

LAW  
ON GAMES OF CHANCE AND ENTERTIANMENT GAMES

I. GENERAL PROVISIONS

Article 1

This Law shall regulate the types, conditions and manner of organizing games of chance and entertainment games.

Article 2

Terms used in this Law shall have the following meaning:

1) Games of chance shall be games in which participants are provided equal opportunities for acquiring winnings with indirect or direct payment of certain amount (deposit), and the result from the game shall exclusively or mainly depend on the chance or on some uncertain event during the game;

2) Entertainment games shall be games on computers, simulators, video-slot machines, pinballs and other similar devices which are put into operation by inserting coins, chips or otherwise, as well as darts, billiards games and other similar games in which one can participate by payment, and in which the participant cannot realize winnings in cash, objects or rights but shall rather acquire the right to play one or more games of same type free of charge, as well as other entertainment games, meaning that the participant in entertainment games who makes a loss, shall bear the costs for the game or where the payments (deposits) and the winnings are insignificant;

3) Organizer of game of chance shall be company seated in the Republic of Macedonia, to which license, i.e. permit for organizing games of chance is issued and company, in which member or shareholder shall be the Republic of Macedonia, being established for the purpose of organizing games of chance;

4) Organizer of entertainment game shall be company and natural person - sole proprietor, to which license for organizing entertainment games is issued.

5) Participant in games of chance and entertainment games shall be person, fulfilling the requirements set in the rules on the game of chance and the entertainment game determined by the organizer of the game of chance, i.e. the organizer of the entertainment game;

6) Lottery games of chance shall be games, organized by public drawing, with predetermined winnings fund;

7) Lottery shall be game of chance, in which the participant holds lottery ticket issued by the organizer of the game of chance, which, in line with the game rules, has previously printed numbers. Lottery ticket shall be deemed as wining, when parts of the number or entire numbers appearing on the lottery ticket are drawn in an automated public lottery draw held at the previously set date.

8) Express lottery shall be game of chance, in which the participant holds lottery ticket, issued by the organizer of the game of chance, which, in line with the rules on the game of chance, has previously printed types and amount of winnings, certain symbol or

number, which are protected by a protective screen. Lottery ticket shall be deemed as winning, if it bears winnings, symbol or number, which, in line with the game rules was determined as winnings one;

9) Instant lottery shall be game of chance, in which the participant holds lottery ticket issued by the organizer of the game of chance, which, in line with the rules on the game of chance, has previously printed type and amount of winnings, or certain symbol or number, covered by a protective screen, which the participant removes by scratching the protective screen. Lottery ticket shall be deemed as winning, if it bears winnings or certain symbol or number, which, in line with the game rules was determined as winning one;

10) TV tombola (TV bingo) shall be game of chance, in which the participant holds payment receipt, issued by the organizer of the game of chance, which, in line with the rules on the game of chance, has previously printed numbers, and winner is the participant having payment receipt showing combination of numbers (combination of the winnings), which according to the game rules is determined as winnings, whereby numbers of this combination are obtained via automated or electronic public drawing broadcasted by TV, held at previously set date and time, in line with the game rules.

11) Tombola organized in premises shall be game of chance, in which the participant holds tombola card, issued by the organizer of the game of chance, which, in line with the rules on the game of chance, has previously printed numbers, and winner is the participant having tombola card showing combination of numbers (combination of the winnings), which according to the game rules is determined as winnings, whereby numbers of this combination are obtained by an automated drawing not being broadcasted via mass media.

2) Lotto and keno shall be games of chance in which the participant, in line with the game rules should guess certain group of numbers by his/her own choice. As for the played combinations of numbers, participant in the game shall obtain payment receipt. Winnings shall be achieved when the played numbers on the payment receipt correspond to the numbers drawn by an automated or electronic public drawing and when the participant shall fulfill other requirements set in the game rules;

13) Sports betting (toto) shall be game of chance, in which the participants shall guess the result of the sports matches for each pair separately, in line with the game rules. As for the played sports betting, participant in the game shall obtain payment receipt. Winnings shall be achieved only when the participant shall guess all the results or as many results require by the rules on game, provided that the results achieved are identical with the ones on the payment receipt;

14) Fonto shall be game of chance in which the participant after making a phone call is given a certain number or other unique symbol or he chooses one himself after meeting other requirements as set by the game rules. Participant shall realize the winnings, if the given number or other unique symbol is drawn by public drawing in line with the game rules;

15) Electronic games of chance shall be games of chance, in which drawing shall be carried out via electronic or automated randomness generator and the result shall be electronically transferred, whereby the winnings fund shall not have to be previously determined;

16) Video lottery shall be electronic game of chance played on electronic video lottery terminals (VLT - terminals) connected in electronically controlled network, whereby the result from the game (decision on winnings or loss) shall be generated via electronic or automated randomness generator (generator of random numbers) exclusively in one central server (by the head office of the organizer of the game of chance);

17) Electronic bingo and electronic keno shall be games of chance, in which participant in the game of chance, shall obtain the payment receipts in electronic form in terminal or slot machine and the drawing shall be carried out by the head office via electronic or automated randomness generator. Result in line with the game rules shall be electronically transmitted and shown on the terminals;

18) Award games shall be games of chance, which to the end of advertising products and services shall be organized by a company or several companies together, in a manner determined by the organizer of the game of chance (in usual manner, electronically or via mobile device, internet, etc.) by publicly announcing the requirements for participation in the game, set in the game rules, whereby organizer of the game of chance shall be obliged to allocate the awards in the form of objects, cash or right to the drawn winners;

19) Interactive games of chance shall be games of chance organized by means of electronic communications, i.e. telecommunications, realized by answering questions or showing knowledge or skills, provided that participation in the game is conditioned with payment (deposit) by the participant in the game in the form of telephone charges or any other form of payment (deposit) by the participant in the game;

20) Special games of chance shall be games of chance in which the participants contest another participant or the organizer of the game of chance, having possibility to realize winnings depending on the amount of their deposit and the rules on the game of chance;

21) Casino games shall be games of chance in which the participants in the game of chance shall contest the casino or another participant in line with the international rules on the gaming tables with balls, dices and cards;

22) Betting games shall be games of chance in which participant in line with the game rules shall pay bets on sports and other events:

- betting on results of individual or group sports events, races, etc.
- betting on results of dancing, singing, music and similar events and
- other betting;

23) Games of chance in slot machine clubs shall be games organized on slot machines, electronic roulettes and other devices with multipurpose role and winnings ('multiplayer') and on slot machines' system, meaning connection of larger number of slot machines to the end of establishing single jack pot with same and simultaneous possibilities for all participants in the game;

24) Multiplayer slots shall be automated, electronic or similar devices, in which participants in the games of chance, by paying certain amount (chip, metal coins or direct payment on cashier's desk, i.e. on the slot machine) have possibility of winnings;

25) Internet games of chance shall be games of chance in which participant in the

games of chance may participate via global internet network (GIW).

### Article 3

(1) All issues not envisaged under this Law shall be subject to the Law on General Administrative Procedure.

(2) Administrative acts, upon which decisions are made in the procedures determined by this Law, shall be final in the administrative procedure and administrative dispute may be initiated against them before the competent court, in line with the Law on Administrative Disputes.

(3) Inspection supervision procedure shall be carried out under the Inspection Supervision Law, if not otherwise regulated under this Law.

### Article 4

(1) Games of chance may be general games of chance, special games of chance and internet games of chance.

(2) General games of chance shall be:

- 1) lottery games of chance,
- 2) electronic games of chance.
- 3) award games and
- 4) interactive games of chance.

(3) Special games of chance shall be:

- 1) casino games,
- 2) betting games
- 3) games of chance in slot machine club.

(4) Internet games of chance shall be the general and the special games of chance referred to in paragraphs (2) and (3) of this Article, as well as other games of chance, in which the participant may participate through the global internet network.

### Article 5

(1) Lottery games of chance shall be:

- 1) lottery,
- 2) express lottery,
- 3) instant lottery,
- 4) TV tombola (TV bingo).
- 5) lotto,
- 6) keno,
- 7) sports betting (toto),
- 8) fonto and
- 9) tombola organized in premises.

(2) Electronic games of chance shall be:

- 1) video lottery,
- 2) electronic bingo and
- 3) electronic keno.

#### Article 6

Quiz realized by answering questions or showing knowledge and skills shall not be deemed as game of chance, provided that participation in the quiz is not conditioned with payment (deposit) by the participant in the quiz, in the form of telephone charges in an amount higher than the regular price of telephone impulses or in any other form of payment (deposit) to the account of the participant in the quiz.

### II. ORGANIZING GAMES OF CHANCE AND ENTERTAINMENT GAMES

#### Article 7

(1) Organizing games of chance and entertainment games determined under this Law shall be right of the Republic of Macedonia, unless otherwise regulated under this Law.

(2) Republic of Macedonia shall independently organize the lottery and electronic games of chance, except the tombola organized in premises, by establishing company for organizing games of chance, in which the Republic of Macedonia shall be member or shareholder with at least 51% of the founding capital.

(3) Republic of Macedonia shall transfer the right to organizing other games of chance and entertainment games determined under this Law, including tombola organized in premises by issuing license, i.e. permit to companies, i.e. sole-proprietor, fulfilling the requirements set in this Law.

(4) The license, i.e. the permit referred to in paragraph (3) of this Article shall not be transferred to other company, i.e. sole proprietor.

#### Article 8

(1) License shall include the rights and the obligations of the organizer of games of chance.

(2) License shall be issued for a time period, which, shall, for each separate game of chance be determined under this Law.

(3) Organizer of games of chance shall be obliged to carry out the games of chance, for which it obtained license continuously during the time period for which the license is issued.

(4) Notwithstanding paragraph (3) of this Article, organizer of games of chance may suspend the carrying out of the game of chance in case of force majeure or technical defect (power failure, etc.) in the period necessary to eliminate the consequences from force majeure, i.e. the technical defect.

(5) Ministry of Finance shall decide upon the suspension referred to in paragraph (4) of this Article upon reasonable application submitted by the organizer of the games of chance. Organizer of the games of chance shall be obliged to inform the Ministry of Finance without delay on the elimination of the reasons for the suspension.

(6) In case of suspension of the game of chance longer than the period referred to in paragraph (4) of this Article, Government of the Republic of Macedonia shall revoke the license.

(7) In case of revoking the license, deadline shall be set, in which the organizer of games of chance shall be obliged to continue carrying out the commenced games of chance, so as to ensure completion of the commenced games of chance, which shall not be longer than 30 days.

(8) Organizer of games of chance shall have right to cancel the organization of the game of chance, for which license is issued even prior to the expiry of the license validity period, without any right to refund the paid fees and duties determined under this and other law, being obliged to pay the due fees and duties determined under this and other law. (4) Government of the Republic of Macedonia shall decide upon such cancellation upon reasonable application submitted by the organizer of the games of chance to the Ministry of Finance, with appropriate application of the provision referred to in paragraph (7) of this Article.

#### Article 9

(1) Entertainment games, award games and interactive games of chance shall be organized on the basis of license.

(2) License referred to in paragraph (1) of this Article shall in particular include information on:

- 1) organizer of entertainment game, award game, i.e. interactive game of chance;
- 2) type of the game of chance;
- 3) duration of the license;
- 4) place of organizing entertainment game, award game, i.e. interactive game of chance;
- 5) rights and obligations of the organizer of entertainment game, award game, i.e. interactive game of chance and
- 6) amount of the fee for the obtained license.

(3) Organizer of games shall be obliged to carry out the games referred to in paragraph (1) of this Article, for which it obtained license, continuously during the period, for which the license is issued.

(4) Notwithstanding paragraph (3) of this Article, organizer of games of chance may suspend the carrying out of the games referred to in paragraph (1) of this Article in case of force majeure or technical defect (power failure, etc.) in the period necessary to eliminate the consequences from force majeure, i.e. the technical defect.

(5) Ministry of Finance shall decide upon the suspension referred to in paragraph (4) of this Article upon reasonable application submitted by the organizer of the games of chance. Organizer of games of chance shall be obliged to inform the Ministry of Finance on the elimination of the reasons for the suspension.

(6) In case of suspension of the games referred to in paragraph (1) of this Article longer than the period referred to in paragraph (4) of this Article, Ministry of Finance shall

revoke the license.

(7) In case of revoking the license, deadline shall be set, in which the organizer of games shall be obliged to continue carrying out the commenced games referred to in paragraph (1) of this Article, so as to ensure completion of the commenced games, which shall not be longer than 30 days.

(8) Organizer of games shall have right to cancel the organization of the games referred to in paragraph (1) of this Article, for which license is issued even prior to the expiry of the license validity period, without any right to refund the paid fees and duties determined under this and other law, being obliged to pay the due fees and duties determined under this and other law. (4) Ministry of Finance shall decide upon such cancellation upon reasonable application submitted by the organizer of the games of chance, with appropriate application of the provision referred to in paragraph (7) of this Article.

#### Article 10

(1) Company, being issued license pursuant to this Law shall be obliged to start organizing the game of chance within 15 days from the day of receiving the license.

(2) Company, i.e. sole proprietor, being issued permit for organizing entertainment games pursuant to this Law, shall be obliged to start organizing the game within 15 days from the day of receiving the license.

(3) Company, being issued permit for organizing award game and interactive game of chance, shall be obliged to start organizing the game of chance within the deadline determined under the game rules stipulated by the organizer of the games.

#### Article 11

(1) Fee shall be paid for issuing license and permit, unless otherwise regulated under this Law.

(2) Fee for the license shall be paid so that 50% of the fee shall be paid when issuing the license, and the other 50% in equal annual installments during the license validity period.

(3) Organizer of the games of chance shall be obliged to pay the fee of 50% paid when issuing the license within 15 days from the day of receiving the license. Otherwise it shall be deemed that the license was not issued at all.

(4) Maturity deadlines of the annual installments for the fee in the amount of 50% shall be determined in the license. If the organizer of the games of chance fails to pay the amount of the annual installment up to the date determined under the license, Government of the Republic of Macedonia shall revoke the license.

#### Article 12

Licenses issued for organizing games of chance shall be published on the website of the Ministry of Finance.

