



PROVISIONAL INSTITUTIONS OF SELF GOVERNMENT

KUVENDI I KOSOVËS
СКУПШТИНА КОСОВА
ASSEMBLY OF KOSOVO

Law No.2004/35

ON GAMES OF CHANCE

Kosovo Assembly

Considering the UNMIK Regulation, No. 2001/9 of the 15th of May 2001, on the Constitutional Framework of the provisional self-government in Kosovo, especially Chapters 5.1 (a), 9.1.1, 9.1.26 (a) and,

The UNMIK Regulation, No. 2001/19, of 13th of September 2001, on the executive branch of the provisional institutions of self-government in Kosovo, especially article 1.6,

In order to prevent crime, guard and secure the population against fraud, mistakes and deceit that result from the unlawful activities related to the games of chance in Kosovo,

Approves:

LAW ON GAMES OF CHANCE

I. GENERAL PROVISIONS

Article 1

1.1. This Law defines and regulates the conditions, ways and entities that organize and practice the Games of Chance, types of Games of Chance, basic principles of rules for the systematization of incomes from the Games of Chance, establishment, legal position, governing and the management of the lottery of Kosovo, compensation for practicing the Games of Chance, supervision, violation penalties and other issues important for the Games of Chance in Kosovo.

1.2. The practicing of the games of chance in the Kosovo's territory is realized through the Lottery of Kosovo and through other juristic entities, registered and licensed for the practice of Games of Chance

Article 2

According to this Law the Games of Chance are considered games through which participants have a possibility to win money, items, or rights, through a game, the final result of which is not dependent on knowledge or expertise of the participant in the game, but from the uncertain situation or event.

Article 3

3.1. The games of chance are:

- a. Classic Games of Chance
- b. Specific Games of Chance
- c. Other Electronic Games

3.2. The classic Games of Chance are games where high number of participants takes place with the aim to be the only, or partial winners of the earnings defined earlier by the earnings fund.

3.3. The specific Games of Chance are games on which the person counters the organizers and waits to win, depending on its deposit amount and the rules of game.

3.4. The electronic games are Games of Chance which are played through internet and mobile phones. The organization and practicing of the electronic games will be regulated by a special juridical act.

3.5. The Classic Games of Chance are games on which the amount of fund of the earnings is defined preliminary as follows:

- a. Lottery (of goods, monetary, monetary of goods, express lottery and instant lottery);
- b. Pool, Keno and other variants of it;
- c. Sport forecast – Toto;
- d. Games on the Slot-Machine System;
- e. Lotto TV - bingo;
- f. Lotto – bingo in closed premises, and
- g. Similar Games of Chance with the drawing system.

3.6. Specific Games of Chance are games on which the fund of earnings is not preliminary defined, these are:

1. Casino games,
2. Games on Slot-Machines in special clubs and with other mechanisms with multiple roles and with earnings, as is the multiplayer and
3. Betting for results and different events;

Article 4

The participant in the Game of Chance is the person who fulfils the conditions for participating in the specific Games of Chance, and who proves it with a special small leaf, or with a confirmation of the payment depending on the kind of game in which he participates, and also by the rules of the given game.

Article 5

The earning's fund is the part of the general amount paid in the given turnover of the Games of Chance, respectively the amount of the value of the tickets series that are paid for the Games of Chance according to this Law and the game rules.

Article 6

6.1. The Games of Chance of the article 3 of this Law are organized and practiced according to this Law and the permission by MEF.

6.2. The classic Games of Chance are organized only by the Kosovo's Lottery according to the conditions defined by this Law – except the Game of Chance such as Lotto – Bingo in closed premises which can be practiced by other juristic entities in accordance with the license of the competent body, but only in closed premises, which can not be broadcasted publicly.

6.3. Other juristic entities from the paragraph 6.2 of this article is considered to be Sport's Federation.

Article 7

Specific Games of Chance can be organized and practiced by the Kosovo's Lottery according to the conditions defined by the Law, and by the economic entities registered only for the given Games of Chance defined by this Law and according to the permission of the MEF.

Article 8

8.1. The Kosovo's Government guarantees the payment of the earnings from the classic Games of Chance, which are organized by the Kosovo's Lottery.

8.2. The organizer is responsible and guarantees the payment of earnings for specific Games of Chance through its own wealth.

Article 9

9.1. The entertaining games, such as the games with calculators, simulators, Slot-Machines, flipper, pool and the games that are put in function through coins or zhetons on which the player can't win money, items or rights, are not considered to be Games of Chance by this Law.

9.2. The awarding competitions and the awarding Games that are organized by the juristic entity with propagandistic aims are not considered Games of Chance according to this Law, but they can be organized, on condition that the participation in the game is not paid extra, that the award be given in products or services, and that the rules of the game be published in the daily press according to the permission of the Ministry of Economy and Finance.

