

**LICENCE TO OPERATE THE NATIONAL LOTTERY**

made and entered into by and between

the Regulator of the National Lottery

and

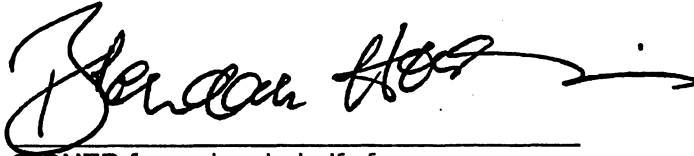
the Minister for Public Expenditure and Reform

and

Premier Lotteries Ireland Limited

27 February 2014

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SIGNED for and on behalf of  
the Regulator of the National Lottery  
In the presence of:



SIGNED by  
Minister for Public Expenditure and Reform  
In the presence of:



SIGNED for and on behalf of  
PREMIER LOTTERIES IRELAND LIMITED  
In the presence of:

IAN MURRAY  
Fitzwilton House  
Wilton Place  
Dublin 2



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## LICENCE TO OPERATE THE NATIONAL LOTTERY

made and entered into by and between

the Regulator of the National Lottery

and

the Minister for Public Expenditure and Reform

and

Premier Lotteries Ireland Limited  
A company registered under the Companies Acts  
(Registered No. 527900),  
whose registered address is at  
Fitzwilton House, Wilton Place, Dublin 2

### 1 INTERPRETATION

- 1.1 Words or expressions used in this Licence and the Schedules hereto to which no meaning is given in terms of Clause 1 shall, unless the context clearly indicates otherwise, have the same meaning as in the Act. In this Licence and the Schedules hereto, unless the context indicates otherwise:
- 1.1.1 **"the Act"** means the National Lottery Act 2013, and includes any regulation promulgated thereunder;
- 1.1.2 **"Active Lottery"** means a National Lottery Game in which the determination of whether any Participant has won a prize is determined, in whole or in part, by reference to numbers or other symbols selected by the Participant, or automatically by the Licensee's Central System and/or on line terminals, at the Participant's request;
- 1.1.3 **"Add on Game"** means a National Lottery Game whereby participation can only take place in conjunction with another National Lottery Game;
- 1.1.4 **"Annual Levy"** means the annual levy due to the Regulator, pursuant to section 24 of the Act, which will be one and a half million Euro (EUR 1,500,000) per annum from the Effective Date and annually indexed thereafter by the CPI. Where the Licensee operates for a period of less than 12 months in any calendar year the Annual Levy shall be adjusted on a pro rata basis;

- 1.1.5            **"Approvable Descriptions"** means Descriptions (as defined in Clause 13.1 below) determined by the Regulator in terms of Clause 13.3;
- 1.1.6            **"Associate"** means any entity who or which Controls or is Controlled by a Party or Holding Company of a Party and **"Associate"** means one or more of them as the context may require;
- 1.1.7            **"Attended Vending Machine"** means any equipment for selling Tickets which is attended in terms of Clause 4.5.1 below;
- 1.1.8            **"Auditors"** means the Licensee's Auditors, recognised under section 187 of the Companies Act 1990;
- 1.1.9            **"Base Marketing"** means marketing expenditure that is fundamental to the promotion and operation of the National Lottery in the ordinary course, as determined by the Licensee in consultation with the Regulator on an annual basis in advance;
- 1.1.10           **"Central System"** means the hardware and the operating software to be utilised by the Licensee covering the operational needs of the National Lottery (excluding On-Line Facilities) and any updates, releases, versions, patches or additions thereof and which reside in the Licensee's data centres in Ireland (primary data centre and disaster recovery data centre) dedicated to the operation of the National Lottery. In case of a difference between the Central System and a Ticket, the information in the Central System prevails;
- 1.1.11           **"Companies Acts"** means the Companies Acts 1963 - 2012;
- 1.1.12           **"Connected Party"** has the meaning given to that expression in Clause 19.4.1 below;
- 1.1.13           **"Control"** means any one of the following and **"Controlled"** shall be construed accordingly:
- 1.1.13.1           in respect of a company not listed on a stock exchange, if another company or legal entity or person, together with any Associates (whether alone or pursuant to an agreement with other direct registered or beneficial shareholders in that company):
- 1.1.13.1.1           holds or controls, as the direct registered or beneficial shareholder of the company, more than 50% (fifty per cent) of the voting rights in that company; or
- 1.1.13.1.2           has the right to appoint or remove the directors holding amongst them the majority of the voting rights in that company's board of directors; or
- 1.1.13.1.3           has the power, as the direct registered or beneficial shareholder of the company, to ensure the directors holding amongst them the majority of the voting rights in that company's board of directors will act in accordance with its wishes; or
- 1.1.13.2           in respect of a company listed on a stock exchange:

