombola was obligated to pay monthly amount of fee for organizing game of chance.

(5) The Rulebook on spatial and technical conditions for organizing classic tombola and the method of recording and price of tombola cards is prescribed by the Minister on the proposal of the Director of the Administration.

#### Article 39

(1) For organizing classic tombola, the organizer is obligated to pay the fee of 5% to the base consisted of total value of tombola cards sold.

(2) The organizer is obligated to report to the Administration the fee referred to in paragraph 1 above and to pay it until the 15<sup>th</sup> day of the month for the previous month.

#### Article 40

- (1) Non-profit organizations with head office in the territory of the Republic, may organize once a year classic tombola to collect funds to carry out its program aims.
- (2) Classic tombola from paragraph 1 of this Article may be organized after previously obtained Decision which approves organization of this tombola issued by the director of the Administration.
- (3) Tombola cards for game from paragraph 2 of this article may be sold not later than 30 days since the date of delivering the decision to the organizer.
- (4) Total value of tombola cards issued in case from paragraph 1 of this Article cannot be more than 80.000 BAM.

#### Article 41

In addition to the request for Decision on approval, the organizer from Article 40, paragraph 1 of this Act is obligated to submit:

- a) Decision on registration
- b) Rules of the game of chance and
- c) Game plan, which should contain the minimum number of tombola cards that the organizer must sell in order to secure payout of winnings and payment of obligations.

#### Article 42

- (1) The organizer from Article 40, paragraph 1 of this Act is obligated to pay the fee of 5% of total payments for the game to the budget of the Republic.
- (2) The fee referred to in paragraph 1 above shall be paid within seven days from the date of publication of drawn winnings, when the organizer is obligated to submit to the Administration the report on final account and the proof of payment.

### V – ELECTRONIC GAMES OF CHANCE

#### Article 43

- (1) The licence for organizing electronic games of chance in casinos from article 7, paragraph 6 of this Act is given to legal entity which, in addition to conditions from article 16, paragraph 1, item c) and article 17, paragraph 1, item b) of this Act fulfills also special conditions prescribed by this Act and sublegal deeds passed based on it.
- (2) Along with the request for licence from paragraph 1, the legal entity should also enclose:
  - a) Information about the business name and head office of the legal entity
  - b) Decision on registration
  - c) Business plan
  - d) Proof of ownership or right to use and the size of the space in which electronic games will be organized, ie. Casinos, if they are available in the moment of submitting application
  - e) proof of payment of fee from Article 17 item b) of this Act

- f) proof of ownership or usage right of use the device for games of chance and the whole equipment for the Games of Chance
  - g) data on the persons that manage activities and proof of their professional education and qualifications to perform activities in the Casino
  - h) rules for each type of the game that is organized and the conditions of participation in the game
  - i) proof that no criminal proceedings are in process against authorized persons
  - j) proof of fulfillment of spatial and technical conditions
  - k) proof by the Tax Administration of the Republic of paid taxes.
- (3) The applicant must submit proof from paragraph 2, item d) of this article for the first opening of Casino within 45 days from the date of issuance of licence.
- (4) In case that the applicant does not proceed within the deadline from paragraph 3 of this Article, director of Administration annuls the licence issued.

#### Article 44

- (1) In order to ensure payout of winnings to players and settlement of fees for organizing games of chance and other obligations, the organizer of the electronic games of chance is obligated, annually, and not later than 31<sup>st</sup> January, in the period of duration of licence, submit to the Administration the bank guarantee in the amount of 25% of totally planned annual costs on the basis of fees for organization of those games in accordance with this Act.
- (2) The Administration will activate bank guarantee from paragraph 1 of this Article in case of non-payment of liabilities from this Act, not later than five days since the day when the organizer of electronic games was obligated to pay the monthly amount of fee for organizing games of chance.

#### Article 45

- (1) Approval for organizing electronic games of chance from Article 21 of this Act is given to legal entity that possesses the licence from article 43, paragraph 1 and article 46, paragraph 1 of this Act for every business unit and which fulfills conditions prescribed by this Act and sublegal deeds passed on the basis of it.
- (2) Along with the request for issuing special approval from paragraph 1, the organizer of electronic games should also enclose:
- a) Rules of the game
  - b) Proof of ownership or right to use and the size of the space in case when electronic games are organized in Casinos
  - c) proof of fulfillment of spatial and technical conditions for organizing electronic games in that business space
  - d) proof of ownership or usage right and technical validity of the terminal on which electronic Games of Chance are organized
- (3) The organizer of electronic games is obligated to publish the rules of that game in every room in which the electronic games are organized.

#### Article 46

(1) Licence for organizing electronic games of chance in other structures, in addition to fulfillment of conditions from article 16, paragraph 1, item c) of this Act, may be granted to the organizer who possesses the licence for organizing classic tombola, concession for organizing games of chance in casino, licence for organizing betting games of chance or licence for organizing games of chance via slot machines.

(2) Along with issuance of special approval from paragraph 1 of this article, the organizer of electronic games should submit also:

a) rules of the game

b) proof of initial capital from article 16, paragraph 1, item c) of this Act

c) proof of ownership right or usage right and technical validity of the terminal on which electronic Games of Chance are organized.

(3) The Administration, along with the licence and approval from paragraph 1 of this article and articles 43 and 45 of this Act, also gives a special mark which contains data on: organizer, location, validity period and series number, and which the organizer of electronic games is obligated to point out in original document at a visible place in the premise where electronic games of chance are organized.

#### Article 47

(1) Electronic games are organized via terminals, that should fulfill conditions of technical validity in accordance with this Act and regulations passed based on it.

(2) The organizer of electronic games is obligated to mark each terminal for organizing electronic games by special sticker given by the Administration, along with a special fee of 20 BAM, for the period of a year.

(3) The organizer of electronic games is obligated to report to the Administration, at least seven days before, each putting into use, withdrawal from use, and transferring of terminal, and this obligation does not relate to technical breakdowns and service.

(4) The organizer of the electronic games of chance is obligated to submit to the Administration, for every new terminal which he puts into use:

a) proof of ownership or the right to use of the space

b) proof of ownership or the right to use of terminal

c) certificate on technical inspection

(5) Terminals must be connected into one electronically controlled network, and the result of the game is established by the generator of randomness in one central server.

(6) Casinos that are connected to the central server must be able to save the results of the drawing via sub-server .

(7) The organizer must have a central control and information system which allows you to connect with the information system of the Administration and this monitoring should allow central networking of all the terminals of one organizer.

(8) The results of the drawing relating to particular games are at the same time available to all the players participating in game on terminals.

#### Article 48

- (1) Participants in electronic games are physical entities that fulfill conditions for participating in these games of chance in accordance with the rules of a particular game.
- (2) The right to participate in electronic games is acquired by payment of stake for game on terminal or at the cash desk of the organizer.

#### Article 49

- (1) Electronic games of chance can be organized in specially organized premises –casinos, ie.places for organizing classic tombola, betting shop or slot machine club.
- (2) One casino has at least ten terminals and total area can be at least 30 m<sup>2</sup>.
- (3) Exceptionally from paragraph 2 of this article, if electronic games of chance are organized on the basis of the licence from article 46, paragraph 1 of this Act, the organizers must set up not more than five terminals in each place for organizing which possesses approval for organization of electronic games of chance.
- (4) The organizer must place the rules of the game in a visible place.
- (5) Casino must have cash desk and separated and protected space to store money and other valuables.
- (6) Casino may have currency exchange office and separated area to provide catering services, which serve drinks and beverages, and may have a catering facility in which meals are prepared and served.
- (7) Working hours of the casino is 18 hours a day, every day regardless of whether there is non-working day prescribed by law and other regulations.
- (8) The organizer must provide continuous video surveillance with recording in the casino.
- (9) The organizer is obligated to keep the documentation on recording for 15 days, or longer if requested so by the Administration.
- (10) Data from the documents referred to in paragraph 9 of this article present a trade secret.
- (11) The organizer must provide personal protection to players and visitors.
- (12) The Rulebook on spatial and technical conditions for casinos, and conditions and manner of organizing electronic games of chance is prescribed by the Minister on the proposal of the Director of the Administration.

