

LAW ON GAMES OF CHANCE

I BASIC PROVISION

Subject of the Law

Article 1

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

Application of the Law

Article 2

Provisions that regulate general administrative procedure shall apply to the issues that are not regulated by this Law and which are lead based on this Law and provision that regulate tax procedure shall apply to the issues that are not regulated by this Law, but are related to fees and tax assessment.

Competent bodies

Article 3

(1) Ministry of Finance (hereinafter: the Ministry) is competent for granting licences for organising games of chance and the approval of computer systems for games of chance in accordance with this Law.

(2) Republic Administration for Games of Chance (hereinafter: the Administration) is a Republic Administration within the composition of the Ministry and performs other administrative duties from the domain of games of chance in accordance with this Law and provisions regulating the Republic Administration.

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

Catalogue of Games of Chance, prize contests and amusement games

Article 4

(1) In the Republic of Srpska, in accordance with the provisions of this Law, games of chance, prize contests and amusement games can be organised.

(2) 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 the Minister for Finance (hereinafter referred to as: the Minister).

Definition of terms from this Law
Article 5

Terms in this Law have the following meaning:

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

2) Prize contests, are considered to be games that are organised 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 organised 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 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) Organiser is the Lottery of the Republic of Srpska (hereinafter referred to as: the Lottery), i.e. other legal entity having right to organise games of chance based on its licence and approval,

5) Casino is a specially designed premise, in which casino games of chance are organised,

6) Slot machines club is a specially designed premise, in which games of chance on slot machines are organised,

7) Betting shop is a specially designed premise, in which betting games are organised,

8) Lottery games of chance are the games that are organised by public drawing in which the winning fund has been determined in advance,

9) Lottery is a game where each participant has a ticket issued by the organiser 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 predetermined day, certain parts of the number or entire number written on the lottery ticket is drawn.

10) Express lottery is a game where the participant has a ticket issued by the organiser 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,

11) Instant lottery is a game in which the participant has a ticket issued by the game organiser 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,

12) TV Tombola i.e. 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,

13) 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,

14) Lotto, keno and similar games are the games in which the participant fills out the papers published by the game organiser, 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,

15) Toto and sports betting are the games in which the participant, by filling out the papers issued by the organiser 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, i.e. crossed-out, on the counterfoil and the coupon and when other conditions stipulated by the rules of the game are met,

16) 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,

17) Electronic games of chance are the games organised by terminals and by which the drawing i.e. organisation 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 predetermined,

18) Video lottery is an electronic game of chance, played on the electronic video lottery terminals (VLT), which are connected on the centralized computer system, where the results (winning or losing) are generated by a generator of randomness i.e. random-number generator that operates exclusively on a single central server,

19) Video lottery terminal is a special device which is connected by the virtual private network with the central server where the random-number generator generates the results of each individual game, broadcasting on the monitors,

20) Virtual electronic games are games based on previously recorded events (recordings of horse and dog races and similar races) or computer generated events in which events and results are generated by the random-number generator,

21) Electronic bingo and electronic keno are electronic games 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 organiser, via electronic or mechanical generator of

randomness, and the result (in accordance with the rules of the games) is electronically transmitted to the terminals and displayed to the players,

22) Other electronic games of chance are all those games of chance that are regulated by this Law and by all the regulations based on this Law that are not specifically regulated by this Law and are carried out on an electronic base,

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

24) 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. Dice (such as “craps” and similar),
3. Cards (e.g. “baccarat”, “trente-guarante”, “black-jack”, “punto banco”, “mini punto banco”, “chemin de fer”, “carriben poker”, “texas holdem poker” and similar games),

25) Betting games are the games in which the participants, in accordance with the rules of the game, bet on the results of various real 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 betting,

26) Games of chance on the slot machines are the games that are organised on the slot machines, electronic roulettes and other devices with multiple stake and winnings (“multiplayer”), and on the system of slot machines which demands connecting larger number of slot machines in order to form a single jackpot with same chance for all the players of the game (the term “progressive” is used); 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 on the cash register i.e. 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 terms of this Law is considered to be a special slot machine,

27) Internet games of chance are games in which participant can take part via Global Internet Network (GIN), on the personal computer, cellular phones and other similar devices,

28) Classic prize contests are considered to be the games that are organised to promote own products and services provided that no separate payment is required for the participation,

29) Prize contests that are organised through telecommunication systems are considered to be the games that are organised in public, on TV (such as: quizzes, auctions, counter-auctions and related games) where the participants are not required to pay a fee for participation, but where the prices of the regular telecommunication traffic, determined by the operator, are not considered to be participation fees,

30) Computer system is an electronic system through which games of chance are organised, owned by the organiser and whose system specifications correspond to those approved by the Ministry.

Types of games of chance and prize contests
Article 6

- (1) Games of chance are classified as:
- 1) Lottery games of chance (hereinafter: lottery games) including:
 1. lottery,
 2. express lottery,
 3. instant lottery,
 4. TV tombola i.e. TV bingo,
 5. classic tombola,
 6. lotto,
 7. keno,
 8. sports betting i.e. totto,
 9. additional lottery games of chance,
 10. fonto,
 11. other similar games of chance with drawing,
 - 2) Electronic games of chance (hereinafter referred to as: electronic games) including:
 1. video lottery,
 2. games on video lottery terminals,
 3. electronic virtual games,
 4. electronic bingo and electronic keno,
 5. other electronic games,
 - 3) Special games of chance, including:
 1. games in casinos,
 2. betting games,
 3. games of chance on the slot machines,
 - 4) Internet games of chance.
- (2) Prize contests are classified as:
- 1) classic prize contests and
 - 2) prize contests organised by telecommunication systems.

The right to organise the games of chance
Article 7

(1) Organisation 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 Law.

(2) Games of chance may be organised on the basis of this Law, the decision of the Government on the award of concession and on the basis of the Ministry's approval (hereinafter referred to as: licence).

(3) The Republic acquires the right to organise all of the games of chance referred to in this Law through Lottery.

(4) Games of chance referred to in Article 6, paragraph 1, points 1) and 2) of this Law, notwithstanding classic tombola, are organised independently by the Lottery or in cooperation with other company by forming joint company where the Lottery has at least 51% of the capital share and in rights, with the previous Government approval.

(5) The right to organise games of chance referred to in Article 6, paragraph 1, points 3) and 4) of this Law and the classic tombola can be acquired by other companies on the basis of the decision of the Government or an approval that is in accordance with this Law.

(6) Notwithstanding paragraphs 3 and 4 of this Article, the right to organise one-time games of chance is transferred in accordance with the regulations of this Law to legal entities registered for non-profit activities.

(7) Prize and amusement games can be organised based on the approval issued by the Director of the Administration, in accordance with the regulations of this Law.

(8) An entity that has been given the right to organise the games of chance cannot transfer that right to other persons.

(9) Conditions under which the approval, referred to in paragraph 4 of this Article is given are prescribed by the regulations of the Government.

Winnings in games of chance

Article 8

(1) Winnings in games of chance can be in money, goods, services or rights.

(2) Payout of winnings in games of chance is guaranteed by the organiser by his entire asset.

(3) The Republic does not guarantee the payout of winning acquired in games of chance.

Allocation of the income from games of chance

Article 9

(1) For organising games of chance, the organisers shall pay the fees determined by this Law and which are represented as the budget income of the Republic of Srpska.

(2) Allocation of income referred to in 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 priority in financing have the following projects and programs which:

- 1) deal with social care and humanitarian activity,
- 2) deal with problems and meeting the needs of persons with disability,
- 3) deal with problems of employment of veterans,
- 4) deal with birth-rate policies,
- 5) deal with culture,
- 6) deal with non-institutional education of children and youth,
- 7) contribute to the development of sport,
- 8) contribute to fight against drugs and all kinds of addiction,
- 9) deal with development of civil society.

(4) At least 20% of realised profit of the Lottery, which belongs to the Share 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 organisations that deal with activities referred to in paragraph 3 of this Article.

Allocation of the funds from the corporate income tax
Article 10

Funds from the corporate income tax on games of chance are represented as budget income of the local self-government unit and are paid by the following criteria:

1) corporate income tax from the lottery games of chance is paid to the budget of the local self-government unit from where the winner is, and if the winner does not have a place of residence in the Republic of Srpska, the tax is paid in the place where the winning payment is carried out,

2) corporate income tax from the casino games, betting games and games of chance on slot machines is paid to the budget of the local self-government unit where the casino, betting shop or slot machines club is located,

3) corporate income tax from the internet games of chance is paid to the budget of the local self-government unit where the winner's place of residence is, and in case the winner does not have place of residence in the Republic of Srpska, tax is paid to the budget of the local self-government unit where the head office of the tax payer is.

General prohibitions
Article 11

(1) The following is prohibited:

1) organising games of chance that are not regulated by this Law and described in the Catalogue of Games of Chance and that provide the possibility of obtaining the gain,

2) participation in foreign games of chance, in the case where the stakes would be paid on the territory of the Republic,

3) collecting stakes in the Republic for taking part in the games of chance that are being organised abroad,

4) sale, possession, cession, publishing, advertising and any other representation of foreign tickets (cards) for the games of chance in the territory of the Republic,

5) for the owner or the user of the space to keep the equipment for organising games of chance in that space (slot machines, terminals, tables for games of chance, drums, tokens etc.) without a licence i.e. approval of the Administration or if he does not possess an evidence on the right to use that space or that equipment in the written form,

6) organisation of the competition in the games of chance without possessing the licence,

7) organisation 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 Law,8) organisation of the

games of chance in public places (especially: catering facilities, all spaces where games of chance are organised, 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 organisation and playing internet games of chance,

9) using the words lottery, lotto, bingo, as well as other names for lottery games of chance in the name of the game of chance which in terms of this Law is not categorized as a lottery game, except Lottery, and using word casino if there is no casino games of chance,

10) organising, advertising of the organising or the organiser of the games of chance in case the subject to which the advertising is referred to, does not possess the licence for organising games of chance,

11) for the foreign organisers to organise games of chance on the territory of the Republic of Srpska or through the Global Internet Network.