- 1.1.13.2.1 the holding of shares or the aggregate of holdings of shares and/or other securities in the company entitling the holder thereof together with concert parties, as defined in the Companies Acts, to exercise, or cause to be exercised, 30% (thirty per cent) or more of the voting rights at meetings of shareholders of the company irrespective of whether such holding or holdings confers de facto control; or
- 1.1.13.2.2 the holding or control by a shareholder or members, alone or pursuant to an agreement with other shareholders or members, of 30% (thirty per cent) or more of the voting rights in the company;
- 1.1.13.3 in respect of a trust, if a person:
- 1.1.13.3.1 has the ability, in terms of the trust deed or otherwise, to appoint or remove the majority of the trustees and/or the beneficiaries; or
- 1.1.13.3.2 has the power, as founder, beneficiary, trustee or otherwise to ensure that the majority of the trustees will vote or act in accordance with his wishes;
- 1.1.14 "CPI" means the Consumer Price Index as compiled and published every month by the Irish Central Statistics Office;
- 1.1.15 "Department" means the Department of Public Expenditure and Reform;
- 1.1.16 "Draw" includes any arrangement for determining on one occasion, the Tickets on which prizes have been won in a National Lottery Game;
- 1.1.17 "Effective Date" means 31 December 2014 or such earlier or later date as the Licensee notifies to the Regulator in writing at least 30 days prior to the revised effective date, provided however that any such later date shall not be later than eighteen months after the Signature Date, and any such earlier date shall not be earlier than receipt of full payment for the Licence;
- 1.1.18 "EL" means European Lotteries and Toto Association;
- 1.1.19 "Expired Unclaimed Prizes" means any prize not claimed within the time frame and in the manner specified in the relevant Lottery Game rules;
- 1.1.20 "Financial Year" has the meaning given to that expression in Clause 1.2 below;
- 1.1.21 "Fund" means the National Lottery Fund continued in being in accordance with section 44 of the Act;
- 1.1.22 "Game and Player Liabilities" shall, collectively mean items (a) to (f), of Clauses 6.17 or 26.1.1 of the Licence, as applicable;
- 1.1.23 "Good Causes" means the purposes identified in section 41 (1) of the Act;



- 1.1.24            **"Gross Gaming Revenue" or "GGR"** means Total Net Sales minus prizes calculated over a Financial Year. For the purposes of this clause 1.1.24, the word "prizes" means the amount resulting from applying the weighted average prize percentage stated in the Lottery Game rules proposed by the Licensee and approved by the Regulator, calculated over all Lottery Games over the Financial Year on the Total Net Sales;
- 1.1.25            **"Holding Company"** means a company as defined in Section 155 of the Companies Act 1963;
- 1.1.26            **"Incremental Marketing"** means all marketing expenditure of the Licensee other than Base Marketing;
- 1.1.27            **"Instant Lottery"** means a National Lottery Game in which the determination of whether or not a particular Ticket is a winning ticket may be made via the Central System immediately, following its purchase;
- 1.1.28            **"Instant Tickets"** means Tickets for any Instant Lottery;
- 1.1.29            **"Interactive Facilities"** includes "interactive channels" as is defined in section 2 of the Act and any other future interactive means that may be legally available in Ireland for the duration of the Licence and whereby information relating to the purchase of a National Lottery Ticket is transmitted to the Central System at the time when the Participant purchases a Ticket and which conform to the Approvable Descriptions;
- 1.1.30            **"Interactive Lottery"** means any National Lottery Game, whereby participation can only be achieved through Interactive Facilities;
- 1.1.31            **"Interest Rate"** means the European Central Bank refinancing rate plus 8% unless otherwise agreed between the Licensee and the Regulator;
- 1.1.32            **"Ireland" or "State"** means Ireland excluding Northern Ireland and "Irish" shall be construed accordingly;
- 1.1.33            **"Licence"** means the Licence issued under section 26 of the Act, and amended in accordance with section 27 of the Act, as recorded in this document;
- 1.1.34            **"Licence Date"** means the date of expiry, termination, revocation, or suspension (as contemplated in section 36 of the Act) of this Licence (as the case may be);
- 1.1.35            **"Licensee"** means Premier Lotteries Ireland Limited, a company registered under the Companies Acts (Registered No. 527900), whose registered address is at Fitzwilton House, Wilton Place, Dublin 2, Ireland;
- 1.1.36            **"Licence Fee"** means the sum of four hundred and five million Euro (€405,000,000);
- 1.1.37            **"Lottery" or "Lottery Game"** means any game, competition or other procedure, including those played via On-line Facilities and/or Interactive Facilities, in which or whereby prizes (whether money prizes or otherwise)

are distributed by lot or chance among persons participating in the game, competition or other procedure;