#### Article 50

For putting into operation the terminal for organizing electronic lottery games of chance, the technical conditions for organizing games of chance on slot machines prescribed by this Act are applied.

#### Article 51

- (1) For organizing electronic games of chance in casinos, the organizer must report to the Administration and pay the fee in the amount of 100 BAM per month, per terminal, till the 15<sup>th</sup> day of the month, for the previous month.

(2) For organizing electronic games of chance on the basis of the licence from article 46, paragraph 1 of this Act, the organizer is obligated to report to the Administration and pay the fee of 200 BAM per month per terminal until 15<sup>th</sup> day in the month for the previous month.

## VI – GAMES OF CHANCE IN CASINOS

### Article 52

(1) In Casinos may be organized the games of chance from Article 5, paragraph 1, item b) item c) sub-items 1, 2 and 3.

(2) The Government at the proposal of the Ministry determines the dynamics of awarding concessions for organizing the games of chance and their number.

### Article 53

For the award of concessions for organizing the games of chance in the Casino, the provisions of the regulation regulating the domain of concessions and this Act will apply.

### Article 54

(1) In order to be awarded the concession, the organizer of the games of chance in casino is obligated to fulfill, along with general conditions from article 16, paragraph 1, item b) of this Act and special conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) To ensure the payout of winnings to the players and payment of fee for organizing games of chance and other liabilities, the organizer of the games of chance in casino must, during the validity of concession, on an annual basis, not later than 31<sup>st</sup> January for the current year, submit to the Administration the bank guarantee from the Bank in the amount of at least 25 % of total planned annual costs on the basis of the fees for organizing games of chance in accordance with this Act.

(3) The Administration will activate the bank guarantee from paragraph 2 of this Article in case of non-payment of liabilities determined by this Act, not later than expiry of five days since the day when organizer was obligated to pay the monthly amount of the fee for organizing games of chance.

(4) The concession holder must possess daily in the cash desk the risk deposit in the amount of at least 50.000 BAM.

(5) One time concession fee for organizing games of chance in casinos is at least 500.000 BAM and will be paid when concluding the contract on concession.

### Article 55

(1) The procedure of awarding the concession for organizing games of chance from article 7 paragraph 4 of this Act is initiated by public invitation which is announced in at least one printed daily paper available on entire territory of the Republic.

- (2) The invitation from paragraph 1 of this Article is announced and the procedure is implemented by the Ministry for conclusion of concession contract.
- (3) The decision of award of concession, after the procedure is implemented, upon the proposal of the Ministry, is passed by the Government.
- (4) On the basis of the Decision from paragraph 3 of this article, the contract on concession is concluded by the Ministry.
- (5) Concession may not be transferred.
- (6) Concession is awarded for the period of ten years with the right of extension for the following ten years.
- (7) The procedure of prolongation of concession contract is carried out in accordance with provisions of this Act and provisions which regulate the domain of concessions.
- (8) The contract on concession can be cancelled and the cancellation period is 90 days.

#### Article 56

- (1) In addition to the application for a public invitation for the award of concessions for the games of chance in Casinos, the legal entity should submit:
  - a) Information about the business name and the head office of the legal entity
  - b) Decision on registration of legal entity
  - c) business plan of legal entity
  - d) proof of ownership or right to use and the size of the space in which to organize games of chance, if they are available at the time of submission, ie. preliminary design which must begin and end no later than two years after receiving concessions
  - e) Stating the type and scope of the Games
  - f) Rules for each type of game that will be organized, the conditions for participating in the game, the amount of stake in the game, the price of chips or credit points in the game on the slot machines, with a description of the method of recording in total-register of slot machines and payment deadline for participating in the game
  - g) Data on the persons that manage the activities and evidence of their professional education and qualifications for the performance in the Casino
  - h) Casino rules
  - i) Data on the type and number of machines for playing games and supplies, with detailed information for their identification
  - j) Proof that no criminal proceedings against them are in process against authorized persons
  - k) Proof by the Tax Administration of the Rep. of paid taxes
  - l) Proof of previous experience, recommendations and approvals which are available
  - m) Statement by the organizer that he has not been taken away the approval in the country or abroad, and that he has not been convicted of a criminal offence of tax evasion
  - n) Evidence of tax liabilities of owners and persons associated with the ownership and management structure, if a legal entity is a new legal entity and
  - o) Proposal of concession fee

#### Article 57

Concession Contract, in addition to elements determined by the regulation that regulates the domain of concessions, must contain the following also:

- a) type of games of chance that can be organized
- b) date of starting organizing games of chance
- c) duration of concession and conditions for its revocation
- d) amount and manner of paying concession fee
- e) manner of implementing supervision
- f) provisions on other rights and obligations of contracting parties.

#### Article 58

The Concession Contract will be terminated if:

- a) Concession was granted based on false information
- b) The Concessionaire did not start working within deadline prescribed in the contract as the beginning of operations
- c) The concessionaire stopped working contrary to the provisions of this Act.
- d) Concessionaire is not fulfilling anymore prescribed technical, IT and other requirements
- e) Concessionaire violates the rules of games of chance
- f) Concessionaire does not pay the obligations stipulated by this Act or does not pay out winnings to players
- g) Concessionaire does not permit or otherwise prevents the supervision prescribed by this Act, or makes the implementation of supervision difficult
- h) Concessionaire shows the turnover realized incorrectly
- i) Concessionaire borrows money to players
- j) Concessionaire violates the provisions of the Concession Contract and
- k) The competent authority becomes aware of the fact and circumstances that existed at the time of submission of the request, which, according to the provisions of this Act, are an obstacle for award of the concession.
- l) Concessionaire violates also other provisions of the Concession Contract.

#### Article 59

Concessionaire shall promptly notify the Administration of the change of each item or circumstances relating on:

- a) Members of the Management of the organizer
- b) Other persons authorized to represent and conduct business of the Concessionaire
- c) Identity of persons participating in the initial capital of the legal person and
- d) Other circumstances relevant to the business and operation of the Concessionaire

#### Article 60

(1) Director of the Administration may approve to the Concessionaire, upon his request, the resettlement of a casino to a new location.

The request from paragraph 1 of this Article contains:

- (a) Proof of fulfillment of spatial and technical requirements for organizing games of chance in casino
- (b) explanation of the reason and course of resettlement
- (c) proof of ownership or right to use the space for which the resettlement is demanded.
- (3) The concessionaire is obligated to start to work at a new location within six months from the date of approval of resettlement.
- (4) Time needed for relocation is not included in the period of duration of concession.

#### Article 61

- (1) The Concessionaire may only organize games of chances in the volume and type defined in the Concession.
- (2) For each additional device for a game that has not been stipulated in the concession, the concessionaire is obligated to obtain approval in the manner prescribed by this Act and Act determining the domain of concessions.

#### Article 62

- (1) For organizing games of chance in Casinos, concession fee is paid consisting on the fixed and variable part.
- (2) The annual fixed fee per one casino is 100,000 BAM and the Concessionaire is obligated to report the fee to the Administration and pay until 31<sup>st</sup> March of the current year for the previous year.
- (3) Variable fee for organizing games of chance in Casinos is paid monthly to the revenue from games of chance (for each game separately) and amounts to 10% of the established base consisted of the sum of daily calculations for each type of game in the Casino (cumulative) and for each terminal or slot machine for electronic games.
- (4) The fee from paragraph 3 should be reported to the Administration and paid until the 15th day of the month for the previous month.
- (5) The concessionaire is obligated, in prescribed forms, to keep the data about daily accounts per particular table for the games of chance, which create a monthly basis for the calculation and payment of fee from paragraph 3 of this Article.
- (6) The Concessionaire shall submit monthly report to the Administration about the revenue generated by types of games.
- (7) Data from the records with final monthly calculation and a copy of the proof of the fee paid should be submitted by the Concessionaire to the Administration to the 15th day of the month for the previous month.