(2) Notwithstanding the provision from the paragraph 1, point 3) 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.

Protection of minors

Article 12

(1) Persons under the age of 18 cannot participate in the games of chance referred to in Article 6, paragraph 1 of this Law.

(2) Persons under the age of 18 are not allowed to enter casinos, spaces where classic tombola is organised, betting shops and slot machine clubs.

(3) Checking of the facts referred to in paragraphs 1 and 2 of this Article, in case of doubt, shall be carried out by the organiser through the control of personal documents.

(4) 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.

Standards of responsible organising

Article 13

(1) Games of chance organisers are required to act in accordance with the international standards of responsible organising games of chance (responsible gaming) to protect the players from the harmful consequences of playing, and to ensure procedure that is in accordance with the regulations governing the prevention of money laundering and financing of terrorism.

(2) The Minister for Finance (hereinafter referred to as: the Minister), on the proposal of the Director of the Administration, prescribes a Rulebook on conditions and manners of acting in accordance with the standards of responsible organising games of chance.

Confidentiality of data
Article 14

(1) Organisers and employees of the organiser are required to keep confidential the information about players and their participation in the game, including data 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 and in cases when the organiser is obligated to proceed in accordance with the rules governing prevention of money laundering and financing of terrorism.

(3) The organiser is obligated, upon the request of the player, to issue a certificate on the player's name about his actual winnings, and the organiser is obligated to keep records of issued receipts for five years following the year in which the receipt was issued.

II GENERAL CONDITIONS FOR ORGANISING GAMES OF CHANCE

Justification of awarding right to organise games of chance
Article 15

(1) Organisation of the games of chance, referred to in Article 6, paragraph 1, points 3) and 4) of this Law, except the Lottery of the Republic of Srpska, may be conducted by legal entities with the head office in the territory of the Republic, whose founders i.e. responsible person have not been convicted for criminal offence, except from the domain of traffic if they meet the conditions provided by this Law.

(2) When awarding concessions i.e. the licence, the following will be evaluated:

- 1) activity, businesses, previous businesses and creditworthiness of the legal entity,
- 2) fulfilment of tax and other obligations by legal entities and their owners,
- 3) saturation by the offers of games of chance in the Republic, i.e. in a particular unit of local self-government,
- 4) scope of organisation of the games of chance from the aspect of supplementing tourist offer.

Minimum core capital
Article 16

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

- 1) classic tombola – minimal of BAM 200,000,
- 2) games of chance in casino – minimal BAM 2,000,000,
- 3) betting games – minimal BAM 500,000,
- 4) games of chance on the slot machines – minimal BAM 500,000,
- 5) internet games of chance – minimal BAM 1,000,000.

(2) If a legal entity, i.e. the organiser submits the request for obtaining licence for organising several types of the games of chance, he is obligated to have the cumulative amount of minimal core capital, referred to in paragraph 1 of this Article for every licence granted.

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

One-off fee Article 17

(1) For obtaining and maintaining licence, one-off fee for organising, is paid in the following amounts:

- 1) classic tombola – BAM 50,000,
- 2) betting games of chance – BAM 3,000 per payment place,
- 3) games of chance on slot machines – BAM 10,000 per slot machine club,
- 4) internet games of chance – BAM 300,000.

(2) Fees referred to in the paragraph 1 of this Article are paid on receiving the licence and will not be returned to the organiser in case the organiser does not use the licence.

One-off fee for obtaining the approval for conducting technical inspection Article 18

(1) Approval for conducting technical inspection of slot machines and computer system is an administrative act prescribed by the minister, by which all legal entities fulfilling legal obligations are authorised for conducting technical inspection of slot machines and computer system i.e. that confirms fulfilment of requirements for conducting technical inspection.

(2) In order to be granted, i.e. to extend the licence for conducting technical inspection, legal entity pays a one-off fee in the amount of BAM 10,000.

(3) Fee referred to in paragraph 2 of this Article, is to be paid upon acquiring the approval and shall not be returned to the legal entity if he does not exercise the right from the approval.

(4) Approval for conducting technical inspection is granted by the Minister for the period of five years, after the prescribed legal terms are fulfilled.

The licence for organisation of the games of chance Article 19

(1) Licence, referred to in Article 7 of this Law is issued upon the organisers' request, by the Minister for a 5 year period.

(2) After the expiration of the deadline referred to in paragraph 1 of this Article, the licence, upon the request of the organiser, may be extended for the following five year period if the conditions prescribed by this Law are fulfilled.

(3) The request for the extension of the licence referred to in paragraph 3 of this Article is submitted to the Ministry not later than six months before the expiration deadline of the period for which the licence has been issued.

(4) In order to be granted i.e. to have the licence extended, the organiser is required to fulfil, besides general, legally prescribed special conditions with regard to space, personnel and equipment.

(5) The decision of the Minister referred to in paragraph 1 of this Article is final and no administrative appeal is possible.

Content of the licence Article 20

The licence for organising games of chance must include:

- 1) business name and head office of the legal entity,
- 2) types of the games of chance that can be organised,
- 3) date of beginning of the organising games of chance,
- 4) period of duration of licence,
- 5) regulations on other rights and liabilities of the organiser of the games of chance,
- 6) amount and type of payment of fee for awarding the licence,
- 7) names and basic labels of the computer system.

Licence revoking Article 21

(1) The licence is revoked to the organiser if:

- 1) it has been issued on the basis of the untruthful data,
- 2) it has not started with organisation of the games of chance within the deadline referred to in the licence,
- 3) it has been determined that one of conditions necessary for obtaining a licence stopped or is absent,
- 4) does not allow or in other way prevents supervision prescribed by this Law or complicates implementation of supervision,
- 5) shows the realised turnover incorrectly,
- 6) borrows money to the players,
- 7) does not maintain value of initial capital prescribed by this Law,
- 8) prevented the Ministry or the Administration in any way from an insight into the computer system for the purposes of control or he concealed the data.

(2) Licence is deprived on the basis of the Revoking Decision passed by the Minister, after he determines compliance of one or more conditions for revoking licence referred to in paragraph 1 of this Article.

Revoking of the licence of the legal entity for conducting technical inspection
Article 22

Legal entity that has the approval for conducting technical inspection shall have its approval revoked if:

- 1) it was passed based on untruthful information,
- 2) there was any abuse of power or
- 3) it is determined that one of the necessary terms for acquiring the licence was missing or stopped.

Approval for the business premise
Article 23

(1) Approval for the business premise is an administrative act, passed by the Director of the Administration and by which fulfilment of the conditions, in each business premise for organising games of chance is confirmed for the organiser who possesses the licence for organising those types of games.

(2) The organiser of the games of chance, holder of the licence referred to in Article 7 of this Law, organises games of chance in its registered business premises on the basis of special Decision of Approval (hereinafter referred to as: the Approval), passed by the Director of the Administration in accordance with provisions of this Law and provisions passed on the basis of it.

(3) In business premises where games of chance are organised, food and beverages from the licenced organiser can be served, based on the approval of the Administration and competent body for the activity concerned.

Computer system for organising games of chance
Article 24

(1) Lottery and other organisers 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 organising games of chance and which is approved by the Ministry.

(2) Manufacturer of the computer system, referred to in paragraph 1 of this Article, cannot be organiser of games of chance in the Republic.

(3) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook on technical characteristics of the computer system, referred to in paragraph 1 of this Article.

III LOTTERY GAMES OF CHANCE

The right to organise games of chance of the Lottery Article 25

(1) The Lottery has the right to organise any games of chance, and has the exclusive right to organise lottery games of chance and electronic games of chance, except classic tombola.

(2) Lottery can organise lottery games of chance, in a classic or electronic manner, via terminals or via internet.

(3) Games of chance, referred to in paragraph 1 of this Article, Lottery can realise in business cooperation also with other entities registered for turnover of goods and services i.e. it may, within business cooperation, entrust distribution of tickets and other means for organisation of the lottery games of chance to those persons.

(4) The Lottery may organise lottery games of chance in cooperation with legal entities that have the right to organise lottery games of chance in another entity or in other countries.

(5) The Lottery may be a member of international associations that gathers organisers of lottery games.

Participants in the lottery game of chance Article 26

(1) The participant in the lottery game of chance is a natural person 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 organiser of the lottery game.

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

Rules of lottery games Article 27

(1) Conditions for organising particular lottery games of chance are determined by the rules prescribed by the Lottery, for each type of game individually, according to previously obtained consent by the Administration.

(2) Rules of lottery games must include:

- 1) business name and head office of the organiser,
- 2) name of the organising part of the organiser that made the decision on organisation of the game, the date and the number of decision,
- 3) name, description and duration of the lottery game,
- 4) conditions for participation in the game,

- 5) place in which the game will be organised, i.e. the area where tickets are sold,
 - 6) individual ticket price (combinations) and payment deadline for participation in the game,
 - 7) quantity and monetary value of issue of the tickets,
 - 8) establishment of fund amount and type of earnings,
 - 9) description of ticket, payment slip or certificate of payment,
 - 10) methods, procedures and control of the drawing i.e. determining profit,
 - 11) manner of disclosure of winning fund, individual values of winnings and results of the game,
 - 12) the ways and method of payout of cash earnings, i.e. realisation of winning of other kinds,
 - 13) procedure in the event of cancellation of the drawing.
- (3) Rules of lottery games cannot be changed after start of the sale of tickets of a certain round or series of lottery game.
- (4) Before start of a certain round or series of the lottery game, the organiser is obligated to announce the rules in public on its website, 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.