Article 10

The correspondence games that are created in geometric progression, with correspondence and with payments of specific sums, and all the games called pyramidal, are not considered Games of Chance according to this Law and as such are forbidden.

Article 11

The Games of Chance are not allowed to be practiced in free zones.

II. LOTTERY OF KOSOSO

Article 12

12.1. The Kosovo's Lottery is a juristic-public entity with a special interest in Kosovo and as such it is registered in the Ministry of Trade and Industry, as a juristic-public entity for organizing and practicing the Games of Chance.

12.2. The Government takes the responsibility for all the obligations of the founder of the Kosovo's Lottery.

12.3. The activity of the Kosovo's Lottery is the practice of the Games of Chance and of the Entertaining Games – according to this Law and for the practice of which, no special permission is required to the Kosovo's Lottery from the Ministry of Economy and Finance

Article 13

13.1. The Managing Body of the Kosovo's Lottery is the Managing Board, made of 5 members.

13.2. The members of the Managing Board are recommended by the Government and are nominated by the Assembly for a period of 4 years.

13.3. The members of the Board can not be :

- a) government senior officers,
- b) senior leaders of the political parties,
- c) the persons whose spouses or close family members are in the high functions in the Kosovo's Lottery.

13.4. The members of the Managing Board will have the status of civil servant since the moment of their appointment.

13.5. The Managing Board will be chaired by the president who is elected during the appointment process in accordance with paragraph 2. of this article.

13.6. The Assembly can dismiss from the work the member of the Board before the expiration of the mandate:

- a) if he resigns,
- b) abuse of his rights,
- c) is punished for committing a violation according to this Law and other laws.

13.7. The president of the Managing Board of the Kosovo's Lottery, practices his activities in the title of the legal representative of the Kosovo's Lottery, the functions of whom are defined more particularly by the Status of Kosovo's Lottery.

Article 14

14.1. The Kosovo's Lottery has a Status by which it particularly defines and regulates:

- a. The firm and the headquarters;
- b. The activity;
- c. The basic capital;

- d. The quantity, availability and drawing of deposits from the basic capital;
- e. The sharing of earnings and the systematization of incomes;
- f. The caring of the responsibility for risks and loses;
- g. The Administration, appointment, discharge, authorization, responsibility and the payment of assigned employees;
- h. Internal organization;
- i. Status issues;
- j. The duration and the end of the activity and other issues which derive from the Law and the practice of the Lottery activity.

14.2. The status of the Kosovo's Lottery is proposed by the Managing Board of the Kosovo's Lottery, whereas the Minister of Economy and Finance gives his consent and then the Kosovo's Government approves it.

Article 15

The Managing Board of the Kosovo's Lottery:

- a. Analyzes and approves the annual business plan;
- b. Analyzes the business report of the previous year, writes a report with its suggestions and ideas and together sends them to the Ministry of Economy and Finance for check up and conclusion;
- c. In case of the delivery of the business report of the previous year and of the business plan for the following year, he gives suggestions to MEF, for preparing the decision for the arrangement of the realized means;
- d. Decides for the issue and publication of tickets;
- e. Approves the rules of the Games of Chance;
- f. Gives initiatives for the approval, modification or filling of the provisions from the Games of Chance field of activity, which it represents to the MEF;
- g. It suggests the MEF to give consent and verify the contracts for the practice of Games of Chance together with the Lotteries of other countries that practice the Games of Chance or with the specialized organizations.

Article 16

16.1. The decision to arrange the means realized according to the article 15 paragraph 3 of this Law, is approved by MEF within 30 days.

16.2. The part of means, which according to the decision on paragraph 1 of this article belong to the Kosovo's budget, are not of the same type as incomes of the Kosovo's Lottery and the corresponding tax is not put to them.

16.3. According to the Law the Games of Chance can also be organized in cooperation with the Lotteries of other states and with other specialized organizations.

16.4. MEF gives the consent for the organization of the Games of Chance from paragraph 3 of this article.

16.5. The Games of Chance defined by this Law, can be executed by the Kosovo's Lottery in business cooperation with other juristic – trade, artisan, and registered hotels entities, furthermore, it can also cooperate on circulation of goods and services.

16.6. The Kosovo's Lottery may be a member of the EL (EUROPEAN LOTTERIES), European State Lotteries and Toto Association and of the other international associations of the Games of Chance.

III CLASSIC GAMES OF CHANCE

1. The Rules of the Classic Games of Chance Article 17

17.1. The rules of the Games of Chance which are approved by the organizer of the Games of Chance regulate the rights and obligations of the organizer and of the participants in the Games of Chance.

