

In compliance with Article 83 item 3 of the Constitution of the Republic of Serbia, I hereby adopt

DECREE
ON THE PROCLAMATION OF THE LAW ON PENSION
AND DISABILITY INSURANCE

The Law on Pension and Disability Insurance, adopted by the National Parliament of the Republic of Serbia at the second session of the first regular sitting of the Parliament of the Republic of Serbia in 2003, on April 1, 2003, is hereby proclaimed.

PR. Number 12

Belgrade, April 1, 2003

Acting President of the Republic

Natasa Micic

LAW
ON PENSION AND DISABILITY INSURANCE

I. GENERAL PROVISIONS

Article 1

Pension and disability insurance includes mandatory and voluntary pension and disability insurance.

Article 2

This Law shall regulate mandatory pension and disability insurance.

This Law shall also regulate mandatory and disability insurance for persons not covered by mandatory insurance, in compliance with this Law and having entered mandatory insurance scheme.

Article 3

Mandatory pension and disability insurance is the insurance whereby the rights, based on employment, in case of old age, disability, death, and bodily damage shall be ensured.

Article 4

Voluntary pension and disability insurance is the insurance whereby, based on contracts, the rights in case of old age, disability, death, and bodily damage, or wider coverage of those benefits

relative to the mandatory coverage provided for in this Law, as well as the other rights envisaged by this type of insurance may be ensured.

Article 5

Pension and disability insurance rights shall be acquired and exercised based on the length of investment span and the amount of resources invested for pension and disability insurance and according to the principles of mutual interest and solidarity.

Pension and disability insurance rights shall be acquired and exercised under the terms and conditions provided for in this Law.

Article 6

Pension and disability insurance rights are personal rights and cannot be transferred to other parties.

Pension and disability insurance rights shall not be limited, with the exception of the right to claim the accrued pension and disability insurance benefits.

Article 7

Specific categories of insured parties may, exceptionally, under the terms and conditions provided for in this Law, acquire and exercise a right to benefits under special conditions.

Categories of insured parties, as well as the specific criteria for exercising the rights and the forms of financing are stipulated by this Law.

Article 8

The funds for mandatory pension and disability insurance shall be provided from the contributions paid by insured parties and employers.

The funds for the additional obligations incurred due to specific categories of the insured acquiring and exercising rights under special conditions shall be provided from the budget.

Article 9

The funds for mandatory pension and disability insurance, i.e. pension and disability benefits, shall be provided, i. e. implemented by the Republic Pension and Disability Insurance Funds (hereinafter: the Fund).

II. MANDATORY PENSION AND DISABILITY INSURANCE

Article 10

Persons covered by mandatory pension and disability insurance (hereinafter: Insured Parties), in the context of this Law, shall be:

- 1) employees (hereinafter: Insured Party - Employee);
- 2) self-employed persons (hereinafter: Self-employed Insured Party);
- 3) farmers (hereinafter: Insured Party - Farmer).

Article 11

Insured Parties – Employees are:

1) persons in a relationship of employment, i.e. employed in enterprises, other legal entities, state institutions, local self-governance institutions or with natural persons (hereinafter: the Employer), with the exception of the persons specified under Article 12, items 1 and 2 of this Law;

2) civilians employed in the Army, military units and military institutions;

3) elected or appointed parties, in case they earn income, i.e. receive salary compensation, for performing their function;

4) persons in a relation of employment, in compliance with labor regulations, i.e. employed beyond the Employer's premises;

5) persons in a relation of employment, i.e. employees assigned to work abroad, i.e. employees in enterprises operating abroad, unless covered by mandatory insurance in compliance with the regulations of the relevant country or unless stipulated otherwise by an international agreement;

6) Yugoslav citizens, employed, in the territory of the Republic of Serbia, with foreign and international organizations and institutions, foreign diplomatic and consular missions, or with foreign legal entities and natural persons, unless international agreements specify otherwise;

7) Yugoslav citizens employed abroad, unless covered during their employment abroad by mandatory insurance provided by a foreign insurance provider, or in case that in compliance with the regulations of the relevant country, the pension and disability insurance rights cannot be acquired and exercised outside the territory of the country;

8) foreign nationals and persons without citizenship, employed, in the territory of the Republic of Serbia, with foreign legal entities and natural persons, unless international agreements specify otherwise, as well as with foreign and international organizations and institutions, foreign diplomatic and consular missions, provided international agreements provide for such insurance.

9) persons performing temporary and periodical activities, activities based on contracts of engagement, activities based on royalties contract and activities based on contracts of similar nature, in compliance with the law;

10) persons performing temporary and periodical activities, in compliance with the law, through youth labor organizations, having completed 26 years of age, i.e. irrespective of their age, in case such persons are not full-time students;

11) persons having been made redundant in the course of bankruptcy, liquidation, i.e. as a result of the closure of the employer's operations, during a period of receiving cash benefits in compliance with labor and employment regulations.

Article 12

Self-employed Insured Parties are:

1) persons who, in compliance with the law, independently perform commercial and other activities, unless covered by mandatory insurance on the basis of their employment in other enterprise, other legal entity, state institution, or local self-governance institution;

2) persons who are the founders, i.e. members of commercial entities, in compliance with the law, and are performing activities in their commercial entities, notwithstanding whether such persons are employed in the commercial entity whose founder, i.e. member they are;

3) persons who perform activities under contract of engagement, i.e. proprietary contracts, as well as the activities under other contracts, based on which they receive remuneration (hereinafter: the agreed remuneration), unless covered by mandatory insurance on the basis of employment;

4) priests and clergymen and professional athletes, unless covered by mandatory insurance on the basis of employment;

5) persons who have ceased to perform independent activities, during a period of receiving cash benefits in compliance with labor and employment regulations.

For the purpose of items 1) and 2) above, the term "activities" refers to the founders, i.e. members of commercial entities as representatives and agents of such commercial entities, having registered with the relevant court, and performing managerial functions and activities, in compliance with the regulations regulating the status of commercial companies.

Article 13

Insured Parties – Farmers are persons occupied with agriculture (farmers, farmers' household members, and mixed household members), unless they are: Parties – Employees, Self-employed Insured Parties, pension beneficiaries and full-time students.

A farmer's household, in the context of paragraph 1 above, is a union of living, earning and spending income generated by the household members, irrespective of their relations.

The incumbent of a farmer's household, i.e. at least one member of a farmer's household, in the context of this Law, is covered by mandatory insurance, while other household members may be insured under the terms and conditions provided for in this Law.

Article 14

The status of an Insured Party shall be obtained on the first day of employment and it expires on the day of the termination of employment, performing independent or agricultural activity, i.e. performing activities under contracts.

The status of an Insured Party shall be determined on the basis of the insurance application, i.e. notice of the termination of insurance, in compliance with this Law.

The status of an Insured Party cannot be obtained prior to completing 15 years of age.

Exceptionally to paragraph 1 above, for justified reasons (nature disasters, illness and maternity leave), in the course of the insurance span, the status of an Insured Party – Farmer may be suspended for a period not to exceed 5 years, but not for 5 consecutive years.

III. VOLUNTARY PENSION AND DISABILITY INSURANCE

Article 15

Persons not covered by mandatory insurance, in the context of this Law, may participate in insurance on a voluntary basis and ensure the rights under this type of insurance under the terms and conditions and at levels provided for in this Law.

The status of Insured Party under paragraph 1 above shall be obtained on the date of submitting the application.

Article 16

By joining voluntary pension and disability insurance, Insured Parties may, under a separate law, ensure for themselves and their core family members wider coverage or other types of insurance those benefits relative to the mandatory insurance provided for in this Law.

Persons not covered by mandatory insurance, in the context of this Law, may by joining voluntary pension and disability insurance, under a separate law, ensure for themselves and their core family members pension and disability insurance rights.

Voluntary pension and disability insurance may also be organized and administered by legal entities, under a separate law.

For the purpose of this Article, the term “separate law” means a law regulating voluntary pension and disability insurance, as well as the organization and operating of investment funds, administering voluntary pension and disability insurance.

IV. PERSONS ENTITLED TO RECEIVE BENEFITS IN CASE OF DISABILITY OR BODILY DAMAGE CAUSED BY WORKPLACE INJURY OR OCCUPATIONAL DISEASE

Article 17

Benefits based on disability and bodily damage caused by a workplace injury or an occupational disease shall be provided for:

- 1) persons performing temporary and periodical activities, in compliance with the law, through youth labor organizations, prior to having completed 26 years of age provided they are full-time students;
- 2) persons assigned by the relevant employment authority to attend vocational training courses, additional training and retraining;
- 3) pupils and students during the period of compulsory productive work training, vocational practice, and practical training, in compliance with the law;
- 4) persons serving prison sentence, during the period of their working in the economy units of the penitentiary and correctional institutions (workshops, work sites, etc) and other work locations;
- 5) persons who, in compliance with the law, perform specific activities on the basis of voluntary work contracts.

V. PENSION AND DISABILITY INSURANCE RIGHTS

Article 18

Pension and disability insurance rights shall entail:

- 1) in case of old age – a right to receive old age pension;

- 2) in case of disability - a right to receive disability pension;
- 3) in case of death:
 - (1) a right to receive family pension;
 - (2) a right to receive the reimbursement of funeral expenses;
- 4) in case of bodily damage caused by a workplace injury or an occupational disease - a right to receive cash compensation for bodily damage;

VI. TERMS AND CONDITIONS FOR ELIGIBILITY TO RECEIVE PENSION AND DISABILITY INSURANCE RIGHTS

1. Old Age Pension

Article 19

Insured Parties shall acquire a right to receive old age pension:

- 1) upon completing 63 (men), i.e. 58 (women) years of age and minimum 20 years of pension span;
- 2) upon completing 65 (men), i.e. 60 (women) years of age and minimum 15 years of insurance span;
- 3) upon completing 40 (men), i.e. 35 (women) years of insurance span and minimum 53 years of age.

Article 20

For Insured Parties credited with extended duration of insurance span, the statutory retirement age for eligibility to receive old age pension, specified under Article 19, paragraph 1, items 1) and 2) of this Law, shall be reduced, depending on the degree of insurance span extension by one year, namely:

- 1) for every six years spent on a post, i.e. of service, 12 actual months of service is credited as 14 months of insurance span;
- 2) for every five years spent on a post, i.e. of service, 12 actual months of service is credited as 15 months of insurance span;
- 3) for every four years spent on a post, i.e. of service, 12 actual months of service is credited as 16 months of insurance span;
- 4) for every three years spent on a post, i.e. of service, 12 actual months of service is credited as 18 months insurance span.

The statutory retirement age under paragraph 1 above shall not be reduced to less than 53 years of age.

2. Disability Pension

Article 21

Disability is present in case an Insured Party suffers a total loss of working ability due to changes in his/her health condition caused by a workplace injury, occupational disease, non-work related injury or disease, which do not respond to treatment and medical rehabilitation.

Article 22

A workplace injury, in the context of this Law, is an injury inflicted on an Insured Party, relating in space, time and causality to performing his/her work, based on which he/she is insured, caused by an immediate and momentary mechanical, physical or chemical impact/exposure, a sudden change in body position, a sudden and unexpected exertion of the body, or other changes in the physiological condition of the body.

A workplace injury is an injury caused as described under paragraph 1 above, inflicted on an Insured Party – Employee in performing activities beyond his/her job description, and in the interest of the Employer with whom the Insured Party is employed.

A workplace injury is an injury caused as described under paragraph 1 above, inflicted on an Insured Party in the course of commuting, business trips, or travels undertaken for purposes of starting employment, and as well as in other circumstances provided for in this Law.

A workplace injury is a disease suffered by an Insured Party, onset as an immediate and exclusive consequence of an accident or a higher force in the course of performing his/her work, based on which he/she is insured, or is work related.

A workplace injury is an injury caused as described in paragraphs 1 to 4 above, inflicted on an Insured Party in the course of his/her exercising health protection rights on the basis of a workplace injury and occupational disease.

Article 23

A workplace injury is an injury caused as provided for under Article 22 of this Law, inflicted on Insured Parties in the course of taking part in:

- 1) rescue missions and natural disaster and crises response teams;

- 2) military maneuvers or other duty relating to national defense as stipulated by law;
- 3) work camps and competitions (industrial, sport, etc.);
- 4) other activities and tasks of common interest, as stipulated by law.

Article 24

Occupational diseases, in the context of this Law, are specific diseases incurred in the course of insurance, and caused by long-term immediate effects of the processes and the working conditions at specific working posts, i.e. activities performed by the Insured Party.

Occupational diseases, working posts, i.e. activities in which the incidence of specific diseases is identified, and the terms and conditions under which they are considered occupational diseases, in the context of paragraph 1 above, shall be determined by the minister authorized for the pension and disability insurance, at the motion of the Fund.

Article 25

An Insured Party who suffers a total loss of working ability is eligible to receive disability pension:

- 1) if the disability results from a workplace injury or by an occupational disease – notwithstanding the length of pension span;
- 2) if the disability results from a non-work related injury or a disease – provided the loss of working ability has occurred prior to completing the statutory retirement age for old age pension under Article 19 item 1) of this Law, and with minimum 5 years insurance span completed;
- 3) if the disability results from a non-work related injury or a disease – provided the loss of working ability has occurred prior to completing the statutory retirement age for old age pension under Article 19 item 2) of this Law, with minimum 5 years insurance span completed, in case the Insured Party is not eligible to receive old age pension in compliance with Article 19 item 1) of this Law.

Article 26

An Insured Party whose disability results from a non-work related disease or injury occurring prior to completing 30 years of age is eligible to receive disability pension:

- 1) in case the disability has occurred prior to completing 20 years of age – provided one year insurance span is completed;
- 2) in case the disability has occurred prior to completing 25 years of age – provided minimum two years insurance span is completed;

3) in case the disability has occurred prior to completing 30 years of age – provided minimum three years insurance span is completed.

3. Family Pension

Article 27

A right to receive family pension may be acquired by family members:

- 1) of a deceased Insured Party having completed minimum five years insurance span or minimum ten years pension span or having fulfilled the conditions for old age or for disability pension; or
- 2) of a deceased old age or disability pension beneficiary.

In case the death of the person under Article 17 of this Law occurred as a result of a workplace injury or an occupational disease, the members of his family shall acquire a right to receive family pension, irrespective of the length of pension span completed by such person.

Article 28

The family members of a deceased Insured Party, i.e. beneficiary, under Article 28 of this Law are:

- 1) the spouse;
- 2) the children (born in or outside a matrimony or adopted; stepchildren dependent upon the Insured Party, i.e. beneficiary, grandchildren, brothers and sisters and other children without parental care, i.e. children with a single parent or both parents totally disabled and dependent upon the Insured Party, i.e. beneficiary);
- 3) the parents (father and mother, stepfather and stepmother, and adopted parents) dependent upon the Insured Party, i.e. beneficiary.

The right to receive family pension may be enjoyed also by a divorcee, in case he/she has been granted a right to receive alimony by way of a court ruling.

Article 29

A widow shall acquire a right to receive family pension:

- 1) in case she has completed 48 years of age prior to the date of death of her spouse; or
- 2) in case of having suffered from a total loss of working ability, prior to the date of death of her spouse, or within one year from the date of the death of her spouse; or

3) in case after his death, her spouse has left a child or children claiming a right to receive family pension on the basis of his pension insurance, and the widow has a parental duty toward the children. A widow who is rendered totally disabled, in the course of the duration of the right on that basis, shall retain the right to family pension for the duration of her disability.

A widow who, prior to the death of her spouse, has not completed 48 years of age, but has completed 43 years of age, shall acquire a right to family pension upon completing 48 years of age.