#### Article 13

(1) Organizer of games of chance, i.e. entertainment games shall be revoked license, i.e. permit for organizing games of chance, i.e. entertainment games, if it is

determined that it:

1) fails to start organizing the game within the deadlines determined under Article 10 of this Law;

2) fails to fulfill the spatial and technical and technological requirements determined under this Law and the bylaws adopted on the basis of this Law;

3) violates the rules on the game of chance;

4) fails to pay the fees and the special duties determined under this Law or fails to pay the winnings to the participants in the games of chance on regular basis;

5) does not allow or otherwise prevents supervision stipulated under this Law or hinders the supervision;

6) fails to accurately show the realized turnover;

7) lends money to the participants in the games of chance;

8) fails to act in line with the issued license, i.e. permit for organizing the game of chance and the entertainment games;

9) fails to make deposit or to provide bank guarantee in the cases referred to in Article 18 of this Law;

10) fails to maintain the amount of the founding capital of the company stipulated under this Law and

11) in other cases determined under law.

(2) Organizer of the games of chance, i.e. the entertainment games shall be revoked license, i.e. approval for organizing games of chance, i.e. entertainment games, if it is determined that it organizes games of chance or entertainment games on the basis of license or approval obtained in line with the regulations, being valid up to the day of starting the application of this Law, failing to harmonize its operations with the provisions of this Law within six months from the day of starting the application of this Law.

#### Article 14

(1) Each game of chance shall have rules, and the casino shall also have rulebook.

(2) Rules on the games of chance, i.e. the rulebook of the casino shall be adopted by the organizer of the games of chance.

(3) Rules on the games of chance, i.e. the rulebook of the casino shall be displayed in a visible place in the premise, where games of chance are organized and they shall be available to the participants in the games of chance.

(4) During the game of chance, i.e. during the commenced round, the rules on the game of chance and the rulebook of the casino shall not be changed, and the commenced game of chance, i.e. the commenced round shall have to be completed, according to the same rules, i.e. the rulebook.

(5) Notwithstanding paragraph (4) of this Article, Ministry of Finance, upon application by the organizer of the game of chance, may give consent for postponing the day or changing the place of drawing, i.e. determining the winnings. Such application shall be reasonable.

(6) If the organizer of the game of chance commenced selling lottery tickets, tombola cards or received payments, and due to certain circumstances which could not have been previously envisaged, it is not in a position to complete the game of chance and it is cancelled, it shall be obliged, within 30 days from the day of canceling the game to refund the received money, i.e. the deposits to the participants in the game of chance.

(7) Ministry of Finance shall give consent for the rules on the games of chance and the rulebooks of the casinos.

(8) Consent referred to in paragraph (7) of this Article shall be issued in a manner that each page of the rules on the games of chance, i.e. the rulebook of the casino shall be verified with a stamp of the Ministry of Finance.

#### Article 15

(1) Winnings from the games of chance may be in the form of cash, objects and rights.

(2) As regards paying the winnings from the games of chance, organizer of the games of chance shall guarantee with its overall property.

(3) Republic of Macedonia shall not guarantee for the winnings the participants realize in the games of chance.

#### Article 16

(1) Funds realized on all bases from the organization of games of chance and entertainment games shall be used for financing national organizations of disabled people, their unions and association, associations of citizens for fight against family violence and the Red Cross of the Republic of Macedonia.

(2) Amount of the funds for the purpose referred to in paragraph (1) of this Article shall be determined to 50% of the total income from the games of chance and the entertainment games in the previous calendar year, however not less than Denar 60 million and not more the Denar 120 million.

(3) Distribution of the funds referred to in paragraph (2) of this Article shall be carried out by the Government of the Republic of Macedonia, under a decision, on the basis of programme submitted by the Ministry of Labour and Social Policy.

(4) Ministry of Labour and Social Policy shall prepare the programme referred to in paragraph (3) of this Article on the basis of projects submitted by entities referred to in paragraph (1) of this Article, indicating the amount of funds and the purpose for their utilization.

(5) Funds realized on all bases from the organization of special games of chance shall be used for financing sport, sports federations and clubs through the Youth and Sports Agency.

(6) Amount of funds for the purpose referred to in paragraph (5) of this Article shall not be less than Denar 30 million and more than Denar 50 million.

(7) Distribution of the funds referred to in paragraph (6) of this Article shall be carried out by the Government of the Republic of Macedonia, under a decision, on the basis of programme submitted by the Youth and Sports Agency.

(8) Youth and Sports Agency shall prepare the programme referred to in paragraph (7) of this Article on the basis of projects submitted by sports federations and clubs, as well as on the basis of own projects for promoting the sport, indicating the amount of funds and the purpose of their utilization.

#### Article 17

Fees and special duties from the games of chance determined under this Law shall be revenue of the Budget of the Republic of Macedonia.

#### Article 18

(1) Organizer of games of chance shall, to the end of ensuring the payment of winnings to participants in the games of chance, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in an amount determined under this Law for the respective game of chance, within 15 days from the day of receiving the license and it shall be obliged, within this period, to submit evidence on deposited amount or bank guarantee to the Ministry of Finance.

(2) Obligation referred to in paragraph (1) of this Article shall not refer to organizers of award games, interactive games of chance, entertainment games and organizers of lottery games of chance, except to organizers of the game of chance tombola organized in premises.

#### Article 19

The following shall be prohibited:

- 1) participation in games of chance organized abroad, in particular if deposits are paid on the territory of the Republic of Macedonia;
- 2) sale, advertising and any other presentation of foreign lottery tickets, tombola cards, slips, coupons, electronic cards and similar on the territory of the Republic of Macedonia;
- 3) organization of games of chance and entertainment games in the technological industrial development zones on the territory of the Republic of Macedonia;
- 4) organization of games of chance not regulated under this Law, giving possibility for acquiring winnings and
- 5) participation in games of chance or entertainment games organized with no issued license, i.e. permit.

#### Article 20

- (1) Persons younger than 18 years shall not participate in the games of chance.
- (2) Organizer of the game of chance shall be obliged to prevent participation of persons younger than 18 years in the games of chance.
- (3) Person younger than 18 years shall be prohibited entry in casinos, premises where tombola is organized, betting houses and slot machine clubs.
- (4) Organizer of game of chance shall be obliged to prohibit entry in casinos, premises where tombola is organized, betting houses and slot machine clubs for persons

younger than 18 years.

(5) Organizer of the game of chance shall have right to inspect the documentation, proving the age of persons referred to in paragraphs (1) and (3) of this Article.

#### Article 21

(1) Games of chance and entertainment games shall be organized in specially arranged premises fulfilling the spatial and technical and technological requirements stipulated by the Minister of Finance.

(2) Sale of lottery tickets, instant lottery tickets and tombola cards for TV tombola, i.e. payments for lotto, keno and sports betting (toto) may be also carried out via street sale.

(3) If it is allowed by the type of the game of chance, general and special games of chance may be carried out via sms and by mobile device.

(4) Spatial and technical and technological requirements the organizers of games of chance are obliged to fulfill if they organize games of chance via sms by mobile device shall be stipulated by the Minister of Finance under the act referred to in paragraph (1) of this Article.

#### Article 22

(1) Lottery tickets, tombola cards and betting slips shall be printed by the organizer of the games of chance.

(2) Lottery tickets and tombola cards for certain types of games of chance shall be recorded by the Public Revenue Office.

(3) Organizers of games of chance shall, within 30 days following the completion of the game of chance, be obliged to deliver the unsold lottery tickets and tombola cards to the Public Revenue Office, with no right to compensation of the costs for the returned quantities.

(4) Form and contents of lottery tickets, tombola cards and betting slips shall be stipulated by the Minister of Finance.

#### Article 23

(1) Organizer of special games of chance shall be obliged to keep cashier's book in a manner enabling insight into the daily statement of income from the games of chance.

(2) Organizer of special games of chance shall be obliged to keep cashier's book according to the accounting principles, standards and the accounting practice.

(3) Cashier's book shall be kept in binding sheets, verified in the Public Revenue Office.

(4) Cashier's book shall be kept at least ten years.

(5) Contents of the cashier's book shall be stipulated by the Minister of Finance.

#### Article 24

Company being issued license for organizing games of chance, shall, within six months following the end of the financial year, be obliged to submit audit report to the

Ministry of Finance, on the audit performed by chartered auditor.

#### Article 25

(1) With regard to the activities in the field of games of chance and entertainment games, Ministry of Finance shall:

1) act upon applications submitted for issuing licenses and permits for organizing games of chance and entertainment games, as well as upon applications for suspension and cancellation of licenses and permits;

2) issue and revoke license for organizing games of chance and entertainment games;

3) adopt decisions on suspension of organization of games of chance and entertainment games and cancellation of the permit;

4) adopt decisions on giving consent for postponing the day of drawing or changing the place of drawing, i.e. determining the winnings at games of chance in the cases determined under this Law;

5) adopt decisions on changing the number of slot machines in slot machine clubs, slot machines and tables in casinos and the number of terminals in gambling houses for organizing electronic games of chance;

6) adopt decisions on changing the business premise, where games of chance and entertainment games are organized and decisions on changing the points for payments in and payments out;

7) adopt decisions on giving consent for the points for payments in and payments out;

8) control the eligibility of the bank guarantee, i.e. the deposited amount paid as guarantee in line with the provisions of this Law;

9) keep records of issued, revoked and canceled licenses and permits and

10) also carry out other activities pursuant to this Law.

(2) Regarding the activities in the field of games of chance, Government of the Republic of Macedonia shall:

1) issue and revoke licenses for organizing games of chance;

2) decide on canceling licenses for organizing games of chance and

3) also carry out other activities pursuant to this Law.

(2) Minister of Finance shall stipulate the form, the contents and the manner of keeping the records referred to in paragraph (1) item 9 of this Article.

### III. GENERAL GAMES OF CHANCE

#### 1. Requirements and Manner of Organizing General Games of Chance

#### Article 26

(1) State-owned company referred to in Article 7 paragraph (2) of this Law, following the entry in the commercial register kept in the Central Registry of the Republic of Macedonia and the full payment of the founding capital shall mandatory submit the

following to the Ministry of Finance:

1) document for registration of the company issued by the Central Registry of the Republic of Macedonia;

2) Article of Association;

3) rules on the games of chance to be organized by the company;

4) certificate issued by competent authority that company managers are not effectively convicted to unconditional imprisonment of at least six months;

5) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - prohibition for obtaining license for organizing games of chance is pronounced;

6) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty revoking license for organizing games of chance is pronounced;

7) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - temporary or permanent prohibition for organizing games of chance is pronounced;

8) certificate for paid public duties issued by competent authority and

9) information on economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia for the last business year, and if the entity exists for no more than one year -from the day of its establishment up to the day of submitting the information;

(2) Ministry of Finance shall check the completeness and suitability of the submitted documentation.

#### Article 27

Founding capital of the company referred to in Article 7 paragraph (2) of this Law shall not be lower than EUR 2,500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

#### Article 28

(1) Organizer of games of chance shall be obliged to sell the lottery tickets and the payment receipts through the points for payments in and payments out, for which it shall have obtained consent by the Ministry of Finance.

(2) Organizer of games of chance shall submit application for obtaining consent pertaining to the points for payments in and payments out to the Ministry of Finance, attaching thereto list of points for payments in and payments out, including information on the address of the facility, the area it covers and other information.

(3) Application referred to in paragraph (2) of this Article shall also be accompanied by agreed minutes on on-sight inspection by the Public Revenue Office and decision confirming the fulfillment of spatial and technical and technological requirements of points for payments in and payments out.

## 2. Rules on Lottery Games

### Article 29

(1) Rules on lottery game of chance shall be adopted by the organizer of the game of chance and shall be applied upon prior consent received by the Ministry of Finance.

(2) Requirements for organizing lottery games of chance, organized in cooperation with organizers of games of chance from other countries, shall be stipulated by the rules on the game of chance, for which consent by the Government of the Republic of Macedonia shall be given upon proposal by the Ministry of Finance.

### Article 30

(1) Participant in lottery games of chance shall be natural person, fulfilling the requirements for participation in game of chance (round or series) pursuant to this Law and the rules on the game of chance adopted by the organizer of the game of chance.

(2) Holder of payment receipt, proving the participation in the game of chance with such payment receipt, shall be deemed as participant in lottery games of chance if data on the payment receipt are identical with the data recorded in the central computer system at the organizer of the game of chance.

(3) Holder of undamaged lottery ticket, issued by the organizer of the games of chance shall be deemed as participant in the games of chance lottery, instant lottery and express lottery.

### Article 31

(1) Rules on lottery games of chance shall in particular include the following:

- 1) name and seat of the organizer of interactive games of chance;
- 2) name, description and duration of the game of chance;
- 3) requirements for participation in the game of chance;
- 4) place where the game of chance is organized, i.e. location where payment of deposits for participation in the game of chance is made;
- 5) amount of the deposit, i.e. the single price of the lottery ticket, the combination and the deadline effecting the payment for participation in the game of chance;
- 6) quantity and money value of the issue of lottery tickets;
- 7) type and total value of winnings;
- 8) description of lottery tickets, i.e. payment receipt;
- 9) manner, procedure and control of the draw, i.e. determining the winnings;
- 10) manner of announcing the winnings fund, the value by winnings and the game results;
- 11) manner and deadline for paying cash winnings, i.e. realizing the other winnings and
- 12) procedure in case of canceling the draw.

(2) Rules on lottery games of chance shall not be changed once the sale of lottery

tickets or payments for certain round or series is initiated, except in the case referred to in Article 14 paragraph (5) of this Law.

#### Article 32

(10) Prior to the start of certain round or series, organizer of lottery games of chance shall be obliged to announce the rules on the games of chance in at least one daily newspaper available on the territory, where lottery tickets are sold or payments in are made, and as for the persons interested in participating in the game of chance, it shall be obliged to enable them to get familiar with the rules on the game of chance on the points for payments in and payments out.

(2) Obligation for public announcement referred to in paragraph (1) of this Article shall also be deemed as fulfilled if the organizer of the games of chance, prior to the start of certain round or series, announces the rules on the game of chance on its website.

#### 3. Drawing the winnings

#### Article 33

(1) As for lottery games in which winning combinations are determined by drawing, the drawing shall be public.

(2) Drawing shall be carried out under the supervision of three persons authorized by the organizer of the games of chance.

(3) Prior to the start of the draw, organizer of games of chance shall have to announce the information on the amount of the payments made and the winnings fund.

(4) Organizer of the games of chance shall establish Commission for verifying the results from the games of chance.

#### Article 34

(1) Ministry of Finance, upon application by the organizer of the games of chance, may approve the change of the place of drawing the winnings or the day of the draw, within 30 days at the latest.

(2) Organizer of the games of chance shall have to announce the change of the place or the postponement of the day of drawing the winnings in the same manner as for the rules on organizing the games of chance.

(3) If in the cases referred to in paragraphs (1) and (2) of this Article, the day of drawing the winnings is postponed, organizer of the games of chance may continue selling the lottery tickets up to the day determined as the day of drawing the winnings.