#### Article 63

- (1) Tables for the games of chance in casino are marked with a special sticker given by the Administration with the fee of 20 BAM for a year.

(2) The value of promotional token in the games of chance in casino cannot be larger than the value of the least amount of token prescribed by the casino rules of game, and the total value of promotional tokens cannot be larger than 2% of monthly income of the casino.

(3) Promotional prize contests in casino are premiums in goods and money which cannot be larger than 5% of monthly income of the casino.

#### Article 64

(1) Casino must be arranged so that the premises for the game and the premises for guests and staff relating to games are spatial entity of at least 500 m<sup>2</sup>, but the Casino cannot have less than five tables for games with balls, cubes, or cards.

(2) If the casino is located in the hotel, the hotel must be ranked with at least three stars.

(3) Opening hours of Casinos is 24 hours a day, every day, regardless of whether this is non-working day determined by the law and other regulations.

(4) Rulebook on manner of accounting the base from article 62, paragraph 3 of this Act and the manner of recording the calculation of the base, as well as on Spatial and technical requirements for a Casino is prescribed by the Minister.

#### Article 65

(1) Payments and payouts in casinos are carried out in Bosnian marks or in foreign currency if such way of payment is stipulated by concession contract.

(2) Casino must have a cash desk as well as separated and protected space for storing money and other valuables.

(3) Casino must have currency exchange office and separated area to provide catering services, serving drinks and beverages, and may have a catering facility where meals are prepared and served.

(4) Concessionaire is obligated to ensure continuous video surveillance in casino with recording which provides continuous and direct supervision.

(5) Concessionaire is obligated to keep the documentation on continuous recording for 30 days or longer if requested so by the Administration.

(6) Data from documentation from paragraph 5 of this article present business secret and the concessionaire will reveal it to another persons only in accordance with the law.

(7) Concessionaire is obligated to supervise the players and visitors so that the game could develop in accordance with provisions of this Act.

(8) Concessionaire is obligated to ensure personal protection to players and visitors.

#### Article 66

(1) Rules of the games of chance for each type of the game are passed by the concessionaire and are applied upon previously obtained consent of the Administration.

(2) Rules of the games of chance are composed in one of languages in official use in the Republic and are translated into English.

(3) In the course of duration of the games of chance started by the players after payment, it is prohibited to change the amount for participation at a game of chance.

- (4) Concessionaire is obligated to publish the rules and make them available to visitors.
- (5) Rules of the casino contain:
  - a) types of special games of chance which are organized in casino
  - b) conditions for entry in the casino (proof of identity and control of visitors)
  - c) conditions when the particular players are prohibited access in casino or participation in games of chance and
  - d) working hours of the casino.

#### Article 67

The concessionaire may prohibit further participation in games and presence in casino to the players who break the rules in the course of the game.

#### Article 68

- (1) Persons in uniform may enter the Casino only for the performance of official duties.
- (2) Taking inside the technical tools suitable for obtaining the benefits of the game is not allowed.
- (3) The organizer is obligated to provide surveillance of entry and exit to and from the Casino, with recording of visitors and continuous audio and video surveillance, ie. control of reception, with recording of going in and out of the Casino.
- (4) Casino Management may temporarily prohibit to some persons to participate in games of chance in Casino or limit their participation on the basis of the evaluation

#### Article 69

- (1) Employees at the Casino who directly participate in organizing games of chance must be qualified to work in a Casino.
- (2) Employees at the Casinos are not allowed to participate as a players at the Casino in which they work.
- (3) Employees at the Casino must keep as trade secret information of the players that they find out during performance of their work.
- (4) Employees at the Casino are forbidden to take the commission from players, gifts or services of any kind and are not allowed to help the players financially.
- (5) It is permitted that players give the tip to the casinos staff, which is placed in special boxes provided for that purpose.
- (6) Tips are handled in accordance with the rules of Casinos, prepared by the concessionaire.
- (7) Members of Casino management and senior management are excluded from distribution of tips.

## VII – BETTING GAMES

### Article 70

(1) The licence for organizing betting games from article 7, paragraph 6 of this Act may be given to legal entity who, in addition to general conditions from article 16, paragraph 1, item d) and article 17, paragraph 1, item c) of this Act fulfills also special conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) Along with the request for issuing licence to organize betting games, legal entity is also obligated to enclose the following:

- a) Information about the business name and the head office of the legal entity
- b) Decision on registration of legal entity
- c) business plan of legal entity
- d) proof of ownership or right to use the space in which the head office of the casino is located
- e) general rules of betting
- f) proof of fulfillment of spatial and technical conditions
- g) proof of right of ownership or the right to use equipment for betting games
- h) proof of payment of fee from article 17, item c) of this Act and
- k) Proof by the Tax Administration of the Rep. of paid taxes

(3) To ensure the payment of winnings to the players and payment of fee for organizing games of chance and other liabilities, the organizer of the games of chance in casino must, during the validity of concession, on an annual basis, not later than 31<sup>st</sup> January for the current year, submit to the Administration the bank guarantee from the Bank in the amount of at least 25 % of total planned annual costs on the basis of the fees for organizing games of chance in accordance with this Act.

(4) The administration activates the bank guarantee from paragraph 3 of this article in case of non-payment of liabilities determined by this Act not later than expiry of five days since the date when organizer of the games of chance was obligated to pay monthly amount of the fee for organizing games of chance.

### Article 71

(1) Approval for organization of betting games from Article 21 of this Act is given to the organizer who possesses the licence from Article 70, paragraph 1 of this Act for every business unit ie. betting shop and that fulfills conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) In addition to giving special approval from paragraph 1 of this Article, the organizer must submit the following:

- a) Rules of the game
- b) proof of ownership or right to use the premises where betting games are organized and
- c) proof of fulfillment of spatial and technical conditions for organizing betting games in those business premises.
- d) proof of right of ownership or use of equipment for that betting shop.

(3) Administration, along with approval and licence from articles 70 and 71 of this Act, also gives special mark which contains data on: organizer, location, validity period, and series number, and the organizer is obligated to put it in a visible place in every betting shop.

#### Article 72

Payments in betting games of chance are carried out at organizer`s at the payment places of betting shops, via terminals for betting and via SMS.

#### Article 73

- (1) Betting games are organized in special business premises (betting shops).
- (2) The premises in which betting is organized (betting shops) cannot be less than 20m<sup>2</sup>.
- (3) The organizer is obligated to prescribe description of betting and conditions for participation in betting by rules of betting.
- (4) Rules of betting must be clearly placed at the payment spot of the betting.
- (5) Business Hours of betting place may last from seven hours a.m. to 11 hours p.m. every day regardless of the fact whether the non-working day is determined by the law or other provision.
- (6) Provisions of article 68, paragraphs 1 and 2 of this Act are applied also to the betting shops.
- (7) On the proposal of the Director of the Administration, the Minister shall pass the Rulebook which prescribes spatial, technical and IT conditions and manner of organizing betting games of chance.

#### Article 74

Organization of betting in the territory of the Republic is prohibited for:

- a) results of general and local elections and
- b) the organizer of betting who is the owner or co-owner of some sports club to the events in that type of sport and rank of competition.

#### Article 75

- (1) To organize the betting games, the fee of 1.000 BAM has to be paid per month, per the payment spot.
- (2) The fee referred to in paragraph 1 above shall be paid to the 15th day of the month for the previous month.

#### Article 76

- (1) Storing, registering and recording of data on payments received for betting is carried out in Central computer system of the organizer, which is made in a way that it enables connecting to computer system of the Administration for the purpose of supervision, and the game program is certified by authorized laboratory for certification.

(2) The organizer must keep all the winning tickets undamaged, with the serial number, for at least three years.

#### Article 77

(1) Sports betting terminals are special type of betting shops through which betting games of chance are organized.

(2) Organizing betting games via terminal for sports betting is carried out in betting shop, slot machine clubs, casinos or catering establishments and the area of the space for placing of one terminal cannot be less than 2 m<sup>2</sup>.