A widow who completes 48 years of age, in the course of the duration of the right to receive family pension acquired in compliance with paragraph 1, items 2) and 3) above, shall retain the right to receive family pension permanently. A widow whose right to receive family pension expires prior to completing 43 years of age, may reacquire the right upon completing 48 years of age.

Article 30

A widower shall acquire a right to receive family pension:

- 1) in case he has completed 53 years of age prior to the death of his spouse; or
- 2) in case of having suffered from a total loss of working ability, prior to the death of his spouse, or within one year from the date of the death of his spouse; or
- 3) in case after her death, his spouse has left a child or children claiming a right to family pension on the basis of her pension insurance, and the widower has a parental duty toward the children. A widower who is rendered totally disabled in the course of the duration of the right on that basis, shall retain the right to receive family pension for the duration of his disability.

A widower who completes 53 years of age, in the course of the duration of the right to family pension acquired in compliance with paragraph 1, items 2) and 3) above, shall retain the right to receive family pension permanently.

Article 31

A child shall acquire a right to receive family pension and shall enjoy it until completing 15 years of age.

Upon having completed 15 years of age, a child shall acquire a right to receive family pension and shall enjoy it until the end of his/her full-time or part-time education, and no later than upon having completed:

- 1) 20 years of age, if attending secondary school;
- 2) 23 years of age, if attending higher education;
- 3) 26 years of age, if attending university;

A child shall acquire a right to family receive pension and shall enjoy it for the duration of his/her incapability for independent life and productive work, which has occurred after reaching the age until which children are eligible to family pension.

A child shall acquire a right to family receive pension and shall enjoy it for the duration of his/her incapability for independent life and productive work, which has occurred after reaching the age until which children are eligible to family pension, and prior to the death of the Insured Party, i.e. the beneficiary, providing he/she was dependent upon the Insured Party, i.e. the beneficiary, prior to his/her death.

A child whose education is discontinued due to illness, is eligible to receive family pension during the period of illness, until reaching the age under paragraph 2, items 1) to 3), as well as over that age, which shall not exceed the period of absence from regular education due to illness.

A child whose education is discontinued due to being called to military service, in compliance with the regulations on military service, is eligible to receive family pension for the duration of military service, and no longer than up to the age of 27.

A disabled child, in compliance with the regulations on classifying children arrested in development, and a child under paragraph 4 above, shall acquire a right to receive family pension even after the termination of employment, i.e. performing an independent business activity.

Article 32

With respect to dependence, as a condition for eligibility to receive family pension, a family member shall be considered a dependent of a deceased Insured Party, i.e. pension beneficiary, in case the overall income of the family member does not exceed the amount of average pension under Article 76 of this Law, for the previous quarter.

The income under paragraph 1 above does not include: child allowance, maternity benefits, cash benefits for special care and assistance, cash benefits for bodily damage, income from awards, retirement severance pay, as well as income based on students' standard allowance.

Article 33

A parent (father and mother, stepfather and stepmother and adopted parent), who was a dependant, in compliance with the law, of the Insured Party, i.e. pension beneficiary, prior to the death of the Insured Party, i.e. pension beneficiary, shall acquire a right to receive family pension if, prior to the date of death of the Insured Party, i.e. beneficiary, he/she has:

- 1) completed 63 (men), i.e. 58 (women) years of age; or

2) been pronounced totally disable.

Article 34

The core family members of a deceased Insured Party, i.e. pension beneficiary, in the context of this Law, are the spouse and the children (born in or outside the matrimony or adopted, stepchildren and grandchildren).

The non-core family members of a deceased Insured Party, i.e. pension beneficiary, in the context of this Law, are the parents (mother and father, stepmother and stepfather and adopted parents), brothers, sisters and other children without parental care, i.e. children with a single parent or both parents declared totally disable, dependent upon the Insured Party, i.e. pension beneficiary.

Article 35

The non-core family members shall acquire a right to receive family pension in the absence of core family members, and in the presence of core family member – only if the amount of pension due to the core family members is lower than the basis for calculating family pension.

Article 36

A person who has caused the death of an Insured Party or beneficiary by committing a felony cannot acquire a right to receive family pension as the beneficiaries of that Insured Party, i.e. beneficiary.

4. Cash Compensation for Bodily Damage Resulting from Workplace Injury, i. e. Occupational Disease

Article 37

Bodily damage is present in case an Insured Party suffers a loss, severe damage or disability of specific organs or body parts, thus inhibiting the normal bodily functions and demanding greater efforts in satisfying life necessities, irrespective of whether or not it results in disability.

Insured Parties and persons under Article 17 of this Law shall acquire a right to receive cash compensation, provided he/she suffers a minimum 30% bodily damage caused by a workplace injury or an occupational disease.

Article 38

Bodily damage under Article 37 of this Law, as well as the assessment of the damage, shall be determined by the minister authorized for pension and disability insurance and the minister in charge of health sector, at the motion of the Fund.

Article 39

Depending on severity, bodily damage is classified in eight categories, as follows:

Category	Percentage of Bodily Damage
1	100%
2	90%
3	80%
4	70%
5	60%
6	50%
7	40%
8	30%

Article 40

In case the health condition of an Insured Party having suffered a bodily damage in the past as a result of a workplace injury or an occupational disease of under 30% aggravates, or in case of a new incidence of bodily damage resulting from a workplace injury or an occupational disease, resulting in the percentage of total bodily damage reaching 30% or more, the Insured Party shall acquire a right to receive cash compensation for bodily damage in a percentage corresponding with a newly established category of bodily damage, based on the percentage of the newly established total bodily damage.

5. Right to Receive Reimbursement of Funeral Expenses

Article 41

In case of death of a pension beneficiary, a person covering the cost of the funeral is entitled to receive the reimbursement of the funeral expenses.

6. Specific Categories of Insured Parties

Article 42

Insured Parties – Employees, who are employed on the activities for which the insurance span is credited with extended duration, and may acquire a right to receive pension under special conditions, are:

- 1) authorized officials, in the context of the regulation on internal affairs and the employees of the Security Information Agency;
- 2) employees of the Ministry of Foreign Affairs, employed on the activities in which the insurance span is credited with extended duration;
- 3) employees in the bodies and organizations performing the activities of counter intelligence and radio service and cryptography;
- 4) authorized officials, in the context of the regulation on enforcement of penal sanctions;
- 5) authorized officials in the Tax Police, in the context of the regulation on tax administration.

Article 43

The Insured Party under Article 42 of this Law, whose employment and the basis for the right to receive pension is terminated prior to satisfying the conditions under Article 19 of this Law, shall acquire a right to receive old age pension in case he/she has completed minimum 53 years of age and 20 years insurance span, of which minimum 10 years of effective service on the working posts for which the insurance span is credited with extended duration.

A right to receive old age pension under the terms and conditions under paragraph 1 above cannot be obtained by an Insured Party who, at the time of his/her exercising the right, is not an authorized official. i.e. employee in compliance with Article 42 of this Law.

VII. PENSION SPAN

Article 44

The pension span, based on which pension and disability insurance rights are acquired and exercised, shall include:

- 1) a period of time credited towards insurance span and special insurance span, in compliance with this Law;

2) a period of time credited, as insurance span and special insurance span, towards pension span in compliance with the regulations effective prior to the date of this Law coming into effect.

Article 45

In the context of Article 44 of this Law, the period during which Insured Parties have been covered by military insurance shall be credited towards insurance span.

Article 46

In the context of Article 44 of this Law, the length of service of an Insured Party, i.e. based on which he/she has been covered by mandatory insurance and during which period the contributions for pension and disability insurance have been paid, shall be credited towards insurance span.

1. Insurance Span Credited for Actual Duration

Article 47

In the context of Article 44 item 1) of this Law, the actual length of service, i.e. contribution span shall be credited towards insurance span.

Article 48

A period of time during which an Insured Party receives cash benefit based on his/her contributions, in compliance with labor and employment regulations, shall be credited towards insurance span.

Article 49

A period of time during which an Insured Party, in compliance with labor and employment regulations, performed temporary and periodical activities, as well as the period of time during which the Insured Party under Article 11 item 10) performed temporary and periodical activities through youth labor organizations and for which the contributions have been paid, shall be credited towards insurance span.

A period of time during which a person under Article 15 of this Law has been paying contributions shall be credited towards insurance span.

Article 50

A period of time during which a person under Article 13 paragraph 1 item 3) of this Law received the agreed remuneration, for which the contributions have been paid shall be credited towards insurance span.

The insurance span under paragraph 1 above is determined by dividing the amount of the agreed remuneration, increased by the amount of taxes calculated in compliance with the personal income tax regulations, by the minimum monthly contribution base under Article 182 paragraph 2, effective at the time of contributions payment.

The insurance span credited in compliance with paragraphs 1 and 2 above shall not exceed 12 months during one calendar year.

Article 51

With respect to Self-employed Insured Parties, a period of time during which they have temporarily suspended their business activities, in compliance with the law, provided that during that period the contributions for pension and disability insurance have been paid, shall be credited towards insurance span.

2. Insurance Span Credited with Extended Duration

Article 52

With respect to Insured Parties employed in working posts, i.e. performing activities under exceptionally difficult and dangerous working conditions, posing a health hazard, and with respect to Insured Parties employed in working posts in which upon reaching a certain age they become incapable to perform their professional activities, the insurance span shall be credited with extended duration, under the terms and conditions provided for in this Law.

The degree of insurance span extension depends on the degree of difficulty, risk and health hazard, i.e. the nature of work, and shall not exceed 50%.

Article 53

A working post, i.e. activity is considered a post in which insurance span is credited with extended duration if the working conditions, risk and health hazard are exceptionally difficult, even with all reasonable general and special protective measures undertaken, as specified by law.

A working post, i.e. activity in which insurance span is credited with extended duration shall also be the working place, i.e. activity in which the ability to perform the professional activity due is

limited by reaching a certain age or due to the decline of physiological functions resulting from the nature and complexity of work to the extent preventing further successful performance of the activity.

Article 54

With respect to an Insured Party under Article 52 paragraph 1 of this Law, insurance span shall be credited with extended duration provided he/she has completed the total of minimum 10 years of effective service in the working posts, i.e. activities under Article 53 of this Law, i.e. minimum five years of effective service, in case of disability determined based on the employment in these working posts, i.e. activities performed.

Insurance span shall be extended for the actual period of service only.

In deciding on the eligibility for exercising pension and disability rights, cumulative insurance span credited with extended duration, completed in the working posts, i.e. activities under Article 53 of this Law shall be taken into account.

Article 55

The working posts, i.e. activities in which insurance span is credited with extended duration, the procedures and methods for the assessment, as well as the degree of insurance span extension shall be determined by the minister in charge of pension and disability insurance, at the motion of the Fund.

For authorized officials, in the context of the regulations on internal affairs, employed in the Security Information Agency or in the bodies in charge of foreign affairs and performing specific activities under special conditions abroad, or employed in the bodies and organizations performing the activities of counter intelligence, radio services and cryptography, and the execution of penal sanctions, and for authorized Tax Police officials in the context of the tax administration regulations, every 12 months of actual service shall be credited as 16 months of insurance span, under the terms and conditions provided for in Article 54 of this Law.

The working posts, i.e. activities and the insurance span extension degrees under paragraphs 1 and 2 above shall be subject to re-evaluation within a period of maximum 10 years upon the date of having been determined.

Article 56

The working posts, i.e. activities of the authorized officials under Article 55 paragraph 2 of this Law, as well as the degree of insurance span extension shall be determined by the competent minister,

in compliance with the law, i.e. by the Head of the Security Information Agency, in consultations with the minister in charge of pension and disability insurance, at the motion of the Fund.

The act under paragraph 1 above shall be subject to the approval of the Government of the Republic of Serbia.

Article 57

The revision of the working posts, i.e. activities for which insurance span is credited with extended duration and insurance span extension degrees, in the context of this Law, is a reassessment of the fulfillment of the conditions under Article 53 of this Law, on the basis of which it shall be determined in which working posts, i.e. activities the calculation of insurance span with extended duration shall be terminated, i.e. a degree of insurance span extension changed, or the calculation of insurance span with extended duration introduced.

The revision of the working posts, i.e. activities under paragraph 1 above shall be conducted by applying the methods and procedures prescribed for their determining.

Article 58

Insurance span shall also be credited with extended duration for Insured Parties who spent their service, as a basis for their having been covered by mandatory insurance, in the context of Article 49, working as: Insured Parties with minimum 70% of bodily damage, category 1 to 6 military invalids, category 1 to 6 civilian invalids of war, legally blind, sufferers of dystrophy or related muscular and neurological diseases, paraplegia, cerebral and infantile paralyses and multiplex sclerosis.

With respect to Insured Parties under paragraph 1 above, every 12 effective months of service, as a basis for mandatory insurance, shall be credited, under the terms and conditions provided for in Article 54 of this Law, as 15 months of insurance span.

Article 59

A period of time spent as an Insured Party covered by military insurance or as a civilian under Article 11, item 2 of this Law, shall be credited towards the insurance span with extended duration, with the exception of the period spent by the above said civilians in the troops, and, namely, under the conditions and in the scope provided for in the regulations on military pension and disability insurances.

3. Special Insurance Span

Article 60

Insured Parties – women having given birth to a third child, on that basis, a special insurance span shall be credited in the duration of two years.

VIII. DETERMINING LEVELS OF PENSION AND DISABILITY INSURANCE BENEFITS

1. Old Age and Disability Pension

Article 61

The levels of old age and disability pension shall be determined by multiplying personal points by general points effective on the date of the receipt of the benefit.

Article 62

The personal points of Insured Parties shall be calculated by multiplying the personal coefficient the Insured Party by his/her pension span.

Article 63

Personal annual coefficient shall represent a ratio of total income of an Insured Party, i.e. the insurance base, starting from January 1, 1970, for each calendar year, and the average annual wage in the Republic, for that calendar year. In case the data on the gross salaries has been input into the Central Registry on the gross basis, such data shall be brought in relation to the average gross wage in the Republic.

Personal annual coefficient shall represent the ratio of the total income, the base for insurance (personable earnings), and the level of the agreed remuneration for the Insures Party, for each calendar year, and the average annual wage in the Republic for that calendar year.

Personal annual coefficient, in the context of paragraphs 1 and 2 above, shall be one in case the salary, i.e. insurance base is equal to the average worker's wage in the Republic for that calendar year.

In calculating personal annual coefficients, the salaries, salary compensations, i.e. bases for insurance, and the agreed remuneration used for calculation and payment of pension and disability

insurance contributions, for which contributions were paid and which are recorded in the Central Registry, shall be taken into account, with the exception of the year for which the right is exercised.

The data on the average annual net wage in the Republic i.e. average annual gross wage in the Republic, specified under paragraphs 1 to 5 above, shall be published by the relevant statistics authority.

Article 64

With respect to Insured Parties receiving compensations in compliance with the regulations on health insurance, and during maternity leave, the compensation shall be taken into account in calculating the personal annual coefficient, for the period of their receiving the compensation.

With respect to Insured Parties who have received salary compensations in compliance with the regulations on health insurance, and during maternity leave, in compliance with the regulations on maternity leave, in the period from January 1, 1970 to December 31, 2002, for the period of their receiving the compensation, the compensation shall be calculated on the basis of the personal coefficient per hour, for the actual period of receiving salary, i.e. base for insurance and shall be multiplied by the number of hours of sick leave.