- 1.1.38 **"Lottery Contract"** means a contract between the Licensee and any other Person for the supply of goods or services or for the carrying out of any other activity in connection with the National Lottery or any National Lottery Game;
- 1.1.39 **"Lottery Sub-Contract"** means any contract which arises as a result of a party to a Lottery Contract sub-contracting the performance of some or all of his or her obligations under that contract or a party to a Lottery Sub-Contract further sub-contracting the performance of some or all of his or her obligations under that Sub-Contract;
- 1.1.40 **"the Minister"** means the Minister for Public Expenditure and Reform or his successor in title;
- 1.1.41 **"National Lottery"** has the same meaning as in section 2 of the Act and includes all the Lotteries conducted under this Licence, taken as a whole;
- 1.1.42 **"National Lottery Game"** means any Lottery Game that forms part of the National Lottery;
- 1.1.43 **"National Lottery Logo"** has the meaning given to it in Clause 7;
- 1.1.44 **"National Lottery Ticket"** or **"Ticket"** has the same meaning as in section 2 of the Act. A National Lottery Ticket shall be the proof of entitlement of participation in the National Lottery by its owner. In case of a difference between the Central System and the Ticket the information in the Central System is decisive. For the purposes of this Licence, where a signature has been entered on the reverse side of a Ticket, the signatory is considered to be the owner of the Ticket and where no such signature has been entered, the bearer or holder of the Ticket is considered to be the owner of the Ticket, subject to verification and other procedures as determined by the Licensee including without limitation in respect of fraudulent claims, disputed ownership and claims from Retailers;
- 1.1.45 **"National Lottery Trade Marks"** means the trade marks relating to any National Lottery Game and any additional trade marks relating to any National Lottery Game registered or submitted for registration pursuant to Clause 7;
- 1.1.46 **"On-line Facilities"** means facilities whereby information relating to the purchase of a National Lottery ticket is transmitted to a computer under the control of the Licensee at the time when the Participant purchases a Ticket and which conform to the Approvable Descriptions. For the avoidance of doubt, facilities, whether involving transmission to a computer or not, which are used merely for validation of Tickets or entries (as opposed to effecting or recording the purchase or making of entries) shall not be treated as On-line Facilities;
- 1.1.47 **"On-line Lottery"** means a National Lottery Game that is delivered with "On-line Facilities", or with On-line Facilities and Interactive Facilities;

- 1.1.48            **"On-line Outlet"** means a Retail Outlet with On-line Facilities;
- 1.1.49            **"Operations"** means:
- 1.1.49.1            each of the operations connected with the operation of the National Lottery or the promotion of any National Lottery Game; and
- 1.1.49.2            any other operations connected with the operation of the National Lottery or the promotion of National Lottery Games,  
and includes all the operational procedures, technology, systems, services and software involved in the carrying out of such operations.
- 1.1.50            **"Pack"** in relation to an Instant Lottery, means a Pack comprising such number of Instant Tickets as the Licensee shall determine;
- 1.1.51            **"Passive Lottery"** means any National Lottery Game including Add on Games not being an Active Lottery or an Instant Lottery;
- 1.1.52            **"Participant"** means in relation to a National Lottery Game, a Person who is the owner (as per the meaning attributed to it in Clause 1.1.44 above) of a valid Ticket for that Lottery;
- 1.1.53            **"Party"** means the Minister, the Regulator or the Licensee and **"Parties"** means two or more of them as appropriate;
- 1.1.54            **"Payment Date"** means at or before 13:00 on Thursday of each week (or on such other time or day as may be agreed by the Licensee and the Regulator) provided that where a Thursday or other day designated for payment is not a Working Day, the next Working Day shall be the date on which payment shall be made under the terms of this Licence or the Act;
- 1.1.55            **"Person"** means any natural person or any legal person as set out in section 18 of the Interpretation Act 2005;
- 1.1.56            **"Prize Fund Account(s)"** means a bank account or accounts to be opened and administered by the Licensee into which receipts payable by Retailers are paid and into which prizes are paid by the Regulator to the Licensee from the National Lottery Fund, pursuant to Clause 6.13;
- 1.1.57            **"Quarter"** means the periods from 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December and, by way of exception, the periods: (i) starting on the Effective Date and ending on 31 March, 30 June, 30 September or 31 December as appropriate; and (ii) starting on 1 January, 1 April, 1 July or 1 October, as appropriate, and ending on the date on which this Licence is terminated;
- 1.1.58            **"Regulator"** means the Person appointed by the Minister under section 7 of the Act or the Minister acting under section 8 of the Act;
- 1.1.59            **"Relevant Date"** in relation to a prize in a National Lottery Game means the earliest date on which a claim in respect of the said prize is capable of being made;