(3) The provisions of the article 71 of this Act are applied to the conditions and procedure of obtaining approval for organizing betting games via terminal for sports betting.

(4) Terminals must be connected to the central computer system from article 76, paragraph 1 of this Act, where every payment for participation in the game has been carried out.

(5) Terminal must have a device to receive the banknotes ("bill acceptor), printer ("ticket printer"), and mechanical dials.

(6) Terminals for sports betting have special sticker for marking given by the Administration with the fee 20 BAM for the period of a year.

(7) The organizer is obligated to pay to the Administration a fee for organizing games of chance through the terminal in the amount of 1.000 BAM per terminal and it is paid monthly to the 15<sup>th</sup> day of the month for the previous month.

#### Article 78

(1) Betting via SMS is special type of betting where the player can play the game independently through interaction with system without direct presence of the organizer.

(2) Betting via SMS can be organized in betting shop on the basis of approval that the organizer is obligated to obtain in accordance with Article 71 of this Act.

(3) Approval from article 2 of this Article is considered to be special payment – payout spot.

(4) For organizing betting via SMS, the organizer has to pay monthly fee in the amount of 1.000 BAM until the 15<sup>th</sup> day of the month.

#### Article 79

(1) Exceptionally from article 74, item b) of this Act, a non-profit organization that organizes sports competitions may, in the premises of the stadium or the hall where the competition is hold, organize betting once a year in connection with such competition.

(2) Betting from paragraph 1 of this article can be organized exclusively upon the approval of the Administration.

(3) Along with the application for approval, the following should be submitted:

- a) The Statute of the organization
- b) Decision and the purpose of organizing betting
- c) Rules of the games and
- d) time of holding the game

(4) The organizer of betting games is obligated to pay a fee for organizing betting in an amount of 5% of the calculated base, which consists of the total amount of the payments received reduced by the value of payouts, to the budget of the Republic.

## VIII – GAMES OF CHANCE ON SLOT MACHINES

### Article 80

(1) Licence for organizing games of chance on slot machines from article 7, paragraph 6 of this Act can be given to legal entity who, in addition to general conditions from article 16, paragraph 1, item e) and article 17, paragraph 1, item d) of this Act fulfills also special conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) Along with the request for issuing a licence for organizing games of chance on slot machines, the legal entity is obligated to submit the following:

- a) Information about the business name and the head office of the legal entity
- b) decision on registration
- c) Proof of fee payment from Article 17, item d) of the Act
- d) General rules of game and
- e) Proof by the Tax Administration of paid taxes.

(3) In order to ensure payout of winnings to players and settlement of liabilities for organizing games of chance, the organizer of games of chance on slot machines must, on an annual basis, not later than 31<sup>st</sup> January, in the period of duration of licence, submit the banking guarantee of the bank in the amount of 25% of total planned annual costs on the basis of the fee for organizing games of chance determined by this Act.

(4) The administration activates the bank guarantee from paragraph 3 of this article in case of non-payment of liabilities determined by this Act not later than expiry of five days since the date when organizer of the games of chance was obligated to pay monthly amount of the fee for organizing games of chance.

(5) The organizer of games of chance through the slot machine must provide daily the risk deposit in the cash desk of at least 100 BAM per slot machine.

### Article 81

(1) Approval for organizing games of chance on the slot machines from article 21 of this Act can be given to a legal entity that possesses the licence from Article 80 of this Act for every business unit ie. slot machine club which fulfills conditions prescribed by this Act and sublegal deeds passed on the basis of it.

(2) Along with the request for issuing special approval from paragraph 1 of this Article, legal entity is obligated to submit the following:

- a) Proof of ownership or right to use the slot machines to put into use in the slot machines club
- b) Evidence of meeting the physical and technical conditions for that slot machine club
- c) Certificate of technical inspection of the slot machines
- d) Rules for the Games of chance to be organized in that slot machine club
- e) proof of ownership or right to use for the space in which games of chance will be organized

(3) The Administration, along with the licence and approval from articles 70 and 71 of this Act, gives also special mark, which contains the data on: organizer, location, validity period and serial number, and the organizer is obligated to place it in original document in a visible place in every slot machine club.

#### Article 82

(1) The organizer is obligated to inform the Administration, seven days before at the latest, about every putting into use, withdrawal from use and relocation of the slot machine, excluded due to technical failures and service.

(2) The organizer is required to deliver to the Administration for each new slot machine that will be put into service the following:

- a) Proof of ownership or right to use the space in which it is situated
- b) Proof of ownership or right to use the slot machine and
- c) Certificate of technical inspection

#### Article 83

(1) Organizing games of chance on the slot machines can be carried out in specially designed premises (slot machine clubs)

(2) Slot machine club must have at least 10 slot machines for games of chance, and entire area of the slot machine club cannot be less than 30m<sup>2</sup>.

(3) The organizer must in a visible place in the slot machine club place the rules and information for players

(4) Slot machine Club must have cash desk and safe to store money and other valuables

(5) Slot machine club may have premises to provide catering services, which serve drinks and beverages to players, free of charge

(6) Slot machine club must also have separate space to provide catering services in which drinks and beverages are served

(7) Working hours of the slot machine club may be 18 hours a day, every day regardless of whether there is non-working day prescribed by law and other regulations

(7) Administration of the Slot machine club may, on the basis of evaluation, temporarily prohibit or limit participation in games of chance in the slot machine club to some persons

(8) The Minister, upon the proposal of Administration director, is issuing Rulebook by which spatial and technical conditions for organizing games on chance on slot machines are prescribed, as well as conditions of technical inspection of slot machines, conditions and manner of technical inspection of slot machines and conditions that legal entity for technical inspection must fulfill.

#### Article 84

(1) The slot machines can be used only if on them, in a prominent place, a label is stuck for marking and registration, issued by the administration with special fee of 20 BAM for the period of a year.

(2) Minister, upon the proposal of the Director of administration, issues a rulebook which prescribes appearance, contents and manner of issuing of a label for marking and registration of terminal, tables and slot machines for organization of games of chance and amusement games.

#### Article 85

(1) Slot machines for the games of chance must be technically correct and sealed when putting into use.

(2) Slot machines for the games of chance to be put into use must have the possibility of permanent or long-term recording of all payments in electronic form in the fiscal memory of program plate and in mechanical dials (minimum of two mechanical dials), with the possibility of sealing the dials.

(3) Sealing of program plate is performed by Administration or legal entity authorized for sealing by the Ministry.

(4) For the sealing from paragraph 3 of this Article, the organizer must pay a fee in the amount of 10 BAM per each sealed slot machine.

#### Article 86

(1) Slot machines for games of chance should be so constructed or adapted that to the total number of programmed combinations they pay to the players at least 80% of the value of payments for participation in games of chance.

(2) The decision on the winning or loss is determining by the electronic program via generators of random numbers.

(3) Random number generator must meet the conditions that the random number is independent and statistical and that random number cannot be predicted.

#### Article 87

(1) Slot machine for the game of chance that is put into use in the Republic must possess a certificate of conformity of the device type and program obtained from the authorized and certification responsible laboratory, which is accredited according to norm ISO / IEC 17025 or ISO / IEC 17020 about the conditions for devices for the games of chance.

(2) Technical specifications of the slot machine for the Games of chance must correspond to regulations governing electrical safety.

(3) Before putting into use of the slot machine for the Games of Chance, its technical inspection is mandatory carried out by legal entity which for conducting this kind of activity has a Decision issued by the Minister.

(4) A legal entity authorized to perform the technical inspection must be accredited according to norm ISO 9001: 2008 and possess the Decision on fulfillment of the requirements for testing of electrical installations (electric safety of slot machines).

(5) The authorized legal entity from paragraph 3 of this Article issues a certificate about technical inspection of the slot machine for the Games of chance conducted.