With respect to Insured Parties who have received salary compensations during maternity leave in compliance with the regulations on maternity leave, and salary compensation during sick leave on account of work place injury, if more favorable for the Insured Party, in the period from January 1, 1970 to December 31, 2002, for the period of their receiving the compensation, the personal annual coefficient shall be calculated as a ratio between the actual salary received for the hours spent in service, in the year of receiving the compensation, and the average workers' wage in the Republic for that given year, corresponding to the period of receiving salary.

The parts of the personal annual coefficient specified above, together with the part of the annual personal coefficient under Article 63 of this Law, comprise the total personal coefficient for a calendar year.

Article 65

With respect to the Insured Parties who have been receiving salary compensations since January 1, 1970, in compliance with the regulations on pension and disability insurance, in calculating their personal annual coefficients, the base for calculating the above said compensation shall be taken into account, and in case the compensation is awarded based on the withheld income in the other suitable working post, the compensation received shall also be taken into account in calculating the personal annual coefficient.

Article 66

With respect to the Insured Parties whose personal annual coefficient cannot be determined for any given calendar year, or in case there is no data on the salary recorded, i.e. insurance base, as well as with respect to the Insured Parties who have not completed a single year of insurance, based on which their personal annual coefficients could be determined, personal annual coefficients shall be determined so that the personal annual coefficient for each year of pension span equals one.

Article 67

Personal annual coefficient shall be calculated by dividing the sum of personal annual coefficients under Articles 63 to 66 of this Law by the period (years, months, and days) for which the coefficients have been calculated, so that every year counts as 1, every month counts as 0.0833 and every day as 0.00274.

A month, in the context of paragraph 1 above, is a calendar month, i.e. 30 days.

Article 68

Pension span specified in Article 62 of this Law shall not exceed 45 years.

Pension span of up to 40 years, expressed in years, months and days shall be calculated as specified in Article 67 of this Law.

Pension span of over 40 years shall be calculated as follows: a year shall count as 0.5, a month as 0.0417, and a day as 0.00139.

Article 69

For determining the level of old age pension for the Insured Parties – women, the insurance span completed shall be increased for 15%.

For determining the level of disability pension, in the case of disability caused by work-related injury or occupational disease, in calculating the value of personal points, a period of 40 years shall be taken into account.

For determining the level of disability pension, in the case of disability caused by non work-related injury or disease, in calculating the value of personal points, the years of pension span shall be added, relative to the date of determining disability, as follows:

1) for the Insured Party under 53 years of age, $\frac{2}{3}$ of the pension span missing until he reaches the age of 53, $\frac{1}{3}$ of the insurance span missing until the Insured Party aged 53 reaches the age of 58 for women, i.e. 63 for men, shall be added;

2) for the Insured Party over 53 years of age, 1/3 of the insurance span missing until the Insured Party reaches the age of 58 for women, i.e. 63 for men, shall be added.

For determining the level of disability pension for the Insured Parties – women, the insurance span completed and the pension span under paragraph 3 above, shall be increased for 15%.

For the Insured Party fulfilling the criteria for obtaining a right to receive disability pension with respect to pension span, whose disability is partly caused by work-related injury or occupational disease, and partly by non work-related injury or disease, a single disability pension shall be awarded, comprised of proportionate portions determined on the basis of the work-related injury or occupational disease, i.e. non work-related injury or disease, depending on their effect on the overall disability, provided that such pension shall not exceed the pension determined based on 40 years pension span.

For the Insured Party whose disability is partly caused by work-related injury or occupational disease, and partly by non work-related injury or disease and who is eligible to receive disability pension only on the basis of the work-related injury or occupational disease, disability pension shall be awarded in the percentage corresponding the effect of the work-related injury or occupational disease on the overall disability.

Article 70

The value of the general point shall be the nominal amount presenting the quotient of the calculated sum of pensions and the sum of personal points of all old age and disability pension beneficiaries who have obtained their rights in the period from January 1 to June 30, 2002.

The sum of pensions under paragraph 1 above shall be calculated based on the average levels of pensions in the last quarter of 2002.

The sum of personal points of the beneficiaries under paragraph 1 above shall be calculated in compliance with the provisions of this Law.

The value of the general point under paragraph 1 above shall be indexed in compliance with the provisions referring to the indexation of pension.

The indexed value of the general point shall be published by the Fund.

2. Family Pension

Article 71

Family pension shall be determined on the basis of the level of old age or disability pension to which the Insured Party is entitled at the time of death, i.e. pension received by the pension beneficiary

at the time of death, in the percentage determined according to the number of family members entitled to receive that family pension, namely:

1) in case a pension is shared only between the core family members or only between the non-core family members of the deceased Insured Party , i.e. pension beneficiary, it is determined in the following percentages:

- 70% for one member;
- 80% for two members;
- 90% for three members;
- 100% for four or more members;

2) in case a pension is shared by both the core family members and the non-core family members of the deceased Insured Party, i.e. pension beneficiary, with respect to the core family members, the level of pension shall be determined in compliance with item 1 above, and the remaining portion of the old age or disability pension under paragraph 1 above shall be divided between the non-core family members.

In case the right to family pension is inherited by a spouse and a divorced spouse of a deceased Insured Party, i.e. pension beneficiary, one family pension shall be determined at the level prescribed for one family member and shall be divided equally.

Article 72

The minimum base for determining family pension shall be the old age pension determined for 20 years pension span.

The overall amount of family pension shall not exceed the maximum amount of old age, i.e. disability pension.

Article 73

Parentless children are eligible to receive, in addition to the family pension based on the insurance of one parent, the family pension based on the insurance of the other parent as well.

The pensions specified in paragraph 1 above shall be determined as one pension, and the overall amount of such pension shall not exceed the maximum pension, as provided for in this Law.

3. Cash Compensation in Case of Bodily Damage

Article 74

The level of the cash compensation for bodily damage shall be determined in accordance with the base for the current beneficiaries exercising the right to receive bodily damage compensation in the Republic Employees Pension and Disability Insurance Fund, in the percentage of the bodily damage specified under Article 39 of this Law.

The cash compensation for bodily damage shall be paid monthly.

4. Reimbursement of Funeral Expenses

Article 75

The reimbursement of funeral expenses shall be determined at the level of one and a half average pensions in the Fund for the previous quarter, relative to the date of death of the beneficiary.

5. Minimum and Maximum Pension

Article 76

A right to receive minimum pension shall be awarded to the Insured Parties who have acquired a right to old age, i.e. disability pension, in case such a pension does not exceed the amount specified by the provisions of this Article.

The minimum old age pension, i. e. disability pension, shall be determined in the amount of the indexed minimum pension of the current beneficiaries in the Republic Employees Pension and Disability Insurance Fund,.

Article 77

Insured Parties who acquire a right to a foreign part of a pension, in compliance with international agreements, shall be eligible to receive the minimum level of pension in case the amount of his/her pension, determined in compliance with this Law, and the foreign pension calculated applying the exchange rate effective on the date of adopting a decision on the eligibility, does not exceed the minimum level of pension determined in compliance with Article 76 of this Law.

Article 78

The maximum amount of pension is determined so that the average personal coefficient shall not exceed four.

6. Old Age and Disability Pension for Specific Categories of Insured Parties

Article 79

With respect to the Insured Parties under Article 42 of this Law, old age, i.e. disability pension shall be determined in compliance with the provision of Article 61 of this Law, and personal points shall be determined as stipulated under Articles 62 to 70 of this Law.

The amount of pension determined in accordance with paragraph 1 above, increased by 20, shall represent the total amount of pension for the Insured Parties specified in Article 42 of this Law.

IX. INDEXATION OF PENSIONS AND CASH BENEFITS FOR BODILY DAMAGE

Article 80

Pensions shall be indexed from January 1, April 1, July 1, and October 1 of the current year, on the basis of the statistical data, with the movements of the cost of living and the average workers' wage in the territory of the Republic, for the three previous months, and in the percentage presenting a half of the sum of the percentage of the increase, i.e. decline of the cost of living and the percentage of the increase, i.e. decline of wages.

The disbursement of the indexed pensions shall begin on the first day of the months of performing the indexation.

The indexation of pensions, in the context of paragraph 1 above, shall be performed on the basis of the data supplied by the body authorized for the statistics for the previous quarter, cumulatively.

Article 81

Cash compensation in case of bodily damage shall be indexed in compliance with the provisions stipulating the indexation of pensions (Article 80).

X. EXERCISING AND USING PENSION AND DISABILITY INSURANCE RIGHTS

1. Exercising Pension and Disability Insurance Rights

Article 82

Insured Parties shall exercise their pension and disability insurance rights with the Fund they were last registered with.

The Fund with which an Insured Party was last registered shall be authorized even in case the pension and disability rights are exercised in compliance with international agreements.

As an exception from the provisions under paragraphs 1 and 2 above, Insured Parties, i.e. pension beneficiary, as well as their family members, may, at their own request, exercise a right to benefit with the Fund with which the greatest part of their insurance span has been completed, i.e. determined.

The choice of the Fund under paragraph 3 above is irreversible.

Claims on pension benefit shall be filed to the Fund with which Insured Parties were last registered.

Article 83

Rights in case of disability and death resulting from a workplace injury shall be exercised with the Fund with which the Insured Party was registered at the time of the occurrence of the injury.

Rights in case of disability and death resulting from an occupational disease shall be exercised with the Fund with which the Insured Party was registered at the time of the occurrence of the occupational disease, and in case of the Insured Party not being insured at the time, the rights shall be exercised with the Fund with which the Insured Party was last registered.

Article 84

Pension and disability insurance rights shall be exercised from the date of the submittal of the claim, and no earlier than six months from the submittal of the claim. Pension and disability insurance rights exercised with the fund shall be ensured applying the procedures stipulated by the law regulating general administrative procedure, unless otherwise specified by this Law.

Procedures instigated contrary to the provision of Article 82 of this Law, shall be considered invalid.

Article 85

Pension span and earnings, benefits, agreed remuneration, i.e. insurance base, as well as other facts pertaining to acquiring and determining the rights, with the exception of the findings, opinions and estimations of court experts, shall be taken into consideration in deciding on the eligibility to receive pension and disability insurance rights, regardless of the fund which determined those rights, based on the data recorded in the Central Registry. Insurance span shall be determined by the Fund in which the insurance span was completed. Insurance span shall not be determined based on the statements of witnesses.

Article 86

In case of the pension span determined with two or more Funds, the Funds shall compensate a part of pension to the Fund with which a right to benefit is exercised.

The compensation of the part of pension, in the context of paragraph 1 above, shall be in line with the proportion between the pension span determined with the other Fund and the complete pension span.

In determining the proportion between the determined pension span and the complete pension span, the periods of special insurance span shall be deducted from the complete pension span.

The compensation of a part of pension under paragraph 2 above shall include also a proportional part of the compensations, due to Insured Parties on the basis of pension and disability insurance, as well as a proportional part of mandatory contributions paid on the pension earnings.

The compensation of a proportional part of pension shall be calculated and disbursed monthly, unless otherwise specified by an agreement between the Funds.

The provisions of this Article shall apply also to military insurance companies, with respect to the insurance span completed from January 1, 1973.

Article 87

In case of disability, i.e. death of an Insured Party, resulting from a workplace injury or an occupational disease, disability, i.e. family pension exercised on that basis shall be financed in the full amount against the Fund with which the right has been exercised.

Article 88

The procedures for deciding on pension and disability insurance rights and for determining pension span shall be instigated at the motion of Insured Parties, i.e. at the motion of a family member, with respect to exercising a right to family pension.

In the procedure specified in paragraph 1 above, the Fund is obliged to provide expert assistance to the Insured Parties and beneficiaries.

The beneficiary is obliged to timely report to the Fund any change pertaining to the right, i.e. the level of the benefit.

Article 89

Persons under Articles 15 and 17 of this Law shall exercise their pension and disability insurance rights with the Pension and Disability Insurance Fund for Employees.

Article 90

The Fund in the territory of the Republic, in which an Insured Party exercises a right to benefit shall reevaluate the benefit, in case the pension beneficiary becomes employed, i.e. is performing an independent business activity.

Article 91

The facts not recorded, in compliance with the law, in the Central Registry, and pertaining to exercising pension and disability insurance rights, shall be determined in the procedure for deciding on pension and disability insurance rights.

Article 92

In the course of the procedures for exercising pension and disability insurance rights with the Fund, a second instance procedure shall be ensured.

Article 93

In case deciding on pension and disability rights entails the assessment of disability, bodily damage, the cause of disability and bodily damage, the total loss of working ability and incapability for independent life and productive work, the Fund shall determine the above stated facts on the basis of the findings, opinions and assessments of the court experts whose qualification requirements and the procedures for work shall be determined by a general act adopted by the Fund.

The findings, opinions and assessments under paragraph 1 above shall be subject to control by the bodies of the Fund determined in the general act under paragraph 1 above.

The act under paragraph 1 above shall be subject to the approval of the Minister in charge of pension and disability insurance issues and the Minister of Health.

In carrying out the control of the findings, opinions and assessments, an approval or objection may be given. The objection, indicating the irregularities identified and including the instructions for the correction of the irregularities, shall be issued by the bodies giving expert opinion.

Article 94

The procedure for exercising rights based on disability shall be instigated by the Fund, at the motion of an Insured Party based on the proposal for the assessment of disability, in compliance with the general act of the Fund. The proposal under paragraph 1 above is given by a selected physician, in accordance with the Law, and is subject to the approval of the occupational medicine commission within a medical institution

The commission under paragraph 2 above shall be appointed by the Ministry in charge of health issues.

In case the commission under paragraph 2 above does not give its approval, the expenses of the procedure shall be covered by the Insured Party who submitted the request.

An agreement between the Minister in charge of pension and disability issues and the Minister of Health shall be reached regarding the coverage of the expenses of the commission under paragraph 2 above.

Article 95

The procedure for exercising a right to cash compensation for bodily damage shall be instigated at the motion of Insured Parties, i.e. pension beneficiaries, on the basis of medical documentation.

The procedure for exercising a right to cash compensation for bodily damage shall also be instigated in the line of duty, on the basis of the expert opinion given in the course of the assessment of disability, in compliance with the general act of the Fund.

Article 96

Any change of the disability status pertaining to a right to disability pension, i.e. partial disability pension, awarded by an effective decision, shall be determined in the procedure instigated at the request of an Insured Party, i.e. in the line of duty.

The Fund shall order a reexamination of pension beneficiaries, within three years from disability having been determined, except in the cases specified in the general act of the Fund.

The approval of the act under paragraph 2 above shall be given by the Minister in charge of pension and disability insurance issues and the Minister of Health.

Article 97

A date of the occurrence of disability and bodily damage is a date of the court experts giving their findings, opinions and assessments based on the examination, in the course of a procedure of first instance, i.e. an earlier date supported by relevant medical documentation.

Article 98

A decision on pension and disability insurance rights and pension span shall be adopted by the body of the Fund specified in the general act of the Fund.

The decision of first instance under paragraph 1 above shall be subject to prior control by the body specified in the general act of the Fund.

Article 99

An appeal against a first instance decision may be placed to the body specified in the general act of the Fund within 15 days from the date of the receipt of a decision.

An appeal shall not postpone the enforcement of a decision, except when refuting a determined disability.

Article 100

A first instance decision of the Fund shall be subject to revision by the body of higher instance specified in the general act of the Fund.

In the course of a revision, the justifiability of the findings, opinions and assessments of the bodies having conducted the expertise may be examined.

A revision shall not postpone the enforcement of a decision.

Article 101

In case an appeal is filed against a first instance decision, revision and the appeal shall be decided on within one decision.

In case an appeal against a first instance decision is not filed, and revision is not performed within three months from the date of the expiry of the due date for the appeal, it is considered that revision has been performed and the consent is given for the decision.