17.2. The rules of the Lotto Game of Chance – Bingo in closed premises, which are practiced by the other juristic entity, are approved and allowed by the MEF.

17.3. The conditions for practicing of the given Game of Chance are defined by the rules of game, which are approved by the organizer for each kind of game.

Article 18

The rules for the practice of the classic Games of Chance must necessarily contain:

- a. The name and the headquarters of the organizer;
- b. The name, description and duration of the Game of Chance;
- c. Conditions for partnership in the Game of Chance;
- d. The exact place where the game will be organized, the territory where the tickets are sold;
- e. The unit ticket price respectively the price of the combination;
- f. The deadline for participating in the game;
- g. The quantity and the monetary value of the ticket series;
- h. The amount of fund and the sort of winnings;
- i. The description of the ticket and of the payment slip;
- j. The way, procedure and the supervision of drawing, respectively the way of verification of winnings;
- k. The way of the publication of the sums of the winning fund and the results of the game;
- l. The way and the deadline of the payment of the monetary earnings;
- m. The way to acquaint the participant with the rules of the game;
- n. The procedure in case of the revocation of withdraw.

Article 19

19.1. The rules of the classic Games of Chance must not be changed after the selling of tickets had begun, respectively the payment of the given turnover.

19.2. The organizer of the classic Game of Chance is obliged to publish publicly the rules of the Games of Chance in the local daily press, before the beginning of the game, and to make available the rules for the participation in the game in the selling places, to the persons interested to take part in the game.

2. Drawing of earnings

Article 20

20.1. In the classic Games of Chance, on which the winning combinations are verified through drawing, the drawing must be made in front of the commission comprising of at least 3 members nominated by the organizer.

20.2. The drawing of the earnings must be made under the supervision of the person authorized by the Ministry of Economy and Finance.

20.3. Before the beginning of the drawing of the classic lottery, the organizer must verify the number of the sold tickets, while the unsold tickets must be stamped in front of the commission and the person in paragraph 2 of this article.

20.4. The Ministry of Economy and Finance, for rational reasons, by the request of the organizer, can allow the shift of the place for the drawing of earnings, or of the day of drawing, but not longer than 15 days.

20.5. The organizers must publish the change of the place or the delay of the date of drawing of earnings in the same way in which the rules for organizing the classic Games of Chance had been published.

20.6. If the drawing of earnings is postponed, the organizer can continue the selling of the tickets till the day assigned for drawing.

20.7. The organizer of the classic Game of Chance may revoke the organization of the Game of Chance, its turnover or of the series for which the selling of tickets has begun, only when MEF consents – on condition the money is paid back to the previous purchasers.

Article 21

21.1. During the drawing of tickets, the members of the commission and the person authorized by the Ministry, make a report, which must contain the place and the time, the way of drawing of earnings, the number of the sold tickets, respectively the general payment in turnover or series, the winning combinations drawn and the possible remarks from the participants in the game and then they sign it.

21.2. The report from paragraph 1 of this article is send to the MEF, within 7 days from the day of drawing of earnings.

21.3. The report for the results of drawing or for the defining of winners must be announced publicly by the organizers immediately, but not later than 7 days from the date of the drawing of earnings.

3. The earning fund and payments

Article 22

22.1. The earning fund in the classic Games of Chance is defined by the base made of the general amount of the tickets series or the general amount of payments for participating in the Pool, Sport Forecast – Toto, lotto TV - bingo and on the bingo lotto in closed premises.

22.2. The amount of the fund of earnings in a particular game according to given turnovers or the serial Games of Chance, must be published before the drawing of the earnings.

22.3. The fund of earnings in the given Games of Chance respectively in a given turnover or in the series of the Games of Chance, must be at least 50% of the base of paragraph 1 of this article, and it is paid according to the rules of Games of Chance.

22.4. The fund of earnings for Lotto – Bingo in closed premises is defined in the fix amount of 60% for each game circle.

Article 23

23.1. The payment of monetary earnings, respectively the drawing of earnings of other types of classic Games of Chance, is practiced within the deadline decided by the rules of the game, and that it can not be longer then 60 days from the day of the publishing of the report of the result of the Game of Chance.

23.2. The competent service of the Kosovo's Lottery and the commission assigned by the Board identify the exact number and amount of the general sum of the unpaid incomes for each Game of Chance.

23.3. The means from paragraph 2 of this article must be turned back to the players through the increase of the fund for earnings from the actual game or other Games of Chance.

23.4. The president of the Managing Board of the Kosovo's Lottery decides for the go-ahead of the payments of the means from this article and notifies the MEF for the decision.