Payments in lottery games of chance

Article 28

Payments in lottery games of chance can be received in payment places, via terminals, internet, telephone or other interactive communication devices.

Drawing of winning combinations in lottery games of chance

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 the start of drawing, the organiser of the lottery game must establish and publish the total payment and number of tickets sold before the Commission referred to in paragraph 1 of this Article.

Change of place or day of drawing

Article 30

- (1) At the request of the organiser, 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 organiser in the same way in which the rules on the organisation of the lottery game are published.

(3) If in the case, referred to in paragraph 1 of this Law, the day of drawing is postponed, the organiser 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 organiser is obligated to inform the Administration.

(5) The organiser of the lottery games may cancel the organisation of the games, the round or the series of individual game for which he 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.

The Minutes on drawing of winnings

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 i.e. 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 organiser to the Administration within seven days from the date of publishing the drawing.

Report on the results of the drawing

Article 32

The organiser is required to publish the reports on the results of the drawing and the amount of winnings in selling places and on his website, no later than seven days from the date of the drawing.

Winning fund in lottery games of chance

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 referred to in paragraph 1 of this Article per particular round or series of game of chance must be published before the drawing of winnings.

(3) The winning fund referred to in paragraph 1 of this Article is returned to players as winnings.

Payout of winnings
Article 34

(1) The payout of monetary prize, i.e. 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 i.e. 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 organisers 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 Law.

(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 i.e. distribution of winnings.

Fee for organising games of chance
Article 35

(1) For organisation of lottery games, the fee of 5% is paid to the base consisted of total value of all sold tickets and cards, i.e. received payments for participation in lottery games of chance.

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

(3) If the Lottery organises other types of games of chance, Lottery pays the fees prescribed for those games of chance in the amount and manner prescribed by this Law.

IV ELECTRONIC GAMES OF CHANCE

Approval for organising electronic games
Article 36

(1) The Lottery submits the request, to the Administration, for acquiring approval to organise electronic games of chance referred to in Article 23 of this Law, for each business unit fulfilling the conditions prescribed by this Law and by-laws pursuant to this Law.

(2) Along with the request for the approval referred to in paragraph 1 of this Article, the Lottery shall submit:

- 1) rules of the game,
- 2) proof of ownership, right to use or the contract on business cooperation with the user of the premises, in which electronic games are organised,

3) proof of fulfilment of spatial and technical conditions for organising electronic games of chance in that business unit.

(3) The Lottery is obligated to publish the rules of each game in every room in which the electronic games are organised.

Conditions for organising games of chance

Article 37

(1) Electronic games are organised in business units that fulfil spatial and technical conditions for organising electronic games of chance.

(2) Electronic games are organised via terminals in business units that must fulfil conditions of technical validity in accordance with this Law and regulations pursuant to this Law.

(3) The Lottery is obliged to mark each terminal for organising electronic games by special sticker given by the Administration, along with a special fee of BAM 20, for the period of a year.

(4) The Lottery is obligated to report to the Administration, at least seven days in advance, each putting into use, withdrawal from use, and transferring of terminal, and this obligation does not relate to technical breakdowns and service.

(5) The Lottery is obligated to submit to the Administration, for each new terminal put into use:

- 1) proof of ownership or the right to use of the space,
- 2) proof of ownership or the right to use of terminal,
- 3) certificate on technical inspection.

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

(7) The Lottery is obliged to allow access to data on the server that the Ministry or the Administration demands.

(8) The Minister shall, on the proposal of the Director of the Administration issue a Rulebook on spatial and technical conditions for business units in which electronic games are organised, as well as conditions and manner of organising electronic games.

Participants in electronic games

Article 38

(1) Participants in electronic games are natural persons that fulfil 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 Lottery.

Fee for organising electronic games
Article 39

(1) For organising electronic games via terminal, the Lottery must report to the Administration and pay the fee in the amount of 5% of the basis which consist of total payments received reduced by the total of payouts, but not less than BAM 100 per terminal, until the 15th day of the month for the previous month.

V CLASSIC TOMBOLA

Licence for organising classic tombola
Article 40

(1) Licence for organising classic tombola referred to in Article 7 of this Law is issued by the Minister to the legal entity which, besides the general conditions referred to in this Law, fulfils also special conditions prescribed by this Law and by-laws pursuant to this Law.

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

- 1) information on the business name and head office of the legal entity,
- 2) decision on registration,
- 3) proof of ownership or right to use the premises where classic tombola is organised,
- 4) proof of right of ownership or right to use equipment for organising classic tombola,
- 5) proof that no criminal proceedings are conducted against authorised persons,
- 6) rules of the game,
- 7) proof of payment of the fee referred to in Article 16, paragraph 1, point 1) of this Law,
- 8) proof by the Tax administration of tax liabilities paid.

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

Approval for organisation of classic tombola
Article 41

(1) Approval for organisation of classic tombola from Article 23 of this Law is given to legal entity that possesses the licence referred to in Article 40, paragraph 1 of this Law for every business unit i.e. every place of organisation of classic tombola and which fulfils conditions prescribed by this Law and by-laws pursuant to this Law.

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

- 1) rules of game,
- 2) proof of ownership or right to use the premises where classic tombola is organised,
- 3) proof of fulfilment of spatial and technical conditions for organising classic tombola in those business premises.

Conditions for organising classic tombola
Article 42

(1) Classic tombola can be organised only in specially designed premises, adapted for organisation of this type of games, owned by the organiser or for which the organiser has the right to use.

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

(3) In order to ensure payment of winnings to players and settlement of the fee for organising game of chance and other obligations, the organiser of the classic tombola is obligated, on an annual basis, not later than 31st of 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 organising game of chance in accordance with this Law.

(4) The Administration will activate the bank guarantee referred to in the paragraph 3 of this Article in case of non-payment of liabilities referred to in this Law, after the seventh day after the date when the organiser of classic tombola was obligated to pay monthly amount of fee for organising game of chance.

(5) The Minister shall, on proposal of the Director of the Administration, issue a Rulebook on spatial and technical conditions for organising classic tombola and the method of recording and price of tombola cards.

Fee for organising games of chance
Article 43

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

(2) The organiser is obligated to report to the Administration the fee referred to in paragraph 1 of this Article and to pay it until the 15th day of the month for the previous month.

One-time organisation of classic tombola
Article 44

(1) Non-profit organisations with head office in the territory of the Republic, may organise once a year classic tombola to collect funds to carry out its program goals.

(2) Classic tombola referred to in paragraph 1 of this Article may be organised after previously obtained Decision which approves organisation of this tombola issued by the Director of the Administration.

(3) Tombola cards for the game referred to in paragraph 2 of this Article may be sold not later than 30 days since the date of delivering the Decision to the organiser.

(4) Total value of tombola cards issued in the case referred to in paragraph 1 of this Article cannot be more than BAM 80,000.

(5) In addition to the request for Decision on approval, the organiser referred to in paragraph 1 of this Article is obligated to submit:

- 1) Decision on registration,
- 2) rules of the game of chance,
- 3) Game plan, which should contain the minimum number of tombola cards that the organiser must sell in order to secure payout of winnings and payment of obligations.

Fee for one-time organisation of classic tombola
Article 45

(1) The organiser referred to in Article 44, paragraph 1 of this Law is obligated to pay the fee of 5% of total payments for the game to the budget of the Republic of Srpska.

(2) The fee referred to in paragraph 1 of this Article shall be paid within seven days from the date of publication of drawn winnings, when the organiser referred to in Article 44, paragraph 1 of this Law is obligated to submit to the Administration the report on final account and the proof of payment.

Application of the regulations accordingly
Article 46

For organising classic tombola, rules for organising lottery games of chance are applied accordingly.

VI GAMES OF CHANCE IN CASINOS

Dynamics of awarding concessions for organising games of chance in casinos
Article 47

(1) Games of chance referred to in Article 6, paragraph 1, point 3) of this Law can be organised in casinos.

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

Application of the law governing the domain of concessions
Article 48

For the award of concessions for organising the games of chance in the casino the provisions of this Law are used and if any issues are not regulated with the provisions of this Law, provision of the regulations governing the domain of concession will apply.

Conditions for awarding concession
Article 49

(1) In order to be awarded the concession, the organiser of the games of chance in casino is obligated to fulfil, along with the amount of core capital referred to in Article 16 of this Law to fulfil special conditions prescribed by this Law and by-laws pursuant to this Law.

(2) To ensure the payout of winnings to the players and payment of fee for organising games of chance and other liabilities, the organiser of the games of chance in casinos must, during the validity of concession, on an annual basis, not later than 31st of 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 organising games of chance in accordance with this Law.

(3) The Administration will activate the bank guarantee referred to in paragraph 2 of this Article in case of non-payment of liabilities determined by this Law, after the expiry of the seventh day since the day when organiser was obligated to pay the monthly amount of the fee for organising games of chance.

(4) The concession holder must possess daily in the cash desk the risk deposit in the amount of at least BAM 10,000 per playing table and BAM 1,000 per machine.

(5) One-off concession fee for organising games of chance in casinos is at least BAM 500,000 and will be paid when concluding the contract on concession.

Procedure of awarding the concession
Article 50

(1) The procedure of awarding the concession for organising games of chance referred to in Article 7, paragraph 2 of this Law is initiated by public call which is announced in at least one printed daily paper available on entire territory of the Republic.

(2) The public call referred to in paragraph 1 of this Article is announced and the procedure is implemented by the Ministry in order to conclude the concession contract.

(3) The Decision on award of concession, after the procedure is implemented, is passed by the Government, on the proposal of the Ministry.