Article 102

In the course of the revision of first instance decisions, consent may be given, i.e. the first instance decision may be amended, annulled or cancelled.

In case the first instance decision was annulled or cancelled, in the course of the revision, only the compliance of the new decision with the reasons that lead to the cancellation of the previous decision shall be examined.

Article 103

Against the decision adopted by the Fund on the appeal, i.e. in the course of revision of the pension and disability insurance rights and against the final decision on the data recorded in the Central Registry, an administrative procedure may be instigated with the competent court.

Article 104

Against the final decision of the Fund, in cases when the conditions for re-instigating the procedure are not met as prescribed by the law regulating general administrative procedure, or upon the expiry of the time limit for re-instigation of the procedure as prescribed by law, the procedure may be re-instigated:

- 1) In case new facts are discovered, i.e. there is a possibility to use new evidence, alone or in relation with already used evidences, that may lead to a different decision;
- 2) In case that in the earlier procedure a fact, i.e. evidence was missed out that may lead to a different decision.

The procedure shall be re-instigated at the motion of an Insured Party or in the line of duty.

In case a motion for re-instigating the procedure has been submitted, i.e. re-instigation of procedure was initiated within five years from the date of the decision being handed to the Insured Party, in the re-instigated procedure, the regulations effective on the date of the issuance of the decision to re-instigate the procedure shall apply. In case the motion has been submitted, i.e. re-instigation started, upon the expiry of the time limit, in the re-instigated procedure, the regulations effective at the time of submitting the motion for the re-instigation of the procedure, i.e. as the time of the instigation of the procedure in the line of duty, shall apply.

On the basis of the data acquired in the earlier and in the re-instigated procedure, the competent authority may confirm the effectiveness of the previously adopted decision, or replace it with a new decision, thus annulling the previous decision.

The provisions of paragraphs 1 to 3 above shall not apply to the procedure for deciding on the motions for the re-instigation of the procedures for determining special insurance span for the veterans of the National Liberation War, submitted after July 30, 1983.

Article 105

An effective decision of the Fund may be replaced with another decision in case it violates the law or a general act of the Fund against the interest of an Insured Party, i.e. beneficiary or in case a legal solution more favorable to the Insured Party is adopted subsequently.

New decision shall be adopted in case facts pertaining to the rights of an Insured Party become known and occurring after the adoption of the decision.

The rights determined in a decision adopted in the re-instigated procedure shall become effective on the first day of the following month from the date of submitting the request for the re-instigation of the procedure, i.e. from the date of submitting the request for the re-instigation of the procedure in the line of duty.

In the course of the revision of the rights of an Insured Party, i.e. beneficiary, in compliance with paragraph 1 above, regulations effective at the time of adopting the final decision shall apply. In case of deciding on rights in compliance with paragraph 2 above, regulations effective at the time of re-instigating the procedure shall apply.

Article 106

In case of the conflict of authorities between the Funds, i.e. the Fund and the Employer, in the procedure for exercising pension and disability insurance rights, the conflict shall be resolved by the Supreme Court of the Republic of Serbia.

2. Exercising Pension and Disability Rights

Article 107

A right to old-age pension is exercised upon terminating the insurance.

Article 108

Pensions and cash compensations shall be determined on a monthly basis and shall be effective retroactively.

Article 109

The Fund with which a pension or cash compensation right is exercised is obliged to disburse pension to the beneficiary in the amount he/she is entitled to, in his/her place of residence in the Republic of Serbia, i. e. in the Republic of Montenegro

As an exception from paragraph 1 above, an agreement between the Republic of Serbia and the Republic of Montenegro may prescribe an alternative solution.

Article 110

The pension and disability insurance rights shall be terminated in case, during the exercising of the rights, the conditions for acquiring and exercising the right cease to exist.

The rights under paragraph 1 above shall be terminated also in the case of a beneficiary exercising the rights under such insurance with a mandatory pension and disability insurance organization from a state formed in the territory of the former Yugoslavia, unless determined otherwise in an international agreement.

The pension beneficiary under paragraph 2 above fulfilling the conditions for obtaining a right to receive pension in compliance with this Law, shall be eligible for his/her right to receive pension to be re-evaluated, without taking into consideration the pension span based on which the mandatory pension and disability insurance organization from a state formed in the territory of the former Yugoslavia determined the right to pension.

Article 111

An old-age pension shall be effective from the date of fulfilling the conditions, in case the claim was filed within six months from the date of fulfilling the conditions for exercising the right, i.e. from the date of termination of insurance, and in case the claim was filed upon the expiry of the time limit, from the date of filing the claim and for six months retroactively.

Family pension shall be effective from the date prescribed under paragraph 1 above, provided that, at that time, the applicant was not insured.

Article 112

With respect to Insured Parties exercising a right to disability pension in the procedure instigated in the duration of their insurance, disability pension shall be effective from the date of termination of insurance, and no earlier than from the date of the receipt of the effective positive decision on disability.

In case a right to disability pension is exercised after the termination of employment, i.e. insurance, and in case of a disability present prior to submitting the claim, disability pension shall be effective from the date of the occurrence of disability, during a period which shall not exceed six months retroactively from the date of submitting the claim.

Article 113

Cash compensation for bodily damage is paid from the day of the occurrence of the bodily damage, for not more than six months retroactively from the date of submitting the request, unless the bodily damage existed prior to submitting the request.

Article 114

Insured Parties, i.e. beneficiaries of cash compensation for bodily damage who exercise, under special regulations, the right to cash compensation based on the same bodily damage may exercise only one of the rights of their own choice, unless specified otherwise by special regulations.

Article 115

In case of any change in the state of disability and the degree of bodily damage pertaining to the determined rights, the rights shall be terminated, reevaluated or the new rights shall be acquired:

- 1) in case the change is determined at the request of an Insured Party – on the first day of the month following the submittal of the request;
- 2) in case the change determined at the request of an Insured Party occurred after the submittal of the request - on the first day of the month following the occurrence of the change;
- 3) in case the change is determined in the line of duty, from the first day of following month from the issuance of a first instance decision on determining the rights based on the determined change.

Article 116

A family pension shall be disbursed as one pension even in case it is shared among beneficiaries, unless the beneficiaries request that the pension be disbursed separately.

In case a family pension is shared only between the core family members or only between the non-core family members and some of them live in separate households, the total family pension shall be distributed in equal parts.

In case a family pension is shared between both core and non-core family members and some of them live in separate households, the pension shall first be divided to a portion due to core members and a portion due to non-core members, and each portion is then distributed into equal parts.

Article 117

In case a family pension is exercised by two or more family members, and a right to family pension of one family member is terminated, with respect to the other family members entitled to receive family pension, the level of pension shall be reevaluated. Such a determined level of pension is effective from the date following the termination of the beneficiary's right to family pension.

In case the disbursement of family pension is suspended, or in case an individual family member's right to family pension is suspended, the level of family pension shall not be reevaluated.

In case a family pension beneficiary is not being disbursed family pension he/she is entitled to receive, due to his/her employment, i.e. performing activities, based on which he/she is covered by mandatory insurance or due to his/her receiving old age or disability pension, during that period, other core family members shall be disbursed a family pension in the amount determined as if the pension beneficiary were not entitled to family pension.

Article 118

A right to family pension shall be terminated to a family member who, due to the changes occurred, no longer satisfies the conditions for acquiring and exercising that right.

A right to family pension shall be terminated to a family member in case he/she is sentenced by an effective verdict for the death of the person, based on whose insurance he/she has acquired and exercised a right to family pension.

Article 119

In case of an Insured Party, i.e. pension beneficiary, eligible to receive two or more pensions in the territory of the Republic, he/she may exercise only one of those pensions – of his/her own choice.

Article 120

Insured Parties paying contributions for pension and disability insurance on their own behalf may exercise pension and disability insurance rights only if all due contributions have been paid, in compliance with the law.

Article 121

Old age pension beneficiaries who become employed, i.e. perform an independent business activity, based on which they are covered by mandatory insurance in the territory of the Republic, shall be entitled, upon the termination of the employment, i.e. the performance of the independent business activity, to have their pension reevaluated, in case he/she was insured for at least a year.

With respect to pension beneficiaries employed abroad, the disbursement of pension shall be suspended for the duration of their employment abroad, unless otherwise specified by an international agreement.

Article 122

The accrued monthly installments of cash benefits on the basis of the determined pension and disability insurance rights shall not be disbursed to the beneficiary failing to respond within a specified period of time, without having a justified cause, to an order to be reexamined for the purposes of the

reevaluation of his/her disability status, the category of bodily damage, until he/she responds to the order.

The monthly installments suspended in compliance with paragraph 1 above, shall be subsequently disbursed to a beneficiary who responds to the order within 30 days from the date ordered for the examination.

To a beneficiary who responds to the order upon the expiry of the due date specified under paragraph 2 above, the suspended monthly benefit shall not be disbursed, and the disbursement of the benefit shall be resumed on the first day of the month following the response to the order.

Article 123

The accrued monthly installments of pension, cash compensation for bodily damage, not disbursed due to the circumstances caused by the beneficiary, shall subsequently be disbursed for up to 12 months, effective retroactively from the date of the beneficiary, the circumstances no longer present, submitting a request for the disbursement.

Article 124

The Fund with which a right to pension or a right to cash compensation is exercised shall provide the disbursement of the pension or cash compensation to the beneficiaries of the right outside the country, under the terms and conditions provided for in an international agreement, i.e. under the condition of reciprocity.

A pension beneficiary or a beneficiary of cash compensation for bodily damage – a foreign national, or a person with no citizenship shall be disbursed the amounts they are entitled to receive abroad, if an agreement has been reached with a respective country on the disbursement abroad or if a respective country acknowledges such a right to our citizens.

The beneficiaries of pension and compensation in compliance with pension and disability insurance regulations may authorize a third party to receive pension on their behalf.

The authorization under paragraph 3 above is valid for up to 12 months.

XI. Central Registry of Insured Parties and Pension and Disability Insurance Beneficiaries

Article 125

The Fund shall maintain a Central Registry of Insured Parties, contributors, and pension and disability insurance beneficiaries.

As an exception from the provision of paragraph 1 above, the Central Registry of the Employees in the Ministry of Interior shall be kept by the Ministry of Interior, i.e. Security Information Agency or their members, as provided for in this Law.

The Fund shall control the keeping of records under paragraph 2 above.

Article 126

The Central Registry shall be maintained in compliance with the prescribed uniform methodology principles.

The data shall be input into the Central Registry in compliance with the prescribed uniform coding procedures.

The data shall be input into the Central Registry based on the applications submitted on standardized forms, which may also be submitted in electronic format.

The acts under paragraphs 1 to 3 above shall be prescribed by the Government of the Republic of Serbia

Article 127

The Central Registry shall be organized by inputting the data on Insured Parties based on their application for insurance.

Article 128

The data shall be recorded in the Central Registry on the following:

- 1) Insured Parties;
- 2) pension and disability beneficiaries;
- 3) pension and disability insurance contributors.

Article 129

The following data on Insured Parties shall be recorded in the Central Registry:

- 1) surname and name;
- 2) national identification number and tax identification number;
- 3) gender;
- 4) day, month and year of birth;
- 5) occupation;
- 6) qualification;
- 7) basis for insurance;
- 8) the date of acquiring and the termination of the status of Insured Party;

9) insurance span, earnings, i.e. contribution and compensations bases used for the calculation of the level of benefit;

10) number of months, i.e. days of service, and the number of months, i.e. days of receiving compensation;

11) the amount of contributions paid;

12) whether the Insured Party is pension beneficiary;

13) data on the contributor;

14) pension span - by types;

15) data on Insured Parties with minimum 70% bodily damage, first to sixth category military invalids, first to sixth category civilian invalids of war, the legally blind, the sufferers of dystrophy or related muscular and neurological diseases, paraplegia, cerebral and infantile paralysis and multiplex sclerosis.

With respect to the Insured Parties employed in working posts in which the insurance span is credited with extended duration, the data on the insurance span, i.e. length of service and the degree of insurance span extension shall be recorded in the Central Registry.

The Insured Parties without a national identification number shall be issued a personal number by the insurance company.

Article 130

In addition to the data specified under Article 129, paragraph 1, items 1) to 4) of this Law, the following data on pension and disability beneficiaries shall be recorded in the Central Registry:

1) type of pension;

2) legal grounds for determining pension benefit;

3) date of acquiring the right to pension and the date of beginning of disbursement, terminating and resuming of the disbursement, and legal grounds for the termination, i.e. resuming of the disbursement;

4) disability, the cause of disability and diagnosis;

5) the level of pension on the day of realizing the right to pension;

The data on the relation of the family pension beneficiary with the deceased Insured Party, i.e. pension beneficiary whose insurance is the basis for the right to family pension shall also be recorded in the Central Registry.

Article 131

The Fund shall issue registration numbers to Insured Parties.

The registration number under paragraph 1 above consists of the identification of the Fund and the municipality, the current registry ordinal number and the control number.

Article 132

Applications for the Central Registry shall be submitted to the Fund by:

1) the Employer:

(1) the data on Insured Parties, including the notice of business registration and the notice of the closure;

(2) applications for insurance and the notices of termination of insurance, for the Insured Parties under Article 11, items 1) to 6) and items 8) to 11) , of this Law;

(3) the data for determining the insurance span, the data on salaries and salary compensations used for determining value points for Insured Parties - Employees and the levels of contributions paid;

(4) notice of the change of information under provisions of sub-items (1) to (3) above;

(5) certificate of the payment of contributions based on the agreed remuneration, i. e. remuneration based on contracts on additional employments and the levels of the remuneration;

2) Relevant authority (municipal administration) –application for insurance and the notice of termination of insurance for the Insured Parties who, in compliance with this Law, are self-employed and for the Insured Parties- Farmers, and the notice of the change of information;

3) Institution in charge of public revenue - data for determining the insurance span, insurance bases used for determining value points and the amount of contributions paid – for the Self-employed Insured Parties and for Insured Parties - Farmers, and the notice on change of information, with the exception of the Insured Parties specified under Article 12, paragraph 1, item 2) who are employed, and items 3) to 5);

4) Organizations, unions and associations – applications for insurance and notices of termination of insurance, except for the Self-employed Insured, and notices on the change of information;

5) the Insured Party, paying contributions on his/her own behalf, with the exception of the Insured Parties specified under items 2) to 4) above:

(1) the data on the contributor;

(2) application for insurance, a notice of the change of information in the duration of the insurance and a notice of termination of insurance status;

6) Employment Agency:

(1) applications for insurance and notices of termination of insurance for the Insured Parties on whose behalf, in compliance with this Law, the Employment Agency contributing towards pension and disability insurance, and notices of the change of information;

(2) the data for determined insurance span, salary compensation and the amount of contributions paid for persons specified in the provision under sub-item (1) above, and notices of the change of information.

7) The Fund shall:

(1) input the data on the determined insurance span, salaries, salary compensation, insurance bases used for determining value points and the amount of contributions paid – with respect to the Insured Parties who are paying contributions on their own behalf, with the exception of the Insured Parties under paragraph 1, item 3) above.

(2) keep special records on contributions paid as specified under paragraph 1, item 1), sub-item (5) above.

8) Authorized registrar – certificate of death of pension and disability insurance beneficiaries.

Article 133

In case the data for determining insurance span, the data on salaries and salary compensation and insurance bases used for determining the level of benefit and the amount of paid contributions are submitted in electronic format, the applicant shall submit the application on a standardized form, at the request of the Fund.

Article 134

The data shall be input into the applications for the Central Registry exclusively on the basis of the identification papers and the records prescribed by law.