4. The printing of the tickets and small leafs

Article 24

24.1. The tickets of (goods, monetary, monetary goods), the tickets of Lotto and other certifications for the participation in the game, except the express tickets and the tickets of the express and instant lottery, can be printed only in printing-houses authorized by MEF, according to the suggestion of the Managing Board of the Kosovo's Lottery.

24.2. The tickets of the express and instant lottery may be printed by the printing-house that fulfils these conditions:

- a. when the producer is eminent and works or rather prints for a big number of lottery organizations that are equal members of the EUROPEAN LOTTERIES and when;

- b. The producer chosen with contract for the actual job guarantees at least the exactness of the fund of earnings, the number of the contracted winning and non-winning tickets and their system, the quality of the products through security and quality of the program and guarantees the secrecy of the data.

24.3. The decision for the selection of the printing-house from paragraph 2 of this article is approved by the president of the Managing Board of the Kosovo's Lottery.

5. Lottery

Article 25

25.1. According to the structure of the winning fund the Lottery can be a goods lottery, monetary lottery or monetary lottery – of goods.

25.2. According to the type of drawing of incomes, Lottery can be classic with the exact day assigned for drawing, or express and instant, for which the earning is printed in the ticket.

6. Lotto, Keno and Other Kinds of Games

Article 26

26.1. Lotto is a classic Game of Chance in which the drawing of the winning numbers is done by spheres and through electronic mechanisms, which according to the rules of the game, represents the winning combination.

26.2. The drawing of the winning numbers is done publicly, directly through TV broadcasting.

26.3. The Lotto and Keno spheres and spheres of other kinds of games must be tested by their producers according to the Rules of Game of Chance.

7. Sport's Forecast – Toto.

Article 27

27.1. The Sport's Forecast – Toto is a Game of Chance based on the forecast of the results of the competitions of the local or foreign football leagues, which is made once or more times per week.

27.2. Depending from the offer, a combination of the matches can be made, and on extraordinary cases, the forecast of the first and second half of the game of the same play.

8. Slot- Machine System

Article 28

28.1. The slot-machine system is a telecommunication connection of the biggest number of the machines for Games of Chance for the purpose to create a unique JACK-POT with the same and simultaneous chances of the all participants in the game.

28.2. The Kosovo's Lottery, as an exclusive organizer of this game, has the right to include 600 devices on this system.

28.3. The Kosovo's Lottery is obligated to insure an On Line connection with the Ministry of Economy and Finance for the purpose of continuous access of the competent organ, to the amount of the money circulation and to the drawing of Jack-Pot.

28.4. The sort and the characteristics of the slot-machine are defined by a special decision by the Kosovo's Government with the suggestion of the Kosovo's Lottery and the Ministry of Economy and Finance.

28.5. The telecommunication services are the responsibility of the Kosovo's Lottery.

28.6. The amount of the Jack-Pot and the percentage of the earnings in the individual games in the slot-machine system, are regulated by the rules of this Game of Chance.

28.7. The organizer of the games of Chance, its members, partners, employees and other persons that work for the organizer, are obligated to keep the secrets of the players and their participation in the game.

28.8. If the employees of the competent bodies of the administration, during the practice of their duties, learn about facts which are considered as secrets, they are obligated to keep them as official secrets.

9. TV Lotto – Bingo

Article 29

29.1. TV Lotto – Bingo is a Game of Chance in which the numbers are drawn publicly through a direct TV broadcasting.

29.2. The organizing of the TV Lotto–Bingo is an exclusive right of the Kosovo's Lottery.

29.3. The drawing of earnings in a direct TV broadcasting can be practiced only by the Kosovo's Lottery.

10. Lotto – Bingo on closed premises

Article 30

30.1. The Bingo Lotto in closed premise is a Game of Chance, organized by other juristic entities on bases of the permission from MEF.

30.2. The permission from paragraph one of this article, is given for a year by the competent body on condition that the submitter of the request is:

- a. Registered for practicing Lotto – Bingo,
- b. is the owner of the equipment necessary for the practicing of the Lotto – Bingo,
- c. Has an available proper premise with a given address,
- d. Has allowed physical approach of the players to the premise on which the game is being organized and which is not directly near religious, historic or educational buildings, and that has the rules of games together with instruments for efficient control.

30.3. The organizer of Lotto – Bingo in closed premises can not unite with the territory of two or more municipalities for the purpose of practicing this game together.

30.4. The organizer of Lotto – Bingo in closed premises can put in circulation only the Lotto tickets published by the Kosovo's lottery. The Lotto tickets can be sold exclusively and are distributed only in the premise on which the game is being organized.

30.5. The price of the Lotto ticket is unique for all the Kosovo's territory and is defined by MEF according to the suggestion of the Kosovo's Lottery.