(7) Technical inspection cannot be performed by legal entities who are: producers of the slot machines for the Games of chance, for amusement games or tables for games of chance; organizers of the games of chance; persons engaged in renting slot machines for the Games of

Chance, tables or slot machines for fun; deliverers, service personnel or authorized representatives of the said persons.

#### Article 88

(1) For organizing games of chance on the slot machine, the organizer must pay a fee of 100 BAM per month, per slot machine.

(2) The fee referred to in paragraph 1 of this Article shall be paid up to 15th day of the month for the previous month.

### IX – INTERNET GAMES OF CHANCE

#### Article 89

(1) Licence for organizing internet games of chance from article 7, paragraph 5 of this Act can be given to a legal entity who, along with general conditions from article 16, paragraph 1 item f) and article 17, paragraph 1, item e) of this Act fulfills also the special conditions prescribed by this act and sublegal deeds passed on the basis of it.

(2) Along with the application for licence to organize internet games of chance, the following is submitted:

a) Information about the business name and the head office of the legal entity

b) Decision on registration

c) proof of payment of fee from article 17 item e) of this Act

d) general rules of the games

e) Proof by the Tax Administration of the Republic of paid taxes

f) Proof of ownership or right to use the space in which the head office of the organizer of the internet games of chance is located

g) proof of open bank account through which the transactions will be performed when organizing internet games of chance and the number of account

h) serial number of server through which internet games of chance are organized and proof of the place where server is located

i) certified statement of manufacturer of software that there is no hidden functions which could influence the correctness of data

j) proof of ownership or right to use equipment through which internet games of chance are organized

k) statement of the organizer that he was not cancelled the approval before in the country or abroad and that it has not been convicted of a crime of tax and contributions evasion

(3) In order to ensure payout of winnings to players and settlement of the fee for organizing game of chance and other obligations, the organizer is obligated, on an annual basis, not later than 31<sup>st</sup> January during the period of licence, to deliver the bank guarantee from the Bank, in the amount of 25% of total planned annual costs on the basis of the fee for organizing game of chance in accordance with this Act.

(4) The Administration will activate bank guarantee from the paragraph 3 of this Article in case on non-payment of liabilities from this Act, not later than expiry of five days since the date when the

organizer of internet games of chance was obligated to pay monthly amount of fee for organizing game of chance.

#### Article 90

- (1) The organizer of the Internet games of chance must have technical and functional equipment in the territory of the Republic ie. “hardware” and “software” through which players participate in games of chance via the global Internet network (GIN).
- (2) Software from paragraph 1 of this Act is made by legal entity which is registered in accordance with the Act which defines the domain of making and putting into use of software and certified by certified laboratory for certification.
- (3) Software from paragraph 1 of this Act can be owned by organizer or the organizer possesses the right to use software for the purpose of organization of internet games of chance.
- (4) Hardware from paragraph 1 of this article is owned by the organizer of internet games of chance.

#### Article 91

- (1) The organizer of internet games of chance is obligated to provide functional IT equipment that enables connecting to information system of Administration for supervision and control of financial transactions.
- (2) The organizer of internet games of chance submits to the Administration five different digits (English: username, password) and enables connecting information equipment of the organizer with information system of the Administration for supervision and control of financial transactions.
- (3) All the data that relate to the internet games of chance are located in the Republic and are online available to the Administration.
- (4) The organizer of internet games of chance provides Administration with continuous access to the following data:
  - a) user name of registered players with virtual account of players
  - b) number of virtual account of players (special players account through which he participates in internet games of chance)
  - c) condition of virtual account of players and
  - d) current account of total available funds of the players on virtual account.
- (5) Organizer of internet games of chance is obligated to provide the copy of original source or backup of data.

#### Article 92

- 1) The organizer of Internet games of chance must have a skilled and specialized staff for organization of the internet games of chance and Director of the organizer and chief accountant must be full time employed and have residence in the Republic.

#### Article 93

- (1) Financial operations, transactions, payments and payouts of winnings of internet games of chance must be carried out exclusively through the banks with the head office in the Republic.

- (2) The amount of funds on the account from paragraph 1 of this article continually, in the period of duration of licence from article 89 of this Act, must correspond at least to total amount of funds on virtual account of players.
- (3) Business is conducted in Bosnian marks BAM or in foreign currency.
- (4) If the business is conducted in foreign currency, organizer must have earmarked account for payment for each currency.
- (5) The organizer of internet games of chance must enable the certified clerks of the Administration, for the purpose of supervision, the access to bank accounts from paragraphs 1 and 4 of this Article in every moment.

#### Article 94

Organizer of the Internet games of chance must have website, which shows the following information:

- a) business name of the business entity - organizer of internet games of chance
- b) head office of the organizer
- c) Number of licence for organization of internet games of chance and date of issue
- d) the warning that games of chance cause addiction, stress, influence health, as well as possibility of loss of significant funds
- e) Links to web sites of organizations which are specialized for assistance to players that have problems of addiction
- f) Links to legal texts and procedures for internet games of chance
- g) links to the balance sheet and business operations for the last year
- h) rules of the game

#### Article 95

- (1) Every player participates in internet games of chance through any device that has the possibility to enter the internet network.
- (2) Players in internet games of chance are obligated to register for the games through internet page of the organizer from article 94 of this Act by filling in the application for registration.
- (3) On the occasion of registration, the organizer awards to the player a single number of the account which is unchangeable and through which all transactions are carried out within the system of internet games of chance as well as records of transactions of every player individually.
- (4) Application for registration shall contain the following information:
  - a) Identity of the player, ie.name, surname, address of residence and date of birth of the player
  - b) desired user name of the player
  - c) valid e-mail address of the player
  - d) desired password
  - e) selection of secret personal question with the answer for confirmation of authenticity of the player during every payout
  - f) certificate that the player is informed about rules before sending the request for registration
- (5) Organizer of the Internet games of chance is obligated to prohibit participation in the game to particular player if not regularly registered for participation in the game.

- (6) Organizer of the Internet games of chance must ensure safe and anonymous online list of all participants in the game
- (7) Each player can register only with one account at organizer of internet games of chance ie. address of electronic game of chance may be valid only once.
- (8) The organizer is obligated to keep all data obtained about players as a business secret and to enable access to those data only in cases prescribed by Law.
- (9) The organizer is obligated to enable every player entire insight into movements on its account in every moment.
- (10) The organizer is obligated to provide internet domain through which he will access to internet games of chance.

#### Article 96

- (1) Registered player makes payment for participation in internet games of chance by electronic way so that they are visible immediately after payment, in cash in accordance with paragraph 3 of this article, non-cash, via non-cash operations, its bank account or cards for non-cash payment (credit or debit cards), via electronic transfer or special accounts open in the bank, as well as on another legally prescribed manner that enables electronic operations.
- (2) Payments to the account of the players as well as payouts to the players can be carried out only if the player is registered and possesses virtual account at the organizer.
- (3) Payments to the account of players and payouts can be carried out in cash in spaces where games of chance are organized for which there is a licence in accordance with this Act, exclusively by electronic way so that any payment is immediately visible to players and Administration.
- (4) The organizer of internet games of chance is forbidden to accept payment or effect payout at the cash desk of the organizer if it is not visible at that moment to the player, organizer and Administration or payment effected in other way except the way prescribed in paragraph 1 of this Article.
- (5) The organizer of internet games of chance in every payment or payout is obligated to check and confirm registration of the player, to check the game of the player, to check the security and internal procedures relating to account of the player and to ensure that rules relating to game are applied in accordance with the Law.

#### Article 97

- (1) Organizer of the Internet games of chance must submit to the Administration the rules and procedures relating to Internet games of chance which he organizes and the amount of fee charged to the players for participating in the game.
- (2) The organizer may confer promotional bonuses to players for the purpose of promotion of internet games of chance, and the total amount of promotional bonuses at annual level cannot be larger than 30 % of monthly payments.
- (3) The amount of conferred promotional bonus to the player is considered to be payment in the game and is deducted from the amount of winning if the winning is accomplished using that bonus.