- 1.1.60 "Relevant Week" in relation to any weekly Payment Date means the period of 7 days ending on the Saturday at 23:59 before that weekly Payment Date, provided that the first Relevant Week shall commence on the Effective Date and may be for a period shorter than 7 days ending on the Saturday after the Effective Date at 23:59;
- 1.1.61 "Retailer" means any Person whom the Licensee has authorised, in writing, or entered into an agreement with, to sell National Lottery Tickets from a Retail Outlet;
- 1.1.62 "Retailer Bonuses" means any agreed remunerations payable to Retailers for the payment of a top prize irrespective of whether that prize is claimed or not, in addition to the Retailer Validation Commissions and the percentage rate remuneration stipulated in Clause 4.7;
- 1.1.63 "Retailer Validation Commissions" means the percentage rate commissions applied on the value of National Lottery prizes the respective Retailer has paid out to players as evidenced by the Central System;
- 1.1.64 "Retail Outlet" means any premises (including premises where an Attended Vending Machine is situated) where Tickets in a National Lottery Game are sold to Participants who attend personally at the premises;
- 1.1.65 "RFA" means the Request for Applications issued by the Department to solicit applications from parties interested in participating in the Licence competition to become the licensee;
- 1.1.66 "Settled Pack" means a Pack in respect of which 10 (ten) days has expired since the date on which the Pack was activated or such other period as shall be determined by the Licensee, subject to the approval of the Regulator;
- 1.1.67 "Signature Date" means the date on which this Licence is signed by the last Party signing it;
- 1.1.68 "Software" means the Central System gaming application software, the On-Line Facilities software, the National Lottery Games application software, the Central System's operating software, the Independent Verification System operation software and the data communications software collectively and shall include any updates, releases, patches, versions, or additions of the foregoing items;
- 1.1.69 "Subsidiary" means a company as defined in Section 155 of the Companies Act, 1963;
- 1.1.70 "System" means the Central System, the On-Line Facilities, Interactive Facilities, the Attended Vending Machines, the Software, the Independent Verification System, the procedures, the processes and the data communication equipment, necessary for the Operations, all working together as an integrated system;
- 1.1.71 "Total Net Sales" means the total net sales (as determined in accordance with Part I of Schedule 1 "The Ticket Sales Payment") of National Lottery Tickets sold in the Financial Year, provided however that Instant Tickets

- which are comprised in a Pack, shall not be treated as sold for the purposes of this Clause until the date on which the relevant Pack has become a Settled Pack;
- 1.1.72 "Ticket" means National Lottery Ticket;
- 1.1.73 "Trade Marks" means the National Lottery Logo, the National Lottery Game Trade Marks and the National Lottery Trade Marks;
- 1.1.74 "Winning Ticket" has the same meaning as attributed to it in section 2 of the Act. For the purposes of this Licence, where a signature has been entered on the reverse side of a Winning Ticket, the signatory is considered to be the owner of the Winning Ticket and where no such signature has been entered, the bearer or holder of the Winning Ticket is considered to be the owner of the Winning Ticket, subject to verification and other procedures as determined by the Licensee including without limitation in respect of fraudulent claims, disputed ownership and claims from Retailers;
- 1.1.75 "WLA" means the World Lottery Association; and
- 1.1.76 "Working Day" means every day of the week, excluding Saturdays, Sundays and any day which is a public holiday in Ireland.
- 1.2 For the purposes of this Licence:
- 1.2.1 the first Financial Year shall be the period from the Effective Date until 31<sup>st</sup> December 2015; and
- 1.2.2 each subsequent Financial Year shall be the period from 1<sup>st</sup> January to the following 31<sup>st</sup> December, except that the last financial year, which shall be from the 1<sup>st</sup> of January until the date of termination of the Licence.
- 1.3 Conditions in the Act and in this Licence that make provision for the Regulator to make any inspection or to have access to any premises or to take copies of any documents, shall include any representative of the Regulator as well as any member of the Regulator's staff who has been authorised by the Regulator (either generally or specially) to make the inspection or take the copies referred to in those conditions.
- 1.4 Any consent, approval, agreement, determination, nomination or notification given by the Minister or by the Regulator pursuant to the Act or this Licence shall be effective only if it is in writing.
- 1.5 Unless the context requires otherwise, a Ticket in any National Lottery Game shall be regarded as sold when it has been sold by or on behalf of the Licensee (whether or not it has subsequently been sold by a Retailer or other agent or intermediary to any Person who participates or intends to participate in the relevant National Lottery Game).
- 1.6 All Schedules or annexes to this Licence shall be read with, shall form part of this Licence, and shall be subject to the same interpretation as this Licence.