(4) If the day of drawing is changed due to technical problems (power failure, breakdown of the drawing machine, etc.) the drawing shall be postponed for at least 24 hours, and the organizer of the games of chance shall be obliged to inform the Ministry of Finance thereof.

#### Article 35

(1) Agreed minutes shall be taken for the course of drawing the winnings, prepared by the authorized persons referred to in Article 33 paragraph (2) of this Law.

(2) Agreed minutes referred to in paragraph (1) of this Article shall include the

place, the time and the manner of drawing the winnings, number of sold and unsold lottery tickets, total payments made in the respective round or series, drawn winning combinations, report on the determined results and winnings, as well as the type, number and the value of winnings. Agreed minutes shall be submitted to the Ministry of Finance within seven days from the day of drawing at the latest.

#### Article 36

Organizer of the games of chance shall be obliged to announce the report on the results from the drawing and the amount of winnings in at least one daily newspaper, being distributed throughout the whole territory of the Republic of Macedonia and on the points for payments in and payments out, within seven days from the day of drawing at the latest.

#### 4. Winnings Fund and Payment

##### Article 37

(1) Winnings fund in lottery games of chance shall amount to at least 50% of the payments received for participation in the games of chance.

(2) Amount of the winnings fund in a game of chance referred to in paragraph (1) of this Article by round or series of games of chance shall be determined prior to drawing the winnings.

(3) Winnings fund referred to in paragraph (1) of this Article shall be used for payment of winnings to the participants in the game of chance.

##### Article 38

(1) Paying the cash winnings, i.e. collecting the prizes in goods and other winnings in the lottery games of chance shall be made, within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of announcing the report on the results from the game of chance.

(2) If the winner in the lottery games of chance fails to collect the winnings from the game of chance within the deadline referred to in paragraph (1) of this Article, amount of such winnings shall be transferred to the next rounds, i.e. series, in any lottery game of chance.

##### Article 39

(1) Monthly special fee of 4% of the total payments made, i.e. funds collected through sale of lottery tickets shall be paid for organizing lottery games of chance.

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

#### 5. License for Organizing Tombola in Premises

##### Article 40

(1) License for organizing tombola in premises shall be issued by the Government

of the Republic of Macedonia on the basis of application submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article may be submitted by a company, which on the day of submitting the application, has paid in founding capital that shall not be lower than EUR 1,500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Company referred to in paragraph (2) of this Article, shall mandatory attach the following to the application:

1) document for registration of the company issued by the Central Registry of the Republic of Macedonia and evidence for the amount of the founding capital;

2) Article of Association;

3) rules on the game of chance;

4) certificate issued by competent authority that company managers are not effectively convicted to unconditional imprisonment of at least six months;

5) certificate that the company has no blocked transaction account in a bank for a period of at least six months prior to the application submission, and, if the company exists for no more than six months, from the day of its establishment;

6) certificate that the company pays salaries to its employees on regular basis for period of at least six months prior to the application submission, and, if the company exists for no more than six months, from the day of its establishment;

7) certificate for paid public duties issued by competent authority;

8) information on the economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia, confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the offer;

9) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - prohibition for obtaining license for organizing games of chance is pronounced;

10) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - revoking license for organizing games of chance is pronounced;

11) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - temporary or permanent prohibition for organizing games of chance is pronounced;

12) evidence on origin of funds, i.e. assets and rights reported as founding capital;

13) programme for preventing money laundering and financing terrorism in line with the regulations governing the prevention of money laundering and financing terrorism.

14) evidence on origin of cash funds paid as fee for obtaining license.

(4) Company referred to in paragraph (2) of this Article shall, in addition to evidence referred to in paragraph (3) of this Article, be obliged to submit agreed minutes on on-sight inspection by the Public Revenue Office and decision confirming the fulfillment of

spatial and technical and technological requirements for organizing tombola in premises.

#### Article 41

(1) License for organizing tombola in premises shall be issued for a 4-year period.

(4) Fee for obtaining license for organizing tombola in premises shall be paid in the amount of EUR 100,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

#### Article 42

(1) License for organizing tombola in premises shall refer only to one business premise.

(2) Organizer of the game of chance tombola organized in premises shall be entitled to change the business premise, where tombola is organized.

(3) Organizer of the game shall submit application for changing the business premise to the Ministry of Finance, to attaching the following:

1) evidence that the new business premise fulfills the spatial and technical and technological requirements for organizing tombola in premises and

2) evidence that the previous business premise is closed, i.e. no tombola in premises is organized there by the organizer of the game.

(4) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

#### Article 43

(1) Tombola organized in premises may be organized with tombola cards, recorded and approved by the Public Revenue Office.

(2) Organizer shall sell tombola cards referred to in paragraph (1) of this Article only in the business premises, where tombola is organized.

(3) Manner of recording and approving the cards referred to in paragraph (1) of this Article shall be stipulated by the Minister of Finance.

#### Article 44

(1) Organizer of tombola organized in premises shall, to the end of ensuring the payment of winnings to participants in the tombola, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in the amount of EUR 15,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the deposit, i.e. on the day of issuance of the bank guarantee.

(2) If the deposit is reduced or the bank guarantee is called up below the amount stipulated under this Law, organizer of tombola organized in premises shall be obliged to replenish the amount up to the full amount stipulated under this Law, within 48 hours at the latest, and as for each occurred change, the organizer shall be obliged to forthwith inform the Ministry of Finance.

#### Article 45

(1) Organizer of tombola organized in premises shall adopt rules on the game of chance for organizing tombola in premises, being applied upon consent obtained by the Ministry of Finance.

(2) Prior to the start of the game of chance tombola organized in premises, organizer of the game of chance shall be obliged to display the rules on the games in a visible place in the premise, where the game is organized.

#### Article 46

Provisions referred to in Article 30 paragraphs (1) and (2) and Article 31 of this Law shall respectively apply to persons who can be participants in the game of chance tombola organized in premises, as well as to the rules on the game of chance.

#### Article 47

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings in the game of chance – tombola organized in premises, shall be made within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of the draw.

#### Article 48

(1) Monthly special fee of 4% of the total payments made from the sale of tombola cards shall be paid for organizing the game of chance- tombola organized in premises.

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

### IV. ELECTRONIC GAMES OF CHANCE

#### 1. Requirements and Manner of Organizing Electronic Games of Chance

#### Article 49

Provisions referred to in Article 26 and Article 29 of this Law shall respectively apply to the electronic games of chance.

#### Article 50

Company having paid in founding capital that shall not be lower than EUR 2,500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date may obtain license for organizing electronic games of chance.

#### Article 51

(1) Organizer of electronic games of chance shall, to the end of ensuring the payment of winnings to participants, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in the amount of EUR 15,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the deposit, i.e. on the day of issuance of the bank guarantee.

(2) If the deposit is reduced or the bank guarantee is called up below the amount stipulated under this Law, organizer of the game shall be obliged to replenish the amount up to the full amount stipulated under this law within 48 hours at the latest, and as for each occurred change, the organizer of the game shall be obliged to forthwith inform the Ministry of Finance.

#### Article 52

(1) Participants in electronic games of chance shall be natural persons fulfilling the requirements for participation in these games pursuant to this Law and the rules on the respective game of chance adopted by the organizer of the game of chance.

(2) Holder of payment receipt, proving the participation in the electronic games of chance with such payment receipt, shall be deemed as participant in electronic games of chance, if data on the payment receipt are identical with the data recorded in the central computer system at the organizer of the game of chance.

(3) Participation in electronic games of chance shall be carried out by paying deposit for the game of chance at the cashier's desk of the organizer of the game or otherwise stipulated under the rules on the game of chance.

#### Article 53

(1) Rules on electronic games of chance shall in particular include the following:

- 1) name and seat of the organizer of the game of chance;
- 2) name, description and duration of the game of chance;
- 3) requirements for participation in the game of chance;
- 4) place where the game of chance is organized, i.e. location where payment of deposits for participation in the game of chance is made;
- 5) amount of the deposit and the deadline effecting the payment for participation in the game of chance;
- 6) type and total value of the winnings;
- 7) description of electronic receipts or other types of payment receipts;
- 8) manner, procedure and control of electronic drawing, i.e. determining the winnings;
- 9) manner of announcing the winnings, the value by winnings and the results from the game of chance;
- 10) manner and deadline for paying the cash winnings, i.e. realizing the other winnings and
- 11) procedure in case of canceling the electronic drawing.

(2) Rules on electronic games of chance shall not be changed once the payments for certain round or series is initiated, except in the case referred to in Article 14 paragraph (5) of this Law.

#### Article 54

(3) As regards organizing electronic games of chance, organizer of the games shall pay

monthly fee in the amount of EUR 50 in Denar equivalent per terminal according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(4) The fee referred to in paragraph (1) of this Article shall be paid by the 15<sup>th</sup> in the month at the latest for the previous month.

## 2. Spatial and Technical and Technological Requirements for Organizing Electronic Games of Chance

### Article 55

(1) Electronic games of chance may be organized in specially arranged premises.

(2) Rules on electronic games of chance shall be displayed in a visible place in the gambling house.

(3) Organizer of electronic games of chance shall have to provide personal protection to both the participants in the electronic games of chance and the visitors.

(4) Spatial and technical and technological requirements the gambling houses should fulfill shall be stipulated by the Minister of Finance under the act referred to in Article 21 paragraph (1) of this Law.

### Article 56

(1) License for organizing electronic games of chance shall refer only to one business premise.

(2) Organizer of electronic games of chance shall be entitled to change the business premise, where electronic games of chance are organized.

(3) Organizer of electronic games of chance shall submit application for changing the business premise to the Ministry of Finance, attaching the following:

1) evidence that the new business premise fulfills the spatial and technical and technological requirements for organizing electronic games of chance and

2) evidence that the previous business premise is closed, i.e. no electronic games of chance are organized there by the organizer.

(4) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

## V. SPECIAL GAMES OF CHANCE

### 1. Requirements and Manner of Organizing Special Games of Chance

#### 1.1. License for Organizing Casino Games

### Article 57

(1) License for organizing casino games shall be issued by the Government of the Republic of Macedonia on the basis of application submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article may be submitted by a company, which on the day of submitting the application, has paid in founding capital that shall not be lower than EUR 2,500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Company referred to in paragraph (2) of this Article, in addition to the evidence referred to in Article 40 paragraph (3) of this Law, shall be obliged to also submit

1) evidence for fulfilling the spatial and technical and technological requirements for organizing casino games, issued by competent authority and

2) evidence issued by legal entity authorized by the Minister of Finance that installed slot machines and the casino tables are technically functional.

#### Article 58

(1) License for organizing casino games shall be issued for a six-year period.

(2) As for obtaining license for organizing casino games, fee shall be paid in the amount of EUR 600,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

#### Article 59

Organizer of games of chance shall be obliged, without any delay, to inform the Ministry of Finance about the change of any information or circumstance of relevance to the casino operations, in particular about the change of:

1) members of the management and supervisory bodies of the company - organizer of games of chance;

2) persons authorized for representing and conducting the activities of the company - organizer of games of chance;

3) identity of the persons having share in the founding capital of the company - organizer of games of chance and

4) founding capital of the company - organizer of games of chance.

#### Article 60

(1) License for organizing casino games shall refer only to one business premise.

(2) Organizer of games of chance shall be entitled to change the business premise, where casino games are organized.

(3) Organizer of games of chance shall submit application for changing the business premise to the Ministry of Finance, attaching the following:

1) evidence that the new business premise fulfills the spatial and technical and technological requirements for organizing casino games and

2) evidence that the previous business premise is closed, i.e. no casino games are organized there by the organizer.

(4) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

#### Article 61

(1) Organizer of casino games shall, to the end of ensuring the payment of winnings to participants in the casino games, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in the

amount of EUR 100,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the deposit, i.e. on the day of issuance of the bank guarantee.

(2) If the deposit is reduced or the bank guarantee is called up below the amount stipulated under this Law, organizer of casino games shall be obliged to replenish the amount up to the full amount stipulated under this law, within 48 hours at the latest, and as for each occurred change, the organizer shall be obliged to forthwith inform the Ministry of Finance.

(3) Organizer of casino games shall be obliged to have, on daily basis, risk deposit in the cashier's desk of the casino in the amount of at least EUR 10,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia, for the purpose of paying the winnings to the participants in the casino games.

#### Article 62

(1) Organizer of casino games shall adopt rules on organizing casino games and casino rulebook, being applied upon consent obtained by the Ministry of Finance.

(2) Prior to the start of the game, organizer of casino games shall be obliged to display the rules on the game and the casino rulebook in a visible place in the premise, where the game is organized.

### 1.2 Rules on Casino Games and Casino Rulebook

#### Article 63

(1) Rules on casino games shall in particular include the following:

1) types of special games of chance organized in the casino;

2) prohibition to induce and credit the participants in the game;

3) rules on each type of game, being organized, requirements for participation in the game, amount of the deposit in the game, price of chips or credit points in the game on slot machines with description of the manner of recording in the total-register of the slot machine and the deadline effecting the payment for participation in the game of chance;

4) information on the type and number of slot machines with detailed information on their identification and

5) manner and deadline for paying the cash winnings, i.e. realizing the other winnings.

(2) Rules referred to in paragraph (1) of this Article shall, for each type of casino games, be in line with the sound business practices and the international rules on casino games.

(3) Organizer of casino games may prohibit further participation in the games and presence in the casino to the participants in the games of chance, violating the game rules during the game of chance.

#### Article 64

(1) Organizer of casino games shall be obliged to adopt casino rulebook to be placed on a notice board for the visitors.

(2) Rulebook referred to in paragraph (1) of this Article shall in particular include the following:

1) organization of the casino work with outline of the working premises in the casino;

2) requirements for entrance in the casino (proof of identity and control of visitors);

3) requirements when access to the casino or participation in the games of chance may be prohibited to certain participants in the games of chance;

4) working hours of the casino and

5) tasks and duties of casino employees regarding the carrying out of games of chance.

## Article 65

(1) Organizer of casino games may organize only those games of chance of the type and the scope as determined in the license.

(2) As for the change of the number and the type of slot machines and tables for casino games, envisaged under the license, organizer of casino games shall be obliged to submit application to the Ministry of Finance.

(3) If the organizer of casino games wants to increase the number of slot machines and tables in the casino, the application referred to in paragraph (2) of this Article shall be also accompanied by evidence for fulfilling the spatial and technical and technological requirements in the business premises for organizing casino games and certificates for technical functionality of the newly installed slot machines and tables issued by legal entity authorized by the Minister of Finance.