(4) Minister, upon proposal of the director of Administration, makes the Rulebook by which he prescribes technical conditions, contents of rules and procedure and manner of organizing internet games of chance.

#### Article 98

(1) For organization of internet games of chance, the organizer pays a fee in the amount of 5% to the base consisted of the value of total payments decreased by value of total payouts in internet games of chance.

(2) For organization of casino internet games, the organizer pays additional fee of 5% to the base made from accomplished profit in that games.

(3) For organization of internet games of chance on cards, the organizer pays additional fee of 5% to accomplished profit from fee from tables for these kinds of the games of chance.

(3) The fee referred to in paragraphs 1, 2 and 3 of this Article, the organizer is obligated to report to the Administration and pay until 15<sup>th</sup> day in the month for previous month.

### X – PRIZE CONTESTS

#### Article 99

(1) Classic prize contests are organized by legal entity, entrepreneur, or physical entity based on approval issued by the director Administration for each prize contest separately.

(2) The organizer of classic prize contests pays a fee for organizing prize contest in the amount of 10% of the total value of prize fund on the occasion of obtaining the approval from paragraph 1 of this Article.

(3) Along with the application for approval under paragraph 1 above, the rules of the prize contest are submitted that contain:

a) Full name, registry number ie. identification number and address of the head office of the organizer of the prize contest

b) Purpose of organizing prize contest

c) Duration of the prize contest

d) Winning fund, established exclusively by goods and services that the organizer cannot exchange for money

e) individual value of each prize award from the winning fund established in accordance with paragraph d) of this paragraph

f) Conditions for participation in the prize contest

g) procedure for organizing and implementing prize contest and drawing of prizes

h) way of publishing the results ie. winners

i) The deadline for taking over of prizes

j) The way in which participants receive prizes if they fulfilled the requirements prescribed by the rules

k) proof of payment the fee from paragraph 2 of this article

l) statement by the court competent to resolve the disputed issues between the organizers and participants of the prize contest

m) the rules of the game.

(4) The organizer of classic prize contest, shall, not later than seven days before the commencement of prize contest for which he obtained the approval, publish the rules of that game in at least one daily newspaper available in the territory on which the game of chance is organized.

#### Article 100

(1) Prize contests via telecommunications systems are organized by legal entities with head office in the territory of the Republic based on approval issued by the director of Administration.

(2) Along with the application for approval, the organizer must provide:

a) Information about the business name and the head office of the legal entity

b) Decision on registration

c) Evidence of the secured payment of winnings and fees

d) Rules of the game with the contents prescribed in Article 99, paragraph 4 of the Act and

f) Proof of the Tax Administration of the Republic of paid taxes

(3) For organizing prize contests from paragraph 1 above, the fee is paid in the amount of 15% of total value of prize fund when receiving the approval from paragraph 1 of this Article.

(4) In order to ensure payment of winnings to players and settlement of the fee for organizing game of chance and other obligations, the organizer is obligated, on an annual basis, not later than 31<sup>st</sup> January during the period of licence, to deliver the bank guarantee from the Bank, in the amount of 25% of total planned annual costs on the basis of the fee for organizing game of chance in accordance with this Act.

(5) The Administration will activate bank guarantee from the paragraph 4 of this Article in case of non-payment of liabilities from this Act, not later than expiry of five days since the date when the organizer was obligated to pay monthly amount of fee for organizing game of chance.

(6) Financial operations, transactions or payments and payout of winnings of games of chance through communication systems is carried out exclusively through telecommunication providers based

in Bosnia and Herzegovina and banks with the head office in the Republic.

(7) The organizer is obligated to deliver to the Administration the statement regarding financial operations and report on its operations over the telecommunications operators under paragraph 6 of this Article within 15 days of the drawing of the winners.

(8) The organizer of the prize contest is obligated, not later than seven days before starting the game for which it obtained the approval, to publish the rules of that game in at least one daily paper available at the territory on which the prize contest is organized.

#### Article 101

The organizer of the prize contest can organize prize contest not more than twice during a year and every prized contest can last no longer than 30 days since the date of beginning of prize contest.

## XI –AMUSEMENT GAMES

### Article 102

Amusement games can be organized by physical or legal entity or entrepreneur on the basis of approval issued by the director of the Administration for a period of two years.

### Article 103

With the request for approval to organize amusement games from article 102, the following is to be submitted:

- a) Data on the number and type of amusement machines on which amusement games will be organized
- b) Proof of ownership or right to use the space in which amusement games will be organized
- c) Proof of registration of competent authority
- d) Proof by the Tax Administration of the Republic on the settlement of all tax liabilities
- e) Evidence or a statement of compliance of spatial requirements and
- f) proof of ownership right or the right to use amusement machines
- g) Confirmation of the technical inspection of the amusement machines

### Article 104

Amusement games can be organized in catering establishments, but the space in which to organize the games must be a minimum area of 3m<sup>2</sup> per amusement machine

### Article 105

- (1) Before amusement machine is put into use, technical inspection is mandatory which is conducted in a manner and under conditions prescribed for technical inspection for the amusement machines for games of chance
- (2) The amusement machines can be used use for entertainment if, in a prominent place, a label is put on them for marking and registration, data on the type of device, location and serial number of the label and organizer of the games
- (3) Label referred to in paragraph 1 of this Article shall be issued by the Administration about which it will keep records.
- (4) Administration issues a label with a special fee of 20 BAM per month.
- (5) Label will be no longer valid after six months since issued.

## XII - PROFIT TAX FROM GAMES OF CHANCE

### Article 106

Tax on profits from games of chance shall be paid only on profits from lottery games of chance other than classic tombola and on winnings from prize contests in goods and services

### Article 107

(1) The payer of Profit tax from the games of chance is a physical entity who has made profit from Article 106 of this Act.

(2) The base on the tax on profit from games of chance is every particular winning from Article 106 of this Act.

(3) For a winning comprised of things and rights, the tax base is a market value of things or rights in the moment of accomplishment of winning.

### Article 108

To the tax base from Article 105 paragraph 2 of this Act, a tax rate of 15% is applied and paid on the portion of profit that exceeds the amount or the value of 1,000 BAM.

### Article 109

(1) The tax on profit is calculated by the organizer and deducted from every winning before payout of the remaining part of the winning to the winner.

(2) The organizer is obligated to record all amounts of the profit tax from paragraph 1 of this article and record it in its business books and to report it to the Administration not later than 15<sup>th</sup> day of the month.

(3) The fee referred to in paragraph 1 above shall be paid up to 15th day of the month for the previous month.

(4) Rulebook on method of recording and reporting winnings is prescribed by the Minister upon the proposal of Administration Director.

## XIII – SUPERVISION

### Article 110

(1) Supervision over the implementation of the provisions of this Act and regulations issued based on it is performed by the Ministry.

(2) Administration carries out direct supervision over the organizers of games of chance, through its central computer system for online monitoring, which is connected to the computer system of the organizer.

(3) Administration performs the duties of inspection from paragraph 1 of this Article.

(4) Administration carries out inspection supervision over payment of fees and tax prescribed by this law.

(5) Forced collection of fee and tax prescribed by this Act is carried out by Tax administration on the basis of the Decision of the Administration and in accordance with provisions which regulate tax procedure.

(6) Against the Decision of the director of Administration, a complaint is allowed submitted within 15 days since the date of submission of Decision.

#### Article 111

(1) Inspectors of the Administration are independent in performance of supervision in limits of authorization determined by this Act and other regulations.

(2) Inspector has the liability and authorization to do the following:

a) suggests preventive measures aimed at prevention of violation of law and other regulations

b) controls business premises and other structures in which the games of chance are organized

c) surveys general and particular documents, records, bookkeeping, business and other documentation which is significant for supervision

d) determines identity of persons as well as other facts and circumstances that are of interest for supervision

e) takes in procedure requests and applications of citizens, companies and other organizations and informs the applicant about its procedures ie. application

f) hears and takes statements from authorized and other persons

g) makes the Minutes on results of inspection supervision

h) makes the decision after inspection supervision

i) takes other measures for which it is authorized by the law

(3) Inspector of the Administration is prohibited the participation in the games of chance.

