

Sports Contracts in the Republic of Serbia

Sports contracts in the Republic of Serbia govern a range of legal relationships between athletes, sports organisations, sports professionals, intermediaries, sponsors and other participants in sport. Their legal nature, form and content depend on the status of the parties, the nature of the particular engagement and the applicable rules of the relevant sports federation.

Depending on the type of contract, sports contracts are governed not only by the **Law on Sports**, but also by the **Labour Law, the Law on Obligations and the rules of the relevant national and international sports federations**.

Below is an overview of the main types of sports contracts and their key legal characteristics.

Employment Contract of a Professional Athlete

A professional athlete is an athlete who engages in sport as their **sole or principal occupation**, or who has that status under the **rules of the relevant international sports federation**. A professional athlete enters into an **employment relationship** with a sports organisation for a fixed term of **up to five years**, after which they may enter into a new contract with the same or another sports organisation.

A professional athlete's rights, obligations and responsibilities are governed not only by their employment contract, but also by law, the sports rules of the relevant national branch sports federation, and a collective agreement or, where the employer has not concluded one, the employer's work rules.

A professional athlete's employment contract must be concluded in writing and certified in accordance with the law, and the same formal requirements apply to all amendments and supplements to the contract and to its termination by mutual agreement.

Agreement on Participation in Sport

An agreement on participation in sport is intended for an **amateur competitive athlete**, meaning an athlete whose **aim in engaging in sport is not to earn money** and who **does not engage in sporting activities as an occupation**. Unlike a professional athlete's employment contract, an agreement on participation in sport does not establish an employment relationship; instead, participation in sport under the agreement is considered **work outside an employment relationship**.

Under this agreement, the athlete and the sports organisation regulate their mutual rights and obligations, particularly payment for participation in sporting activities, financial and other rewards for sporting results, reimbursement of accommodation and meal expenses during training and competitions, payment for entering into the agreement, and payment for the use of the athlete's image and likeness.

Although it is not an employment contract, this agreement is also subject to strict formal requirements. The agreement, its amendments and supplements, and its termination by mutual agreement must be in writing and certified in accordance with the law.

Scholarship Agreement for a Minor Athlete's Sporting Development

The primary purpose of a scholarship agreement for a minor athlete's sporting development is to **provide financial support for the development of a young athlete**. The agreement may remain in force **only until the athlete reaches the age of majority**.

In accordance with the applicable sports rules, the agreement regulates the financial scholarship and reimbursement of accommodation and meal expenses during training and competitions.

An agreement with an athlete who does not have full legal capacity may be validly concluded only with the **written consent of both parents or the guardian**, certified in accordance with the law, and after the athlete's **medical fitness** has been established.

The agreement itself, all its amendments and supplements, and its termination by mutual agreement must be in writing and certified in accordance with the law.

Agreements with Sports Professionals

Sports professionals are individuals who have **appropriate college or university qualifications in sport or physical education**, or who are **qualified to perform particular professional duties in sport**.

A sports professional may enter into an **employment relationship** with an organisation operating in sport under an employment contract for an indefinite period or for a fixed term of **up to five years**. Another option is a **professional engagement agreement**, which constitutes **work outside an employment relationship** and regulates payment for professional work and the sports professional's other remuneration.

Before entering into an agreement, it is necessary to check whether the sports professional meets the **prescribed requirements** concerning education, professional training, sports title and licence. The rules governing the conclusion of agreements between athletes and sports organisations apply accordingly to agreements with sports professionals.

Athlete Transfer and Loan Agreements

A **transfer agreement** is concluded between the sports organisation with which the athlete has a valid agreement and the sports organisation the athlete is joining. Under it, the first sports organisation agrees, in return for a fee, to **terminate its agreement with the athlete early by mutual agreement** so that the athlete may join the new sports organisation.

A **loan agreement** is concluded between the sports organisation with which the athlete has a valid agreement and the sports organisation the athlete is joining temporarily. Unlike a transfer, a loan is

not intended to result in the athlete's permanent move, but in their participation for another sports organisation **for a specified period**.

Both agreements must be in writing and certified in accordance with the law, and the athlete's written and certified consent is also required for their validity. Transfers and loans must comply with the rules of the relevant sports federation, while additional restrictions apply to minor athletes.

Sports Intermediary Agreement

A sports intermediary agreement is concluded to provide intermediary services in connection with an athlete's or sports professional's **move** from one sports organisation to another, as well as the **conclusion of an agreement** between the athlete or sports professional and a sports organisation. These services may be provided by a company or sole trader operating in sport that holds a licence issued by the relevant national branch sports federation, as well as by other persons in accordance with the rules of the relevant international sports federation.

A sports intermediary agreement and all its amendments and supplements must be in writing and certified in accordance with the law. The agreement must specify its term, the fee payable to the sports intermediary organisation and the scope of its authority, including any authority to represent a party. The agreement may remain in force for **no more than two years**, but the parties **may enter into a new agreement** after it expires.

A sports intermediary organisation may **protect the interests of only one party to an intermediary agreement**. An agreement between an athlete or sports professional and a sports organisation concluded through an intermediary **must identify the sports intermediary organisation involved**.

Insurance Agreements for Elite Athletes and Elite Sports Professionals

A sports organisation must insure its elite athletes and elite sports professionals **against the consequences of accidents** occurring while they engage in sporting activities or perform professional work in sport.

The law prescribes **minimum insured amounts** for death, permanent loss of general capacity for work or capacity to engage in sporting activities and sports-related work, and temporary incapacity to engage in sporting activities and sports-related work.

The **relevant national branch sports federation** must insure an athlete or sports professional representing the national team against the consequences of an accident if they are not covered by appropriate insurance.

If a sports organisation or the relevant national branch sports federation fails to arrange the required insurance, it must **pay damages** to the uninsured athlete or sports professional for any loss suffered.

Other Agreements Used in Sport

In addition to the agreements specifically regulated by the Law on Sports, **sponsorship, marketing and advertising agreements, agreements concerning the use of an athlete's name and likeness, and other similar agreements** are also concluded in sporting practice.

The Law on Sports does not regulate these as separate types of agreement, so they are primarily subject to the general rules of the Law on Obligations and, depending on their content, to legislation on advertising, intellectual property and personal data protection.

The Importance of Precise Drafting and Compliance with Formal Requirements

The variety of contractual relationships in sport shows that no single contractual solution suits every participant and type of engagement. Each sports contract should therefore be **carefully tailored** to the status of the parties, the rules of the particular sport and the purpose of the agreement, while **complying with the formal requirements and mandatory terms** prescribed for that type of contract. Clearly and precisely defined rights, obligations and termination provisions provide greater legal certainty and reduce the risk that a contract will be void, as well as the risk of misunderstandings and future disputes.

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