30.6. The Kosovo's Lottery can provide tickets only to the organizer who has the permission of MEF for the organization of Lotto- Bingo in the closed premises.

30.7. The Kosovo's Lottery is obliged to keep evidence for the amount and series of the distributed tickets for each organizer of Lotto-Bingo in the closed premises. The final result of the game is verified every day for each game in - a special form (bordero).

30.8. Lotto-Bingo in closed premises can be organized several times during a week according to the rules of the game.

IV. THE SPECIAL GAMES OF CHANCE

1. Rules for special Games of Chance

Article 31

31.1. For each type of special Games of Chance, there are rules which are approved according to the correct commercial norm and they are applied based on MEF permission.

31.2. Rules for each type of special Games of Chance, are approved by the organizer.

31.3. Rules for the special Games of Chance should be created in the official tongue that is used in Kosovo.

31.4. During the practicing of Games of Chance where the players have already started to play after they have paid to participate in one of the games, the rules of Games of Chances can not be changed or fill in till the end of the game.

Article 32

32.1. The entrance in Casino and other clubs for the Games of Chance in the slot machines and in the places where bet is used is allowed only for adult persons who show their identity.

32.2. The employees are allowed only during the time when they are on duty or depending on the consent of Casino's Directorate.

32.3. The Casino's visitors are not allowed to bring technical help that is suitable and which enables them or others to have advantage during the play.

2. Funds of Winnings and Payment

Article 33

33.1. The Winnings fund of the special Games of Chance is not determined in advance.

33.2. The slot-machine for the Games of Chance should be programmed in such a way so that they ensure the minimal payment of 70% from the total payment for the period of three months and during which period the risk from the bet for the realized winning had not been included.

33.3. In Casino the fund of winning is not determined.

33.4. The Type and the winning sum shall be paid in the place where the game is taking place after each circle of games.

33.5. When after the business hours, the total collections are higher than payments, this difference shows the profit, and otherwise shows the loss of the Casino.

3. Casino Games

Article 34

34.1. The Casino is the place destined for the organization of the special Games of Chance which are organized on the tables for sphere games, domes or cards such as (Roulette, Boule, Chemin de Fer, Black Yack, Trrente Quarante, Baccarat, carps etc. (standard terms).

34.2. The Casino contains a place for games, the hotel part and the annex one.

Article 35

The special Games of Chance in Casino can be organized by the Lottery of Kosovo. Besides the Lottery of Kosovo, the Games of Chance can be organized also by the economic entities that are exclusively registered for the practice of such an activity. If it is has not been defined otherwise by the Law, the legal provisions which refer to their activities are applied to the economic societies.

Article 36

36.1. The level of the capital assets of the economic entities organized as companies, corporations etc, can not be lower than the level of the initial insurance reserve.

36.2. The monetary amount of the initial insurance reserve should not be lower than 2.000.000 Euro, with the exception for the Lottery of Kosovo.

36.3. The Ministry for Economy and Finance fixes the sum according to the paragraph 1 of this Article for each year.

Article 37

The Ministry for Economy and Finance allows the registration of economic entities, if the entity:

- a. Proves that he has paid for the monetary part of the basic capital and of the insurance initial reserve in the account defined by the MEF.
- b. Presents the contract for its establishment with the data about the establisher, the level of the depositions, and the name of the establishers with valid documents for real estates of the establishers.
- c. Insures an instrument for the right of pledge in the property of establisher which is determined by the Ministry of Economy and Finance, or the bank guarantee in an amount fixed by the Ministry.
- d. Presents the elaboration for the activity and business in the Casino.
- e. Presents the rules for the Casino's activity and the rules for each Game of Chance which will be played in the Casino.

Article 38

38.1. The Lottery of Kosovo, respectively the economic entity should fulfill these conditions for practicing the Casino games:

- a. The Casino should be placed in special locals or at least in the four-star hotels;
- b. To prove that he is a co-owner of the locals or contractor for the use of locals for games, so that with the part of the hotel and the annex of the locals provides a total and functional space which is not less than 500 m²;
- c. The employees are qualified to work in Casino and speak at least two foreign languages and have a regular working relation;
- d. The Regulation for the work in Casino has been approved and also the rules for any type of games organized in the Casino;
- e. It has at least 3 tables, a cashbox, a currency exchange and an audiovisual supervision with regular recording;
- f. According to the law he should observe exit and entrance, and have security and bodyguards for the players and visitors;
- g. Has a special place for keeping money and other valuable things

38.2. The proofs from the paragraph 1 of this Article are presented by the organizer and then they are estimated by MEF.

Article 39

39.1. The Ministry of Economy and Finance is obliged that within 60 days from the day when a request for the application of a permission is made, make a decision by which decides for the request of the economic entity.