(4) If the organizer of casino games wants to reduce the number of slot machines and tables in the casino, the application referred to in paragraph (2) of this Article shall be also accompanied by certificate on the slot machine or the table, being put out of use, issued by legal entity authorized by the Minister of Finance.

(5) Ministry of Finance shall, under decision, decide on the change of the number of slot machines and tables in the casino within eight days from the day of submitting the application.

## Article 66

(1) As for organizing casino games, organizer of casino games shall pay the following fees:

1) as regards roulette tables, monthly fee in the amount of EUR 3,300 in Denar equivalent per roulette table according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date, and

1) As for other tables, pay monthly fee in the amount of EUR 1,850 in Denar equivalent per table according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(2) Fee referred to in paragraph (1) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(3) Organizer of casino games shall submit monthly reports on the gained income by type of games to the Ministry of Finance.

(4) Organizer of casino games shall be obliged to keep data on the daily calculations per slot machine, i.e. table for game of chance.

(5) Organizer of casino games shall submit data from the records together with the final monthly calculations and copy of the evidence for payment of the fees referred to in paragraph (1) of this Article to the Ministry of Finance by the 15<sup>th</sup> in the month for the previous month.

(6) Provisions referred to in Articles 89 and 94 of this Law shall respectively apply to the slot machines installed in the casino.

#### Article 67

Value of the promotional chips in the casino shall not be higher than 2% of the monthly income of the casino.

#### Article 68

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings in the casino games shall be made, within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of realizing the winning.

#### Article 69

Casino may, under the rulebook, stipulate 24 -hour working hours each day regardless of whether national or religious holiday or other non-working day is stipulated by law or other regulation.

#### Article 70

(1) Casino shall have cashier's desk and separate protected area for keeping money and other valuables.

(2) Payments in and payments out at casino games shall be made in Denars or in foreign currency in line with the regulations in the field of foreign exchange operations.

(3) Casino shall have an exchange office and may also have area for providing catering services, where food and beverages are served.

(4) Organizer of casino games shall be obliged to provide continuous audio and video recording supervision in the casino, thus ensuring continuous and direct supervision.

(5) Organizer of casino games shall be obliged to keep the documentation from the continuous recording 15 days or upon application by the Public Revenue Office, even longer.

(6) Data from the documentation referred to in paragraph (5) of this Article shall be business secret, and organizer of casino games may announce them to other persons only pursuant to law.

(7) Organizer of casino games shall be obliged to supervise the participants in the games of chance and the visitors so as for the game to be carried out in line with the provisions of this Law and the game rules.

(8) Organizer of casino games shall provide personal protection to participants in games of chance and the visitors.

(9) Casino shall have central computing system (server) for online supervision, providing for connection to the information system of the Public Revenue Office and shall in particular provide central networking of all slot machines of one organizer of casino games, providing for possible control of the data by the Public Revenue Office, as regards all installed slot machines.

(10) Spatial and technical and technological requirements the casino should fulfill shall be closely stipulated by the Minister of Finance under the act referred to in Article 21 paragraph (1) of this Law.

## Article 71

(1) Persons in uniform may enter the casino only when on duty.

(2) No technical devices that could enable getting advantage in the game shall be allowed in the casino.

(3) Organizer of casino games shall be obliged to ensure supervision of entering in and exiting from the casino by recording the visitors and continuous audio and video supervision, i.e. control, by recording entrance in, i.e. the exit from the casino.

(4) Casino may temporary or permanently prohibit or limit the participation in the casino games to certain persons on the basis of assessment.

## Article 72

(1) Casino employees, directly evolved in the organizing games of chance shall have to be professionally trained to work in the casino.

(2) Casino employees shall not be allowed to participate in the games of chance in the casino, in which they work.

(3) Casino employees shall have to keep information which they become familiar with when working in the casino as confidential.

## 2. Betting Games

### 2.1. License for Organizing Betting Games

## Article 73

(1) License for organizing betting games shall be issued by the Government of the Republic of Macedonia on the basis of application submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article may be submitted by a company, which on the day of submitting the application, has paid in founding capital that shall not be lower than EUR 500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Company referred to in paragraph (2) of this Article, in addition to the evidence referred to in Article 40 paragraph (3) of this Law shall be obliged to submit evidence for fulfilling the spatial and technical and technological requirements for organizing betting games issued by competent authority.

## Article 74

(1) License for organizing betting games shall be issued for a 3-year period.

(2) As for obtaining license for organizing betting games, fee shall be paid in the amount of EUR 105,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) License for organizing betting games shall refer to organizing betting games through points for payments in and payments out.

(4) Organizer of betting games shall be entitled to change the business premises, where betting games are organized.

(5) Organizer of betting games shall mandatory attach the following to the

application for changing the business premise, submitted to the Ministry of Finance:

1) evidence that the new business premise fulfills the spatial and technical and technological requirements for organizing betting games and

2) evidence that the previous business premise is closed, i.e. no betting games are organized there by the organizer.

(6) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

#### Article 75

Applicant for issuance of license for organizing betting games shall be obliged to ensure computer system connecting all computers, through which payments in and payments out from all its points for payments in and payments out are recorded, thus the system shall provide data on the payments in and payment outs on each of the computers which can be shown any time and such system shall have to provide for its connection to the respective computer system in the Public Revenue Office.

#### Article 76

(1) Organizer of betting games shall, to the end of ensuring the payment of winnings to participants in the betting games, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in the amount of EUR 300,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the deposit, i.e. the day of issuance of the bank guarantee.

(2) By issuing the license and paying the deposit, i.e. the bank guarantee in the amount referred to in paragraph (1) of this Article, organizer of betting games shall be entitled to organize betting games in 25 points for payments in and payments out at the most.

(3) Organizer of betting games shall be entitled to increase the number of points for payments in and payments out by submitting application to the Ministry of Finance, which shall be also accompanied by the evidence referred to in Article 73 paragraph (3) of this Law, whereby as for each next 10 points for payments in and payments out, organizer shall be obliged to submit evidence on deposit made, i.e. to present bank guarantee, in the amount of EUR 50,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date of the deposit, i.e. the day of issuance of the bank guarantee, to the end of ensuring the payment of winnings to participants in the betting games, payment of public duties determined under law, as well as the fees and the special duty determined under this Law.

(4) If the deposit is reduced or the bank guarantee is called up below the amount stipulated under this Law, organizer of betting games shall be obliged to replenish the amount up to the full amount stipulated under this law, within 48 hours at the latest, and as for each occurred change, the organizer shall be obliged to forthwith inform the Ministry of Finance.

## Article 77

(1) Organizer of betting games shall adopt rules on organizing betting games, being applied upon consent obtained by the Ministry of Finance.

(2) Prior to the start of the game of chance, organizer of betting games shall be obliged to display the rules on the game of chance in a visible place in the premise, where the games of chance are organized, i.e. at each point for payments in and payments out.

(3) Payments in and payments out related to the betting shall be received, i.e. paid at the points for payments in and payments out of the organizer of betting games.

(4) Organizer of betting games shall be obliged to display in a visible place in each point for payments in and payments out, information on the organizer, the location, as well as the license validity period.

## 2.2. Rules on Betting Games

### Article 78

Rules on organizing betting games shall in particular include the following:

1) name and seat of the organizer of betting games;

2) name, description and duration of the game of chance;

3) requirements for participation in the game of chance;

4) amount of the deposit and the deadline effecting the payment for participation in the game of chance;

5) place where the game of chance is organized, i.e. the location where payment of deposits for participation in the game of chance is made;

6) type and total value of the winnings;

7) manner, procedure and control of determining the winnings;

8) manner of announcing the results from the game of chance and

9) manner and deadline for paying the cash winnings, i.e. realizing the other winnings.

### Article 79

(1) As for organizing betting games, organizer of betting games shall pay special duty in the amount of 20%, calculated as difference between the amount paid in from all computers in all points for payments in and payments out of such organizer and the amount paid out all from computers in all points for payments in and payments out on monthly basis.

(2) Special duty referred to in paragraph (1) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(3) Organizer of betting games shall be obliged to submit evidence for payment of the special duty referred to in paragraph (1) of this Article to the Ministry of Finance by 15<sup>th</sup> in the month at the latest for the previous month.

### Article 80

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings in

the betting games shall be made, within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of realizing the winning.

#### Article 81

Organization of betting shall be prohibited on the territory of the Republic of Macedonia when:

- 1) contrary to this Law, the sound business practices and morale and
- 2) referring to the results of the presidential elections in the Republic of Macedonia, elections of members of the Parliament of the Republic of Macedonia, mayors and advisors in the Council of municipalities, municipalities in the City of Skopje and the City of Skopje.

#### Article 82

(1) Organizer of betting games shall have central computing supervision system to be located on the territory of the Republic of Macedonia and that shall have to enable connection to the information system of the Public Revenue Office.

(2) Organizer of betting games shall have software fulfilling all technical requirements for organizing the game of chance and archiving the data in databases, with no possibility to change such data.

(3) Spatial and technical and technological requirements to be fulfilled by the points for payments in and payments out of the organizer of betting games shall be stipulated by the Minister of Finance under the act referred to in Article 21 paragraph (1) of this Law.

#### Article 83

Betting house may, under the rulebook, stipulate 24 -hour working hours each day regardless of whether national or religious holiday or other non-working day is stipulated by law or other regulation.

#### Article 84

(1) Organizer of betting games may submit application to the Ministry of Finance for opening new points for payments in and payments out.

(2), Organizer of betting games shall attach evidence for fulfilling the spatial and technical and technological requirements for organizing games of chance in certain point for payments in and payments out to the application for opening new point for payments in and payments out.

#### Article 85

(1) Keeping, registering and recording data on the received bets shall be carried out in the central computing system.

(2) Organizer of betting games shall keep all winning coupons undamaged, with serial number for at least three years.

### 3. Games of Chance in Slot Machine Club

### 3.1. License for Organizing Games of Chance in Slot Machine Club

#### Article 86

(1) License for organizing games of chance in slot machine club shall be issued by the Government of the Republic of Macedonia on the basis of application submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article may be submitted by a company, which on the day of submitting the application, has paid in founding capital that shall not be lower than EUR 2,500,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Company referred to in paragraph (2) of this Article, in addition to the evidence referred to in Article 40 paragraph (3) of this Law, shall be also obliged to mandatory submit the following:

1) evidence for fulfilling the spatial and technical and technological requirements for organizing games of chance in slot machine club, issued by competent authority and

2) evidence issued by legal entity authorized by the Minister of Finance that the installed slot machines are technically functional.

#### Article 87

(1) License for organizing games of chance in slot machine club shall be issued for a six-year period.

(2) As for obtaining license for organizing games of chance in slot machine club, fee shall be paid in the amount of EUR 78,750 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

#### Article 88

(1) Organizer of games of chance in slot machine club shall be entitled to change the business premise, where games of chance in slot machine club are organized.

(2) Organizer of games of chance in slot machine club shall submit application for changing the business premise to the Ministry of Finance, attaching the following:

1) evidence that its business premise fulfills the spatial and technical and technological requirements for organizing games of chance in slot machine club and

2) evidence that the previous business premise is closed, i.e. no games of chance in slot machine club are organized there by the organizer.

(3) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

(4) Organizer of games of chance in slot machine club shall be entitled to increase the number of business premises, where games of chance in slot machine club are organized.

(2) Organizer of games of chance in slot machine club shall submit application for increasing the number of business premise to the Ministry of Finance, attaching the evidence referred to in paragraph (2) item 1 of this Article.

(6) Ministry of Finance shall, under decision, decide on the increase of the number of business premise within eight days from the day of submitting the application.

## Article 89

Applicant for issuance of license for organizing games of chance in slot machine club shall be obliged to ensure computer system connecting all slot machines, regardless of whether they are located in one or several business premises of the organizer of games of chance in slot machine club, thus the system shall provide data on the payments in and payment outs on each of the slot machines which can be shown any time and such system shall have to provide for its connection to the respective computer system in the Public Revenue Office.

## Article 90

(1) Organizer of games of chance in slot machine club shall, to the end of ensuring the payment of winnings to participants in the games of chance in slot machine club, payment of public duties determined under law, as well as the fees and the special duties determined under this Law, be obliged to make deposit or provide bank guarantee, in a bank seated in the Republic of Macedonia, in the amount of EUR 10.000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of making the deposit, i.e. the day of issuance of the bank guarantee.

(2) If the deposit is reduced or the bank guarantee is called up below the amount stipulated under this Law, organizer of games of chance in slot machine club shall be obliged to replenish the amount up to the full amount stipulated under this law, within 48 hours at the latest, and as for each occurred change, the organizer shall be obliged to forthwith inform the Ministry of Finance.

### 3.2. Rules on Games of Chance in Slot Machine Club

## Article 91

(1) Organizer of games of chance in slot machine club shall adopt rules on organizing games of chance in slot machine club, being applied upon consent obtained by the Ministry of Finance.

(2) Prior to the start of the game of chance, organizer of games of chance in slot machine club shall be obliged to display the rules on the game of chance in a visible place in the premise, where the game of chance is organized.

## Article 92

(1) Rules on games of chance in slot machine club shall in particular include the following:

- 1) types of games of chance organized in slot machine club;
- 2) requirements for entrance in the slot machine club (proof of identity and control of visitors);
- 3) requirements under which entrance in slot machine club or participation in the game of chance shall be prohibited to certain participants in the games of chance;
- 4) prohibition to induce and credit the participants in the game;
- 5) working hours of slot machine club;
- 6) rules on each type of game of chance, being organized, requirements for

participation in the game of chance, amount of the deposit in the game of chance, price of chips or credit points in the game of chance on slot machines with description of the manner of recording in the total-register of the slot machine and the deadline effecting the payment for participation in the game of chance;

7) information on the type and number of slot machines with detailed information on their identification and

8) manner and deadline for paying the cash winnings, i.e. realizing the other winnings.

(2) Special rules that shall have to be in line with the sound business practices and the international rules on games of chance in slot machine club shall be adopted for each type of games of chance in slot machine club.

(3) Organizer of games of chance in slot machine club may prohibit further participation in the games of chance and presence in slot machine club to the participants in the games of chance, violating the game rules during the game of chance.

#### Article 93

(1) Organizer of games of chance in slot machine club may organize only those games of chance of the type and the scope as determined in the license.

(2) As for the change of the number and the type of slot machines in the slot machine club, envisaged under the license, organizer of games of chance in the slot machine club shall be obliged to submit application to the Ministry of Finance.

(3) If the organizer of games of chance in slot machine club wants to increase the number of slot machines in the slot machine club, the application referred to in paragraph (2) of this Article shall be also accompanied by evidence for fulfilling the spatial and technical and technological requirements in the business premises for organizing games of chance on slot machines and certificates for technical functionality of the newly installed slot machines issued by legal entity authorized by the Minister of Finance.