(4) Based on the Decision referred to in paragraph 3 of this Article, the contract on concession is concluded by the Ministry.

(5) Concession cannot 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 extension of concession contract is carried out in accordance with provisions of this Law and provisions which regulate the domain of concessions.

(8) The contract on concession can be cancelled and the cancellation period is 90 days.

Application for a public invitation
Article 51

(1) In addition to the application for the public call for the award of concessions for games of chance in casinos, the legal entity should as well submit:

- 1) information about the business name and the head office of the legal entity,
- 2) Decision on registration of legal entity,
- 3) business plan of legal entity,
- 4) proof of ownership or right to use and the size of the space in which games of chance will be organised, if they are available at the time of submission, i.e. preliminary design which must begin and end no later than two years after receiving concessions,
- 5) stating the type and scope of the games,
- 6) Rules for each type of game that will be organised, 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,
- 7) information on the persons managing activities and evidence of their professional education and qualifications for the professional duties in the casino,
- 8) casino rules,
- 9) data on the type and number of machines for playing games and supplies, with detailed information for their identification,
- 10) proof that no criminal proceedings against them or against authorised persons are in process,
- 11) proof by the Tax Administration of paid taxes,
- 12) proof of previous experience, recommendations and previously possessed approvals,
- 13) statement by the organiser that he had not have his approval revoked in the country or abroad, and that he had not been convicted of a criminal offence of tax evasion,
- 14) evidence of tax liabilities of owners and persons associated with the ownership and management structure, if a legal entity is a new legal subject,
- 15) proposal of concession fee.

Contents of Concession Contract
Article 52

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

- 1) type of games of chance that can be organised,
- 2) date of start of organising games of chance,
- 3) duration of concession and conditions for its revocation,
- 4) amount and manner of paying concession fee,
- 5) manner of implementing supervision,
- 6) provisions on other rights and obligations of contracting parties.

Termination of the Concession Contract
Article 53

The Concession Contract will be terminated if:

- 1) the concession was granted based on false information,
- 2) the concessionaire did not start working within deadline prescribed in the contract as the beginning of operations,
- 3) the concessionaire stopped working contrary to the provisions of this Law,
- 4) the concessionaire is not fulfilling prescribed technical, IT and other requirements anymore,
- 5) the concessionaire violates the rules of games of chance,
- 6) the concessionaire does not pay the obligations stipulated by this Law or does not pay out winnings to players,
- 7) the concessionaire does not permit or otherwise prevents the supervision prescribed by this Law, or makes the implementation of supervision difficult,
- 8) the concessionaire shows the turnover realised incorrectly,
- 9) the concessionaire borrows money to players,
- 10) 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 Law, are an obstacle for award of the concession,
- 11) the concessionaire also violates other provisions of the Concession Contract,
- 12) the concessionaire, in any way prevents the Ministry or the Administration from the insight into the data from the computer system for the purpose of monitoring or if he concealed the data.

Change of information of the organiser
Article 54

Concessionaire shall promptly notify the Ministry and Administration of the change of information or circumstances relating to:

- 1) members of the board of the organiser,
- 2) other persons authorised to represent and conduct business of the Concessionaire,
- 3) identity of persons participating in the core capital of the legal person,
- 4) other circumstances relevant to the business and operation of the Concessionaire.

Change of the location of the casino
Article 55

- (1) Director of the Administration may approve to the Concessionaire, upon his request, resettlement of the casino to a new location.
- (2) The request referred to in paragraph 1 of this Article shall contain:
 - 1) proof of fulfilment of spatial and technical requirements for organising games of chance in casino,

- 2) explanation of the reason and course of resettlement,
- 3) proof of ownership or right to use the space for which the resettlement is requested.
- (3) The concessionaire is obligated to start working on the 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.

Change of volume of organising Article 56

- (1) The Concessionaire may only organise 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 Law and Law governing the domain of concessions.
- (3) Based on the awarded concession for organising games of chance in casino, the concessionaire can also organise seasonal casino on other location in the period not longer than four month in the continuity, annually.
- (4) The concessionaire that organises seasonal casino referred to in paragraph 3 of this Article shall report, to the Ministry and the Administration the beginning and ending of organisation, as well as the location of organising.
- (5) The concessionaire referred to in paragraph 4 of this Article is obliged to fulfil spatial and technical conditions for organising games of chance in casino in the place where seasonal casino is organised.

Fee for organising games of chance in casino Article 57

- (1) For organising games of chance in casinos, concession fee is paid consisting of the fixed and variable part.
- (2) The annual fixed fee per one casino is BAM 100,000 and the Concessionaire is obligated to report the fee to the Administration and pay until 31 March of the current year for the previous year.
- (3) The annual fixed fee per one organised seasonal casino is BAM 40,000 and the concessionaire is obligated to report and pay the fee to the Administration until 15th of the following month after the end of organisation.
- (4) Variable fee for organising 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 slot machine for games of chance or each terminal for electronic games.
- (5) The fee referred to in paragraph 4 of this Article should be reported and paid to the Administration until the 15th day of the month for the previous month.

(6) The concessionaire is obligated, in prescribed forms, to keep the information on daily accounts per particular table for the games of chance, which create a monthly basis for the calculation and payment of fee referred to in paragraph 4 of this Article.

(7) The concessionaire is obliged to submit to the Administration, monthly report on the revenue generated by types of games.

(8) Data from the records, together 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 of the month for the previous month.

Labelling of tables in casino Article 58

(1) Tables for the games of chance in casino are labelled with a special sticker given by the Administration with the fee of BAM 20 for the period of one year i.e. for a season.

(2) The value of the promotional tokens 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.

Spatial conditions for working of the casino Article 59

(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 m², 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) Working hours of the casino is 24 hours a day, every day, regardless of whether it is a nonworking day determined by the law and other regulations.

(4) The Minister shall issue a Rulebook on manner of calculating the base referred to in Article 57, paragraph 4 of this Law and the manner of recording the calculation of the base, as well as on spatial and technical requirements for casino.

Special spatial conditions for working of the casino Article 60

(1) Payments and payouts in casinos are carried out in Bosnia and Herzegovina Marks or in a foreign currency if such way of payment is stipulated by the concession contract.

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

(3) Casino may have a 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 the recording which provides continuous and direct supervision.

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

(6) Data from documentation referred to in paragraph 5 of this Article, represents a business secret and the concessionaire can reveal it to another person only in accordance with the Law.

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

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

Rules of the casino games

Article 61

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

(2) Rules of the games of chance are composed in one of the 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 of the casino and make them available to visitors.

(5) Rules of the casino contain:

- 1) types of special games of chance which are organised in casino,
- 2) conditions for entry in the casino (proof of identity and control of visitors),
- 3) conditions when the particular players are prohibited access in casino or participation in games of chance,
- 4) working hours of the casino.

Ban on participation in casino games

Article 62

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

Surveillance in the casino

Article 63

(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 organiser is obligated to provide surveillance of entry and exit to and from the casino, with recording of visitors and continuous audio and video surveillance, i.e. control of reception, with recording of going in and out of the casino.

(4) Casino management may, based on the evaluation, temporarily ban some persons from participating in games of chance in casino or limit their participation.

Special rules for employees of the casino Article 64

(1) Employees at the casino who directly participate in organising games of chance must be qualified to work in a casino.

(2) Employees at the casinos are not allowed to participate, as players, at the casino in which they work.

(3) Employees at the casino must keep, as trade secret, information on the players that they acquired 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 tip the casino staff and the tip is placed in special boxes provided for that purpose.

(6) Tips are handled in accordance with the rules of casino, prepared by the concessionaire.

(7) Members of casino management and senior management are excluded from distribution of tips.

VII BETTING GAMES

Licence for betting games Article 65

(1) The licence for organising betting games referred to in Article 7 of this Law may be given to legal entity that, in addition to general conditions referred to in Article 16 and Article 17, paragraph 1, point 2) of this Law fulfils also special conditions prescribed by this Law and regulations pursuant to this Law.

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

- 1) information about the business name and the head office of the legal entity,
- 2) decision on registration,
- 3) business plan of legal entity,
- 4) proof of ownership or right to use the space in which the head office of the betting shop is located,
- 5) general rules of betting,
- 6) proof of fulfilment of spatial and technical conditions,
- 7) proof of right of ownership or the right to use equipment for betting games,

- 8) proof of ownership of approved and certified computer system,
- 9) proof by the Tax Administration of paid taxes.

(3) To ensure the payment of winnings to the players and payment of fee for organising games of chance and other liabilities, the organiser of the betting games of chance, except Lottery must during the validity of concession, on an annual basis, not later than 31 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 organising games of chance in accordance with this Law.

(4) The administration activates the bank guarantee referred to in paragraph 3 of this Article in case of non-payment of liabilities determined by this Law, on expiry of the sixth day since the date when organiser of the games of chance was obligated to pay monthly amount of the fee for organising games of chance.

Approval for betting games of chance

Article 66

(1) Approval for organisation of betting games referred to in Article 23 of this Law is given to the organiser who possesses the licence referred to in Article 65, paragraph 1 of this Law for every business unit i.e. betting shop and that fulfils conditions prescribed by this Law and by-laws pursuant to this Law.

(2) In addition to issuing of special approval referred to in paragraph 1 of this Article, the organiser of betting games must also submit the following:

- 1) rules of the game,
- 2) proof of ownership or right to use the premises where betting games are organised,
- 3) proof of fulfilment of spatial and technical conditions for organising betting games in those business premises,
- 4) proof of right of ownership or right to use of equipment for that betting shop,
- 5) proof of paid one-off fee referred to in Article 17 of this Law.

(3) Administration, along with approval referred to in paragraph 1 of this Article, also gives Special mark which contains information on: organiser, number and the date of the licence, location, validity period, and serial number, and the organiser is obligated to put it in a visible place in every betting shop.