- 1.7 This Licence and all other documents relating to the National Lottery shall be governed by and interpreted only in accordance with Irish Law.
- 1.8 Nothing contained in this Licence, nor the interpretation of any aspect or provisions of this Licence shall in any way be restrictive of the interpretation of similar provisions, words or clauses in the Act, the interpretation of the provisions of the Act prevailing at all times.
- 1.9 Any condition contemplated in the Act which is not explicitly or by implication provided for in this Licence, shall be regarded as having been incorporated in this Licence and forms part of this Licence, in addition to the conditions contained herein.
- 1.10 The headings to the Clauses in this Licence are for reference purposes only, and shall not be used in the interpretation of this Licence.
- 1.11 Words signifying the singular shall include the plural and vice versa: words importing any one gender shall include the other gender: and words importing natural persons shall include legal persons and vice versa.
- 1.12 Technical and other lottery and gaming industry terms not defined in this Licence or in the Act shall bear the meaning normally ascribed thereto in the international lottery and gaming industry.

## **2 APPOINTMENT**

- 2.1 In terms of the powers conferred upon the Regulator under the Act, the Regulator hereby grants to the Licensee the exclusive Licence to operate the National Lottery for a fixed term of twenty (20) years from the Effective Date.
- 2.2 This Licence comes in to full force and effect on the Signature Date and:
- 2.2.1 is granted on the terms and conditions set out in this Licence as read with the provisions of the Act;
- 2.2.2 subject to the provisions of this Licence and the Act, it entitles the Licensee to operate the National Lottery, for the period of twenty (20) years commencing on the Effective Date.
- 2.3 To the extent that there is a conflict between this Licence and the applicable provisions of the Act, the interpretation of the Act shall prevail, it being agreed that the Parties shall amend this Licence in accordance with Clause 31 to accord with the interpretation or requirements of the Act.

## **3 COMMENCEMENT OF OPERATIONS UNDER THE LICENCE**

- 3.1 The Licensee shall use its best endeavours to ensure that on the Effective Date, there shall be continuity of operation of all aspects of the National Lottery as required under this Licence. For the avoidance of doubt this specifically includes the continuation in accordance with the respective game rules of all games in operation under the licence currently held by the An Post National Lottery Company, immediately prior to the Effective Date.

- 3.2 The Licensee shall, for the purposes of supervision, ensure that on the Effective Date and for the whole term of the Licence, material aspects of Operations are to be located in and conducted from (as applicable) within Ireland. Such aspects shall include the primary data centre, the disaster recovery data centre, Retailer technical and commercial field service support, System first level technical support, Participants' and Retailers' call centre and help desk.
- 3.3 The Licensee shall not be held liable in respect of any delay regarding the timely launch of the National Lottery or disruption of continuity of operation of any aspect of the National Lottery where such delay has been caused by the Licensee not receiving the information, approval or assistance required as contemplated in Clause 3.4.
- 3.4 The Licensee shall, as soon as possible but no later than thirty (30) days after the Signature Date:
- 3.4.1 notify the Minister whether it wishes to make use of the provisions of section 30 (3) of the Act, subject to the Minister's approval which shall not be unreasonably withheld or delayed; and
- 3.4.2 provide to the Regulator a list of essential information and other requirements which the Licensee requires in order to give effect to Clause 3.1, which list shall be subject to the approval of the Regulator which approval shall not be unreasonably withheld or delayed. The Licensee shall be entitled to supplement its list of requirements from time to time in the event that the Licensee reasonably requires any additional information or further assistance.
- 3.5 The Minister and the Regulator shall use their best endeavours to procure that the Licensee is provided with the relevant information and assistance in sufficient time to enable the Licensee to discharge its responsibilities in terms of Clause 3.1.