#### Article 112

(1) When he determines that the law or other regulation is violated, the inspector has the duty and authority to:

a) order taking of appropriate measures and actions to eliminate established irregularities or deficiencies within the determined period

b) order to deliver necessary documentation and information within the set deadline

c) order temporary seizure of documents, equipment, and other resources to work

d) order the forced opening of the facility for the purpose of supervision

e) order forced closure of the facility ie. ban to perform activities of games of chance in that facility for up to 60 days

f) attend the signing of the opening and closing of tables and slot machines for the Games of Chance at the casino as well as daily settlement of cash desk and other activities that are directly or indirectly associated with the work of casinos, betting shops, slot machine clubs and closed type tombola

g) issue the offence warrant

h) take away the subject that was used for the execution of the offence

i) submit a report to the competent authority for the committed criminal offence

j) submit a request for initiating the court proceedings and

- k) suggest the measure of taking away licence or approval
- l) order payment of determined yet unpaid liabilities based on fees and taxes prescribed by this Act
- m) take other measures and actions for which is authorized by the law and other regulations
- (2) The inspector may also take more measures and actions referred to in paragraph 1 of this Article
- (3) The inspector is obligated to signalize the ban of the activity in a prescribed way (red tape, the official seal of the Administration, mark "closed" and the like)
- (4) Items for which it is determined that served as violation and which are taken away in the procedure of supervision, are destroyed after validity of the act of pronouncing measure from paragraph 1 of this Article.
- (5) Minister, on the proposal of the Director of the Administration, makes the Rulebook by which he prescribes procedure and implementation of protective measure from paragraph 1 item e) of this article.

#### Article 113

- (1) The inspectors of the Administration carry out the supervision in the domain of the games of chance through inspection control by examining the work and operations of the subject over which the inspection control is carried out.
- (2) Inspection control is carried out in accordance with the program adopted by the Director of Administration and on the basis of special orders and applications.
- (3) Exceptionally from provisions of paragraph 2 of this Article, Minister may issue the order for performance of extraordinary inspection control in cases when there is justified need for inspection supervision.
- (4) If, in the course of inspection, the inspector determines that there are the elements of criminal act, the organizer is obligated to inform immediately the authorized authorities so that he could take measures from its competence.

#### Article 114

- (1) When carrying out inspection control, the inspector is obligated to have identification that proves the capacity of inspector, identity and authority, which he shall present to the person of whom he carries out inspection before its start, as well as individual order for inspection issued by the Director of Administration.
- (2) The inspector is liable if:
  - a) In performing the inspection, he does not take, does not propose or does not determine the measure for which he is authorized
  - b) does not propose or does not initiate proceedings before the competent authority because of illegalities or irregularities
  - c) Exceeds his legal authorizations
  - d) Does not act in accordance with the law and code of conduct for civil servants and
  - e) With own negligent conduct causes damage to material and intangible damage to entity over which he performs inspection
- (3) In cases referred to in paragraph 1 of this Article, the Director of Administration will initiate disciplinary proceedings against the inspector

(4) Minister will, at the proposal of the Director of Administration, pass the Rulebook on the content and form of identification and badges of inspectors of the Administration.

#### Article 115

(1) Every employed or authorized entity over which the Inspection is performed is obligated to allow inspectors unrestricted access in all rooms and access to all documents and records, and to provide all the necessary information immediately or within the deadline determined by the inspector in order to conduct inspection.

(2) The person referred to in paragraph 1 of this Article is obligated, upon demand of inspector, to temporarily suspend work in the facility during the performance of inspection if the inspector cannot otherwise do it and determine the facts.

(3) If the inspector in carrying out inspection or examination is disturbed or unable to carry it out, he will ask to take measures and actions by authorized officials of the Ministry of Internal Affairs.

(4) If the person in any way impedes the inspector in the performance of inspection, the inspector may order him measure of ban the activity within deadline prescribed by article 112 item d) of this Act.

#### Article 116

(1) During inspection, present should be the responsible person of the subject of inspection, and if the inspector does not see the responsible person, he will carry out inspection in presence of authorized (in writing) employee and stated that in the Minutes.

(2) When it is not possible to perform the inspection pursuant to paragraph 1 of this Article, the inspector will carry out the inspection without the presence of responsible ie. authorized person.

(3) The inspector makes the Minutes on every inspection conducted and measure and activity taken.

(4) The Minutes is to be make during the performance of inspection and signed by the inspector who made the Minutes and person that is present.

(5) Notwithstanding the provisions of paragraph 4 of this Article, when due to the volume and complexity of the inspection, it is not possible to make the Minutes during inspection, the Minutes is made in the official premises of the Administration within three days from the date of completion of the inspection, provided that it is immediately handed over ie. delivered by mail to the person subject of inspection.

#### Article 117

(1) Organizers of the games of chance are obligated to report and pay the fees and tax prescribed by this law within deadlines prescribed by this law.

(2) Obligation of payment of fee and tax is considered to be determined by recording obligations in records of Administration or is determined by the decision after inspection supervision performed over payment of fees and taxes.

- (3) Deadline for payment of obligations on the basis of fees determined by the decision of authorized persons of Administration is 15 days since the date of regular delivery of decision.
- (4) The organizer has been obligated to pay the interest to the amount of liability based on fees and taxes from this Act which are not paid in prescribed deadline, calculated at a rate of 0.04 % per day from the following day since the date of maturity of obligation till the date of realization.
- (5) Against the Decision on determination of obligation for payment of fees and taxes from this Act a complaint is allowed to the Ministry and is submitted through first instance authority within 15 days since the date of delivery of decision.
- (6) Declared complaint from paragraph 4 of this Article defers execution of Decision.
- (7) Executive Decision on determination of liability of payment of fees and taxes from this Act in case that obligation has not been paid in voluntary period, the Administration delivers to Tax administration for further implementation of procedure of forced collection.
- (8) The Minister prescribes by the Rulebook the procedure and manner of performance of supervision over payment of fees and taxes prescribed by this Act as well as the form and contents of forms of applications for fee and tax.

#### Article 118

- (1) The inspector issues a Decision for measures and actions for which he is authorized by the law.
- (2) Against the decision of the inspector, a complaint may be lodged to the Ministry of Finance within 15 days since the date of receipt of the decision.
- (3) The complaint to the Decision does not delay the execution of the Decision .

### XIV – PENAL PROVISIONS

#### Article 119

- (1) The legal entity will be fined with 10,000 to 15,000 BAM for the violation if :
  - a) It acts contrary to the prohibitions in Article 10
  - b) If the person younger than 18 years is present in the area of casinos, betting shops, closed type tombola or the facility in which organized are games via slot machines or if provisions from Article 11, paragraphs 1 and 2 are not placed on a visible place
  - c) any medium in the Republic publishes the announcement or advertisement relating to games of chance in radio or television program or in printed media intended for children or minors (Article 14)
  - d) rules of particular round or series of lottery game has been changed after beginning of sale of tickets of that round, ie. series or if it delays the day or the place of drawing the winnings without approval (Article 27, paragraph 2 and Article 30)
  - e) rules of lottery game are not published before beginning of sale of tickets (Article 28)
  - f) if the drawing of lottery games is carried out without commission or if it is not public (Article 29, paragraph 1)
  - g) carries out drawing the winning combination without commission, or if before drawing it does not verify the number of tickets sold before the Commission (Article 29)