Article 135

The applicant shall be held liable for misrepresentation of the data in the application form for the Central Registry.

The Fund shall control the accuracy of the data in the applications submitted to the Central Registry, and request evidence and inspect the records and documentation based on which the data is submitted.

The applicant shall provide accurate information, i.e. data relevant to ascertaining the facts pertaining to exercising pension and disability rights to Insured Parties, pension beneficiaries and the Fund, and produce evidence and allow the Fund access to records and documentation.

Article 136

The status of Insured Party for the person on whose behalf an application has been submitted shall be determined by registering the person in the Central Registry and issuing a certificate of the receipt of application for insurance.

Upon the receipt of the application for insurance, the data contained in the application shall be verified, and supporting documentation on which the data is based shall be requested.

The provisions of paragraphs 1 and 2 above shall also apply to the notice of termination of insurance.

The applicant shall provide a certified copy of the certificate of the receipt of application, i.e. notice of termination of insurance, to the person on whose behalf they were submitted within eight days from the date of the issuance of the receipt.

In case it is determined, based on the submitted application for insurance, that the conditions for the recognizing the status of Insured Party are not met, the applicant shall be issued a decision in writing.

The Fund shall furnish a copy of the receipt of insurance application and notice of termination for Insured Parties specified under Article 12, paragraph 1, item 1) of this Law to the relevant tax authority no later than the fifth day of the month for the previous month.

The data specified under paragraph 6 above may be submitted in electronic format.

Article 137

The person whose insurance application was not submitted by the party responsible for submitting the application may request that his/her status of Insured Party be determined.

The request under paragraph 1 above may also be submitted by the responsible party.

The Fund shall instigate the procedure for determining the status of Insured Party in case, in the course of control or otherwise, it is determined that the insurance application was not submitted on behalf of the person entitled to pension and disability insurance.

In cases under paragraphs 1 to 3 above, the Fund shall issue a decision in writing on determining of the status of Insured Party. The party responsible for submitting the application is

obliged to submit the application for insurance, based on the decision under paragraph 4 above determining the status of Insured Party.

The provisions of paragraphs 1 to 5 above shall apply in case the party responsible for giving notice of termination of insurance fails to give notice of termination of insurance.

Article 138

With respect to persons whose insurance status was not determined within the time limit specified for submitting the application for insurance, the status may be determined no earlier than from January 1, 1965, as prescribed by law.

The status of Insured Party, the basis for insurance, the level of salary, compensations and the amount of contributions paid shall not be determined based on the statements of witnesses.

Article 139

The applications for the Central Registry shall be submitted to the Fund, i.e. organizational unit of the Fund:

1) for the Insured Parties – Employees specified under Article 11, items 1 to 6 and items 8 to 11 above – according to the registered office of the Employer, i.e. its organizational unit (branch office, affiliate office, subsidiary, outlet, representation office, and other business and organizational units);

2) for the Insured Parties – Employees specified under Article 11, item 7 and Article 15 above – according to the place of residence of the Insured Party in the Republic;

3) for the Self-employed Insured Parties specified under Article 12, paragraph 1, items 1) and 2) above, with the exception of the Insured Parties without regular monthly income – according to the registered office of the Insured Party's business, based on which he/she is insured;

4) for the Self-employed Insured Parties specified under Article 12, paragraph 1, items 3), 4) and 5) above and the Insured Parties without regular monthly income, based on the location, i. e. place of residence of the Insured Party in the Republic.

5) for the Insured Parties – Farmers specified under Article 13 above - according to the place of registry of the institution in charge of assessing tax on cadastre revenue from agriculture.

For the Insured Parties performing activities specified under Article 12, paragraph 1, item 3) above, not covered by mandatory insurance, the details on the agreed remuneration are furnished to the relevant Fund in accordance with Article 10, paragraph 1 of this Law.

Article 140

The status of an Insured Party, the insurance span, the level of salary and compensation, i.e. insurance base used for determining the level of benefits shall be determined by the Fund, based on the data from the applications under Article 132 of this Law, by inputting the data into the Central Registry.

The data under Article 129, paragraph 2 above shall be verified by inputting it into the Central Registry upon the fulfillment of the conditions under Article 52 of this Law.

Article 141

In case the Fund, in the course of the verification of the data under Article 135 of this Law, determines that the data on the insurance span, the level of salary and compensations, i.e. insurance base used for determining the level of benefits is misrepresented, or that the data was not input in compliance with the regulations on pension and disability insurance, the fund shall order the applicant to correct the irregularities within a period which shall not exceed 30 days.

Article 142

The Fund shall issue a certificate of the input of the data into the Central Registry of Insured Parties, upon his/her request.

The certificate under paragraph 1 above is considered an identification paper.

The Insured Party is entitled to request that the Fund adopt a decision on the input of the data on insurance, insurance span, level of salary, compensations, i.e. insurance base into the Central Registry. The Fund shall adopt the decision specified under paragraph 3 above within 15 days from the date of the receipt of the request.

Article 143

The data input into the Central Registry, as prescribed by this Law, may subsequently be altered in the following cases:

- 1) in case the institution in charge, applying the prescribed procedure, determines subsequently that the data is to be changed;
- 2) in case the data on insurance, pension span, insurance span, the level of salary and compensations, i.e. insurance base used for determining the level of benefits and the data on the amount of contributions paid is input into the Central Registry based on falsified identification;
- 3) in case it is subsequently determined, in the course of the verification of the data or otherwise, that the data input into the Central Registry is incorrect or inaccurate.

The altering of data input into the Central registry is performed based on an adequate application for altering the data, as prescribed by this Law.

Article 144

Applications under Article 132 of this Law shall be submitted within the following time limits:

- 1) the data on the contributor - within eight days from the registration of a business, i.e. termination of business activity, i.e. from the change of the business activity of the contributor;
- 2) application for insurance, a notice of termination of insurance and a notice of the change of insurance - within eight days from the commencement of employment, i.e. signing a contract of employment, performing activities or the commencement of performing activities, i.e. from the date of the termination of employment, performing work or activities, i.e. from the date of the change of insurance;
- 3) the data for determining the insurance span, compensations, i.e. insurance base used for determining the level of benefits and the amount of contributions paid – by April 30 of the current year, for the previous calendar year, and with respect to the institution in charge of public revenue - by June 30 of the current year;
- 4) notice of the change of the data under item 3) above –within eight days from the date of determining the change, i.e. from the date of receipt of an effective decision confirming the change of data;
- 5) certificate of death of beneficiaries - within three days from the date of issuance of the death certificate.
- 6) Notice specified under Article 132, paragraph 1, item 1), sub-item (5) within three days from the date of paying the contributions

Article 145

The Fund shall input the data from the application submitted into the Central Registry within the following time limits:

- 1) the data from applications under Article 144, items 1) and 2) of this Law - within 30 days from the date of receipt of the application;
- 2) the data from applications under Article 144, items 3) and 4) of this Law - within 60 days from the date of receipt of the application, no later than by the end of the current year for the previous year.
- 3) the data from applications under Article 144, item 5 of this Law - within one day from the date of receipt of the application.

4) the data from applications under Article 132, paragraph 1, item 1), sub-item (5) of this Law – within one day from the date of the receipt of the application.

Article 146

The applications containing data for establishing and maintaining the Central Registry based on which the data is input into the Central Registry shall be kept for minimum 30 years from the date of the acquiring the rights determined on the basis of the data, and for minimum 10 years from the date of termination of the right.

The applications containing data on the Insured Parties not having acquired a right to pension and disability insurance shall be kept for minimum 40 years, from the date of the last entry into the Central Registry.

Article 147

In addition to original applications, the data may be stored on microfilm, i.e. electronic data processing equipment (magnetic media, etc.).

The Fund shall issue a certified copy of the application under paragraph 1 above to Insured Parties.

Article 148

Destroying of the original applications based on which the data is input into the Central Registry shall be carried out by a competent commission, established by the Fund.

Article 149

The data recorded in the Central Registry shall also be used for statistical analyses.

The Fund shall publicize the data under paragraph 1, at least annually.

The protection of the data recorded in the Central Registry shall be provided as prescribed by law.

XII. ORGANIZATION

Article 150

Pension and disability insurance shall be provided and administered by the Fund.

The Fund is a legal entity with the status of a mandatory social insurance institution responsible for providing and financing pension and disability rights.

Article 151

The Fund shall:

- 1) provide pension and disability insurance for all persons covered by mandatory insurance in compliance with this Law and participating therein;
- 2) determine pension and disability insurance contribution rates in compliance with this Law;
- 3) determine contribution bases in compliance with this Law;
- 4) provide restricted and rational use of funds, provide reserve funds for insurance and cause the increase of funds under economic terms;
- 5) ensure direct, efficient, rational and lawful provision of pension and disability benefits and organize the administration of insurance;
- 6) control insurance applications and the data pertaining to eligibility, the use and the termination of the rights;
- 7) organize and administer pension and disability insurance in compliance with this Law;
- 8) perform other activities in compliance with the law and the Statute of the Fund.

Article 152

The rights under Article 150 shall be exercised and provided in the Fund:

- 1) for Insured Parties – Employees – in the Republic Employees Pension and Disability Insurance Fund;
- 2) for Self-employed Insured Parties – in the Republic Pension and Disability Insurance Fund for the Self-employed;
- 3) for Insured Parties – Farmers – in the Republic Farmers Pension and Disability Insurance Fund;

The Provincial Pension and Disability Insurance Fund, as an organizational unit of the of the Fund paragraph 1 above, in addition to the activities specified in the Statute of the Fund, shall also:

- 1) prepare the materials for negotiations with international pension and disability insurance incumbents;
- 2) perform diagnostic activates in terms of the control of medical documentation;
- 3) perform activities pertaining to insurance span credited with extended duration;
- 4) perform activities pertaining to ensuring social standards for the beneficiaries;
- 5) conduct statistical and other research in the area of pension and disability insurance;

6) cooperate with relevant provincial authorities, primarily in terms of the exchange of data and experience, as well as with pensioners' and trade union associations established at the level of the Autonomous Province.

Article 153

The Fund under Article 152 paragraph 1 item 1) shall be managed by the representatives of the Insured Parties, the employers and the beneficiaries.

The Fund under Article 152 paragraph 1 items 2) and 3) shall be managed by the representatives of the Insured Parties and the beneficiaries.

Article 154

The bodies of the Fund are the Management Board, the Supervisory Board and the general director.

Article 155

The Management Board of the Employees Pension and Disability Insurance Fund shall be comprised of 15 members, namely 5 representatives of each the Insured Parties, the employers and the beneficiaries, with two of five representatives of the employers appointed by the Government of the Republic of Serbia.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the most representative trade unions established at the level of the Republic, in compliance with labor regulations – from the Insured Parties; the most representative employers associations established at the level of the Republic, in compliance with labor regulations – from the employers; the pensioners associations established at the level of the Republic with more than 50.000 registered members – from the beneficiaries.

The pensioner's associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 156

The Management Board of the Pension and Disability Insurance Fund of the Self-employed shall be comprised of nine members, namely, six representatives of the Insured Parties and three representatives of the beneficiaries.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the most representative employers associations established at the level of the Republic, in compliance with labor regulations – from the Insured Parties, and the pensioners associations

established at the level of the Republic, with more than 50.000 registered members – from the beneficiaries.

The pensioners associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 157

The Management Board of the Farmers Pension and Disability Insurance Fund shall be comprised of nine members, namely, six representatives of the Insured Parties and three representatives of the beneficiaries.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the farmers associations established at the level of the Republic – from the Insured Parties, and the pensioners associations established at the level of the Republic, with more than 50.000 registered members – from the beneficiaries.

The pensioners associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 158

The members of the Management Board shall be appointed for a period of four years.

The president and the deputy president of the Management Board shall be appointed and relieved by the Management Board, for a period of two years.

The president and the deputy president of the Management Board shall be appointed from the members of the Management Board, in turn, by the representatives of the Insured Parties, the employers and the beneficiaries, subject to the approval of the Government of the Republic of Serbia.

Article 159

Operating procures and other issues pertaining to the activities of the Management Board shall be specified in the Statute and the general acts of the Fund.

Article 160

The Management Board shall:

- 1) adopt the Statute and other general acts of the Fund;
- 2) adopt the Act on Organization of the Fund, in compliance with the Statute of the Fund, as well other general acts in line with this Law;
- 3) determine contribution bases by specific categories of Insured Parties, subject to the approval of the Government of the Republic of Serbia;

- 4) determine contribution rates, subject to the approval of the Government of the Republic of Serbia;
- 5) adopt financial plans and annual financial statements of the Fund;
- 6) adopt medium-term and long-term business plans of the Fund;
- 7) decide on the operations of the Fund;
- 8) organize competition (announcement) for the appointment of the general director of the Fund;
- 9) decide on other issues and performs other activities, in compliance with the law and the Statute of the Fund.

The Government of the Republic of Serbia shall approve the Statute, and the annual business plan of the Fund.

The acts under paragraph 1 item 5) above shall be furnished by the Fund in the procedures and under the terms and conditions specified in the regulations on the budget system.

The acts under paragraph 1 items 1) to 5) above shall be published in “The Official Gazette of the Republic of Serbia”.

The Management Board shall submit reports on the performance of the Fund to the Government of the Republic of Serbia by March 31 of the current year for the previous year.

Article 161

The Supervisory Board of the Employees Pension and Disability Insurance Fund shall be comprised of five members, namely, two representatives of the Insured Parties and employers and three representatives of the beneficiaries.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the most representative trade unions established at the level of the Republic, in compliance with labor regulations – from the Insured Parties; the most representative employers associations established at the level of the Republic, in compliance with labor regulations – from the employers; the pensioners associations established at the level of the Republic, with more than 50.000 registered members – from the beneficiaries.

The pensioners associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 162

The Supervisory Board of the Pension and Disability Insurance Fund of the Self-employed shall be comprised of three members, namely, two representatives of the Insured Parties and a representative of the beneficiaries.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the most representative employers associations established at the level of the Republic, in compliance with labor regulations – from the Insurance Parties, and the pensioners associations established at the level of the Republic, with more than 50.000 registered members – from the beneficiaries.

The pensioners associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 163

The Supervisory Board of the Farmers Pension and Disability Insurance Fund shall be comprised of five members, namely, two representatives of the Insured Parties and employers and three representatives of the beneficiaries.

The members of the Management Board of the Fund under paragraph 1 above shall be appointed by: the farmers associations established at the level of the Republic – from the Insured Parties, and the pensioners associations established at the level of the Republic, with more than 50.000 registered members – from the beneficiaries.

The pensioners associations under paragraph 2 above shall provide evidence verifying the number of registered members.

Article 164

The members of the Supervisory Board shall be appointed for a period of four years.

The president and the deputy president of the Supervisory Board shall be appointed and relieved by the Management Board, in turn, by the representatives of the Insured Parties, the employers and the beneficiaries.

Article 165

Operating procures and other issues pertaining to the activities of the Supervisory Board shall be specified in the Statute of the Fund.

Article 166

The Supervisory Board shall:

- 1) supervise the financial operations of the Fund;

2) control the enforcement of the laws and other regulations with respect to the financial operations of the Fund;

3) control the enforcement of the decisions of the Management Board;

4) perform other activities, in compliance with the law and the Statute of the Fund.

The Supervisory Board shall submit quarterly performance reports to the Management Board of the Fund.

The Supervisory Board shall submit reports on the financial performance of the Fund to Government of the Republic of Serbia at least once a year.