Payments in betting games

Article 67

Payments in betting games of chance can be carried out at organiser`s payment places, via terminals for betting and via SMS.

Spatial conditions for betting games

Article 68

- (1) Betting games are organised in special business premises (betting shops).

(2) Size of the premises in which betting is organised (betting shops) cannot be less than 20m².

(3) The organiser is obligated to prescribe description of betting and conditions for participation in betting by rules of betting.

(4) Betting rules must be clearly placed in betting shop.

(5) Working hours of betting place may last from seven hours a day to 24 hours every day regardless of the fact whether the non-working day is determined by the law or other provision.

(6) Provisions from the Article 63, paragraphs 1 and 2 of this Law are applied also to the betting shops.

(7) The Minister shall, on proposal of the Director of the Administration issue a Rulebook which prescribes spatial, technical and IT conditions and manner of organising betting games of chance.

Betting ban

Article 69

Organisation of betting in the territory of the Republic is prohibited:

(1) on results of general and local elections,

(2) for the organiser 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.

Fee for organising betting games

Article 70

(1) For organising betting games, a fee amounting to 20% of the basis consisting of overall payments reduced by the overall payout in that month is paid, but it must not be less than BAM 1,000 per betting shop.

(2) The fee referred to in paragraph 1 of this Article shall be reported and paid to the Administration by the 15 day of the month for the previous month.

(3) When receiving payments for betting games, organiser shall not charge or add any expenses, except for the amount of payment which could gain winnings.

Computer system for organising betting games

Article 71

(1) Organiser is obliged to secure a computer system for the surveillance, and in which all payment places, self-service terminals and servers through which the betting is organised must be connected.

(2) It is required for the system referred to in paragraph 1 of this Article to be approved by the Ministry and the organiser is obliged to secure an uninterrupted access to the Ministry to that system in any moment in real time.

(3) Storing, registering and recording of data on payments and payouts received for betting is carried out in computer system of the organiser referred to in paragraph 1 of this Article.

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

Self-service betting terminals

Article 72

(1) Self-service terminal are a special way of organising betting games through which no other games than sport betting can be organised.

(2) Organising betting games via self-service terminals for sports betting is carried out in betting shop, slot machine clubs, casinos or catering establishments.

(3) The provisions from the Article 66 of this Law are applied to the conditions and procedure of obtaining approval for organising betting games via terminals for sports betting.

(4) Terminals must be connected to the Central computer system referred to in Article 71, paragraph 1 of this Law, where every payment and payout is recorded.

(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 labels for marking given by the Administration with the fee BAM 20 for the period of a year.

(7) For organising betting games via terminals for sport betting, the organiser shall pay the fee referred to in Article 70 of this Law, for each terminal.

Betting via SMS

Article 73

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

(2) Betting via SMS can be organised in betting shop on the basis of the approval that the organiser is obligated to obtain in accordance with the Article 66 of this Law.

(3) Betting via SMS for which the organiser has the approval referred to in paragraph 2 of this Article is considered to be special payment – payout spot.

(4) For organising betting via SMS, the organiser has to pay monthly fee referred to in Article 70 of this Law.

One-time organisation of betting

Article 74

(1) Notwithstanding Article 69, point 2) of this Law, a non-profit organisation that organises sports competitions may, in the premises of the stadium or the hall where the competition is held, organise betting once a year in connection with such competition.

(2) Betting referred to in paragraph 1 of this Article can be organised exclusively based on the approval of the Administration.

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

- 1) the Statute of the organisation,
- 2) Decision and the purpose of organisation of betting,
- 3) Rules of the game,
- 4) time of organising the game.

(4) The organiser of betting games is obligated to pay a fee for organising 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

Licence for organising games of chance on slot machines

Article 75

(1) Licence for organising games of chance on slot machines referred to in Article 7 of this Law can be given to legal entity that, in addition to general conditions referred to in Article 16 and Article 17, paragraph 1 point 3) of this Law fulfils also special conditions prescribed by this Law and by-laws pursuant to this Law.

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

- 1) information about the business name and the head office of the legal entity,
- 2) Decision on registration,
- 3) General rules of game,
- 4) proof of ownership of approved and certified computer system,
- 5) proof by the Tax Administration of paid taxes.

(3) In order to ensure payout of winnings to players and settlement of liabilities for organising games of chance, the organiser of games of chance on slot machines, except the Lottery must, on an annual basis, not later than 31 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 organising games of chance determined by this Law.

(4) The Administration activates the bank guarantee referred to in paragraph 3 of this Article in case of non-payment of liabilities determined by this Law after the expiration of the seventh day since the date when organiser of the games of chance was obligated to pay monthly amount of the fee for organising games of chance.

Approval for organising games of chance on slot machines

Article 76

(1) Approval for organising games of chance on slot machines referred to in Article 23 of this Law the Administration gives to the organiser of games of chance on slot machines for each

business unit i.e. slot machine club that fulfils the terms prescribed by this Law and by-laws pursuant to this Law.

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

- 1) proof of ownership or right to use the slot machines to put into use in the slot machine club,
- 2) evidence of fulfilment of spatial and technical conditions for that slot machine club,
- 3) Certificate of technical inspection of the slot machines,
- 4) Rules for the games of chance to be organised in that slot machine club,
- 5) proof of ownership or right to use for the space in which games of chance, for which the request was submitted will be organised,
- 6) proof of payment of one-off fee referred to in Article 17 of this Law.

(3) The Administration, along with the approval referred to in paragraph 1 of this Article, gives a Special label which contains information on: organiser, number and date of the licence, location, validity period and serial number, and the organiser is obligated to place it in original document in a visible place in every slot machine club.

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

Putting the slot machine into use

Article 77

(1) The organiser is obligated to report the Administration, seven days in advance at the latest, about every putting into use, withdrawal from use and relocation of the slot machine, not regarding technical failures and service.

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

- 1) proof of ownership or right to use the space in which it is situated,
- 2) proof of ownership or right to use the slot machine,
- 3) Certificate of technical inspection.

Spatial and technical conditions for slot machine club

Article 78

(1) Organising 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 ten slot machines for games of chance, and entire size of the slot machine club cannot be less than 30m².

(3) The organiser must, in a visible place in the slot machine club place the rules of the game and information for players.

(4) Slot machine club must have cash desk and a vault to store money and other valuables.

(5) Free drinks and beverages can be served to the players in slot machine club.

(6) Slot machine club may also have a separate space for catering services where drinks and beverages would be served.

(7) Working hours of the slot machine club may be 24 hours a day, every day regardless of whether it is a non-working day prescribed by law and other regulations.

(8) The management 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.

(9) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook prescribing spatial and technical conditions for organising games on chance on slot machines.

Labelling and registration of slot machines

Article 79

(1) The slot machines which have a label, for marking and registration on a visible place, issued by the Administration with special fee of BAM 20 for one year period can be used.

(2) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook prescribing appearance, content and manner of issuing a label for marking and registration of terminal, tables and slot machines for organisation of games of chance and amusement games.

Technical conditions for slot machines

Article 80

(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 and payouts 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 the program plate is performed by the Administration or legal entity authorised for sealing by the Ministry.

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

Special technical conditions for slot machines

Article 81

(1) Slot machines for games of chance should be so constructed i.e. 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 losing is determining by the electronic program via random-number generator.

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

Certification and technical inspection of the slot machine
Article 82

(1) Slot machine for game of chance, system for organising games of chance via internet, as well as the system for organising betting games, that is put into use in the Republic must possess a certificate of conformity of the device type and program obtained from the authorised and certification responsible laboratory, which is accredited according to norm ISO/IEC 17025 or ISO/IEC 17065 whose accreditation include procedures and conditions for devices and technologies for organising games of chance.

(2) Laboratory conducting testing and certification of the technology for organising games of chance referred to in paragraph 1 of this Article is obliged to possess a proof of qualifications for testing IT security of the system.

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

(4) Before putting into use of the slot machine for games of chance, its technical inspection is mandatory and carried out by legal entity which for conducting this kind of activity has the approval for conducting technical inspection, issued by the Minister.

(4) A legal entity authorised to perform the technical inspection must be accredited according to norm ISO/IEC 17020 and possess the Decision on fulfilment of the requirements for testing electrical installations (electric safety of slot machines).

(5) The authorised legal entity referred to in paragraph 3 of this Article issues a certificate about technical inspection of the slot machine for the games of chance conducted.

(6) Technical inspection cannot be performed by legal entities that are: producers of the slot machines for the games of chance, for amusement games or tables for games of chance; organisers of the games of chance; persons engaged in renting slot machines for the games of chance, tables or slot machines for amusement; deliverers, service personnel or authorised representatives of the said persons.

(7) The Minister shall issue a Rulebook prescribing conditions and procedure for certification of the laboratory and legal persons for conducting technical inspections of devices and technologies for organising games of chance referred to in paragraph 1 of this Article.

Computer system for organising games of chance on slot machines
Article 83

(1) The organiser is obliged to secure an IT system approved by the Ministry and in which all slot machines are connected and it allows access in real time to the Ministry.

Fee for organising games of chance on slot machines
Article 84

(1) For organising games of chance on the slot machines and via terminals and internet, the organiser pays the fee in the amount of 20% of the base which contains the difference between overall monthly payments and payouts per slot machine, and which is not less than BAM 100 monthly per slot machine.

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

IX INTERNET GAMES OF CHANCE

Licence for organising internet games of chance
Article 85

(1) Licence for organising internet games of chance referred to in Article 7 of this Law, the Ministry can issue to a legal entity that, along with general conditions referred to in Article 16 and Article 17, paragraph 1 point 4) of this Law fulfils also the special conditions prescribed by this Law and by-laws pursuant to this Law.