(4) If the organizer of games of chance in the slot machine club wants to reduce the number of slot machines in the slot machine club, the application referred to in paragraph (2) of this Article shall be also accompanied by certificate on the slot machine, being put out of use, issued by legal entity authorized by the Minister of Finance.

(5) Ministry of Finance shall, under decision, decide on the change of the number of slot machines in the slot machine club within eight days from the day of submitting the application.

#### Article 94

(1) As for organizing games of chance in slot machine club, organizer of games of chance in slot machine club shall pay special duty in the amount of 20%, calculated as difference between the amount paid in from all slot machines of such organizer and the amount paid out all from slot machines in all business premises of the organizer on monthly basis.

(2) Special duty referred to in paragraph (1) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(3) Organizer of games of chance in slot machine club shall be obliged to submit the evidence for payment of the special duty referred to in paragraph (1) of this Article to the Ministry of Finance by the 15<sup>th</sup> in the month at the latest for the previous month.

#### Article 95

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings in the games of chance in slot machine clubs shall be made, within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of realizing the winning.

#### Article 96

(1) Slot machine club shall have cashier's desk and safe deposit box for keeping money and other valuables.

(2) Slot machine club may have area for providing catering services, where food and beverages are served.

(3) Slot machine club may stipulate 24 -hour working hours each day regardless of whether national or religious holiday or other non-working day is stipulated by law or other regulation.

(4) Organizer of games of chance in slot machine club may temporary or permanently prohibit or limit the participation in the games of chance in slot machine club to certain persons on the basis of assessment.

(5) Spatial and technical and technological requirements to be fulfilled by the slot machine club shall be stipulated by the Minister of Finance under the act referred to in Article 21 paragraph (1) of this Law.

#### Article 97

(1) Slot machines may be slot machines for one participant in the games of chance and slot machines at which several participants can participate in the games of chance (electronic roulette) simultaneously.

(2) Slot machines shall have to be programmed so the total number of programme combinations to be paid to the participants in the games of chance in at least 87% of the amount of payments-in for participation in the games of chance.

(3) Decision on the winnings or the loss shall be determined under electronic programme via generator of random numbers.

(4) Generator of random numbers referred to in paragraph (3) of this Article shall have to fulfill the following requirements:

- 1) random number to be statistical and independent and
- 2) random number not to be predictable.

### VI. INTERNET GAMES OF CHANCE

#### 1. General Requirements for Organizing Internet Games of Chance

#### Article 98

(1) Internet games of chance shall be organized on the basis of license issued by the Government of the Republic of Macedonia on the basis of application submitted to the Ministry of Finance.

2) Licenses shall be issued for a four-year period.

(3) Application for obtaining license for organizing internet games of chance may be submitted by a company registered in the Republic of Macedonia, having founding capital of at least EUR 40,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date, fulfilling the necessary requirements stipulated under this Law for the type of license for internet games of chance, for which the application is submitted.

## 2. Types of Licenses and Certificate for Internet Games of Chance

### Article 99

(1) Government of the Republic of Macedonia shall issue two types of licenses for internet games of chance as follows:

1) license for manufacturer, owner or authorized user of internet games of chance (hereinafter: license for manufacturer), i.e. manufacturer, owner or authorized user of software for organizing internet games of chance, having rights to the software used for organizing games of chance, which shall authorize the holder of this license to use the software, to use it by itself for organizing internet games of chance following the fulfillment of other requirements under this Law, i.e. to be able to rent it to the organizer of internet games of chance and

2) license for organizer of internet games of chance, i.e. entity who obtained the license for using the software for internet games of chance, shall authorize the holder of such license to organize and manage games of chance through the global internet network to the participants in the games of chance on such software platform.

(2) Government of the Republic of Macedonia shall issue certificate for the hardware and software platform, which holders of the license for organizing games of chance shall use for registering all financial transactions and other types of data (host).

### Article 100

(1) Fulfillment of the standards and the requirements for the equipment and the functionality of the software for organizing internet games of chance from the point of view of their compliance with the requirements and the standards shall be checked by authorized legal entities.

(2) Ministry of Finance shall announce list of authorized legal entities that may check the fulfillment of the standards and the requirements of the equipment, i.e. the software functionality.

(3) Ministry of Finance may include on the list of authorized legal entities, those entities, having equipment and knowledge to carry out the necessary checks, as well as if they have head office on the territory of the Republic of Macedonia, on the territory of the Member States of the European Union, OECD and the USA.

(4) Minimum technical standards and requirements in terms of equipment (hardware), as well as the functionality of the software for organizing internet games of

chance shall be stipulated by the Minister of Finance.

### 3. License for Manufacturer

#### Article 101

(1) License for manufacturer shall be issued to the applicant so as for it to be able to manufacture software for organizing internet games of chance or otherwise to acquire ownership over software for organizing internet games of chance for the purpose of its sale or rental to holders of license for organizing internet games of chance, i.e. to use it by itself as organizer of internet games of chance.

(2) Holder of license for manufacturer shall not have the rights and the obligations acquired on the basis of the license for organizer of games of chance, however, it shall be entitled to submit application for obtaining license for organizing games of chance.

(3) Holder of the license for manufacturer shall be responsible for the functionality of the software it sells, i.e. rents for the purpose of organizing games of chance and it shall be obliged to ensure compliance of the software it sells, i.e. rents for the purpose of organizing internet games of chance with the requirements and standards stipulated by the Minister of Finance as regards the software functionality.

(4) Holder of the license for manufacturer shall pay fee for issuance of license in the amount of EUR 25,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

#### Article 102

(1) Applicant for license for manufacturer shall, in addition to the general requirements, fulfill the following requirements:

1) have computer and other equipment, i.e. hardware, according to the standards and the requirements stipulated by the Minister of Finance, being confirmed by authorized legal entity;

2) be owner, i.e. holder of the rights of computer programmes, i.e. programmes or software, having intention to sell it, i.e. rent it, which software shall be programme basis for internet games of chance and

3) computer programme, i.e. programmes aimed at organizing internet games of chance shall have to be approved by authorized legal entity that they fulfill the requirements and the standards for functionality stipulated by the Minister of Finance for these types of computer programmes.

(2) Applicant for issuance of license for manufacturer shall also attach the following documents thereto:

1) document for registration of company issued by the Central Registry of the Republic of Macedonia;

2) Articles of Association;

3) evidence for the right to ownership or the right to using the premise, where the head office of the organizer of internet games of chance is located.

4) evidence that the founding capital of the company is fully paid in;

5) certificate for paid public duties issued by competent authority;

6) information on economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the application;

7) statement of the organizer verified at notary public that it has not been revoked its license or other type of permit or approval for organizing games of chance in the country or abroad in the past period;

8) certificate issued by competent authority that company managers are not effectively convicted to unconditional imprisonment of at least six months;

9) detailed report on staffing of the applicant and

10) other evidence and documents stipulated under this Law.

#### 4. License for Organizer of Internet Games of Chance

##### Article 103

(1) License for organizing internet games of chance shall be issued to the applicant so as for it to be able to organize all types of games of chance through the global internet network.

(4) Holder of the license for organizing internet games of chance shall pay fee for issuance of license in the amount of EUR 50,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Holder of the license for organizing internet games of chance shall pay monthly special duty in the amount of 0.5% of the total payments by the 15<sup>th</sup> in the month for the previous month.

##### Article 104

(1) Applicant for license for organizing internet games of chance shall, in addition to the general requirements, fulfill the following requirements:

1) possess computer and other equipment, i.e. hardware, according to the standards and the requirements stipulated by the Minister of Finance, being confirmed by authorized legal entity;

2) be entitled to use computer programme, i.e. programmes for organizing internet games of chance - software, through which participants in the games of chance shall participate in the games of chance through the global internet network, which shall be acquired from holder of license for manufacturer and

3) provide functional computer equipment (hardware and software) providing for connection with the information system of the Public Revenue Office for the purpose of supervising and controlling the operations.

(2) Applicant for issuance of license for manufacturer shall also attach the following documents thereto:

1) document for registration of company issued by the Central Registry of the Republic of Macedonia;

2) Articles of Association;

3) evidence for the right to ownership or the right to using the premise, where the head office of the organizer of internet games of chance is located.

4) evidence that the founding capital of the company is fully paid in;

5) certificate for paid public duties issued by competent authority;

6) information on the economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia, confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the application;

7) statement of the organizer verified at notary public that it has not been revoked its license or other type of permit or approval for organizing games of chance in the country or abroad in the past period;

8) certificate issued by competent authority that company managers are not effectively convicted to unconditional imprisonment of at least six months;

9) detailed report on staffing of the applicant and;

10) game rules, for each separate type of internet game of chance and

11) other evidence and documents stipulated under this Law.

#### 5. Certificate for Hardware and Software Platform (Host Certificate)

##### Article 105

(1) Certificate for hardware and software platform (host) shall be issued to legal entity registered in the Republic of Macedonia or abroad if the equipment is accommodated in premises, fulfilling the following requirements:

1) to fulfill the respective standards stipulated by the International Organization for Standardization (ISO) and Telecommunications Industry Association (TIA);

2) to possess hardware equipment, electricity supply and other requirements stipulated by the Minister of Finance;

3) to have provided security and diversity of supply with internet and telecommunications;

4) to have provided systems for protection against fire, floods and other disasters, in line with standards such as VESDA, FM200, etc;

5) to have stipulated procedures for system recovery in case of temporary non-functionality;

6) to have determined employee training policy of the legal entity and

7) other requirements referring to safety and security of services offered by the certificate holder.

(2) Requirements for safety and security of services referred to in paragraph (1) item 7 of this Article shall be closely stipulated by the Minister of Finance.

##### Article 106

(1) Organizer of internet games of chance shall, for the purpose of ensuring payment of winnings to participants in internet games of chance, settlement of the fee for organizing internet games of chance, as well as taxes and other public duties and other liabilities, be obliged, throughout the validity period of the license for organizing internet games of chance, to have provided bank guarantee in the amount of EUR 50,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia on the day of issuance of the bank guarantee, issued by a bank seated in the Republic of Macedonia.

(2) If the holder of license for organizing internet games of chance fails to submit the bank guarantee referred to in paragraph (1) of this Article to the Ministry of Finance within ten days from the day of obtaining the license, the Government of the Republic of Macedonia shall prohibit to it organization of internet games of chance and the Ministry of Finance shall initiate procedure for revoking the license.

(3) If throughout the validity period of the license for organizing internet games of chance, funds are collected from the bank guarantee, the license holder shall be obliged to replenish it within the shortest possible deadline and within 48 hours at the latest.

#### Article 107

Responsible persons at the legal entity - holder of license for organizer of internet games of chance shall mandatory have permanent residence, i.e. dwelling on the territory of the Republic of Macedonia.

#### Article 108

(1) Organizer of internet games of chance shall, for each separate type of internet game of chance, mandatory determine game rules.

(2) Game rules shall be submitted to the Ministry of Finance for consent, and they may be applied upon the consent is obtained.

(3) Organizer of internet games of chance shall not change the games rule during the organizing of each separate game.

(4) Every change of the game rules shall be submitted to the Ministry of Finance and it may be applied upon its approval by the Ministry of Finance.

(5) Organizer of internet games of chance shall be obliged to submit to the Ministry of Finance data on the type and the amount of the fee it collects from the participants in the games of chance for participation in the games of chance.

### 6. Submission of Financial Data

#### Article 109

(1) Financial operations, transactions, i.e. payments in of deposits or participation and payments of winnings at internet games of chance shall be exclusively carried out through banks seated in the Republic of Macedonia.

(2) Transactions among holder of license for organizing internet games of chance and resident of the Republic of Macedonia shall be carried out in denars, while transactions among license holder and non-resident shall be carried out in foreign currency, in line with the regulations in the field of foreign exchange operations.

## Article 110

(1) Organizer of internet games of chance shall be obliged, at any time, upon application by the Public Revenue Office, as well as upon application by the Ministry of Finance to provide information on the overall financial operations.

(2) Organizer of internet games of chance shall, during each payment in and payment out, be obliged to check and confirm the registration of the participant in the games of chance, to confirm the game of the participant in the games of chance, the safety and the internal procedures related to the participant in the games of chance and to ensure for the rules referring to the game to be applied.

## 7. Control System

### Article 111

(1) Applicant for the license for organizing internet games of chance shall mandatory submit to the Ministry of Finance rules, procedures, measures and protocols, as well as other necessary documentation related to the manner of operations of the license holder, access to information, safety of transactions and other measures for proper and legal operations of the license holder, protection of the participants in the system for organizing games of chance, etc. (control system).

(2) Control system of the license holder shall be approved by the Ministry of Finance, being requirement for obtaining license

(3) Control system referred to in paragraph (1) of this Article shall mandatory include data in particular on the following:

1) system and procedures when keeping accounting, as well as detailed review of all accounts controlled by the license holder;

2) administrative system and procedures;

3) computer programmes used by the license holder;

4) standards and procedures for maintenance, safety, keeping and transporting equipment or software used for internet games of chance;

5) procedures and protocols for registration of transactions during the internet games of chance and payment of winnings to the registered participants in the games of chance;

6) chartered auditors for audit of material and financial operations of the license holder;

7) procedures for monitoring internet games of chance, as well as control of their compliance with this Law and bylaws adopted on the basis of this Law;

8) procedure when employing persons having access to the system for organizing internet games of chance;

9) data on the manner on providing continuous training of the employees and

10) measures undertaken for protection of the system from unauthorized access, as well as procedures for protection of the system from its abuse for the purpose of money laundering or terrorism financing.

(4) Types of mandatory rules, procedures, protocols and other documentation referring to the control system shall be stipulated by the Minister of Finance.

## 8. Registration of Participants in Internet Games of Chance

### Article 112

(1) Only participants registered at the holder of license for organizing internet games of chance may participate in internet games of chance.

(2) During the registration, participant in the games of chance shall conclude contract for participation in the internet games of chance organized by the organizer of internet games of chance, via the website of the organizer, if he/she accepts the requirements for participation, the game rules and the other contractual provisions stipulated by the organizer.

(3) Consent for the compliance of the contract with the provisions of this Law, the bylaws, the acts of the holder license and the game rules shall be given by the Ministry of Finance.

### Article 113

(1) As for registration, participant in internet games of chance shall mandatory submit the following data:

- 1) name and surname;
- 2) address;
- 3) day, month and year of birth
- 4) e-mail address;
- 5) user name;
- 6) password and

7) data on transaction account and/or debit or credit cards through which transactions shall be carried out with the organizer of internet games of chance, fast money transfer accounts or data on the authorized system for financial transfer of funds.