Article 167

The general director of the Fund shall:

1) organize the operations and the activities of the Fund and be held accountable for the compliance of the Fund's operations;

2) represent and act on behalf of the Fund;

3) execute the decisions of the Management Board;

4) adopt the Act on Organization and Establishment of the Fund, subject to the approval of the Management Board;

5) manage the activities of the employees of the Fund;

6) perform other activities, in compliance with the law and the Statute of the Fund.

The general director of the Fund shall be appointed, upon the conclusion of the competition, by the Management Board of the Fund, subject to the prior approval of the Government of the Republic of Serbia, for a period of four years in office, and the general director of the Provincial Fund shall be appointed by the Management Board of the Republic Fund, at the motion of the relevant authorities of the Autonomous Province.

The general director of the Fund shall act as the director of the expert services of the Fund, and the general director of the Provincial Fund shall act as the director of the expert services of the Provincial Pension and Disability Insurance Fund.

The general director of the Provincial Fund shall participate in the activities of the Management Board of the Republic Fund, without voting rights.

The general director of the Provincial Fund shall appoint the managers of the branch offices of the Fund, established in the territory of the Autonomous Province.

Article 168

Managerial, analytical, financial, administrative, technical and other activities specified in the law, the Statute and other acts of the Fund shall be performed by the employees of the Fund employed in the expert services of the Fund.

The Fund may contract other organization, i.e. entity, to perform some of or all the activities under paragraph 1 above.

XIII. FINANCING

Article 169

The revenue of the Fund includes:

- 1) mandatory pension and disability insurance contributions;
- 2) pension and disability insurance contributions financed from the budget, under the terms and conditions specified by law;
- 3) assets of the Fund;
- 4) the resources from other Pension and Disability Insurance Funds in which the Insured Parties have completed insurance span;
- 5) the return on the investments of disposable assets in commercial banks, on money markets, or in government bills;
- 6) subsidies and grants;
- 7) the proceeds of the sale of socially owned assets, socially owned and public companies and segments of companies, in compliance with the law;
- 8) dividends earned for shares acquired based on past investments in pension and disability insurance, in compliance with the law;
- 9) other sources.

In compliance with the law and the Statute, the Provincial Fund shall maintain a sub-account for the purposes of payments and deposits the resources of the Republic Fund in the territory of the Autonomous Province.

Article 170

The resources of the Pension and Disability Insurance Funds shall be provided from the contributions from the payroll, salary compensations, insurance base, agreed remuneration and other remuneration.

The resources for pension and disability insurance shall also be provided form additional contributions for pension and disability benefits exercised based on the insurance span credited with extended duration.

The contributors under paragraphs 1 and 2 above shall not be exempted form paying pension and disability insurance contributions.

Article 171

Pension and disability insurance funds shall be used exclusively for the purposes provided for in the law, namely for:

- 1) the disbursement of pensions and pension and disability insurance cash benefits;
- 2) the operational expenses of the Fund's bodies and for the performance of administrative, financial, administrative, technical and other activities in the course of administration of pension and disability insurance;
- 3) other obligations in compliance with the law.

Article 172

The balance remaining after the settlement of the expenses under Article 171 of this Law shall be used for the investments in securities, in commercial banks and for other purposes with the aim of earning profit.

Article 173

The Republic shall be the guarantor for the obligations of the Fund for mandatory pension and disability insurance (state guarantee).

Article 174

The payers of pension and disability insurance contributions (hereinafter: the contributions) shall be:

- 1) Insured Parties – Employees;
- 2) employers;
- 3) Self-employed Insured Parties;
- 4) Insured Parties – Farmers.

The contributions shall be paid also by the Insured Parties receiving agreed remuneration under contracts under Article 12 paragraph 1 item 3) of this Law, even in case this is not the basis of their status of Insured Parties.

The contributions shall be paid also by the Insured Parties – Employees performing the activities under Article 12 paragraph 1 items 1) to 3) of this Law and activities under contracts on additional employment, regulated under a separate law.

The contributions under paragraph 1 item 3) for Self-employed Insured Parties may be paid by associations and other legal entities.

For the purpose of paragraph 1 item 2) above, the employer of the Insured Parties under Article 11 item 10) of this Law shall be the youth labor organization.

Article 175

The contributions for Insured Parties – Employees, with the exception of the Insured Parties under Article 11 item 7) of this Law, shall be paid also by employers, based on the same contribution base and at the same contribution rates charged to the employees.

The contributions for all Insured Parties performing temporary and periodical activities under Article 11 items 9) and 10) of this Law shall be paid also by employers, based on the same contribution base and at the same contribution rates charged to the employees.

Article 176

The contributions for the Insured Parties who have been made redundant and whose employment has been terminated as a result of bankruptcy, liquidation, i.e. in the circumstances of the termination of the employer's operations, in the course of their receiving cash benefits in compliance with employment regulations, as well as for the Self-employed Insured Parties in the course of their receiving cash benefits in compliance with employment regulations shall be paid by the Employment Fund.

Article 177

The contributions for persons, who, based on their temporary disability, receive cash benefits in compliance with health insurance regulations, and against the Health Insurance Fund, shall be calculated and paid by the Health Insurance Fund.

Article 178

The contributions for the Insured Parties receiving benefits based on maternity leave, i.e. leave of absence or part time work due to special child care, shall be calculated and paid by the payer of the benefits.

Article 179

The contributions for persons under Article 15 of this Law shall be paid by those persons, i.e. Insured Parties.

Article 180

The contributions for disability and bodily damage cause by workplace injuries and occupational diseases shall be paid:

1) for persons who, in compliance with the law, perform temporary and periodical activities through youth labor organizations until having completed 26 years of age if attending full-time education – by the youth labor organization;

2) for persons assigned by the Employment Fund to attend, in compliance with labor and employment regulations, professional training, additional qualification and prequalification courses – by the Employment Fund;

3) for pupils and students during the period of compulsory productive work training, vocational practice, and practical training, in compliance with the law – by the institution submitting insurance application for those persons (schools, universities, etc.);

4) for persons serving prison sentence, during the period of their working in the economy units of the penitentiary and correctional institutions (workshops, work sites, etc) and other work locations – by the penitentiary institution;

5) for persons who, in compliance with the law, perform specific activities on the basis of voluntary work contracts – by the institution for which the voluntary work is performed.

Article 181

Additional contributions for the insurance span credited with extended duration shall be calculated and paid by employers, on behalf of their employees, i.e. by Self-employed Insured Parties.

Article 182

The base for calculation and payment of contributions for Insured Parties – Employees shall be the average wage and salary compensations, in compliance with the law, and the general act or the employment contract.

The base under paragraph 1 above shall not be lower than the minimum base for insurance determined as percentage of the average worker's wage in the Republic for previous quarter, namely, for:

- | | |
|---|------|
| 1) activities requiring no qualifications and activities requiring 1 year (category I), i.e. 2 years (category II) professional training | 37% |
| 2) activities requiring 3 year secondary education qualifications (qualified labor – category III) | 54% |
| 3) activities requiring 4 and more years secondary education qualifications (category IV) | 65% |
| 4) activities requiring 1 year specialist secondary school plus qualifications (highly qualified labor - category V) | 80% |
| 5) activities requiring higher education qualifications (category VI) | 87% |
| 6) activities requiring university degree equivalent, , i.e. tertiary education qualifications (category VII1) | 115% |
| 7) activities requiring masters degree equivalent and specialist post graduate, i.e. post tertiary studies qualifications (category VII2) | 127% |
| 8) activities requiring Ph.D. qualifications (category VIII) | 155% |

The base under paragraph 1 above shall not exceed the amount of five average monthly worker's wages in the Republic, according to most recent data published by the relevant statistics authorities.

The bases under paragraph 2 above shall be indexed quarterly in accordance with the data on the levels of the worker's wage for the previous quarter, provided by the Republic statistics authority. The nominal amounts of the indexed bases shall be published by the Fund, and shall be effective on the first day of the months following the publishing of the data on the worker's wage for the previous quarter by the Republic statistics authority.

The base for calculation and payment of contributions from salary compensation during maternity leave, as well as from salary compensations on the basis of temporary work inability in compliance with health insurance regulations, financed by the relevant institution shall be such compensation.

In case the employer fails to disburse salaries by 30th of the months for the previous months, he is obligated to pay the contributions calculated on the minimum base under paragraph 2 above.

In paying the contributions, the employer is obligated to pay the difference between the amount of contributions paid under paragraph 6 above and the amount of contributions calculated and paid on the wage under paragraph 1 above.

Article 183

In case a salary or a portion of salary is disbursed with minimum six months delay, the base for calculation and payment of contributions shall be the salary, i.e. a proportionate portion of the unpaid salary due to the employee in compliance with the law and the general agreement on the date of payment of the contributions.

The base for the calculation of the annual personal coefficient for an Insured Party for whom the contributions have been calculated and paid in compliance with paragraph 1 above shall be the salary for the month for which the contributions have been paid.

Article 184

The calculation and payment of contributions for Insured Parties – Employees shall be carried out by the employer, i.e. the payer of compensation at the time of the disbursement of salaries, i.e. compensations.

Data processing and the control of the calculation and payment of contributions shall be carried out in compliance with tax regulations by the relevant tax authorities, obligated to report to the Fund and the Ministry in charge of pension and disability insurance issues at least once a month and no later than by 30th of the month for the previous months.

The Minister of Finance and Economy the Minister in charge of pension and disability insurance issues, the Minister of Labor and Employment and the Minister of Health shall reach an agreement on prescribing the terms and conditions for the calculation and payment of contributions, as well as the contents of the forms submitted by the employers.

Article 185

The base for calculation and payment of contribution specified in Article 182 paragraph 2 of this Law shall apply to persons, i.e. Insured Parties under Article 15 of this Law.

By submitting an application, a person, i.e. an Insured Party, under paragraph 1 above opts for a base, notwithstanding his/her qualifications.

Article 186

The base for calculation and payment of contribution for Insured Parties under Article 17 of the Law shall be:

- 1) for persons under Article 17 item 1) of this Law – agreed remuneration;

2) for persons under Article 17 items 2) to 5) of this Law – minimum wage for the month for which the contributions are paid.

Article 187

The base for calculation and payment of contribution for the employees assigned to work abroad, i.e. employees in enterprises performing activities and providing services abroad (Art. 11 item 5) of this Law), unless they are covered by mandatory insurance in compliance with the regulations of the relevant country or unless stipulated otherwise by an international agreement, shall be the wage, i.e. salary earned by those persons for performing the same or similar activities in the country, in compliance with the provision of Article 182 of this Law.

Article 188

The base for calculation and payment of contribution for the Yugoslav citizens, employed, in the territory of the Republic of Serbia, with foreign and international organizations and institutions, foreign diplomatic and consular missions, or with foreign legal entities and natural persons, unless specified otherwise by international agreements, i.e. employed with international institutions and organizations and foreign consular missions, in case such insurance is envisaged by international agreements (Art. 11 item 6) of this Law), shall be the actual salary, which shall be neither lower nor higher than the bases determined under Article 182 of this Law.

The bases for the payment of contributions for the employees under Article 11 item 7) of this Law shall be determined and published by the Fund.

The bases for the payment of contributions for the employees under Article 11 items 9) and 10) of this Law shall be the agreed remuneration, which shall be neither lower nor higher than the bases determined under Article 182 of this Law.

Article 189

The base for the payment of contribution for the persons made redundant and for the persons whose employment has been terminated in the course of bankruptcy, liquidation, i.e. as a result of the closure of the employer's operations, during a period of their receiving cash benefits in compliance with labor and employment regulations, shall be such cash benefit.

Article 190

The base for the payment of additional contributions for the Insured Parties whose insurance span is credited with extended duration shall be the base determined in Articles 182 to 184 of this Law, in compliance with the provisions of this Law referring to the payment of contributions.

Article 191

Insured Parties – Employees performing the activities under Article 12 paragraph 1 items 1) to 3) of this Law are obligated to pay contribution on the bases determined in this Law for the Self-employed Insured Parties under Article 12 paragraph 1 items 1) to 3) of this Law.

The base under paragraph 1 above, and the base at the level of the wage, i.e. minimum base, shall not exceed the amount of five average annual wages in the Republic, according to the data published by the Republic statistics authorities.

The calculation and the collection of the contributions for the Insured Parties – Employees performing the activities under Article 12 paragraph 1 items 1) and 2) of this Law, shall be carried out by the authorities in charge of tax procedures, in compliance with the regulations on tax procedures.

Article 192

The base for calculation and payment of contributions for the Insured Parties – Employees under Article 12 paragraph 1 item 1) of this Law shall be the taxable earnings determined on the basis of the tax return, i.e. estimated lump-sum income, in compliance with the law regulating personal income tax, provided such base is not lower than the minimum insurance base determined at the level of the average monthly worker's wage in the Republic for the previous quarter, and does not exceed the bases determined in Article 182 paragraph 3 of this Law.

Until the taxable income is determined based on the annual tax return, and the lump-sum income estimated, the Insured Party under paragraph 1 above shall pay the contributions for the current year in monthly advance payments, on the base for the monthly tax advance payments, provided that such base is neither lower nor higher than the bases under paragraph 1 above.

Exceptionally from paragraphs 1 and 2 above, for specific categories of the Self-employed Insured Parties, paying tax on the income from self-employed activities on estimated lump-sum income, the minimum base for calculation and payment of contributions shall be specified in the general acts of the Fund, and shall be subject to the approval of the Government of the Republic of Serbia.

The minimum bases under paragraph 3 above shall not be lower than the bases determined in Article 182 paragraph 2 item 3) of this Law.

The minimum bases under paragraphs 1 and 2 above shall be indexed semiannually in accordance with the data on the levels of worker's wages in the Republic, provided by the Republic statistics authorities.

The indexed bases shall be published by the Fund.

Article 193

The base for calculation and payment of contributions for the Self-employed Insured Parties under Article 12 paragraph 1 item 2) of this Law, the founders of who have not closed employment contracts with the commercial entities founded by them, shall be the tax base for the payment of corporate income tax, provided that such base shall neither be lower than the minimum insurance base determined at the level of the average worker's wage in the Republic for the previous six months, nor exceed the bases determined in Article 182 paragraph 3 of this Law.

Until the taxable income is determined based on the annual tax return, the Insured Parties under paragraph 1 above shall pay the contributions for the current year in monthly advance payments, which shall neither be lower than the minimum insurance base determined at the level of the average worker's wage in the Republic for the previous six months, nor exceed the bases determined in Article 182 paragraph 3 of this Law.

Exceptionally from paragraphs 1 and 2 above, the base for calculations and payment of contributions for the Insured Parties under Article 12 paragraph 1 item 2) of this Law who have entered into employment contracts with the commercial entities they had founded, shall be the salary in compliance with the law and the collective agreement, provided that such base is neither lower nor higher than the basis determined in Article 182 of this Law.

The levels of the average monthly wage in the Republic under paragraphs 1 and 2 above shall be determined on the basis of the data published by the Republic statistics authorities.

Article 194

In case the earnings from the self-employed activities, i.e. corporate income, are distributed among several Insured Parties, the individual bases for calculation and payment of contributions for each of them shall be their share in the earnings, i.e. corporate income generated, provided such base shall neither be lower than the minimum insurance base determined at the level of the average worker's

wage in the Republic for the previous six months, nor exceed the bases determined in Article 182 paragraph 3 of this Law.

In case a Self-employed Insured Party is earning income from the self-employed activities and is, at the same time, a member of a commercial entity, the base for calculation and payment of contributions shall be the income earned from the self-employed activities plus the income of the commercial entity or the salary earned in the commercial entity, in case he/she has an employment contract closed with the commercial entity whose member he/she is, provided such base shall neither be lower than the minimum insurance base determined at the level of the average worker's wage in the Republic for the previous six months, nor exceed the bases determined in Article 182 paragraph 3 of this Law.