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

- 1) information on the business name and the head office of the legal entity,
- 2) Decision on registration,
- 3) proof of payment of the fee referred to in Article 17 paragraph 1 point 4) of this Law,
- 4) general rules of the games,
- 5) proof by the Tax Administration of paid taxes,
- 6) proof of ownership or right to use the space in which the head office of the organiser of the internet games of chance is located,
- 7) proof of an open bank account through which the transactions will be performed when organising internet games of chance and the number of account,
- 8) serial number of server through which internet games of chance are organised and proof of the place where server is located,
- 9) certified statement of the manufacturer of software that there is no hidden functions which could influence the correctness of data,
- 10) proof of ownership or right to use equipment through which internet games of chance are organised,
- 11) proof of ownership of the approved and certified computer system,
- 12) statement of the organiser that he did not have his approval previously cancelled in the country or abroad and that he had 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 organising game of chance and other obligations, the organiser is obligated, on an annual basis, not later than 31 January during the period of the 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 organising game of chance in accordance with this Law.

(4) The Administration will activate bank guarantee referred to in the paragraph 3 of this Article in case of non-payment of liabilities referred to in this Law, after the expiry of the seventh day since the date when the organiser of internet games of chance was obligated to pay monthly amount of fee for organising game of chance.

Technical and functioning equipment of the organiser Article 86

(1) The organiser of the internet games of chance must have technical and functional equipment in the territory of the Republic i.e. hardware and software through which players participate in games of chance via the Global Internet Network (GIN).

(2) Software referred to in paragraph 1 of this Article is made by legal entity which is registered in accordance with the Law which defines the domain of making and putting into use of software and is certified by the authorised laboratory for certification.

(3) Software referred to in paragraph 1 of this Article can be owned by the organiser or the organiser possesses the right to use software for the purpose of organisation of internet games of chance.

(4) Hardware referred to in paragraph 1 of this Article is owned by the organiser of internet games of chance.

IT equipment of the organiser Article 87

(1) The organiser of internet games of chance is obligated to provide functional IT equipment that enables access to the Ministry, in real time in order to conduct monitoring and control of financial transactions.

(2) The organiser of internet games of chance is obliged to submit, to the Administration five different passwords (username, password).

(3) All the data that refer to the internet games of chance are obligatory located on the territory of the Republic and are available to the Ministry online.

(4) The organiser of internet games of chance provides the Ministry with continuous access to the following data:

- 1) user name of registered players with virtual account of players,
- 2) number of virtual account of players (special players' account through which he participates in internet games of chance)
- 3) state of virtual account of players,
- 4) current state of total available funds of the players on virtual account,
- 5) all payments and payouts on the virtual account of the player.

(5) Organiser of internet games of chance is obligated to provide the copy of original source or backup of data.

(6) The organiser is obliged to allow the Ministry access to data referred to in paragraph 4 of this Article for at least last 12 months.

Staff of the organiser of internet games of chance
Article 88

The organiser of internet games of chance must have a skilled and specialized staff for organising internet games of chance and the director of the organiser, chief bookkeeper and other authorised persons must be full-time employed and have residence in the Republic.

Transactions in internet games of chance
Article 89

(1) Financial operations, transactions, payments and payouts of winnings in internet games of chance are carried out through the bank accounts in the bank with the head office in the Republic or with the business unit in the Republic.

(2) The amount of funds on the account referred to in paragraph 1 of this Article , in the period of the duration of licence referred to in Article 85 of this Law, must continuously 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) The organiser of internet games of chance must enable the authorised officials of the Administration, for the purpose of supervision, the access to bank accounts referred to in paragraph 1 of this Article in every moment.

Website of the organiser
Article 90

The organiser of internet games of chance must have a website, which shows the following information:

- 1) business name of the organiser of internet games of chance,
- 2) head office of the organiser,
- 3) number of the licence for organisation of internet games of chance and date of issue,
- 4) the warning that games of chance cause addiction, stress, influence the health, as well as possibility of a loss of significant amount of funds,
- 5) links to websites of organisations which are specialized for assistance to players that have the gambling addiction,
- 6) links to legal texts and procedures for internet games of chance,
- 7) links to the balance sheet and business operations for the last year,
- 8) rules of the games.

Players in internet games of chance
Article 91

(1) Every player participates in internet games of chance through any device that has the access to the internet.

(2) Players in internet games of chance are obligated to register for the games through internet page of the organiser referred to in Article 94 of this Law by filling in the application for registration.

(3) When registering, the organiser awards to the player a unique 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 at least the following information:

1) Identity of the player i.e. name, surname, address of residence and date of birth of the player,

2) desired user name of the player,

3) valid e-mail address of the player,

4) desired password,

5) selection of secret personal question with the answer for confirmation of authenticity of the player during every payout,

6) confirmation that the player is informed about rules before sending the request for registration.

(5) Organiser of the internet games of chance is obligated to prohibit participation in the game to particular player that are not regularly registered for participation in the game.

(6) Organiser of internet games of chance must ensure safe and anonymous online list of all participants in the game.

(7) A player can register only with one account at organiser of internet games of chance i.e. address of electronic mail may be valid only once.

(8) The organiser 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 organiser is obligated to enable every player an entire insight into movements on his account in every moment.

10) The organiser is obligated to provide internet domain through which he will access to internet games of chance.

Payments in internet games of chance
Article 92

(1) Registered player makes payment for participation in internet games of chance electronically so that they are visible immediately after payment, 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 organiser.

(3) The organiser of internet games of chance in every payment or payout is obligated to check and confirm registration of the player, the game of the player, the security and internal procedures relating to the account of the player and to ensure that rules relating to the game are applied in accordance with the Law.

Rules of games of chance Article 93

(1) Organiser of internet games of chance must submit to the Administration the rules and procedures relating to internet games of chance which he organises and the amount of fee charged to the players for participating in the game.

(2) The organiser 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) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook prescribing technical conditions, contents of rules and procedures and manner of organising internet games of chance.

Fee for organising games of chance Article 94

(1) For organisation of internet games of chance, the organiser pays a fee in the amount of 20% of the base consisted of the value of total payments decreased by value of total payouts in internet games of chance.

(2) The fee referred to in paragraph 1 of this Article, the organiser is obligated to report to the Administration and pay until 15th day in the month for previous month.

X PRIZE CONTESTS

Approval for organisation of prize contests in a classic manner Article 95

(1) Classic prize contests are organised by a legal entity, entrepreneur, or a natural person based on an approval issued by the Director of the Administration for each prize contest separately.

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

(3) Along with the application for approval referred to in paragraph 1 of this Article, the rules of the prize contest are submitted and they contain:

- 1) business name and the name of the organiser, registry number i.e. identification number and address of the head office of the organiser of the prize contest or the address of the natural person,
- 2) purpose of organising prize contest,
- 3) duration of the prize contest,
- 4) winning fund, established exclusively by goods and services that the organiser cannot exchange for money,
- 5) individual value of each prize award from the winning fund established in accordance with point 4) of this paragraph,
- 6) conditions for participation in the prize contest,
- 7) procedure for organising and implementing prize contest and drawing of prizes,
- 8) way of publishing the results i.e. winners,
- 9) the deadline for picking up the prizes,
- 10) the way in which participants receive prizes if they fulfilled the requirements prescribed by the rules,
- 11) proof of payment of the fee referred to in paragraph 2 of this Article,
- 12) statement by the court competent for resolving disputes between the organisers and participants of the prize contest,
- 13) rules of the game.

(4) The organiser of classic prize contest, shall, no 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 organised.

Approval for organising prize contest via telecommunication system Article 96

(1) Prize contests via telecommunication systems are organised by legal entities with head office in the territory of the Republic, based on the approval issued by the Director of the Administration.

(2) Along with the application for approval, the legal entity referred to in paragraph 1 of this Article must provide:

- 1) information about the business name and the head office of the legal entity,
 - 2) Decision on registration,
 - 3) evidence of the secured payment of winnings and fees,
 - 4) rules of the game with the contents prescribed in Article 95, paragraph 4 of the Law,
- and
- 5) proof from the Tax Administration of paid taxes.

(3) For organising prize contests referred to in paragraph 1 of this Article, the fee is paid in the amount of 15% of the base that is overall value of all payments paid for playing, not later than 15 days since the end of the prize contest.

(4) In order to ensure payment of winnings to players and settlement of the fee for organising game of chance and other obligations, the organiser of prize contests via telecommunication systems is obligated, on an annual basis, not later than 31 January during the period of licence, to deliver, to the Administration a guarantee from the bank, in the amount of 25% of total planned annual costs on the basis of the fee for organising game of chance in accordance with this Law.

(5) The Administration will activate bank guarantee referred to in paragraph 4 of this Article in case of non-payment of liabilities referred to in this Law, after the expiry of the seventh day since the date when the organiser was obliged to pay monthly amount of fee for organising game of chance.

(6) Financial operations, transactions i.e. payments and payout of winnings of games of chance through telecommunication systems are carried out exclusively through telecommunication providers with a head office in the Republic or with a business unit in the Republic and the bank.

(7) The organiser is obliged to deliver to the Administration the report regarding financial operations, report on its operations through telecommunication operators referred to in paragraph 6 of this Article not later than 15 days since the day of drawing of the winners.

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

XI AMUSEMENT GAMES

Approval for organising amusement games Article 97

Amusement games can be organised by a legal entity, entrepreneur or a natural person on the basis of the approval for organising amusement games issued by the Director of the Administration, liable to audit after the period of two years since the day of issuing.