(2) If the organizer of internet games of chance determines that the registered participant in the games of chance submitted false information despite being already registered, the organizer shall be obliged to immediately exclude him/her as participant and to cancel the registration, notifying the participant thereof without any delay.

(3) Organizer of internet games of chance shall be obliged to have accurate data on all registered participants in the games of chance.

(4) Each participant in the games of chance may submit only one account at the organizer of internet games of chance.

### Article 114

Organizer of internet games of chance shall be obliged to make available the following information to the participant in the games of chance,:

- 1) all rules referring to internet games of chance it organizes and
- 2) costs for participation of the participant in the games of chance which the

license holder may charge.

## 9. Accounts of Participant in the Games of Chance and Payment of Winnings

### Article 115

(1) Holder of license for organizing internet games of chance shall open and keep only one account of registered participant in the games of chance.

(2) Holder of license for organizing internet games of chance shall subscribe on the account opened for registered participant in the games of chance, the funds:

1) which the registered participant in the games of chance paid on his/her account and

2) which the registered participant obtained as participant in internet games of chance.

(3) Organizer of internet games of chance shall not include participant in internet games of chance if:

1) he/she is not registered in line with the rules for registration of participants in the games of chance;

2) there are no sufficient funds on the account of registered participant in the games of chance for covering the deposit amount; or

3) funds necessary for covering the deposit amount are not provided in legal manner.

(4) Cash payments by the registered participant in the games of chance to the holder of license for organizing internet games of chance shall be prohibited.

(5) Cash payments by the registered participant in the games of chance to the holder of license for organizing internet games of chance may be made only in one of the following manners:

1) credit cards;

2) debit cards and

3) electronic transfer.

(6) Organizer of internet games of chance shall not approve credit to the participant in the games of chance or on the account of the participant in the games of chance or to act as intermediary for a person providing credit so as to facilitate the provision of credit for participant in the games of chance or for the account of the participant in the games of chance.

### Article 116

(1) Holder of license for organizing internet games of chance shall be obliged to check the identity, age and place of residence of the participant in the games of chance, i.e. to carry out other checks if:

1) registered participant in the games of chance pays in, i.e. pays out EUR 3,000 or more to his/her account according to the middle exchange rate of the National Bank of the Republic of Macedonia, paid in foreign currency or in Denar equivalent and

2) registered participant in the games of chance with separate payment in or series of related payments in to his/her account, i.e. with separate payment out or series of related payments out from his/her account, within five days, carries out transaction in the amount of EUR 3,000 or more, paid in foreign currency or in Denar equivalent.

(2) Minister of Finance shall closely stipulate the checks referred to in paragraph (1) of this Article.

#### Article 117

Organizer of internet games of chance shall, upon application by registered participant in the games of chance, on whose behalf account at the organizer of internet games of chance is opened, be obliged to pay in the available funds of the participant in the games of chance to his/her transaction account, i.e. credit or debit card, not later than 5 working days following the receipt of the application.

#### Article 118

Organizer of internet games of chance may use the funds of the registered participant in the games of chance paid to his/her account at the organizer only for:

1) payment in of deposit made by the registered participant in the games of chance during authorized game in which the participant in the games of chance participates or deposit is required for the participant in the games of chance to be able to take part;

2) payment out of available funds to the participant in the games of chance from his/her account at the organizer to his/her transaction account, i.e. credit or debit card, upon application by the participant in the games of chance and

3) retaining funds necessary for covering bank costs for the made transfers upon application by the registered participant in the games of chance.

#### Article 119

Organizer of internet games of chance shall keep the funds of the participant in internet games of chance separately from the own funds at a special account for registered participants in games of chance, in a bank seated on the territory of the Republic of Macedonia.

### 10. Protection of Participants in Internet Games of Chance

#### Article 120

(1) Organizer of internet games of chance shall permanently, in a visible place, on the home page on its website, announce information warning about the possibilities of addiction to participation in games of chance, as well as information and links to other websites helping the games of chance addicts.

(2) Organizer of internet games of chance shall prohibit participation of registered participant in the games of chance if:

1) given the frequency of participation of the respective registered participant in the games of chance, one can assume that it is a matter of a person being addicted to participation in games of chance and

2) if, in line with the available information on the financial situation of the

registered participant in the games of chance, as well as regards the amount of funds which the participant in the games of chance lost in one or several transactions, the organizer concludes that such manner of spending may jeopardize the existence of the registered participant in the games of chance and his/her family.

#### Article 121

(1) Registered participant in internet games of chance may, with written or electronic notification to the organizer of internet games of chance:

) set limit as regards the account on which the participant in the games of chance may bet within set time period;

2) set limit as regards losses the participant in the games of chance may make within set time period;

3) set time limit as regards the participation of the participant in the games of chance and

4) require to be excluded from game for limited or unlimited time period.

(2) Registered participant in the games of chance who acted in one of the manners referred to in paragraph (1) of this Article may eliminate the limitations with written or electronic notification submitted to the organizer of internet games of chance.

(3) Organizer of internet games of chance shall not allow participation of registered participant in the games of chance contrary to the limitations set by the participant in the games of chance himself/herself, pursuant to this Law.

### 11. Interrupted and Unsuccessful Games

#### Article 122

(1) Organizer of internet games of chance shall undertake all actions necessary to prevent occurrence of any interruptions in the internet games of chance.

(2) If the game of chance is interrupted, organizer of internet games of chance shall be obliged to enable the participant in the games of chance, participating in the game, to continue and complete the game, being interrupted immediately after the elimination of the reasons for the interruption.

(3) If the organizer of internet games of chance cannot enable the participant in the games of chance to continue and complete the commenced game pursuant to paragraph (2) of this Article only as a result of objective reasons beyond the control of the organizer, it shall be obliged to compensate the amount of deposit to the account of the participant in the games of chance, with which he/she participated in the interrupted game of chance.

(4) If the Ministry of Finance determines that the interruption occurred as a result of circumstances over which the organizer of internet games of chance had control, i.e. the interruption occurred as a result of intention by the organizer, Ministry of Finance shall initiate procedure for revoking the license for organizing internet games of chance.

### 12. Website of Organizer of Internet Games of Chance

#### Article 123

(1) Organizer of internet games of chance shall mandatory have website, the home

page of which shall include the following information:

- 1) name of the company of the organizer of internet games of chance;
- 2) address of the seat of the organizer of internet games of chance;
- 3) number and date of issuance of the license;
- 4) hyperlinks to the game rules and the procedure for registration of participants in the games of chance;
- 5) link to the website of the Ministry of Finance and the Public Revenue Office and
- 6) all information the Ministry of Finance may consider as necessary and useful.

(2) Ministry of Finance may require for the information referred to in paragraph (1) of this Article to be shown in special format.

(3) Website of the license holder shall not have explicit sexual contents or contents referring to or showing violence.

### 13. Advertising

#### Article 124

It shall be prohibited to advertise or participating in advertising in any manner by which:

- 1) internet games of chance are promoted as a manner for social acceptance, achieving personal or financial success or solving any economic, social or personal problems;
- 2) recommendations are given by famous persons, suggesting that internet games of chance contributed to their success;
- 3) it is in particular focused on encouraging minors to be included in internet games of chance and
- 4) decency limitations are exceeded.

### VII. AWARD GAMES

#### Article 125

(1) Application for obtaining license for organizing award game shall be submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article shall be mandatory accompanied by the following:

- 1) document for registration of the company, i.e. the companies issued by the Central Registry of the Republic of Macedonia;
- 2) rules on the award game;
- 3) certificate from the Penal Registry for criminal acts committed by legal entities that the company, i.e. the companies are not pronounced supplementary penalty - prohibition for obtaining license for organizing games of chance;
- 4) certificate from the Penal Registry for criminal acts committed by legal entities that the company, i.e. the companies are not pronounced supplementary penalty - revoking license for organizing games of chance;

5) certificate from the Penal Registry for criminal acts committed by legal entities that the company, i.e. the companies are pronounced supplementary penalty - temporary or permanent prohibition for organizing games of chance;

6) certificate for paid public duties issued by competent authority and

7) information on economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the application;

(3) Application referred to in paragraph (1) of this Article shall be submitted within 15 days at the latest before the day the applicant determines as a day of commencement of the organization of the award game.

(4) Ministry of Finance shall decide upon the submitted application within eight days from the day of submitting the application.

#### Article 126

(1) Rules on the award game shall in particular include the following:

1) name and seat of the company, i.e. the companies;

2) indicating the products and the services, the advertising of which is the reason for organizing award game;

3) name, description and duration of award game;

4) description and contents of the certificate, on the basis of which right to participation in award game shall be acquired;

5) territory where the award game shall be organized, i.e. where payment in for participation in the award game shall be made;

6) information on the awards in the award game;

7) value by each award from the awards fund and the total value of the awards fund, expressed in denars;

8) requirements for participation in the award game;

9) course of the procedure for organizing, i.e. carrying out the award- game;

10) place, time, manner, procedure and control of drawing the awards, i.e. determining the winnings and the winners;

11) manner of announcing the results, i.e. the award winners;

12) manner of paying, i.e. realizing the winnings;

13) deadline of payment, i.e. realization of the winnings;

14) manner of getting the participants in the award game familiar with the game rules;

15) deadline in which the unsatisfied participant in the award game shall be entitled to raise objection against the organizer of the award game and

16) prohibition for participation in the award game for the employees at the organizer of the award game, as well as the members of their close families.

(2) Rules on the award game shall be stipulated by the organizer of the award game, and they shall be applied upon consent obtained by the Ministry of Finance.

#### Article 127

(1) Duration of the organization of the award game shall not be longer than one year.

(2) Organizer of award game shall be obliged to publicly announce the results, i.e. the winners of the awards within three days from the day of drawing the awards, i.e. from the day of determining the winnings and the winners, in at least one daily newspaper available on the territory on which the award game is organized, or to make them otherwise available to the participants in the game.

(3) Organizer having obtained license for organizing award game shall be obliged, prior to the commencement of the award game, to announce the rules on the award game in at least one daily newspaper available on the territory on which the award game is organized or to make them otherwise available to the potential participants in the game.

(4) Provisions of this Law referring to internet games of chance shall not apply to award games.

#### Article 128

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings from the award games shall be made, within a deadline determined under the rules on the game, which shall not be longer than 60 days from the day of announcing the results, i.e. the award winners.

#### Article 129

(1) Organizer of award game shall pay fee for organizing the award game in the amount of 18% of the total value of the awards fund.

(2) If several companies appear jointly as organizers of award game, the fee referred to in paragraph (1) of this Article shall, as obligation, be divided among the organizers in an equal amount, if not otherwise agreed among the organizers of the award game.

(3) Organizer, i.e. organizers of award game shall be obliged to pay the fee referred to in paragraph (1) of this Article, prior to the commencement of the award game, within three days from the day of issuance of the license.

(4) if the applicant, i.e. the applicants act contrary to paragraph (3) of this Article, the license shall be revoked.

### VIII. INTERACTIVE GAMES OF CHANCE

#### Article 130

(1) Application for obtaining license for organizing interactive games of chance shall be submitted to the Ministry of Finance.

(2) Application referred to in paragraph (1) of this Article shall be mandatory accompanied by the following:

1) document for registration of the company issued by the Central Registry of the Republic of Macedonia;

2) rules on the game of chance;

3) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - prohibition for obtaining license for organizing games of chance;

4) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - revoking license for organizing games of chance;

5) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - temporary or permanent prohibition for organizing games of chance;

6) certificate for paid public duties issued by competent authority and

7) information on the economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia, confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the application;

(3) Ministry of Finance shall decide upon the submitted application within eight days from the day of submitting the application.

#### Article 131

(1) License for organizing interactive games of chance shall be issued for a period of up to one year.

(2) Organizer of interactive games of chance shall pay special duty of 18% of the total awards fund.

(3) Organizer shall be obliged to pay the special duty referred to in paragraph (2) of this Article, prior to the commencement of the interactive game of chance, within three days from the day of issuance of the license.

(4) if the applicant acts contrary to paragraph (3) of this Article, the license shall be revoked.

#### Article 132

(1) Rules on interactive games of chance shall in particular include the following:

1) name and seat of the organizer of interactive games of chance;

2) name, description and duration of the game of chance;

3) requirements for participation in the game of chance;

4) place where the game of chance is organized, i.e. the location where payment of deposits for participation in the game of chance is made;

5) amount of the deposit, i.e. the single price of the telephone charge or any other

form of deposit, as well as the deadline for effecting the payment of the deposit for participation in the game of chance;

6) information on the winnings;

7) type and manner of determining the total value of the winnings;

8) manner and procedure of achieving the winnings;

9) manner and deadline for paying the cash winnings, i.e. realizing the other winnings;

10) deadline in which the unsatisfied participant in the game of chance shall be entitled to raise objection against the organizer of the game of chance;

11) prohibition for participation in the game of chance for the employees at the organizer of the game of chance, as well as the members of their close families and

12) procedure in case of canceling the game, when by answering questions or showing knowledge or skills, winnings are achieved.

(2) Rules on the interactive games of chance shall not be changed following the start of the payment in for certain issue, except in cases referred to in Article 14 paragraph (5) of this Law.

(3) Provisions of this Law referring to internet games of chance shall not apply to interactive games of chance.

#### Article 133

Paying the cash winnings, i.e. collecting the prizes in goods and other winnings from the interactive games of chance shall be made, within a deadline determined under the rules on the game of chance, which shall not be longer than 60 days from the day of announcing the results, i.e. the award winners.

### IX. ENTERTAINMENT GAMES

#### Article 134

(1) Application for obtaining license for organizing entertainment games shall be submitted to the Ministry of Finance.

(2) If the application referred to in paragraph (1) of this Article is submitted by sole-proprietor, the application shall mandatory be accompanied by the following:

1) document for registration of the sole proprietor issued by the Central Registry of the Republic of Macedonia;

2) certificate for paid public duties issued by competent authority;

3) information on the economic and financial situation of the entity issued by the Central Registry of the Republic of Macedonia, confirming positive financial performance of the entity for the last business year, and, if the entity exists for no more than one year, from the day of its establishment up to the day of submitting the application;

4) evidence for fulfilling the spatial and technical and technological requirements for organizing entertainment games;

5) information on the number and the type of devices for entertainment games,

where entertainment games are organized and

6) guideline on the manner of putting the device for entertainment games into operation, description of the entertainment games and the place where the devices are installed.

