In accordance with Article 17, paragraph 6 of the Law on Games of Chance (Official Gazette of the Republic of Serbia, No. 18/20) and Article 42, paragraph 1 of the Law on Government (Official Gazette of the Republic of Serbia, No. 55/05, 71/05 - correction, 101/07, 65/08, 16/11, 68/12 - US, 72/12, 7/14 - US, 44/14 and 30/18 - other law),

the Government adopts the following

REGULATION

ON THE CONDITIONS AND MANNER OF ENGAGING OPERATORS FOR ORGANISING CLASSIC GAMES OF CHANCE AND AGENTS FOR THE SALE OF LOTTERY TICKETS

(Official Gazette of the Republic of Serbia, No. 149/20)

The basic text comes into force from 19/12/2020, the application of this regulation also comes into force from 19/12/2020

Article 1

This regulation regulates the conditions and manner of engaging operators for organising certain classic games of chance (hereinafter: the "operator") and agents for the sale of lottery tickets (hereinafter: the "agent"), in accordance with the Law on Games of Chance (Official Gazette of the Republic of Serbia, No. 18/20) (hereinafter: the "Law").

Article 2

- (1) An operator, in terms of this regulation, is a legal entity that meets the requirements of this regulation and that has signed a contract for the hiring of an operator to organise certain classic games of chance on behalf of and for the National Lottery of Serbia (hereinafter: the "NLS") with the NLS.
- (2) An agent, in terms of this regulation, is a legal entity, entrepreneur or natural person, who meets the conditions of this regulation and who has signed a contract for the hiring of an agent for the sale of lottery tickets with the NLS.

Article 3

Operators and agents are engaged in accordance with the Law, this regulation and the contract on hiring operators or agents.

Article 4

Operators are engaged with the prior consent of the Government.

Article 5

- (1) A legal entity may be hired as the operator, if that legal entity:
 - 1) has a registered share capital on the day of concluding the contract for hiring an operator to the amount of no less than the Serbian dinar equivalent of €5,000,000 calculated at the official median exchange rate of the National Bank of Serbia (hereinafter: the "NBS");

- 2) in the interests of securing the fulfillment of obligations from the contract for hiring an operator, allows the registration of a lien on its real estate in favour of the NLS, i.e. provides a bank guarantee in favour of the NLS to the amount of no less than the Serbian dinar equivalent of $\[mathcal{\in} 3,000,000\]$ calculated at the official median exchange rate of the NBS on the day of hiring operators;
- 3) has the right of ownership or the right to use equipment for receiving payments for games of chance whose technical characteristics meet the conditions determined by the NLS;
- 4) owns or uses the sales and payment network for receiving payments, i.e. organising games of chance that meet the requirements determined by the NLS;
- 5) has organisational and professional capacities for quality performance of contracted tasks according to the standard set by the NLS.
- (2) The regulations on public procurement shall apply to the selection of the operator referred to in this article.

Article 6

- (1) Notwithstanding Article 5 of this regulation, legal entities may be engaged for tombola gambling operators, if those legal entities:
 - 1) have the right of ownership or the right to use the appropriate premises in which the classic tombola game will be organised, i.e. they use the sales network of other legal entities;
 - 2) as security, submit to the NLS appropriate payment security instruments in the amount of at least RSD 75,000, depending on the estimated turnover on a monthly basis, and in accordance with the request set by the NLS;
 - 3) have organisational and professional capacities for the quality performance of contracted works according to the standard determined by the NLS;
 - 4) have the right of ownership or the right to use the equipment for the organisation of the classic game of tombola whose technical characteristics meet the conditions determined by the NLS.
- (2) The NLS will publish a public invitation on the basis of which all interested legal entities will be able to submit applications for an operator in the classic game of tombola.
- (3) The public invitation shall be published on the NLS website and in at least one daily newspaper distributed throughout the territory of the Republic of Serbia.
- (4) The public invitation shall contain:
 - 1) conditions that must be met by the tombola operator;
 - 2) mandatory content of the application for the public invitation;

- 3) more detailed information on the manner of organising the classic tombola game;
- 4) the amount of commission realised by the operator, which is equal across the entire territory of the Republic of Serbia;
 - 5) the manner, place and time of submission of the application;
 - 6) the manner and deadline for making a decision on the selection of the operator.

Article 7

The operator engagement contract, which is concluded with the prior consent of the Government, contains:

- 1) the name, registered address and PIN of the legal entity with which the contract is concluded;
- 2) the type of game of chance for the organisation of which the contract is concluded;
- 3) the scope and type of work and authorisations transferred to the operator;
- 4) the amount of the fee, i.e. the commission, and the method of payment;
- 5) the area in which the sale, i.e. receipt of payments, for games of chance will be performed, as well as the date of the commencement of the sale, i.e. receipt of payments;
- 6) the duration of the contract;
- 7) other provisions relevant for determining the rights and obligations of the contracting parties.

Article 8

Based on an invitation that is permanently open, the NLS can directly hire a legal entity, entrepreneur or natural person who meets the following conditions:

- 1) has the right of ownership or the right to use appropriate premises in which lottery tickets will be sold, i.e. uses the sales network of other legal entities and entrepreneurs;
- 2) as security, submits to the NLS the appropriate payment security instruments in the amount determined by the NLS.

Article 9

The contract for the engagement of agents for the sale of lottery tickets contains:

- 1) the name, registered address and PIN of the legal entity, i.e. the entrepreneur, or the personal data of the natural person;
- 2) the subject of the contract;
- 3) the scope and type of work and authorisations transferred to the agent;
- 4) the amount of commission and the method of payment;
- 5) the area where the lottery tickets are to be sold;
- 6) the date of the commencement of the sale of lottery tickets;
- 7) the duration of the contract;

8) other provisions relevant for determining the rights and obligations of the contracting parties.

Article 10

On the day this regulation enters into force, the regulation on the conditions and manner of engaging operators for organising classic games of chance and agents for the sale of lottery tickets (Official Gazette of the Republic of Serbia, No. 128/04, 91/10 and 13/11) shall cease to be valid.

Article 11

This regulation shall enter into force on the eighth day from the date of its publication in the Official Gazette of the Republic of Serbia.