The levels of the average monthly wage in the Republic under paragraphs 1 and 2 above shall be determined on the basis of the data published by the Republic statistics authorities.

Article 195

The base for the payment of contributions for the Self-employed Insured Parties under Article 12 paragraph 1 item 3) of this Law shall be the agreed remuneration, which is considered taxable income in compliance with personal income tax regulations.

The base for the payment of contributions for the Insured Parties – Employees performing the activities under contracts of engagement, in compliance with a special law, shall be the agreed remuneration, which is considered taxable income in compliance with personal income tax regulations.

The base under paragraph 1 above shall not exceed the amount of five average annual worker's wages in the Republic, determined on the basis of the published by the Republic statistics authorities.

The base for calculation and payment of contributions for the Insured Parties – Employees and the Self-employed Insured Parties, performing the activities under contracts under Article 12 paragraph 1 item 3), shall also be the agreed remuneration, which, including the salary and the other base, shall not exceed the amount of five average annual worker's wages in the Republic, determined on the basis of the published by the Republic statistics authorities.

Article 196

The bases for the payment of contributions for the Self-employed Insured Parties without a regular monthly income, as well as for priests and clergymen shall be determined in the general act of the Fund, in compliance with this Law.

Article 197

By submitting an application to the relevant tax authority by January 31st of the current year, i.e. within 15 days from the date of obtaining the status of an Insured Party, the Self-employed Insured Parties may pay the contributions based on extended bases relative to the bases determined in this Law, provided that such extended bases shall not exceed the maximum bases determined by this Law.

Article 198

The base for the payment of contributions for the Insured Parties – Farmers for the current year shall be the minimum base for the Insured Parties – Employees under Article 182 paragraph 2 item 1) of this Law, determined for December of the previous year.

The base under paragraph 1 above shall be published by the Fund, at the beginning of each calendar year.

Article 199

The base for insurance which the Insured Parties – Farmers may select (elective base) by submitting an application to the relevant tax authority by January 31st of the of the current year, i.e. within 15 days from the date of obtaining the status of an Insured Party shall be the minimum bases determined for the Insured Parties – Employees under Article 182 paragraph 2 of this Law.

Article 200

Pension and disability insurance contribution rates for all three categories of Insured Parties shall be uniform.

Article 201

The contributions for the Insured Parties – Employees, payable by the employees and payable by the employers, shall be calculated and paid by the employer at the time of the disbursement of salaries in compliance with the applicable regulations referring to the date of the disbursement of salaries, i.e. salary compensations.

The contributions for the Insured Parties – Employees earning income, i.e. profit based on performing self-employed activities, with the exception of the Insured Parties under Article 12 paragraph 1 item 3), shall be paid by the Insured Parties themselves, under the terms and conditions applicable to the Self-employed Insured Parties.

The contributions for the Insured Parties – Employees, payable by the employees and payable by the employers, shall be calculated and paid by the employer even in case no disbursement of salaries

has been made, in compliance with the applicable regulations referring to the date of the payment of contributions.

The contributions for the Insured Parties – Employees and the Self-employed Insured Parties who receive salary compensations from the Employment Fund, i.e. Health Insurance Fund, i.e. other payer of salary compensations, shall be calculated and paid by the payer of such compensations, at the time of the disbursement of salaries.

The contributions for the Insured Parties receiving agreed remuneration for performing the activities under Article 12 paragraph 1 item 3) of this Law shall be calculated and paid by the payer of agreed remuneration and against the Insured Party, at the time of the disbursement of agreed remuneration.

The contributions for the persons under Articles 11 item 7), 15 and 17 of this Law shall be calculated and paid by 15th of the month for the previous month.

Article 202

The refund of the surplus contributions over the maximum base determined in this Law shall be made based on the special records kept in the Fund, in compliance with the general act of the Fund.

Article 203

The calculation and payment of contributions for the Self-employed Insured Parties under Article 12 paragraph 1 items 1) and 2) and the Insured Parties – Farmers shall be carried out by the relevant tax authority, in compliance with the regulations on tax procedures.

As an exception from paragraph 1 above, the relevant tax authority shall not calculate and pay the contributions for the Insured Parties under Article 12 paragraph 1 item 2) who have closed employment contracts with the commercial entities who members, i.e. founders, they are.

The authority under paragraph 1 above shall notify the Fund and the Ministry in charge of pension and disability insurance issues, i.e. furnish processed data on the calculated and paid contributions, quarterly, and no later than within 30 days from the date of the expiry of the quarter.

Article 204

For the Insured parties who have not obtained the status of an Insured Party under Article 12 paragraph 1 item 3) of this Law, but is eligible to receive the agreed remuneration, in the context of this Law, i.e. the remuneration under a contract of additional employment, the payer of the agreed

remuneration shall calculate and pay the contributions to the Fund with which the Insured Party is registered.

Article 205

With respect to the determination of contributions, the periods of payment, interest rates, the terms and conditions of payment, and other issues not regulated in this Law, with the exception of the provisions referring to superannuation, tax exemptions and beneficial treatment, and write-off, the provisions of the regulations on tax procedures shall apply.

Article 206

The funds for pension and disability insurance for the incremental obligations incurred on the basis of obtaining and exercising pension and disability insurance rights under special conditions by the specific categories of beneficiaries, as specified in this Law, for the insurance span credited with extended duration for the beneficiaries under Article 58 of this Law, as well as for the incremental obligations incurred by awarding special insurance span under Article 60 of this Law, shall be provided in the budget.

Article 207

The difference between the level of pension determined in compliance with Article 79 of this Law and the level of pension determined in compliance with the general provision of this Law (Articles 61 to 70), as well as the overall pension determined for a beneficiary not eligible to receive pension under Article 19 of this Law, shall be provided in the budget.

XIV. DAMAGE COMPENSATION

Article 208

The compensation for the damage to the Fund, i.e. the return of unlawfully and improperly disbursed pensions and other pension and disability insurance cash benefits shall be carried out in compliance with the provisions of the Law on obligations, unless prescribed otherwise in this Law.

The Fund has the right to claim the compensation for the damage caused by persons having caused a disability, bodily damage or death of an Insured Party in case a pension and disability insurance right is exercised on that basis.

The Fund shall claim the compensation for damages from the Employer in case of a workplace injury, i.e. occupational disease caused by a failure to undertake adequate measures for workplace safety, in compliance with the regulations on workplace protection.

In determining the level of damages, the amount of contributions paid and the length of pension span completed shall not be taken into account.

Article 209

A claim for compensation of damages may include the total amount of damage or a partial amount of damage relating to a specific period in the past.

The Fund may request that the damage resulting in the obligation of the Fund based on family pension or disability benefit, as well as other forms of permanent cash benefits be compensated in a lump sum.

The amount under paragraph 2 above shall be calculated in accordance with the amount of determined pension and other permanent cash benefits, as well as according to the average expectancy of exercising the rights.

Article 210

The Fund is entitled to claim the compensation of damages directly from the general insurance company for the damages caused while driving a vehicle.

XV. SUPERVISION

Article 211

The supervision of the implementation of this Law shall be carried out by the authorized bodies.

The supervision of the compliance of the activities and acts of the Fund shall be carried out by the Ministry in charge of pension and disability insurance.

XVI. PENAL PROVISIONS

Article 212

A fine in the amount of 1.000 to 20.000 dinars shall be imposed on the pension and disability insurance rights beneficiary for committing the offence of failing to report, i.e. for failing to report timely, any change pertaining to the rights, i.e. the scope of the rights exercised (Article 88, paragraph 3).

Article 213

A fine in the amount of 5.000 to 400.000 dinars shall be imposed on the party responsible for submitting the applications for the Central Registry - a company or other legal entity, for committing

an offence of failing to submit the application for the Central Registry or failing to submit the application within the time limit under Article 144 of this Law (Article 132

For activities specified under paragraph 1 above, a fine shall be imposed on the party responsible for submitting applications to the Central Registry – the Employer, i.e. natural person for committing an offence, in the amount of 3.000 to 200.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the Insured Party, responsible for submitting the application to the Central Registry on his/her own behalf for committing an offence, in the amount of 1.000 to 20.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the responsible party in the company, other legal entity, state institution, or local self-governance authority for committing an offence, in the amount of 1.000 to 20.000 dinars.

Article 214

A fine in the amount of 5.000 to 400.000 dinars shall be imposed on the party submitting the application – company or other legal entity for committing an offence of:

1) failing to present correct data in the application for the Central Registry (Article 135 , paragraph 1);

2) the party referred to above misrepresenting or failing to provide the information, i.e. data relevant for ascertaining the facts pertaining to exercising pension and disability insurance rights to the Insured Party, or prevents an authorized representative of the Fund to gain insight into the records and documentation on which the data presented in the application is based (Article 135, paragraph 3);

3) the party referred to above enabling the Insured Party or other person to exercise the rights, or the level of rights he or she is not entitled to in accordance with this Law (Article 135, paragraphs 1 and 3);

4) the party referred to above failing to provide a certified copy of the application for insurance, i.e. notice of termination of insurance, to the person in whose behalf it was submitted, within eight days from the date of issuance (Article 136, paragraph 4);

5) the party referred to above failing to correct the irregularities identified in the application for the Central Registry within the time limit determined by the insurance company or failing to include, in compliance with the regulations on pension and disability insurance, the data on insurance span, earnings, compensations, i.e. bases of insurance, based on which the level of benefits is determined (Article 141).

For activities specified under paragraph 1 above, a fine shall be imposed on the party submitting the application – the Employer, i.e. natural person for committing an offence, in the amount of 3.000 to 200.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the responsible party in the company, other legal entity, state institution, or local self-governance authority for committing an offence, in the amount of 1.000 to 20.000 dinars.

Article 215

A fine of 5.000 to 400.000 dinars shall be imposed on the Fund for failing to input the data into the Central Registry within the timelines prescribed in Article 145 of this Law.

A fine shall be imposed on the party responsible in the insurance company for the activities specified under paragraph 1 above, for committing an offence, in the amount of 1.000 to 20.000 dinars.

Article 216

A fine of 5.000 to 400.000 dinars shall be imposed on the Employer – i.e. company or other legal entity acting as the contributor for committing the offence of failing to pay the contributions for pension and disability insurance timely and in full (Article 174 and 201).

For activities specified under paragraph 1 above, a fine shall be imposed on the party responsible in the company or other legal entity for committing an offence, in the amount of 1.000 to 20.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the Employer – natural person – contributor for committing an offence, in the amount of 3.000 to 20.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the Insured Party paying contributions on his/her own behalf for committing an offence, in the amount of 1.000 to 20.000 dinars.

For activities specified under paragraph 1 above, a fine shall be imposed on the party responsible in the state authority or local self-governance authority for committing an offence, in the amount of 1.000 to 20.000 dinars.

Article 217

A fine of 5.000 to 400.000 dinars shall be imposed on the Employer – a company or other legal entity for failing to pay contributions in accordance with Article 182 of this Law.

For activities specified under paragraph 1 above, a fine shall be imposed on the Employer without the status of a legal entity, in the amount of 3.000 to 200.000 dinars

For activities specified under paragraph 1 above, a fine shall be imposed on the party responsible in the state authority or other legal entity for committing an offence, in the amount of 1.000 to 20.000 dinars

XVII. TRANSITIONAL AND FINAL PROVISIONS

Article 218

The pension and disability insurance beneficiaries who had acquired their rights prior to the date of this Law coming into effect, in compliance with the regulations effective until that date, specified in this Law, shall retain the rights after that date, in accordance with the regulations effective prior to this Law coming into effect.

The pension and disability insurance beneficiaries, who have obtained their rights in compliance with the regulations on pension and disability insurance prior to the date of this Law coming into effect, not specified in this Law, shall obtain the rights under the conditions, in the scope and as determined in this Law .

As an exception from paragraphs 1 and 2 above, the Insured Parties, i. e. persons who realize the rights from pension and invalidity insurance in the year 2003 and until this Law coming into effect, the level of rights shall be determined in the same way as for the beneficiaries who realized their rights in the year 2002.

Article 219

As an exception from the provisions of Article 14, paragraph 4 of this Law, at the request of an Insured Party – Farmer who failed to pay a portion or the entire amount of the outstanding contributions starting from January 1, 1996 until the day of this Law coming into effect, the period of suspension of insurance may also be determined for an indefinite duration, without determining the reasons for suspension as envisaged in this Law.

At the request of an Insured Party, the period specified under paragraph 1 above or a portion of that period may be paid on the base specified in Article 198 of this Law.

Article 220

As an exception from the provisions of Article 20, paragraph 2 of this Law, for the Insured Parties employed, on the date of this Law coming into effect, in the posts for which actual 12 months of service counts towards the insurance span as 18 months, the age limit specified in Article 20, paragraph 1, item 4) may be decreased to 50 years of age, but no later than on December 31, 2007.

Article 221

The procedure for exercising pension and disability insurance rights, i.e. determining the insurance span, instigated prior to the date of this Law coming into effect, shall be terminated under the conditions and as prescribed by the regulations effective at the time of the instigation, unless prescribed otherwise in this Law.

Article 222

Pension span, in the context of this Law, based on which the right from pension and disability insurance are exercised, shall include the period completed until the date of this Law coming into effect, credited towards pension span in compliance with the regulations effective until that date.

As an exception from the provisions of paragraph 1 above, the persons who have obtained a right to extended insurance in accordance with the regulations effective prior to the date of this Law coming into effect, the insurance span completes on that basis, for which contributions have been paid, shall be credited towards pension and insurance rights in compliance with the provisions of this Law.

Article 223

For the beneficiary of the temporary compensation based on second and third category of disability, i.e. remaining working ability, who is unemployed, the temporary compensation shall be commuted into disability pension, in the amount of 50% of the disability pension determined in compliance with the provisions of this Law.

In case the level of the disability pension under paragraph 1 above is lower than the previously determined temporary compensation, the beneficiary shall retain the previously determined level of compensation, until that level is indexed and equalized with the amount of disability benefit determined in compliance with paragraph 1 above.

Article 224

The beneficiaries of part-time employment compensation (second category disability), compensation for the withheld earnings at other suitable post (third category disability), compensation on the basis of the remaining working ability, compensation on the basis of redeployment to other suitable post and for the risk of disability, who is employed, shall retain the level of compensation he or she is receiving on the day of this Law coming into effect, provided that the compensation shall not exceed 50% of the average worker's wage in the Republic for 2002, published by the relevant statistics authority.

The compensations specified under paragraph 1 above shall be indexed in accordance with the specified procedures for the indexation of pensions.

As an exception from the provisions of paragraph 2 above, for the beneficiaries whose compensation exceeds the average wage specified in paragraph 1 above, the level of compensation shall not be indexed until it reaches the amount of the average wage specified in paragraph 1 above.

Article 225

The beneficiary of the rights based on second and third category of disability, remaining work ability, who exercised the right prior to the date of this Law coming into effect, and who, independently of his/her own will, loses the status of an Insured Party, shall receive disability benefit specified under Article 223 of this Law, upon the expiry of the period for which he/she is entitled to receive cash compensation in compliance with employment regulations.

The right specified in paragraph 1 above shall be exercised for maximum five years from the date of this Law coming into effect.

Article 226

The disbursement of benefits for the beneficiaries of disability benefits specified under articles 223 and 225 of this Law, having obtained a status of an Insured Party in accordance with the provisions of this Law shall be suspended for the duration of insurance.

The disbursement of benefits specified in paragraph 1 above shall be resumed upon the termination of the renewed insurance, in case the insurance was terminated independently of the own will of the Insured Party.