(3) If the application referred to in paragraph (1) of this Article is submitted by a company, in addition to the documents referred to in paragraph (2) items 2, 3, 4, 5 and 6 of this Article, the application shall also mandatory be accompanied by the following:

1) document for registration of the company issued by the Central Registry of the Republic of Macedonia;

2) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - prohibition for obtaining license for organizing entertainment games;

3) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - revoking the license for organizing entertainment games and

4) certificate from the Penal Registry for criminal acts committed by legal entities that the company is not pronounced supplementary penalty - temporary or permanent prohibition for organizing entertainment games;

#### Article 135

(1) License for organizing entertainment games shall refer only to one business premise.

(2) Organizer of entertainment games shall be entitled to change the business premise, where entertainment games are organized.

(3) Organizer of entertainment games shall submit application for changing the business premise to the Ministry of Finance, attaching the following:

1) evidence that the new business premise fulfills the spatial and technical and technological requirements for organizing entertainment games and

2) evidence that the previous business premise is closed, i.e. no entertainment games are organized there by the organizer.

(4) Ministry of Finance shall, under decision, decide on the change of the business premise within eight days from the day of submitting the application.

#### Article 136

(1) License for organizing entertainment games shall be issued for a 10-year period.

(2) As for issuance the license referred to in paragraph (1) of this Article, one-off fee in the amount of EUR 1,000 in Denar equivalent according to the middle exchange rate of the National Bank of the Republic of Macedonia shall be paid on the payment date, within 15 days from the from the day of receiving the license.

(3) As for organizing entertainment games, organizer of entertainment games shall pay monthly fee in the amount of EUR 10 in Denar equivalent per device according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment

date.

(4) Fee referred to in paragraph (3) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(4) If the applicant acts contrary to paragraphs (2) and (4) of this Article, the license shall be revoked.

#### Article 137

(1) Spatial and technical and technological requirements the entertainment club should fulfill shall be stipulated by the Minister of Finance under the act referred to in Article 21 paragraph (1) of this Law.

(2) Organizing games of chance on slot machines shall be prohibited in entertainment club.

### X. REQUIREMENTS AND MANNER OF PUTTING SLOT MACHINES INTO OPERATION

#### Article 138

(1) Slot machines when put into operation shall have to be technically functional.

(2) Technical functionality of slot machines shall be determined by legal entity authorized by the Minister of Finance.

(3) Authorization referred to in paragraph (2) of this Article shall be issued for a 3-year period.

(4) Authorization referred to in paragraph (2) of this Article may be issued to legal entity, seated in the Republic of Macedonia, fulfilling the following requirements:

1) to have employed adequate number of employees with adequate expert qualifications necessary for determining the technical functionality of slot machines.

2) to have adequate equipment for determining the technical functionality of slot machines;

3) not to organize games of chance or entertainment games and

4) not to produce, repair nor rent slot machines.

(5) Necessary number of employees, expert qualifications and equipment referred to in paragraph (4) items 1 and 2 of this Article for obtaining authorization for determining the technical functionality of slot machines which should be owned by the legal entity shall be closely stipulated by the Minister of Finance.

#### Article 139

(1) As for issuance of authorization for determining the technical functionality of slot machines, Ministry of Finance shall announce public invitation lasting 15 days from the day of its announcement.

(2) Public invitation for tenders for issuance of authorization for determining the technical functionality of slot machines shall be announced in "Official Gazette of the Republic of Macedonia" and in at least two daily newspapers distributed throughout the territory of the Republic of Macedonia, at least one daily newspaper out of which, is published

in the language spoken by at least 20% of the communities not being majority in the Republic of Macedonia.

(3) Public invitation referred to in paragraph (1) of this Article shall in particular include the following:

1) information on the necessary number of employees at the legal entity and their expert qualifications necessary for determining the technical functionality of slot machines;

2) information on the equipment for determining the technical functionality of slot machines the legal entity should possess;

3) deadline, address and manner of submitting tenders, time and hour of their public opening and

4) documentation proving the fulfillment of requirements determined under Article 138 paragraph (4) of this Law and the evidence referred to in Article 141 of this Law.

(4) Documentation referred to in paragraph (3) item 4 of this Article, together with the financial proposal for obtaining authorization for determining the technical functionality of slot machines shall be submitted to the Ministry of Finance in sealed envelope labeled "do not open" indicating the number of the public invitation.

(5) Tenders with the necessary documentation shall be submitted through registered mail or personally in the archives of the Ministry of Finance.

(6) Ministry of Finance shall announce the public invitation referred to in paragraph (1) of this Article and shall carry out the procedure for selection of the entity referred to in Article 138 paragraph (2) of this Article and the Minister of Finance shall issue the authorization during the last six months prior to the expiry of the validity period of the previously issued authorization.

#### Article 140

(1) Financial proposal referred to in Article 139 paragraph (4) of this Law shall include information on the cost price for each separate service related to determination of technical functionality of slot machines, each type of slot machine, i.e. table for game of chance.

(2) Authorization for determining the technical functionality of slot machines shall be given to the legal entity fulfilling the requirements referred to in Article 138 paragraph (4) of this Law, submitting the documents referred to in Article 141 of this Law and submitting the financial proposal with the lowest cost price for each separate service related to determination of technical functionality of slot machines, each type of slot machine, i.e. table for game of chance.

#### Article 141

In addition to the tender for obtaining authorization for determining technical functionality of slot machines, the legal entity - tenderer shall mandatory submit the following:

1) document for registration of the legal entity issued by the Central Registry of the Republic of Macedonia;

2) certificate that the legal entity has no blocked transaction account in a bank for

a period of at least six months prior to the announcement of the public invitation, and if the entity is not older than six months - from the day of its establishment;

3) certificate that no liquidation procedure nor bankruptcy procedure is initiated against the legal entity;

4) certificate for paid public duties issued by competent authority;

5) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - prohibition for obtaining authorization for determining technical functionality of slot machines is pronounced;

6) certificate from the Penal Registry for criminal acts committed by legal entities that no supplementary penalty - revoking authorization for determining technical functionality of slot machines is pronounced and

7) certificate from the Penal Registry for criminal acts committed by legal entities, that no supplementary penalty - temporary or permanent prohibition for performing activity is pronounced.

#### Article 142

Tenders not including the documentation stipulated under Article 141 of this Law or not being submitted pursuant to Article 139 paragraphs (4) and (5) of this Law, shall not be considered.

#### Article 143

(1) As for carrying out the procedure for opening and evaluating tenders for obtaining authorization for determining technical functionality of slot machines, Minister of Finance shall establish Commission.

(2) Commission referred to in paragraph (1) of this Article shall comprise three members and their deputies, employed in the Ministry of Finance.

(3) As for the carried out procedure, opening of tenders and performed evaluation, the Commission shall prepare report within eight days from the day of opening the tenders.

(4) The Commission shall submit the report referred to in paragraph (3) of this Article, together with the proposal for selection of the most favourable tenderer for issuance of authorization for determining technical functionality of slot machines to the Minister of Finance.

(5) On the basis of the report and the proposal referred to in paragraph (4) of this Article, Minister shall, within eight days from the submission day, adopt decision on selection of the most favourable tenderer for issuance of authorization for determining technical functionality of slot machines and shall issue the authorization within eight days from the day of adopting the decision on the selection.

(6) Unsatisfied tenderer may initiate administrative dispute before competent court against the decision referred to in paragraph (5) of this Article.

#### Article 144

(1) Legal entity authorized for determining technical functionality of slot machines shall be obliged to fulfill the requirements referred to in Article 138 paragraph (4) of

this Law throughout the validity period of the authorization.

(2) Legal entity authorized for determining technical functionality of slot machines shall be obliged to adhere to the cost prices for each separate service related to determination of technical functionality of slot machines, each type of slot machine, i.e. table for game of chance, included in the financial proposal submitted by the legal entity during the public invitation procedure referred to in Article 139 paragraph (1) of this Law.

(3) If the Public Revenue Office determines acting contrary to paragraphs (1) and (2) of this Article, it shall forthwith inform the Ministry of Finance of the identified irregularity, which shall immediately adopt decision on revoking the authorization for determining technical functionality of slot machines from the legal entity and shall, within 15 days from the day of adopting the decision, announce new public invitation for issuance of authorization for determining technical functionality of slot machines.

(4) Legal entity being submitted decision referred to in paragraph (3) of this Article shall continue to determine the technical functionality of slot machines, under constant control by the Public Revenue Office until issuance of new authorization by the Minister of Finance.

(5) Legal entity may initiate administrative dispute before competent court against the decision referred to in paragraph (3) of this Article.

#### Article 145

(1) As for the technical functionality of slot machines, the authorized legal entity referred to in Article 138 paragraph (2) of this Law shall issue certificate for technical functionality of the slot machine.

(2) Upon application by the organizer of the game of chance, authorized legal entity shall be obliged to start determining the technical functionality of slot machines within three working days from the day of the application submitted by the organizer of the game of chance and if it determines that the respective slot machine is technically functional, it shall be obliged to issue the certificate referred to in paragraph (1) of this Article within three working days from the day of determining the technical functionality.

(3) Manner of determining technical functionality of slot machines and the form and contents of the certificate for technical functionality of slot machines shall be stipulated by the Minister of Finance.

#### Article 146

(1) Technically functional slot machines shall be mandatory stamped.

(2) Minister of Finance shall closely stipulate the contents and the form of the stamp referred to in paragraph (1) of this Article.

#### Article 147

(1) Slot machines, being technically functional and stamped, may be put into operation if they have plates for labeling and registration issued by the authorized person referred to in Article 138 paragraph (2) of this Law.

(2) Tables for games with small balls, dices or cards, being in use shall also have plates for labeling and registration.

(3) Records on issued plates for labeling and registration shall be kept by the authorized person referred to in Article 138 paragraph (2) of this Law.

(4) Manner of keeping the records referred to in paragraph (3) of this Article, the form and the contents of the plate for labeling and registration referred to in paragraph (1) of this Article shall be stipulated by the Minister of Finance.

## XI. REALIZATION AND RECORDS OF WINNINGS

### Article 148

(1) Realization of winnings from games of chance pursuant to this Law shall be carried out by presenting valid document for identification of the winner.

(2) Organizer of games of chance shall, when realizing the winnings from the games of chance, be obliged to issue winning certificate to the winner, being signed by the organizer of the games of chance and the winner, i.e. by persons authorized by them.

### Article 149

(1) Organizer of games of chance shall, pursuant to this Law, be obliged to keep records on the realized winnings in the game of chance, separately exceeding the amount of Denar 10,000 and on their winners.

(2) Minister of Finance shall stipulate the form, the contents and the manner of keeping the records referred to in paragraph (1) of this Article.

## XII. SUPERVISION

### Article 150

(1) Implementation of the provisions of this Law and the regulations therefrom shall be supervised by the Public Revenue Office.

(2) Inspection supervision shall be carried out by authorized officials of the Public Revenue Office.

### Article 151

(1) When carrying out inspection supervision, the authorized official of the Public Revenue Office shall in particular supervise the following:

1) organization of games of chance, whether the games of chance are organized pursuant to law, in line with the issued license, i.e. permit and in line with the rules on the games of chance;

2) fulfillment of the spatial and technical and technological requirements for organizing games of chance and entertainment games;

3) slot machines regarding their number, technical functionality, stamp and check of plates for labeling and registration of slot machines and tables where the games of chance are organized;

4) keeping the business books and other documentation related to organization of games of chance and entertainment games;

5) payment of fees for obtaining license, i.e. permit, fees, special fees and special duties determined under this Law, as well as payment of taxes and other public duties

determined under law, by the organizers of games of chance and entertainment games;

6) deposited bank deposit, i.e. bank guarantee;

7) lottery tickets, tombola cards and coupons;

8) organization of games of chance and entertainment games in case of revoking, suspension and cancellation of the license, i.e. the permit;

9) availability of the rules for organization of games of chance to the participants in the games of chance;

10) points of sale of lottery tickets, tombola cards and coupons and terminals;

11) visit of persons in premises, where special games of chance are organized;

12) participation in the games of chance by persons, being prohibited under this Law;

13) organization of entertainment games;

14) working hours of premises, where games of chance and entertainment games are organized;

15) announcement, payment in and collecting the winnings of winners in the games of chance;

16) inviolability of the secrecy of the information pursuant to law,

17) fulfillment of the requirements referred to in Article 138 paragraph (4) of this Law and obligation of the authorized person to adhere to the cost prices for each separate service related to determination of the technical functionality of slot machines and

18) other activities for the purpose of supervising the organization of games of chance and entertainment games pursuant to this Law.

(2) When carrying out inspection supervision, authorized officials shall prepare agreed minutes.

(3) On the basis of the agreed minutes referred to in paragraph (2) of this Article, the authorized official shall, under decision, order the organizer of the game of chance to eliminate the identified irregularities within 30 days from the day of receiving the decision.

(4) Appeal may be lodged against the decision referred to in paragraph (3) of this Article, within eight days from the day of receiving the decision to the Commission within the Ministry of Finance, comprising three members appointed by the Minister of Finance, at least one member out of which shall be from among the managerial civil servants employed in the Ministry of Finance.

(5) If, during the supervision procedure carried out by the authorized official of the Public Revenue Office, violations of the provisions of this Law and bylaws adopted therefrom are determined, being basis for revoking the license, i.e. the permit, the Public Revenue Office shall forthwith inform the Ministry of Finance thereof, which shall initiate procedure for revoking the license, i.e. the permit.

(6) If, during the supervision procedure carried out by the authorized official of the Public Revenue Office, it is determined that the games of chance or the entertainment games are carried out with no issued license, i.e. permit or contrary to the issued license, i.e. permit,

contrary to the rules on the game of chance or if it is determined that the requirements stipulated under this Law for organizing games of chance, i.e. entertainment games were changed, the authorized official shall temporarily prohibit the organization of the games of chance, i.e. the entertainment games and shall seal the business premise, where the games of chance, i.e. the entertainment games are organized.

#### Article 152

(1) Public Revenue Office may, at any time and with no prior announcement, supervise the operations of the holders of the license, i.e. the permit for organizing games of chance or entertainment games, so as to determine the legal and proper operations by the holders of the license, i.e. the permit.

(2) Organizers of games of chance and entertainment games shall, on daily basis, be obliged to provide for direct or indirect supervision by competent authorities.

#### Article 153

If the authorized officials, when carrying out supervision determine existence of grounded suspicion that criminal act was committed, they shall be obliged report it to the competent authority.

#### Article 154

(1) If, when carrying out inspection supervision, the authorized official determines that offence referred to in Article 157 paragraph (1) item 14 and Article 158 of this Law is committed for the first time, the authorized official shall be obliged to prepare agreed minutes, determining the irregularity by suggesting its elimination within eight days and by simultaneous handing over of an invitation for carrying out education of the person or the entity, where irregularity is determined during the inspection supervision.

