

JPM

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LAW ON
PROTECTION
OF
WHISTLEBLOWERS

On December 4th, 2014 Law on protection of whistleblowers has entered into force (hereinafter: "the Law"). The Law shall be applied starting from June 5th, 2015 so that the Employers to whom the Law imposes new obligations can be introduced with its provisions.

The Law stipulates establishing of the protection of the whistleblowers, respectively the protection of the persons who reports that there might be corruption or other illegal activities. The Law determines normative framework for fight against corruption, while, at the same time, the undertaken international obligations that are necessary for the process of accession to EU are being fulfilled. The Law regulates the process of whistleblowing, respectively, rights and obligations of both whistleblowers and Employers are being regulated. The Law provides legal protection not only for the employees but to all persons who perform work for the Employer, including persons who perform work outside employment, volunteers as well as persons who perform certain function in the Company.

Provisions of the Law stipulate obligations of the Employers in regard to whistleblowers. The Employer is obliged to provide a written notification regarding the rights and obligation stipulated by the Law to all of the persons who perform work for the Employer, as well as to appoint the person who will be authorized to receive information and conduct the procedure in regard to the whistleblowing. Also, in case that Employer has more than 10 employees, he is obliged to regulate the procedure of internal whistleblowing by a general act (rulebook) and to publish the rulebook on his notice board.

In case that the Employer has internet page and in case that there are technical conditions, the Employer is obliged to publish the aforementioned rulebook on his internet page. The deadline for rendering the general act of the employer by which the procedure of whistleblowing will be regulated is December 4th, 2015.

The breach of the provisions of the Law implies infringement liability and for the Employer who is a legal entity the penalties range from RSD 50.000 to RSD 500.000, respectively for the entrepreneur in a range from RSD 20.000 to RSD 200.000, while the responsible person in the legal entity can be penalized by a fine ranging from RSD 10.000 to RSD 100.000.

Please bear in mind that the overview of the novelties given in this newsletter is not exhaustive, that it is has an informative character , so that we are subletting you with it in order to draw your attention to new regulations whose noncompliance may have negative effects to the economic aspect of your business.

For any additional consultations JPM Jankovic Popovic Mitic is at your disposal.

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