Conditions for acquiring the approval Article 98

Along with the request for the approval referred to in Article 97 of this Law, the legal entity is obliged to also submit the following:

- 1) information on the number and type of amusement machines on which amusement games will be organised,
- 2) proof of ownership or right to use the space in which amusement games will be organised,
- 3) proof of registration of competent authority,
- 4) proof from the Tax Administration on the settlement of all tax liabilities,
- 5) evidence i.e. statement of compliance of spatial requirements,
- 6) proof of ownership right or the right to use amusement machines,

7) certificate of the technical inspection of the amusement machines.

Spatial conditions for organising amusement games
Article 99

Amusement games can be organised in catering establishments and the space in which the games are organised must have a minimum area of 3m² per amusement machine.

Technical conditions and fee for organising amusement games
Article 100

(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 if, in a visible place, a label for marking and registration with information on the type of device, location, serial number and organiser of the games is placed on them.

(3) Label referred to in paragraph 2 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 BAM 20 per month.

(5) Label will no longer be valid after one year since the day when it was issued.

XII TAX ON WINNINGS FROM GAMES OF CHANCE

Subject of taxation
Article 101

Tax on winnings from games of chance is paid on winnings in:

- 1) lottery games,
- 2) betting games,
- 3) internet games,
- 4) jackpots from electronic games,
- 5) jackpots from slot machine games,
- 6) jackpots from casinos,
- 7) prize contests in goods or services.

Tax base for taxation
Article 102

(1) Taxpayer of the tax on winnings from games of chance is a natural person that had a winning referred to in Article 101 of this Law.

(2) Tax base of the tax on winnings from games of chance, except betting games, is an each, individual winning referred to in Article 101 of this Law.

(3) Tax base of the tax on winnings from betting games is an amount of each payout of winnings minus the amount of each payment based on which winning is achieved.

(4) For winnings consisting of goods and rights, tax base is a market value of goods and rights in the moment when the winning is achieved.

Amount of tax on winnings
Article 103

On the tax base referred to in Article 102 of this Law, tax is paid according to the following rates:

- 1) 10% on winnings, whose amount or value is higher than BAM 1,000 and equal or lower than BAM 10,000,
- 2) 15% on winnings, whose amount or value is higher than BAM 10,000 and equal or lower than BAM 50,000,
- 3) 20% on winnings, whose amount or value is higher than BAM 50,000 and equal or lower than BAM 100,000, and
- 4) 30% on winnings, whose amount or value is higher than BAM 100,000.

Manner of tax paying
Article 104

(1) Tax on winnings is calculated by the organiser and deducted from each winning before payout of the rest of winning.

(2) The organiser is obliged to record all amounts of tax on winnings referred to in paragraph 1 of this Article in its financial records and to report it to the Administration, not later than 15th day of the month for the previous month.

(3) Tax referred to in paragraph 1 of this Article is paid by the 15th day of the month for the previous month.

(4) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook prescribing manners of recording and reporting winning from games of chance.

XIII SUPERVISION

Competence in the field of supervision
Article 105

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

(2) The Ministry carries out direct supervision over the organisers of games of chance via central computer system of the organiser in real time.

(3) The Administration performs the duties of inspection in the field of supervision referred to in paragraph 1 of this Article.

(4) The Administration carries out inspection supervision over payment of fees and taxes prescribed by this Law.

(5) Forced collection of fees and taxes prescribed by this Law is carried out by Tax Administration on the basis of the Decision of the Administration and in accordance with regulations governing tax procedure.

(6) Against the Decision of the Director of Administration, a complaint to the Ministry is allowed which shall be submitted within 15 days since the date of submission of the Decision.

Authorities of the inspectors Article 106

(1) Inspectors of the Administration are independent in conducting supervision within the limits of authorisation determined by this Law and other regulations.

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

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

2) controls business premises and other structures in which the games of chance are organised,

3) surveys general and particular acts, records, bookkeeping, business and other documentation relevant for supervision,

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

5) takes in procedure requests and applications of citizens, companies and other organisations and informs the applicant about its procedures.

6) hears and takes statements from authorised and other persons,

7) makes the Minute on results of inspection supervision,

8) makes the Decision after inspection supervision,

9) conducts other operations and measures for which it is authorised by this Law.

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

Rights and obligations of the inspector Article 107

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

1) order appropriate measures to be taken and actions to eliminate established irregularities or deficiencies within the determined period,

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

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

4) order the forced opening of the facility for the purpose of supervision,

5) order forced closure of the facility i.e. ban to perform activities of organisation of games of chance in that facility for up to 30 days,

6) attend the signing of the opening, calculation 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,

7) issue the offence warrant,

8) take away the object that was used for the execution of the offence,

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

10) submit a request for initiating the court proceedings,

11) suggest the measure of taking away licence or approval,

12) order the payment of determined, but unpaid liabilities based on fees and taxes prescribed by this Law,

13) take other measures and actions for which is authorised by this Law and other regulations.

(2) The inspector may also take more measures and actions referred to in paragraph 1 of this Article simultaneously.

(3) The inspector is obligated to mark the ban of the activity in a prescribed way (red tape, the official seal of the Administration, mark "closed" and similar)

(4) Items determined as being used for committing violation and which are taken away in the procedure of supervision, are destroyed after validity of the act of imposing measure referred to in paragraph 1, point 8) of this Article.

(5) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook on procedure of implementation protective measure of banning the activities of organising games of chance.

Inspection control Article 108

(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, operations and bookkeeping and other documentation 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 the Administration and on the basis of special orders and reports.

(3) Notwithstanding provisions of paragraph 2 of this Article, the Minister may issue the order for conducting an extraordinary inspection control in cases when there is a justified need.

(4) If, in the course of inspection, the inspector determines that there are elements of criminal act, the inspector is obligated to immediately inform competent authorities, that they can take competent measures.

Responsibilities of the inspector Article 109

(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

over whom he carries out inspection before its start, as well as individual order for inspection issued by the Director of the Administration.

(2) The inspector is liable if:

1) in performing the inspection, he does not take, does not propose or does not determine the measure for which he is authorised,

2) does not propose or does not initiate proceedings before the competent authority because of illegalities or irregularities,

3) exceeds his legal authorisations,

4) does not act in accordance with the law and code of conduct for civil servants,

5) with own negligent conduct causes material damage and intangible damage to entity over which he performs inspection.

(3) In cases referred to in paragraph 2 of this Article, the Director of the Administration is required to initiate disciplinary proceedings against the inspector.

(4) The Minister shall, on proposal of the Director of the Administration, issue a Rulebook prescribing the content and form of identification and badges of inspectors of the Administration.

Responsibilities of the subject of the control

Article 110

(1) Every employed or authorised entity of the subject over which the inspection is performed is obligated to allow inspectors unrestricted access to 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 the inspector, to temporarily suspend work in the facility during the performance of inspection if the inspector cannot otherwise perform 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 authorised officials of the Ministry of Interior.

(4) If the person in any way prevents the inspector in the performance of inspection, the inspector may order him measure of ban of the activity within deadlines prescribed by Article 107, point 5) of this Law.

The Minute of the inspection

Article 111

(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 authorised (in writing) employee and stated that in the Minute.

(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 i.e. authorised person.

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

(4) The Minute is to be made during the performance of inspection and signed by the inspector who made the Minute 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 Minute during inspection, the Minute is made in the official premises of the Administration within three days since the date of completion of the inspection, provided that it is immediately handed over i.e. delivered by mail to the person subject of inspection.

Procedure of paying the fees and taxes Article 112

(1) The organisers 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 the Administration or is determined by the decision of the Administration after the performed inspection over payment of fees and taxes.

(3) Deadline for payment of obligations on the basis of fees determined by the decision of authorised persons of the Administration is 15 days since the date of regular delivery of the decision.

(4) Against the Decision on determination of obligation for payment of fees and taxes referred to in this Law, a complaint is allowed to the Ministry and is submitted through first instance authority within 15 days since the date of delivery of the decision.

(5) Declared complaint referred to in paragraph 4 of this Article defers execution of the Decision.

(6) Executive Decision on determination of liability of payment of fees and taxes referred to in this Law 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.

(7) The Minister shall issue a Rulebook prescribing the procedure and manner of performance of supervision over payment of fees and taxes prescribed by this Law, as well as the form and contents of forms of applications for fees and tax.

Complaint Article 113

(1) The inspector issues a Decision for measures and actions for which he is authorised by this Law.

(2) Against the Decision of the inspector, a complaint may be lodged to the Ministry within 15 days since the date of receipt of the Decision.

(3) The complaint to the Decision, except the Decision referred to in Article 112, paragraph 4 of this Law, does not delay the execution of the Decision.