#### **4 RETAILERS**

- 4.1 The Licensee shall ensure that within forty-eight (48) hours after the Effective Date the number of Retail Outlets shall be at least three thousand seven hundred (3,700). The Licensee shall use its best endeavours to utilise the Retail Outlets that were part of the An Post National Lottery Company retailer network, six (6) weeks prior to (and continuing up until) the Effective Date.
- 4.2 For the duration of the Licence, the Licensee shall maintain an operational network of Retail Outlets, which shall be of sufficient size and distribution in order to effectively serve the population of Ireland. Consequently, the number referred to in Clause 4.1 shall be reviewed on an on-going basis by the Regulator.
- 4.3 For the purpose of this Clause, subject to Clause 27, On-line Facilities shall be deemed to be available at a Retail Outlet on any date, if:
- 4.3.1 On-line Facilities have been installed at that Retail Outlet, and are capable of being used to sell Tickets on that date; or
- 4.3.2 they are installed at that Retail Outlet and were capable of being used at some time to sell Tickets during the period of two weeks before that date but they are not capable of being used on that date either:

- 4.3.2.1 because they were being repaired or tested on that date; or
- 4.3.2.2 because the Retail Outlet was not normally open for business on that date,  
but are capable of being used thereafter to sell Tickets; or
- 4.3.2.3 because they were deactivated by the Licensee for failure of the Retailer to comply with the Licence or the terms and conditions of its Retailer authorisation with the Licensee or the directions of the Regulator provided such On-line Facilities are replaced within thirty (30) days; or
- 4.3.3 they are installed at that Retail Outlet but are not capable of being used on that date to sell Tickets solely because of the failure of any communication equipment or the loss of the communication network outside the control of the Licensee, but are capable of being used to sell Tickets within six weeks of the date of such failure (whether such period shall extend beyond that date or not).
- 4.4 For the purposes of this Clause 4 Retail Outlets are defined as On-line Outlets.
- 4.5 In respect of Attended Vending Machines the following shall apply:
- 4.5.1 if the Licensee or the Retailers makes use of Attended Vending Machines or similar apparatus to sell Tickets in the National Lottery, such Tickets shall not be sold by means of such a machine or apparatus unless it is effectively monitored by the Retailer at all times of its operation, or under other conditions agreed with the Regulator; for the avoidance of doubt the word "monitored" does not necessarily mean physical monitoring, but may include remote monitoring, e.g. through CCTV, web cameras or such equivalent technology;
- 4.5.2 subject to Clause 4.5.3, all necessary precautions to safeguard the proper operation of the machines and apparatus contemplated in Clause 4.5.1, as approved in writing by the Regulator prior to the installation and operation of such machines and apparatus, shall be taken by the Licensee and the Retailers. Failure by the Licensee to comply with such precautions shall constitute a material breach of this Licence;
- 4.5.3 the Regulator may in writing grant exemptions from the provisions of Clause 4.5.2, except in respect of any safeguards relating to the prevention of excessive playing and the playing by persons under the age of eighteen (18) of any Lottery Game offered by such machines or apparatus;
- 4.5.4 the Regulator may at any time impose further requirements in respect of the use of such machines and apparatus provided that it has, prior to such imposition of further requirements, requested the Licensee in writing to make a submission on such proposed further requirements;
- 4.5.5 the Licensee shall assure itself that the Attended Vending Machines and similar apparatus are adequate to comply properly and correctly with its obligations under the Act, any other law or this Licence. The Regulator and the Minister shall not be held liable in respect of any approval or acceptance of any machine, service or system employed by the Licensee or the Retailers or any other agent in respect of Attended Vending Machines or similar apparatus.