39.2. The Ministry should evaluate the capacity of payment and legality and also the validity of the business of the economic entity so far, respectively of the owner of the economic entity within the date based on the paragraph 1 of this Article.

39.3. The license is given for a period of two years. The organizer is obliged to present a report for its business of the previous year, after submitting the application for the request for prolonging the license. If the business result valued by MEF is not satisfactory, the request can be refused.

39.4. The decision which gives the license for practicing the Games of Chance in the Casino, also gives the consent for the rules of the special games that are organized in the Casino.

Article 40

The economic entity is obliged to start practicing its activity at least within 15 days from the day of the registration in the Ministry of Trade and Industry.

Article 41

41.1. The initial insurance reserve means, are meant for the insurance of the profits and are used when all other means that the organizer owns are spent.

41.2. If the initial insurance reserves drop below 50 % the organizer stops his activity.

41.3. If the organizer does not complete the initial insurance reserve means, within the period of 30 days from the day when initial reserves dropped below 50 %, the license for this activity will be abrogated and the economic entity removed from the registry recording, and at the same time, his obligations will be collected in favour of the Kosovo's Budget.

Article 42

42.1. Each Casino shall have a video supervision installed, which is controlled and put in function from the start till shut down when the work hours are off.

42.2. The paragraph 1 of this Article refers to the type of the " Living Games " of the Games of Chance in Casino, respectively Rulet, Black Yack etc, where the employees who work in the Casino participate continually and directly.

42.3. The organizer is obliged to keep the video records in a safe place at least seven days from the day of broadcasting.

Article 43

43.1. One or more supervisors of the supervision body that are engaged to supervise respectively engaged to act according to the Law may be present in the Casino.

43.2. The person from the paragraph 1 of this Article are obliged to sign the pay-roll, and other documents based on the Regulation for the activity of Casino, which is approved by MEF by a special procedure.

43.3. The Casino should have a special place for the offer of the hotel services where drinks like Café-Bar can be served, but it can also have hotels of Restaurant type.

43.4. Conditions to enter the Casino are determined by the person who has the license, so for particular persons or groups of persons the entrance might not be allowed, without having to give any explanation for the decision taken.

43.5. The players who do not respect specific game rules for a fair play may be forbidden to continue playing.

4. The games in the slot-machines and in the special clubs

Article 44

44.1. The special slot-machine Games of Chance in special clubs, may be organized only in slot-machines and other instruments for the Games of Chance which have the possibility of multiple deposits and multiple winnings (multiplayer) in clubs with at least 20 slot-machines. This paragraph is not related with the Lottery of Kosovo.

44.2. The slot-machines for the Games of Chance are the machines which are put in circulation by putting a zheton, with a key, or a remote control.

44.3. Putting the slot-machine in circulation is conditioned by the payment in an advance, used for winning money, and that depends exclusively on chance.

44.4. The slot-machines Game of Chance can be organized by the Lottery of Kosovo and also by the economic entities which are exclusively registered for these types of Games of Chance.

Article 45

The total number of the clubs where the slot-machines Games of Chance can be organized and which could operate in the territory of Kosovo, are proposed by the managing Board, the consent is given by the MEF, while it is put by the Kosovo's Government.

Article 46

46.1. The activity of the Games of Chance through the slot-machines in special clubs can be practiced by the economic entities which have their residencies in Kosovo and which fulfill legal conditions and have the license by MEF.

46.2. The Ministry of Economy and Finance gives the licenses to practice these Games of Chances to the economic entities when:

- a. They are registered to practice those Games of Chance:
- b. They are owners of the slot-machines:
- c. They have provided special locals for placing at least 20 slot-machines and which not located near religious, historical and educational institutions:
- d. They have approved the rules for the Games of Chance and
- e. They have verified that the slot-machines are constructed and suitable for providing 70% of the profits from the total payments, on which the bet on a continues game "higher or smaller" had not been included.

46.3. Besides the requests from the paragraph 2 of this Article, the one who makes the request is subject to the evaluation by the Ministry, related to the location of the business building where the slot-machines are placed, to the possession of the slot-machines and also to the legality and regularity of the business and to his conduct so far.

46.4. The decision which gives the license for the practice of the Games of Chance through the slot-machines for the Games of Chance in special clubs, also represents the consent of the Ministry for practicing this activity.

Article 47

47.1. During the slot-machine games the use of any supplementary means or any instrument that could help to win is not allowed, otherwise, the organizer is obliged to stop such a payment.

47.2 The license is given for a year with a specified number and type of the slot-machines and with the precise location. Before the expiring date, the economic entity should apply for the extension of the license.

47.3. Together with the request for the extension of the license, the economic entity should also present the business report of the previous year. If the results of the business are evaluated by the MEF as not satisfying the request may be refused.