Article 227

The right to receive disability benefit specified in Articles 223 and 225 of this Law and the right to receive compensation under Article 224 of this Law shall be terminated on the date of the fulfillment of the terms and conditions for exercising the right to receive old age pension, i.e. disability benefit, in compliance with this Law.

Article 228

In determining the pension under Article 223 of this Law, the pension span completed until the date of this Law coming into effect, and the salary, insurance and compensations bases, i.e. bases for determining compensations received until that date, shall be taken into account.

Article 229

For the beneficiaries exercising the rights specified under Article 223 of this Law, insurance span shall be calculated in compliance with the provisions of this Law.

For the beneficiaries exercising the right to compensation specified under Article 224 of this Law, in addition to earnings, i.e. bases for insurance and wage compensation, disbursed compensation shall be input into the Central Registry.

Article 230

Disability pension beneficiaries specified under Article 223 of this Law exercising the right to receive old age or disability pension shall be entitled to the re-evaluation of the pension, in compliance with the provisions of Article 121, paragraph 1 of this Law, if it is more favorable for the Insured Parties.

Article 231

As an exception from Article 79 of this Law, until December 31, 2007, the Insured Party specified under Articles 42 and 43 of this Law, old age, i.e. disability pension shall be determined based on the pension base which represents his/her average monthly income earned in the calendar year preceding the year in which the right is exercised, if it is more favorable for the Insured Party.

With respect to the bases under paragraph 1 above, the Insured Party is entitled to receive old age pension in the amount of 55% (men), i.e. 57.5% (women), of the base for pension and such pension shall be incremented by 2.5% for each following year up to completing 30 years of insurance span. For each year after completing 30 years insurance span, the pension shall be increased by 0.5 of the base for pension, provided that it shall not exceed 85% of the base for pension.

In case the Insured Party from paragraph 1 above loses his/her life in the line of duty, or in relation to performing official assignments, i.e. if he/she becomes disabled based on which he/she exercises a right to receive disability pension, the pension shall be determined applying the base for pension under paragraph 1 above.

The term 'income', in the context of paragraph 1 above, means the income after tax and contributions.

In determining the pensions under paragraphs 1 to 3 above, the retroactive indexation of pensions shall be carried out, starting from January 1 of the year in which the Insured Party exercises the right to pension under the terms and conditions for the indexation of pensions effective for the previous year, in compliance with this Law.

Article 232

The data on income for 2002 shall be input into the Central Registry, on the basis of the data on the levels of salaries after tax and contributions.

Article 233

Persons having obtained the status of an Insured Party in compliance with the regulations effective until the date of this Law coming into effect, as well as their family and the family members of the beneficiaries of the rights under those regulations, shall exercise pension and disability insurance rights under the terms and conditions provided for in this Law.

Article 234

With respect to the beneficiaries who are the veterans of the National Liberation War, the veterans of the Spanish Revolutionary National Liberation War from 1936 to 1939, the veterans of the National Liberation Movement of Greece, as well as their family members, the pension and disability insurance rights shall be adjusted in compliance with the provisions of this Law.

Article 235

The Republic shall provide the funds for the pension and disability insurance rights obtained in compliance with the republic regulations, effective until the date of this Law coming into effect, exercised under more favorable conditions relative to those stipulated in this Law.

The Republic shall also provide funds for exercising the pension and disability insurance rights for which the obligations of the Republic were stipulated by the previously effective regulations.

The funds for the fulfillment of the obligations of the Fund, incurred due to realizing and exercising the rights to pension under special conditions prescribed under the regulations of the Federal Republic of Yugoslavia effective until the day of this Law coming into effect shall be provided as stipulated in those regulations, until specified otherwise in an agreement between Serbia and Montenegro.

Article 236

As an exception from regulations under Article 63 of this Law, salaries, compensations and insurance bases from 1993 shall not be taken into account in determining the level of benefit.

Article 237

The provisions of Article 86 of this Law shall apply also to the pensions exercised until the date of this Law coming into effect, based on the insurance span completed, i.e. determined from January 1, 1963.

Article 238

The Central Registry organized and maintained in compliance with the regulations effective until the date of this Law coming into effect, shall be maintained as stipulated by this Law.

The data on the pension span completed by an Insured Party until December 31, 1969 and the data on the special insurance span completed from that date, as well as the notice of the change of information, shall be input into the Central Registry of Insured Parties based on the data on insurance span contained in the application.

As an exception from the provisions of Article 129 of this Law, for the purpose of using and processing the data, input into the Central Registry under an Insured Party's personal number, the personal number shall remain in use.

Article 239

The regulations pertaining to the implementation of this Law shall be passed within the following time limits:

- 1) within 30 days from the date of this Law coming into effect, with respect to the acts under Articles 93 to 96 and Articles 184 to 202;
- 2) within three months from the date of this Law coming into effect, with respect to the acts under Articles 89 to 100, and Article 159;
- 3) within six months from the date of this Law coming into effect, with respect to the acts under Articles 24, 38, 56 and 126.

Article 240

The decisions based on which, until the date of this Law coming into effect, pension and disability rights were approved, or based on which pension insurance span was determined, in case it is clear that they breach a material law, may be annulled based on supervisory discretion, even upon the expiry of the statutory time limit for general administrative procedure, and within five years of this Law coming into effect.

The findings and the opinion of court experts, based on which, until the date of this Law coming into effect, pension and disability rights based on disability were approved, may be revalued in the line of duty within five years of this Law coming into effect.

Article 241

The Insured Party who, until the date of this Law coming into effect, was employed in working posts, i.e. activities for which insurance span is credited with extended duration, in compliance with the regulations effective until the date of this Law coming into effect, the insurance span shall be credited towards fulfilling the conditions in compliance with the law effective at the time of completing the insurance span.

Article 242

The Pension and Disability Insurance Funds, established in compliance with the Law on Pension and Disability Insurance (“The Official Gazette of the Republic of Serbia”, No. 52/96, 46/98, 29/2001, and 80/2002), and the Law on determining specific competences of the Autonomous Province (“The Official Gazette of the Republic of Serbia”, No. 6/2002), shall continue to operate in compliance with the provisions of this Law, with the exception that the Republic Farmers Pension and Disability Insurance Fund shall become the Republic Pension and Disability Insurance Fund of Agriculture Workers.

The regulations on public services shall not apply to the operation of Funds from paragraph 1 above.

Article 243

The data on invalids of work – beneficiaries of the rights based on the remaining work ability and the risk of disability, shall be recorded in the Central registry, in compliance with the regulations effective until the date of this Law coming into effect, unless regulated otherwise in this Law.

Article 244

An Insured Party and pension beneficiary shall have the right to receive cash compensation for special care and assistance, until the adoption of relevant regulations.

The right under paragraph 1 above shall be exercised under the terms stipulated by the regulations effective until the date of this Law coming into effect.

The cash compensation for special care and assistance shall be determined in the amount of the indexed cash compensation for special care and assistance for the current beneficiaries in the Republic Employees Pension and Disability Fund.

The cash compensation for special care and assistance shall be determined in monthly installments and shall be paid retroactively.

The payment of cash compensation for special care and assistance shall be terminated for the beneficiary placed in a social geriatric institution.

A beneficiary, i.e. Insured Party shall not have a right to receive cash compensation for special care and assistance in case he/she exercises such right on other basis.

Cash compensation for special care and assistance shall be indexed as defined in this Law referring to the indexation of pensions.

Article 245

The right to receive compensation for the procurement of specialized aids for reading and writing – reproducers and Braille typewriters – shall be exercised by an Insured Party or pension beneficiary – a blind person and the blind child of an Insured Party, until the adoption of relevant regulations, under the terms and conditions stipulated by the regulations effective until the date of this Law coming into effect.

Article 246

As an exception from Article 17 of this Law, the rights on the basis of disability and bodily damage caused by workplace injury or occupational disease shall be exercised by the persons who, in accordance with the Law, perform specific activities on the basis of contract of engagement or contract of additional work, until acquiring the status of an Insured Party, in accordance with the provisions of this Law.

Article 247

The provisions of Article 104, paragraphs 1 to 3 shall apply to the procedure of deciding on proposals for the re-instigation of procedures for determining special insurance span in relation with the National Liberation War submitted after June 30, 1983.

Article 248

Voluntary pension and disability insurance under Article 16 of this Law shall be provided only by the legal entities who meet the conditions stipulated under a separate law, regulating voluntary pension and disability insurance, organization and the operations of investment funds administering voluntary pension insurance.

Article 249

The nominal value of the general point under Article 70, paragraphs 1 to 3 of this Law shall be determined by the Government of Serbia.

The nominal value of the general point under paragraph 1 above shall be published in the “Official Gazette of the Republic of Serbia”.

Article 250

The levels of minimum pensions, i.e. compensations, under Articles 74, 76 and 244 of this Law received by previous beneficiaries in the Republic Employees Pension and Disability Insurance Fund, shall represent the indexed amounts of minimum pension, i.e. compensation of the beneficiaries who exercised that right in 2002, on the date of this Law coming into effect.

Article 251

The bases applied to Insured Parties - Employees in December 2002, in accordance with the regulations effective until the date of this Law coming into effect, shall apply until the minimum bases specified in Article 182, paragraph 2 above are determined.

The minimum bases under paragraph 1 above shall be determined based on the data from the relevant statistics authority, relating to the level of the average worker's wage in the Republic for the first quarter of 2003.

Article 252

The base for the payment of contributions for the Insured Party – Agriculture Worker for 2003 shall be the minimum insurance base for the Insured Parties with category I and II qualifications, determined for December 2002, in accordance with the regulations on pension and disability insurance effective until the date of this Law coming into effect.

The base under paragraph 1 above shall be published by the Fund.

Exceptionally from Article 205 of this Law, the contribution determined for the Insured Parties-Agriculture Workers for 2003 shall become due for payment:

- 1) on May 15, for the first quarter;
- 2) on September 15, for the second and third quarter;
- 3) on November 15, for the fourth quarter.

Article 253

For Self-employed Insured Parties, the lump-sum contributions paid in 2002 based estimated annual income shall present the final assessment of contributions for 2002.

For the Self-employed Insured Parties who have paid the contributions in 2002 based on estimated annual income and estimated minimum insurance base for the period Jun – December 2002, the final amount of contributions for that year shall be assessed based on the minimum insurance base, providing the difference between the minimum base and the estimated base is up to 3%.

In case the difference under paragraph 2 above is over 3%, the final amount of contributions for that year shall be the lump-sum contributions paid based on the estimated bases increased for 3%.

For Insured Parties – Farmers, the lump-sum contributions determined for 2002 shall present the final assessment of contributions and the final obligation for 2002.

Article 254

The rights based on disability and bodily damage shall be exercised by persons having suffered a workplace injury by taking part in:

- 1) rescue missions and natural disaster and crisis response teams;
- 2) military maneuvers or performing other activities related to national defense as stipulated by law;
- 3) work camps or competition (industrial, sports etc.);
- 4) other activities and tasks of public interest as stipulated by law.

The rights under paragraph 1 above shall be exercised with the Republic Employees Pension and Disability Insurance Fund, until exercising of such rights is regulated under other regulations.

Article 255

As an exception from Article 15 of this Law, the status of Insured Party may be acquired prior to this Law coming into effect, based on the submitted claim, and no earlier than from January 1, 1999.

The base for the payment of contributions shall be the base applying to the Insured Parties under Article 15 at the moment of the payment, and the application forms for the Central Registry shall include the most recent bases, effective for the period for which the payment is made.

The claim under paragraph 1 above may be submitted within one year from the date of this law coming into effect.

Within the time limits under paragraphs 1 and 2, the request for the payment of outstanding contributions may be submitted by other Insured Parties as well.

Article 256

In determining the insurance span under Article 46 of this Law for the Insured Parties – Employees, the control of the payment of contributions shall not include the period before 1994.

Article 257

For a pension beneficiary who has fulfilled the conditions for the re-institution of the procedures for deciding on the eligibility to receive pension in compliance with Article 121 paragraph 1, and whose level of pension was determined in compliance with the regulations effective prior to the date of this Law coming into effect, in order for the level of pension to be re-determined, the previously determined nominal amount of pension shall be reconciled to be expressed in beneficiary's personal points.

The reconciliation under paragraph 1 above shall be conducted by dividing the level of pension as of the date of submittal of the claim by the adjusted value of the general point.

The personal points under paragraph 1 above shall subsequently be adjusted with the actual insurance span completed, actual salaries and salary compensations, as well as with insurance bases and agreed remuneration for which the contributions have been paid, for the period starting no earlier than from the date of this law coming into effect, and in compliance with the provisions of this Law.

The personal points determined as specified under paragraph 3 above shall serve as a basis for the determination of a new level of pension in compliance with this Law.

For the pension beneficiary under paragraph 1 above a more favorable level of pension shall be determined.

Article 258

The issues relating to exercising the rights based on pension insurance span completed in the Republic of Montenegro until the date of this Law coming into effect, shall be regulated in an agreement between Serbia and Montenegro.

The issue of compensations based on the rights acquired on the basis of insurance span completed in the Republic of Montenegro until the date of this Law coming into effect, shall be regulated in an agreement between Serbia and Montenegro.

Article 259

Pension beneficiaries who have acquired a right to receive pension in the former republics of the Socialist Federal Republic of Yugoslavia, which are not the constituents of the Federal Republic of Yugoslavia, and residing in the territory of the Republic shall receive pension benefits from the Fund in the form of advance payment, in compliance with the Act of the Government of the Republic of Serbia, unless they receive pensions from the pension and disability insurance organizations with which such right has been acquired.

Article 260

The provision of the Article 121 paragraph 1 of this Law shall apply also to the pension beneficiaries who have obtained a right to receive pension prior to the date of this Law coming into effect.

Article 261

The relevant tax authority shall inherit, within 30 days from the date of this Law coming into effect, all cases and decisions with respect to which the Fund has, in compliance with Article 140 of the Law on Pension and Disability Insurance (“Official Gazette of the Republic of Serbia”, No. 52/96, 46/98, 29/2000 and 80/2002) instigated, been engaged in or finalized the procedures of the collection of contributions.

The decisions based on which administrative proceedings have been instigated and the cases with respect to which administrative proceedings are pending shall be transferred from the Fund to the relevant tax authority within 10 days from the date of receipt of the ruling, along with the ruling.

In instances under paragraphs 1 and 2 above, the relevant tax authority shall continue and finalize the procedures for the calculation and collection of contributions as specified in the decisions of the Fund, i.e. the ruling under paragraph 2 above.

Article 262

On the date of this Law coming into effect, the Law on the Bases of Pension and Disability Insurance (“Official Gazette of the Republic of Serbia”, No. 5/2003), the Law on the Bases of Pension and Disability Insurance (“Official Gazette of the Republic of Serbia”, No. 30/96, 70/2001, 3/2002 and 39/2002) and the Law on Pension and Disability Insurance (“Official Gazette of the Republic of Serbia”, No. 52/96, 46/98, 29/2001 and 80/2002) shall expire.

Until the date of the acts under Article 239 of this Law coming into effect, the bylaws adopted on the basis of the Law on the Bases of Pension and Disability Insurance (“Official Gazette of the Republic of Serbia”, No. 30/96, 70/2001, 3/2002 and 39/2002) shall apply.

Article 263

This Law comes into effect on the date of its publishing in the “Official Gazette of the Republic of Serbia”, with the exception of the provisions of the Article 191 of this Law, in the part referring to the bases for the activities under Article 12 paragraph 1 item 3) of this Law and Article 195 of this Law, which shall apply from July 1, 2003.