(2) Form and contents of the invitation for education, as well as the manner of carrying out the education shall be stipulated by the Minister of Finance.

(3) Education shall be organized and carried out by the Public Revenue Office within not longer than eight days from the day of carrying out the inspection supervision.

(4) Education may be carried out for several same or similar determined irregularities for one or several entities.

(5) If, the person or the entity, subject to education, fails to attend the education at the scheduled time, it shall be deemed that the education is carried out.

(6) If the person or the entity, subject to education, appears at the scheduled education and completes such education, it shall be deemed that such person or entity is educated as regards the determined irregularity.

(7) If the authorized official, when carrying out audit, determines that the irregularities referred to in paragraph (1) of this Article are eliminated, he/she shall reach conclusion to stop the inspection supervision procedure.

(9) If the authorized official, when carrying out audit determines that the irregularities referred to in paragraph (1) of this Article are not eliminated, he/she shall propose settlement procedure to the perpetrator for the determined offence.

(9) Public Revenue Office shall keep records on the carried out education in a

manner stipulated by the Minister of Finance.

#### Article 155

Public Revenue Office shall, as for the number of controls carried out by authorized officials, be obliged to announce quarterly reports on its website.

### XIII. PENAL PROVISIONS

Criminal Act - Organization of Games of Chance  
with no License, i.e. Permit by Competent Authority

#### Article 156

(1) Legal entity organizing games of chance in specially arranged premises therefore, with no license, i.e. permit by competent authority, shall be fined with Denar 20 million.

(2) As for the offence referred to in paragraph (1) of this Article, the responsible person at the legal entity shall also be punished with imprisonment of at least three years.

(3) Funds for organizing games of chance referred to in this Article, as well as the funds found at the perpetrators shall be seized.

### XIV. OFFENCE PROVISIONS

#### Article 157

(1) Fine in the amount of EUR 5,000 in Denar equivalent shall be imposed for offence to the legal entity if:

1) it transfers the license, i.e. the permit to other company, i.e. other sole proprietor (Article 7 paragraph (4));

2) it suspends or cancels the game of chance for which it obtains license, contrary to Article 8 paragraphs (5) and (8) of this Law;

3) it fails to adhere to the deadline in which it has to continue to carry out the commenced games of chance for which it obtains license (Article 8 paragraph (7));

4) it organizes entertainment games, award games or interactive games of chance with no permit by competent authority (Article 9 paragraph (1));

5) it fails to adhere to the deadline in which it has to continue to carry out the commenced games of chance for which it obtains license (Article 9 paragraph (7));

6) suspends or cancels the games referred to in Article 9 paragraph (1) of this Law, contrary to Article 9 paragraphs (5) and (8);

7) it fails to complete the commenced game of chance, i.e. the commenced round according to the same rules, i.e. rulebook (Article 14 paragraph (4));

8) it sells, advertises or otherwise presents foreign lottery tickets, tombola cards, slips, coupons, electronic cards and similar on the territory of the Republic of Macedonia (Article 19 item 2);

9) it organizes game of chance, not regulated under this Law, providing possibility for acquiring winnings (Article 19 item 4);

10) it organizes games of chance or entertainment games in premises not fulfilling the spatial and technical and technological requirements stipulated by the Minister of Finance (Article 21 paragraph (1));

11) it fails to deliver the unsold lottery tickets and tombola cards to the Public Revenue Office within 30 days following the completion of the game of chance (Article 22 paragraph (3));

12) it organizes special games of chance but fails to keep cashier's book or fails to keep cashier's book in the stipulated manner or fails to keep cashier's book for at least ten years (Article 23);

13) it fails to submit audit report to the Ministry of Finance on the audit carried out by chartered auditor within the deadline stipulated under this Law (Article 24).

14) it acts contrary to Article 32 of this Law or fails to put in a visible place the rules on the games of chance, i.e. the casino rulebook (Article 45 paragraph (2), Article 55 paragraph (2), Article 62 paragraph (2), Article 77 paragraph (2), Article 91 paragraph (2) and Article 127 paragraph (3));

15) fails to pay the cash winnings, i.e. to collect the prizes in goods and other winnings within 60 days from the day of announcing the report on the results from the game (Article 38 paragraph (1), Article 47, Article 68, Article 80, Article 95 and Article 128);

16) the organizer changes the business premise, where the game of chance is organized with no decision from the Ministry of Finance (Article 42 paragraph (2), Article 60 paragraphs (3) and (4), Article 88 paragraphs (2) and (3) and Article 135 paragraphs (3) and (4)) or increases the number of business premises, where games of chance in slot machine club are organized with no decision from the Ministry of Finance (Article 88 paragraphs (5) and (6)) or organizes betting through point for payments in and payments out with no decision from the Ministry of Finance;

17) it fails, when deposit is reduced below the amount stipulated under this Law or when bank guarantee is called up, to replenish the amount up to the full amount stipulated under this law within 48 hours (Article 44 paragraph (2), Article 51 paragraph (2), Article 61 paragraph (2), Article 76 paragraph (4) and Article 90 paragraph (2));

18) it acts contrary to Article 59 of this Law;

19) the organizer of casino games or games of chance in slot machine club fails to submit, once a month, report to the Ministry of Finance on the income gained by type of games or fails to submit evidence for payment of the special duty (Article 66 paragraph (3) and Article 94 paragraph (3));

20) it acts contrary to Article 70 paragraph (4) of this Law;

21) it organizes betting on the territory of the Republic of Macedonia referring to the results of the presidential elections in the Republic of Macedonia, elections of members of the Parliament of the Republic of Macedonia, mayors and advisors in the Council of municipalities, municipalities in the City of Skopje and the City of Skopje (Article 81 item (2));

22) it acts contrary to Article 127 paragraph (2) of this Law;

23) it organizes games of chance on slot machines in entertainment club (Article 137 paragraph (2)) and

24) it puts technically non-functional slot machines into operation (Article 138 paragraph (1)).

(2) Responsible person at the legal entity shall be fined with EUR 1,000 in Denar equivalent for the offence referred to in paragraph (1) of this Article.

(3) As regards the offence referred to in paragraph (1) of this Article, the legal entity, in addition to the fine referred to in paragraph (1) of this Article, shall be pronounced offence sanction -temporary prohibition for performing certain activity for a period of six months to two years, and the responsible person at the legal entity, in addition to the fine referred to in paragraph (2) of this Article, shall be pronounced prohibition to perform profession, activity or duty for a period of one to three years.

#### Article 158

(1) Fine in the amount of EUR 1,000 in Denar equivalent shall be imposed for an offence to if:

1) he/she participates in foreign games of chance, in which deposits shall be paid on the tertiary of the Republic of Macedonia (Article 19 item 1);

2) he/she participates in games of chance or entertainment games organized with no issued license, i.e. permit (Article 19 item 5);

3) he/she enters technical devices in the casino, which enable getting advantage in the game of chance (Article 71 paragraph (2))

4) employed in the casino participates as player in the games of chance in the casino where he/she works (Article 72 paragraph (2)).

(2) Fine in the amount of EUR 1,000 in Denar equivalent shall be imposed to the responsible person at the legal entity – organizer of game of chance for an offence if:

1) he/she enables participation in games of chance to person younger than 18 years (Article 20 paragraph (2)) and

2) he/she enables entry in casinos, premises where tombola is organized, betting houses and slot machine clubs to person younger than 18 years (Article 20 paragraph (4)).

### XV. TRANSITIONAL AND FINAL PROVISIONS

#### Article 159

Organizers of casino games, betting games and games of chance in slot machine club shall, from the day of commencing the application of this Law up to the day of commencing the application of Article 66 paragraph (6), Article 75, Article 79, Article 89 and Article 94 of this Law, have the possibility to provide computer system to which all computers, i.e. slot machines of organizers of games of chance are connected, recording payments in and payments out and its connection to the respective computer system of the Public Revenue Office or pay the fees, i.e. the duties referred to in Article 160 paragraph (2), Article 161 paragraph (2) and Article 162 (2) of this Law.

#### Article 160

(1) Organizers of casino games, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 66

paragraph (6) of this Law decided to provide computer system connecting all slot machines of organizers of games of chance, recording payments in payments out and its connection to the respective computer system of the Public Revenue Office, shall be obliged to pay the special duty referred to in Article 94 of this Law.

(1) Organizers of casino games who, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 66 paragraph (6) of this Law, failed to provide computer system referred to in paragraph (1) of this Article and its connection to the respective computer system of the Public Revenue Office, shall not pay the special duty referred to in Article 94 of this Law and but shall pay the following fees:

(3) as regards slot machines at which one participant may participate in the games of chance, the organizer shall pay monthly fee in the amount of EUR 420 in Denar equivalent per slot machine according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date, and

2) as regards slot machines at which several participants may participate in the games of chance simultaneously, the organizer shall pay monthly fee in the amount of EUR 735 in Denar equivalent per slot machine according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(4) Fees referred to in paragraph (2) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(4) Organizer referred to in paragraph (2) of this Article shall submit, once a month, report to the Ministry of Finance, on the gained income by type of games of chance.

#### Article 161

(1) Organizers of betting games of, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 75 of this Law decided to provide computer system connecting all computers of organizers of games of chance, recording payments it and payments out and its connection to the respective computer system of the Public Revenue Office, shall be obliged to pay the special duty referred to in Article 79 of this Law.

(1) Organizers of betting games, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 75 of this Law did not provide computer system referred to in paragraph (1) of this Article and its connection to the respective computer system of the Public Revenue Office, shall not pay the special duty referred to in Article 79 of this Law but shall rather pay special duty in the amount of Denar 100,000 per month, for each point for payments in and payments out.

(3) Special duty referred to in paragraph (2) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(3) Organizer of games of chance referred to in paragraph (2) of this Article shall be obliged to submit evidence for payment of the special duty referred to in paragraph (2) of this Article to the Ministry of Finance by the 15<sup>th</sup> in the month at the latest for the previous month.

#### Article 162

(1) Organizers of games of chance in slot machine club, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 89 of this Law decided to provide computer system, connecting all slot machines of organizers of games of chance, recording payments in and payments out and its connection to the respective computer system of the Public Revenue Office, shall be obliged to pay the special duty referred to in Article 94 of this Law.

(1) As for organizers of games of chance in slot machine club, which in the period from the day of commencing the application of this Law up to the day of commencing the application of Article 89 of this Law did not provide computer system referred to in paragraph (1) of this Article and its connection to the respective computer system of the Public Revenue Office, license for organizing games of chance in slot machine club shall be issued for organizing games of chance in one business premise, and organizers shall not pay the special duty referred to in Article 94 of this Law but shall rather pay the following fees:

1) as regards slot machines at which one participant may participate in the games of chance, the organizer shall pay monthly fee in the amount of EUR 420 in Denar equivalent per slot machine according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date, and

2) as regards slot machines at which several participants may participate in the games of chance simultaneously, the organizer shall pay monthly fee in the amount of EUR 735 in Denar equivalent per slot machine according to the middle exchange rate of the National Bank of the Republic of Macedonia on the payment date.

(3) Fees referred to in paragraph (2) of this Article shall be paid by the 15<sup>th</sup> in the month for the previous month.

(4) Organizer referred to in paragraph (2) of this Article shall submit, once a month, report to the Ministry of Finance, on the gained income by type of games of chance.

#### Article 163

(1) Organizers of casino games shall, from the day of entering of this Law into force up to the day of commencing the application of this Law, be also obliged to pay the feeds referred to in Article 160 paragraph (2) of this Law.

(2) Organizers of betting games shall, from the day of entering of this Law into force up to the day of commencing the application of this Law, be also obliged to pay the special duty referred to in Article 161 paragraph (2) of this Law.

(3) Organizers of games of chance in slot machine club shall, from the day of entering of this Law to force up to the day of commencing the application of this Law, be obliged to pay the fees referred to in Article 162 paragraph (2) of this Law.

#### Article 164

(1) Procedures commenced up to the day of commencing the application of this Law shall continue in line with the regulations, being in force up to the day of commencing the application of this Law.

(2) Organizers of games of chance and entertainment games, which on the day of commencing the application of this Law obtained licenses or approvals in line with the regulations, in force up to the day of commencing the application of this Law, shall be obliged to harmonize their operations with the provisions of this Law within six months from the day of commencing the application of this Law.

(3) Licenses and approvals issued pursuant to the Law on Games of Chance and Entertainment Games ("Official Gazette of the Republic of Macedonia", nos. 10/97, 54/97, 13/01, 2/02 and 54/07) shall continue to be in force for the period which they were issued for.

(4) Changes to the licenses and the approvals issued pursuant to the Law on Games of Chance and Entertainment Games ("Official Gazette of the Republic of Macedonia", nos. 10/97, 54/97, 13/01, 2/02 and 54/07) shall be carried out in line with the provisions of this Law.

(5) Minister of Finance shall announce the public invitation referred to in Article 139 paragraph (1) of this Law within 30 days from the day of commencing the application of this Law.

#### Article 165

(1) Minister of Finance shall adopt the bylaws envisaged under this Law within six months from the day this Law enters into force.

(2) Up to the day of adopting the bylaws referred to in paragraph (1) of this Article the bylaws adopted on the basis of the Law on Games of Chance and Entertainment Games ("Official Gazette of the Republic of Macedonia", nos. 10/97, 54/97, 13/01, 2/02 и 54/07) shall apply.

#### Article 166

Provisions referred to in Article 66 paragraph (6), Article 75, Article 79, Article 89 and Article 94 of this Law shall start to apply from 1<sup>st</sup> January 2012.

#### Article 167

Law on Games of Chance and Entertainment Games ("Official Gazette of the Republic of Macedonia ", nos. 10/97, 54/97, 13/01, 2/02 and 54/07) shall cease to be in force on the day of commencing the application of this Law, except the provisions referred to in Article 78-a related to the monthly fees for roulette table, other tables and slot machines paid by organizers of casino games of chance and games of chance in slot machine club and the provisions referred to in Article 79-a related to the special fee paid by organizers of betting games related to sports matches, which shall cease to be in force on the day this Law enters into force.

#### Article 168

This Law shall enter into force on the eighth day from the day of it is published in the "Official Gazette of the Republic of Macedonia", and it shall start to apply following the expiry of six months from the day of its entry into force, except for the provisions referred to in Article 66 paragraphs (1), (2), (3), (4) and (5), Article 160 paragraph (2), Article 161 paragraph (2), Article 162 paragraph (2) and Article 163 of this Law, which shall start to apply from the day this Law enters into force.