- 4.6 The Licensee shall ensure that the terms and conditions are set out in the authorisation for Retailers to sell National Lottery Tickets and that there are clear and fair qualification criteria specified and applied for Retailer selection and de-selection. Such terms and conditions shall be made available to the Regulator upon its request.
- 4.7 The Licensee shall compensate all Retailers who operate through Retail Outlets equally by means of percentage rate commissions applied on the value of Tickets sold by the respective Retailer (including through Attended Vending Machines) as evidenced by the Central System, which shall be six per cent (6%) for all National Lottery Games, excluding the National Lottery Game known as "Lotto 5-4-3-2-1" for which it shall be five per cent (5%). The Licensee shall further compensate all Retailers who operate through Retail Outlets equally by means of Retailer Validation Commissions and Retailer Bonuses, which shall be no less than the ones in force on the Signature Date.
- 4.8 The percentage rate commissions for National Lottery Games for Retailers shall not deviate from the ones listed in Clause 4.7.
- 4.9 Save for at individual Retail Outlets authorised prior to 30 November 2013 the Licensee shall not, in any way, sell National Lottery Tickets in premises where alcohol is served for consumption on the premises.
- 4.10 The Licensee may sell Tickets through interactive channels in accordance with section 42(5) of the Act and the Licence.
- 4.11 The Licensee shall determine the requirements to be satisfied by persons seeking to purchase Tickets and claim prizes through interactive channels, subject to its obligations under the Act and the Licence, save that:
- 4.11.1 without prejudice to the generality of Clause 4.11, the requirements referred to in Clause 4.11 shall include the conditions identified in Schedule 9 save as otherwise agreed with the Regulator; and
- 4.11.2 the operational means by which the Licensee determines whether or not the requirements have been satisfied by a Person are at the discretion of the Licensee
- provided however that the provisions of Clause 10 are satisfied.

## **5 LICENCE FEE PAYMENT**

- 5.1 Within ten (10) Working Days of the Signature Date, the Licensee shall pay to the Minister fifty per cent (50%) of the Licence Fee.
- 5.2 No later than nine (9) calendar months after the Signature Date, the Licensee shall pay to the Minister the remaining fifty per cent (50%) of the Licence Fee.
- 5.3 Notwithstanding anything to the contrary contained in this Licence, until both payments stipulated in Clauses 5.1 and 5.2 have been received by the Minister, the Licensee shall not commence operations under the Licence.

## **6 PAYMENTS TO AND FROM THE NATIONAL LOTTERY FUND**

- 6.1 The Regulator shall manage and control the Fund in accordance with the provisions of section 44 (2) of the Act.

- 6.2 The Regulator shall operate the National Lottery Fund account in the Central Bank of Ireland.
- 6.3 The method of calculation of the monies to be paid to and from the Fund is as set out in Schedules 1 and 2 to this Licence and the frequency of such payments are as set out in this Clause 6.
- 6.4 The Licensee shall pay into the Fund on each Payment Date, the Total Net Sales of National Lottery Tickets after deduction therefrom of the Retailers' commissions and prizes paid by the Retailers or the Licensee during the Relevant Week, up to Payment Date, since the preceding Payment Date.
- 6.5 Payments of amounts in respect of prizes for Winning Tickets, other than those referred to in Clause 6.4, shall be made out of the Fund within twenty four (24) hours of each Payment Date or as otherwise agreed in writing with the Regulator.
- 6.6 Amounts in the Fund, allocated to Good Causes for each Relevant Week shall remain reserved in the Fund and shall be paid out of the Fund by the Regulator in accordance with the provisions of section 44 of the Act.
- 6.7 Amounts in the Fund corresponding to the Annual Levy adjusted on a pro rata basis for the Relevant Week, shall remain reserved in the Fund and shall be transferred out of the Fund to the designated bank account of the Regulator.
- 6.8 Any moneys from Ticket sales on or after the Effective Date and moneys becoming unclaimed prizes on or after the Effective Date, remaining in the Fund after payment and reservation (as the case may be) of funds under Clauses 6.5, 6.6 and 6.7 have been made, shall be paid to the Licensee within twenty four (24) hours of each Payment Date.
- 6.9 It is expressly agreed that unclaimed prizes paid to the Licensee as per Clause 6.8 shall be treated as follows:
- 6.9.1 In accordance with the provisions of Clauses 3.1 and 8, the Licensee shall clearly define in the respective Lottery Game rules, the manner and time period within which prizes must be claimed and shall use its best endeavours to notify Participants of the existence of such unclaimed prizes and to facilitate that such prizes are claimed;
- 6.9.2 Any Expired Unclaimed Prizes shall be forfeited in favour of the Licensee, provided that such Expired Unclaimed Prizes shall be used:
- 6.9.2.1 solely for the promotion of the National Lottery and/or the Lottery Games (excluding Base Marketing), in a manner determined by the Licensee, which shall include the funding of special draws and additional or top-up prizes; and which may include Incremental Marketing and advertising of the National Lottery and/or Lottery Games; or such other activities to promote the National Lottery and/or Lottery Games as specifically agreed in writing with the Regulator from time to time; and
- 6.9.2.2 no later than within three hundred and sixty five (365) days from the date on which they were forfeited in favour of the Licensee.
- 6.10 Payment, in terms of this Licence or the Act, and whether to be made to the Regulator, the Licensee or the Fund, shall be effected by on-line credit transfer (or