Article 48

48.1. The machines and the tables for the Games of Chance should be technically in order, before being put into use.

48.2. The slot-machines for the games of Chance older more than 5 years from the day of their fabrication are not allowed to be used, this does not refer to the legal slot-machines so far been used.

48.3. The slot-machines for the Games of Chance put in use, should possess an electronic clock and a base for the automatic information (a total register) for registering and providing the data of the slot-machine's general work, including here the mechanical controlling equipment, which marks the machines circulation.

48.4. The conditions and types of the notes and records of the circulation, are defined by the MEF with a special directive.

Article 49

49.1. Before the slot-machine is put in use for the Games of Chance, a technical control is made and a certification is given for the regularities or irregularities of the machine. Before the control of the slot-machine that is being put into use for the first time, the legal entity that puts the machine into use should present a certificate and also a warrant from the machine's producer, to the person authorized for the technical control.

49.2. The technical control of the slot-machines of the Games of Chance can also be done by the legal entities that do not participate in such games or who do not lend slot-machines, based on the special authorization by the Ministry of Economy and Finance.

49.3. The certification for the regularity of the slot-machine for the Games of Chance is given once a year and it must be extended before the expiry date.

Article 50

50.1. The slot-machines and tables for the Games of Chance can be used if special indicators for the notes and the registration of the information for the sort of instrument, location, term and serial number and also for the organizer of the games are placed in visible places on them.

50.2. The organizer of the Games of Chance takes the sticking sheets for the data from the paragraph 1 of this Article, by special procedures, from the Tax Administration. For the produced sticking sheets and those available, the Tax Administration keeps special evidence.

Article 51

51.1. The organizer of the Games of Chance should inform the body authorized for giving the license on time and in a proper manner, before putting in use the slot-machines and tables or before transferring them and that seven days before undertaking such an act.

51.2. The slot-machine for the Games of Chance should be constructed and adjusted in such a way so that from the total number of the programmed combinations, pays at least 70% of the payment value of the players and that in the period of three months, where there is no risk for making a bet on realized profits in relation to the exit and entrance notes through the mechanical indicator.

5. Bet

Article 52

52.1. The bet on sports' results and uncertain events (to make a bet), is a special type of game.

52.2. Different bets can be organized by the Lottery of Kosovo and also by the economic entities who reside in Kosovo registered for the Games based on the bet.

52.3. The economic entities can organize different bets in special locals that are suitable for these games and based on the license by the MEF.

Article 53

53.1. The organizer of the Games of Chance should fulfill these conditions:

- a. Be a legal user of the local where the bet is organized;
- b. Posses at least two places where the payment can be made;
- c. The place for payment and the main computer data should be interconnected by telecommunication;
- d. The bet organizer should be the owner of the appropriate equipments for the normal practice of the bet and to have proof for the payment of the capital assets in a special account.

53.2. The license to practice the bet is given to the economic entity for one year and the license should be renewed before the expiring date.

53.3. The economic entity is obliged that together with the request for the prolongation of the license also present the report for its business for the previous year. When the results of the business valued by MEF, are not satisfactory, the request for the license can be refused.

53.4. The organizer of the bet is obliged to define respective rules for the conditions for practicing the Games of Chance-bet.

Article 54

54.1. The economic entity licensed to use bet, should possess capital-financial assets of a least 300.000 Euro.

54.2. With intention to insure the earnings in favour of the players and the fulfillment of the legal and contractor obligations, the organizer of the games based on bet, should pay at least 50% of the value of the capital-financial assets in a special account, during the time of practicing the bet.

Article 55

55.1. The telecommunication equipments can be:

- a. One line, respectively an open network or
- b. Semi One line, respectively half open.

55.2. The organizer of the Games of Chance of Bet, that possesses open network, is not obliged to have a controlling tape on places where the payment is done.

55.3. The organizer of the Games of bet that do not possess open network equipments, is obliged to have a controlling tape at the place where the payment is done.

V. COMPENSATION FOR PRACTISING GAMES OF CHANCE

Article 56

56.1. To get the license to practice the Games of Chance, license for the rules of the Games of Chance, for the prolongation of the license for practicing the Games of Chance and to open a new local, the payment of a special compensation should be done.