- h) it does not announce change of place or delay of the day of drawing winnings in a way prescribed by the rules from the Rulebook on organization of games of chance (Article 30, paragraph 2)
- i) it cancels organization of games, round or series of particular game for which it started to sell tickets and does not return the money received from sale (Article 30, paragraph 5)
- j) it does not publish the final report on the results of drawing or determination of winnings within time or in the prescribed manner (Article 32)
- k) it does not pay out the winnings within deadline established by rules of the game (Article 34, paragraph 1)
- l) organizes game of chance - closed type tombola contrary to this Act (Art. 336, par. 1, Art. 37 and 38)
- m) organizes classic tombola via cards not approved and recorded by Administration and sells tombola cards not approved by Administration or at a price not approved by Administration (Art. 38, par. 2)
- n) It organizes a lottery game on a one-time basis during the year more than once or without the consent of the Minister (Article 40)
- o) Prepares an electronic lottery game contrary to the provisions of this Act (Articles 43, 45, 45, par. 32, Art. 49 and 50)
- p) Organizes a game of chance in the Casino contrary to the provisions of this Act (Article 52 and Article 59, Article 61, paragraph 1, Article 62, paragraph 5, Articles 63, 64, 65, par. 1, 2 and 3, Article 66 and 68, par. 3)
- r) does not ensure the data on daily accounts on prescribed forms per particular table of the game of chance and data on monthly accounts per particular slot machine for games of chance through which monthly base was made for calculation and payment of fee and if data from records with proof of payment are not delivered within deadline (Art. 62, par. 5,6,7)
- s) Does not secure permanently appropriate control of audio and video equipment and other similar technical equipment in the casinos (Articles 65, Paragraphs 4, 5)
- t) organizes betting games contrary to the provisions of this Act (Articles 70, 71, 73, paragraph 1, 2, 3,5,6, Article 74,76,77,78)
- u) organizes betting related to organized sports competition more than once a year (Article 79)
- v) organizes games of chance on slot machines contrary to this Act and approval (Article 80, 81, 83, paragraph 1, 2, 4, 7 Article 84, 85 Paragraph 2, Article 86, Article 87, paragraph 1)
- z) Does not report to the Administration within prescribed deadline each terminal for electronic games and slot machine for games of chance (Art. 47, par. 3 and Art. 82, par.1)
- x) rules of the games of chance in classic tombola, casino, payment spot of the betting shop in the premises where games of chance are organized are not published (Art. 36, par. 3, Art. 45, par.3, Art.60, par.4, Art. 73 par. 4, and Art. 83 par.3).
- y) puts into use technically invalid terminal for electronic games ort slot machine (Art. 47 par. 1 and Art. 85 par. 1).
- w) organizes internet games of chance contrary to provisions of this Act (Art. 89, par. 1 and 3, Art. 90,91,92,93,94, 95 par. 4,5,6,7, Art. 96 par. 2,3,4 and Art. 97, par.1).
- q) organizes prize contest contrary to provisions of this Act (Art. 99,100,101)
- aa) organizes amusement game contrary to provisions of this Act (Art. 102, 104 and 105)
- bb) puts into use the slot machine, terminal, table of the games of chance for which it has not special sticker (Art. 47 par. 2, Art. 66 par. 1, Art. 77 par. 6, Art. 84 par. 1 and Art. 105, par.2)

(2) For violations from paragraph 1 of this Article, the responsible person will be punished by the fine of 2.000 BAM to 6.000 BAM.

#### Article 120

(1) For the violation from Article 119, par. 1, of this Act, along with fine, protective measure of taking away of the item that served as an object of violation will be pronounced.

(2) Along with the fine, the organizer of internet games of chance will be pronounced also protective measure of taking away of items ie. functional equipment for organizing internet games of chance (server, software, hardware) if:

(a) it is determined that server has hidden functions which disable complete supervision in accordance with this Act (Art. 89, par. 2, item 3)

(b) it is determined that software is not made by registered manufacturer of equipment (Art. 90, par. 2)

(c) it is determined that the organizer receives the payment in game or effects payouts contrary to this Act (Art. 93, par. 1,2,3 and Art. 96, par. 1,2,3)

(3) For violation from par. 2 of this Article, the organizer will be cancelled the licence for organization of internet games of chance.

(4) For the violation from Art. 119 par. 1 of this Act, the organizer will be pronounced protective measure of ban of performing activity of organization of classic tombola for the period of 30 days.

(5) The Minister, upon the proposal of director of Administration, issues the Rulebook by which he prescribes conditions and manner of implementation of protective measure from par. 1 and 2 of this Article.

#### Article 121

(1) Physical entity will be fined with 2,000 to 6,000 BAM for the violation if:

a) organizes a game of chance without approval of the Administration

b) acts contrary to prescribed bans (Article 10).

(2) By the fine from par. 1 of this article, physical entity, user ie. owner of the space where found are slot machines, tables if not having approval of the Administration given in accordance with this Act or does not possess proof of right to use the space or funds for games of chance in prescribed form.

(3) In cases from par. 1 and 2 of this Article, protective measure will be pronounced of taking away the object which served as violation object.

(4) By the fine of 500 BAM to 1.500 BAM the physical entity will be fined if organizes prize contest without approval of the Administration (Art. 99).

(5) By the fine from 300 BAM to 900 BAM the physical entity will be fined if they organize amusement game without approval of the Administration (Art. 102).

(6) By the fine from par. 4 of this Article, the physical entity, user, owner of the space where slot machines are found will be punished if does not have approval of Administration given in accordance with this Act.

## XII - TRANSITIONAL AND FINAL PROVISIONS

### Article 122

- (1) Within 90 days from coming into effect of this Act, the Government will pass the decree on criteria for determination of users and manner of distribution of funds from the games of chance from Article 9, paragraph 2 of this Act.
- (2) Within six months from the date of coming into effect of this Act, the Minister shall issue:
- a) Rulebook on conditions of organizing classic tombola (Art. 38, par. 5)
  - b) Rulebook on spatial and technical conditions and manner of organizing electronic games of chance (Art. 49, par. 12)
  - c) Rulebook on conditions and manner of organizing games of chance in casino (Art. 64, par. 4)
  - d) Rulebook on conditions and manner of organizing betting games of chance (Art. 73, par. 7)
  - e) Rulebook on conditions and manner of organizing games of chance on slot machines, conditions of technical validity of slot machines and conditions and manner of performing technical inspection of slot machines (Art. 83, par. 9)
  - f) Rulebook on contents and manner of issuing the label for marking and registration (Art. 84, par.2)
  - g) Rulebook on technical conditions, rules and manner of organizing internet games of chance (Art. 97, par. 4)
  - h) Rulebook on manner of filing of winnings (Art. 109, par. 4)
  - i) Rulebook on procedure of sealing the structures (Art. 112, par. 5)
  - j) Rulebook on contents and form of official ID and badge of inspector of Republic Administration for the games of chance (Art. 114, par.4)
  - k) Rulebook on manner and procedure of performing inspection supervision over payment of fees and profit tax (Art. 117, par. 8)
  - l) Rulebook on conditions and manner of implementation of measure of taking away of an object (Art. 120, par. 5)
  - m) Director of Administration will, within 6 months from the date of coming into effect of this Act, pass the Catalogue of Games of Chance (Art. 6, par. 3).

### Article 123

Until passing of sublegal deeds from article 122 of this Act, the provisions which were valid until the date of this Act coming into effect will be applied unless they are contrary to the provisions of this Act.

### Article 124

- (1) The organizers of the games of chance are obligated to coordinate their operations and status with provisions of this Act within 90 days since the date of this Act coming into effect.
- (2) The organizers of the games of chance on slot machines are obligated to perform registration and coordination of the type of slot machine for game and program for games of chance that are in the market with the provisions of this Act till 31st December 2013.

(3) Licences and approvals given on the basis of the provisions of the Act that were valid till date of coming into effect of this Act will remain in effect if conditions for their passing are not changed by provisions of this Act.

(4) The provisions of this Act will apply to the procedures that started until the date of coming into effect of this Act.

#### Article 125

By coming into effect of this Act, the Act on the Games of Chance (Official Gazette of the Republic of Srpska No. 110/08 and 53/10) stops to be valid.

#### Article 126

This Act is coming into effect on the eighth day since the day of announcement in Official Gazette of the Republic of Srpska.

Number: 01-1657/12  
7<sup>th</sup> November 2012  
Banja Luka

President  
National Assembly  
Igor Radojicic