XIV PENAL PROVISIONS

Violations of the legal entity

Article 114

- (1) The legal entity will be fined with BAM 20,000 to BAM 50,000 for the violation if:
- 1) it acts contrary to the prohibitions from (Article 11) of this Law,
 - 2) if the person younger than 18 years (Article 12, paragraph 2) is present in the premises of casinos, betting shops, classic tombola or the facility where games of chance on slot machines are organised,
 - 3) any media in the Republic publishes the announcement or advertisement relating to games of chance on a radio or television program or in printed media intended for children or minors (Article 12, paragraph 4),
 - 4) rules of particular round or series of lottery game has been changed after the beginning of the sale of tickets of that round, i.e. series or if it delays the day or the place of drawing the winnings without approval (Article 27, paragraph 3) and Article 30),
 - 5) rules of lottery game are not published before beginning of sale of tickets (Article 27, paragraph 4),
 - 6) if the drawing of lottery games is carried out without commission or if it is not public (Article 29, paragraph 1),
 - 7) it does not publish, before the drawing in front of the Commission the overall payment or the number of sold tickets for that lottery games or if the drawing is not published publicly (Article 29, paragraph 2),
 - 8) 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 organisation of games of chance (Article 30, paragraph 2),
 - 9) it cancels the organisation of games of chance, round or series of a game for which ticket selling had begun, but does not return the received money from ticket selling (Article 30, paragraph 5),
 - 10) it does not publish the report of drawing results or determination of winnings in a prescribed deadline or in prescribed manner (Article 32),
 - 11) it does not pay out winnings in a deadline prescribed by the rules of the game (Article 34, paragraph 1),
 - 12) organises game of chance - classic tombola contrary to the provision of this Law (Article 40, paragraph 1 and Articles 41 and 42),
 - 13) organises classic tombola with cards not approved and recorded by the Administration and sells tombola cards not approved by the Administration or at a price not approved by Administration (Article 42, paragraph 2)
 - 14) It organises a lottery game on a one-time basis during the year more than once or without the consent of the Director of the Administration (Article 44),
 - 15) organises an electronic game contrary to the provisions of this Law (Articles 36 and 37),

16) organises game of chance in the casino contrary to the provisions of this Law (Article 47 and 54; Article 56, paragraph 1; Articles 58 and 59; Article 60, paragraphs 1 and 2; Article 61 and Article 63, paragraph 3),

17) 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 (Article 57, paragraphs 6, 7 and 8),

18) does not secure permanently appropriate control of audio and video equipment and other similar technical equipment in the casinos (Article 60, paragraphs 4 and 5),

19) organises betting games contrary to the provisions of this Law (Articles 65 and 66; Article 68, paragraphs 1, 2, 3 and 6; Articles 69, 71, 72 and 73),

20) organises betting related to organised sports competition more than once a year (Article 74),

21) organises games of chance on slot machines contrary to this Law and approval (Articles 75 and 76; Article 78, paragraphs 1, 2 and 4; Article 79; Article 80, paragraph 2, Article 81, paragraph 1 and Article 82),

22) does not report to the Administration, within prescribed deadline each terminal for electronic games and slot machine for games of chance (Article 37, paragraph 4 and Article 77, paragraph 1),

23) rules of the games of chance are not published in premises where electronic games are organised, in business units where classic tombola is organised, in casino, in betting shop, in slot machine club or on a website of the organiser of internet games of chance (Article 36, paragraph 3, Article 40, paragraph 3, Article 61, paragraph 4, Article 68, paragraph 4, Article 78, paragraph 3 and Article 90, paragraph 1),

24) puts into use technically invalid terminal for electronic games or slot machine for games of chance (Article 37, paragraph 2 and Article 80, paragraph 1),

25) organises internet games of chance contrary to the provisions of this Law (Article 85, paragraphs 1 and 3, Articles 86, 87, 88, 89 and 90, Article 91, paragraphs 4, 5, 6 and 7, Article 92, paragraph 2 and Article 93, paragraph 1),

26) organises prize contest contrary to provisions of this Law (Articles 95 and 96),

27) organises amusement game contrary to provisions of this Law (Articles 97, 99 and 100),

28) puts into use the slot machine, terminal, table for games of chance or slot machine for amusement for which it does not have a special sticker (Article 37, paragraph 3, Article 58, paragraph 1, Article 72, paragraph 6, Article 79, paragraph 1 and Article 100, paragraph 2).

(2) For violations referred to in paragraph 1 of this Article, the responsible person in legal entity shall be punished with the fine amounting from BAM 5,000 to BAM 10,000.

Protective measures
Article 115

(1) For the violation referred to in Article 114, paragraph 1, points 1), 13), 15), 16), 19), 21), 22), 24) and 28) of this Law, along with the fine, protective measure of taking away the object used for violation will be pronounced.

(2) For the violation referred to in Article 114, paragraph 1, point 1) protective measure of banning the activities in business unit in which the violation was conducted shall be pronounced to the organiser of games of chance for the period of 30 days.

(3) Along with the fine, the organiser of internet games of chance will be pronounced also protective measure of taking away of items i.e. functional equipment for organising internet games of chance (server, software, hardware) if:

1) it is determined that server has hidden functions which disable complete supervision in accordance with this Law (Article 85, paragraph 2, point 9),

2) it is determined that software is not made by the registered manufacturer of equipment (Article 86, paragraph 2),

3) it is determined that the organiser receives the payment in game or effects payouts contrary to this Law (Article 89, paragraphs 1, 2 and 3 and Article 92, paragraphs 1 and 2).

(4) Along with the protective measure referred to in paragraph 2 of this Article, for the same violations, the organiser shall have his licence for organising internet games of chance abolished.

(5) for violation referred to in Article 114, paragraph 1, points 13), 15), 16), 19) and 21) of this Law, protective measure of banning activities to the organiser of games of chance for the period of 30 days shall be pronounced.

(6) The Minister shall, on the proposal of the Director of the Administration, issue a Rulebook prescribing conditions and manner of implementation of protective measure referred to in paragraphs 1 and 2 of this Article.

Violations of the natural person
Article 116

(1) Natural person shall be fined for violation in the amount of BAM 2,000 up to BAM 6,000 if he:

1) organises a game of chance,

2) acts contrary to general prohibitions (Article 11).

(2) For conducted violation referred to in paragraphs 1 and 2 of this Article, protective measure of removing the object used for committing the violations shall be pronounced.

(3) With the fine amounting from BAM 500 to BAM 1,500 the natural person shall be fined if they organise prize contest without approval of the Administration (Article 95).

(4) With the fine amounting from BAM 300 to BAM 900 the natural person shall be fined if they organise amusement game without approval of the Administration (Article 97).

(5) With the fine referred to in paragraph 4 of this Article, the natural person, user i.e. owner of the space where slot machines are found will be punished if he does not have the approval of Administration given in accordance with this Law.

XV TRANSITIONAL AND FINAL PROVISIONS

Passing the by-laws Article 117

(1) Within 90 days from coming into effect of this Law, the Government shall pass the decree on criteria for determination of users and manner of distribution of funds from the games of chance referred to in Article 9, paragraph 2 of this Law.

(2) The Minister shall, on the proposal of the Director of the Administration, within 90 days from coming into effect issue:

1) Rulebook on technical correctness of the computer system (Article 24, paragraph 2),

2) Rulebook on conducting technical surveillance of machines and technologies for organising games of chance (Article 82, paragraph 7).

3) The Minister shall, on the proposal of the Director of the Administration, within 90 days from coming into effect issue:

1) Rulebook on standards of responsible organisation of games of chance (Article 13, paragraph 2),

2) Rulebook on organising electronic games of chance (Article 37, paragraph 8),

3) Rulebook on organising classic tombola (Article 42, paragraph 5),

4) Rulebook on organising games of chance in casino (Article 59, paragraph 4),

5) Rulebook on organising betting games of chance (Article 68, paragraph 7),

6) Rulebook on organising games of chance on slot machines (Article 78, paragraph 9),

7) Rulebook on contents and manner of issuing the label for marking and registration (Article 79, paragraph 2),

8) Rulebook on organising internet games of chance (Article 93, paragraph 4),

9) Rulebook on manner of filing of winnings (Article 104, paragraph 4),

10) Rulebook on procedure of sealing the premises (Article 107, paragraph 5),

11) Rulebook on official ID and badge of inspector of the Republic Administration for the Games of Chance (Article 109, paragraph 4),

12) Rulebook on inspection supervision of paying the fees and taxes on winnings (Article 112, paragraph 7),

13) Rulebook on implementing protective measure of requisition of the object i.e. functional equipment (Article 115, paragraph 5).

(4) The Director of the Administration shall, within 6 months from the date of coming into effect of this Law, pass the Catalogue of Games of Chance (Article 4, paragraph 2).

Application of by-laws passed based on the law put out of force
Article 118

Until passing of by-laws referred to in Article 117 of this Law, the by-laws which were valid until the date of this Law coming into effect shall be applied unless they are contrary to the provisions of this Law.

Harmonisation of the business activities with the provision of this Law
Article 119

(1) The organisers of the games of chance are obligated to coordinate their operations and the status with the provisions of this Law within six months since the date of this Law coming into effect.

(2) Licences and approvals given on the basis of the provisions of the Law that was valid until the date of coming into effect of this Law will remain in effect if conditions for their passing are not changed by provisions of this Law, otherwise after the expiration date referred to in paragraph 1 of this Article, licence legally seize to be in force without any special administrative procedure.

(3) The provisions of this Law shall apply to the procedures that started until the date of coming into effect of this Law.

(4) Notwithstanding paragraph 2 of this Article, licences and approvals for organising electronic games of chance given based on the provision of the law that was into force until the date of coming into effect of this Law, shall remain into force until their expiration date, after which the licence shall legally be seemed as expired without any special administrative procedure.

Harmonisation of business activities of persons conducting technical inspection
Article 120

(1) Persons in possession of the approval for conducting technical inspection issued based on the provisions of the law that was into effect until the date of coming into effect of this Law, are obliged to harmonise fulfilment of conditions of their approvals with the provision of this Law i.e. are obliged to acquire new approvals for conducting technical inspections in accordance with the provisions of this Law.

(2) Harmonisation with the provision of this Law in terms of paragraph 1 of this Article is conducting by submitting the request to the Ministry with proofs on fulfilment of conditions referred to in this Law and the Minister shall consider it in the administrative procedure.

(3) In case where the persons in possession of the approval for conducting technical inspection does not harmonise its business activities with the provision of this Law within the deadline referred to in paragraph 1 of this Article, their approval is abolished, on which the Minister shall issue a decision.

Stop of validity
Article 121

By coming into effect of this Law, the Law on the Games of Chance (Official Gazette of the Republic of Srpska No. 110/12) stops to be valid.

Coming into effect
Article 122

This Law shall enter into force on the next day from the day of the announcement in the Official Gazette of the Republic of Srpska.

Number: 02/1-021-234/19
Date: 12 March 2019

President of the
National Assembly
Nedeljko Čubrilović