56.2. The compensations from the paragraph 1 of this Article should be paid to the Budget of Kosovo.

56.3. The compensations from the paragraph 1 of this Article will be paid for:

1. The license for practicing the activity:

- (1). In the slot-machines in special clubs,
 - a. for the license to open the club 25.000 Euro
 - b. for 20 slot-machines 5.000 Euro
 - c. for any other slot-machine 250 Euro
 - d. for the prolongation of the license 2.500 Euro

- (2). In Casino
 - a. for the license to open the Casino 1.000.000 Euro
 - b. for permitting the rules of the game 500 Euro
 - c. for permitting the rules to work in the Casino 500 Euro
 - d. for the extension of the license 50.000 Euro
- (3). For the club where the bet is practiced
 - a. for issuing the license 25.000 Euro
 - b. for permitting the rules of the game 500 Euro
 - c. for opening of any new local 5.000 Euro
 - d. for the extension of the license 2.500 euro
- (4). Lotto- Bingo in closed locals
 - a. for the license to practice this game 5.000 Euro
 - b. for permitting the rules of the game 250 Euro
 - c. for the extension of the license 2.000 Euro

56.4. Without the evidence for the payment of the special compensation from the paragraph 3 of this Article, the license can not be given and the work can not start either.

56.5. The compensations from the paragraph 1 of this Article have nothing to do with the Lottery of Kosovo.

Article 57

57.1. By the proposal of the Ministry of Economy and Finance the Government estimates and defines the level of the contributions which will be paid by the Kosovo's Lottery in the Kosovo Consolidated Budget on account for:

- a. War and work invalids' cases;
- b. Taking care of the martyrs', disabled and orphan children;
- c. Support of the human rights;
- d. Support of the culture development;
- e. Sport development;
- f. Support of health issues and of humanitarian issues needed in particular cases and conditions.

57.2. The payments and contributions from the paragraph one of this article are defined by the Kosovo's Lottery according to the administrative directive issued by MEF.

VI. SUPERVISION

Article 58

58.1. The supervision of the implementation of the provisions of this Law is done by the Ministry of Economy and Finance.

58.2. The Kosovo's Lottery and the economic entities that practice the Games of Chance in Casino are obliged to allow the daily supervision of all the financial and material procedure.

58.3. The body from the paragraph 1 of this Article has the right, that during the supervision done by itself or any authorized employee, make the control of all business locals and of all the procedures that have to do with the practicing of the Games of Chance, the equipments, parts of the supplementary equipments for the practice of the Games of Chance, of the equipments to supervise the practice of the Games of Chance, audio and visual equipments and the supplementary equipments, business books, reports, evidences and other documents, and also the control of the information that enable the certification of the state of facts.

VII. PENAL PROVISIONS

Article 59

59.1. The legal entities that organize the Games of Chance without the permission from the competent body, depending on the type of the game, will be fined with the amount of up to 35.000 to 70.000 euros.

59.2. The legal entities that practice the games of chance are penalized with the amount of 5.000 to 25.000 euros when:

- a. It practices the Games of Chance that contradicts the Law and Law provisions;
- b. It changes the rules of a particular turnovers or a classical series of the Games of Chance, after the sale of the turnover tickets for the Games of Chance, respectively of the mentioned series and when without a special license, postpones the day and changes the place where the earnings can be drawn;
- c. Draws the earnings when the MEF authorized person is not present or does not verify the number of the sold tickets before the drawing, and the unsold tickets remain unclosed or unstamped and are not invalidated in the presence of the commission ;
- d. It does not pay the winnings as determined by the rules of the game;
- e. Uses the spheres that do not have a special control by its producer;
- f. During the practice of the Games of Chance, uses more than 600 slot-machines in the system;
- g. Puts in circulation lotto cards which have not been transmitted in the Kosovo Lottery;
- h. continues to practice the Games of Chance, even though any of the conditions that are acquired to be fulfilled for the practice of the special games in Casino and also in the slot-machines clubs are not fulfilled and when
- i. In case of supervision, he hampers the authorized body to control the business documents, business locals, supplementary equipments, and instruments, or makes the control of the financial business- the total material impossible.

59.3. For any violation of the paragraph 1 of this Article, the responsible person of the legal entity will be charged (fined with money) in the sum of 250 Euros up to 2.500 Euros.

VIII. TRANSITORY AND FINAL PROVISIONS

Article 60

60.1. The right to practice the Games of Chance, respectively the license to practice the Games of Chance can not be passed to another legal entity.

60.2. The economic societies that have organized the Games of Chance according to the permission given till this Law comes into effect, can continue with their business on condition that they adjust their business and the business acts with the provisions of this Law, within 60 days from the Law being put into effect.

Article 61

The Ministry of Economy and Finance shall approve the Administrative Directive for the implementation of this Law, by the defined procedures for its implementation, within 60 days from the day when it is issued.

Article 62

When this Law comes in effect, all previous applicable provisions referring the Games of Chance in Kosovo cease to exist.

Article 63

The present law shall enter into force after adoption by the Assembly of Kosova on the date of its promulgation by the Special Representative of the Secretary-General .

Law No.2004/35
8 September 2004

President of the Assembly

Academic Nexhat Daci