such other method as the Regulator may reasonably specify in writing), free of exchange or any other charges or deductions, and in the currency of legal tender recognised in the State. All overdue payments in terms of this Licence or in terms of the Act shall attract interest calculated at the Interest Rate with effect from their due date, until the date on which payment is effected, inclusive of the first day and exclusive of the date on which payment is made. Interest due in terms of this Licence shall be paid with the capital payment in respect of which the interest is due and payable. For the purposes of this Clause 6.10, payment is deemed to be effected at the time and place of receipt by the Regulator, or the Fund. For purposes of this Clause 6 and Clause 22, no breach shall have occurred if the Licensee has initiated payment in accordance with this Licence.

- 6.11 The Licensee shall not be entitled to withhold, delay or set off payment of any amount due to the Regulator or the Fund for whatsoever reason, including without limitation, any amount which may be due by the Regulator or the Fund to the Licensee.
- 6.12 All amounts due and payable in terms of this Licence or in terms of the Act shall be deemed to be received on the date that monies are credited to the Fund account nominated by the Regulator.
- 6.13 The Licensee shall request transfer of all prizes other than those paid by Retailers from the Fund to a nominated Prize Fund Account and payments to winners shall be made directly from that account.
- 6.14 The Licensee shall request the transfer of monies due to Retailers in respect of credits arising on the weekly settlement to the Prize Fund Account(s).
- 6.15 A breach of the provisions of this Clause 6 on more than four occasions in a Financial Year constitutes a material breach of the provisions of this Licence.
- 6.16 A breach of the provisions of this Clause 6 may result in amounts being withheld from the Licensee in terms of Clause 22 hereof.
- 6.17 Provided that the Regulator has fulfilled its obligation under Clause 6.18, with effect from the Effective Date the Licensee shall be responsible for the payment to any person of any amount for the purpose of allocating Game and Player Liabilities in respect of: (a) a National Lottery Game for which a valid claim could have been made before the Effective Date, other than a claim in respect of which a prize had already been paid prior to the Effective Date or in respect of which the entitlement to claim a prize had expired prior to the Effective Date; or (b) a National Lottery Game for which any sums have been received by or on behalf of An Post National Lottery Company Limited, by way of advance payments or subscription payments but the Relevant Date for which would have fallen after the Effective Date; or (c) which the National Lottery Game was conducted before the Effective Date the winners of which can only be ascertained after the Effective Date; or (d) which any money which on the day before the Effective Date has been carried forward from a National Lottery draw based Game conducted prior to the Effective Date as representing the value of the prize which was not won in that National Lottery Game, with a view to it being added to the amount available to be paid in prizes in a National Lottery draw based Game intended to be held after the Effective Date; or (e) Instant Tickets where such Instant Tickets were activated and registered as sold by or on behalf of An Post National Lottery Company Limited before the Effective Date, such liabilities being recognised, for each Instant Ticket game, by applying the prize percentage stated in the respective Instant Ticket game rules of An Post National Lottery Company Limited on the

sales revenue generated by the settled packs of the specific Instant Ticket game; or (f) any valid Retailer Bonuses and Retailer Validation Commissions payable in relation to payments made under 6.17 (a), (c) and (e) that arose prior to the Effective Date and are due after the Effective Date.

- 6.18 The Minister and the Regulator shall ensure that from the Effective Date, the Fund has sufficient funds available to the Licensee for the Licensee to fulfil its obligations under Clause 6.17. For the avoidance of doubt any valid Retailer Validation Commissions as per Clause 6.17 (f) that cannot be ascertained on the Effective Date shall be paid by the Minister and the Regulator in the Fund, on the day on which they can be ascertained.
- 6.19 The Minister and the Regulator shall be responsible for dealing with any actions, suits or legal proceedings brought against or involving the Licensee regarding winnings claimed (or regarding any refund of the Ticket price paid) for Tickets sold before the Effective Date, or in relation to Instant Tickets, for such Instant Tickets activated and registered as sold before the Effective Date, in circumstances where no funds are available as contemplated in Clause 6.17 or where the information necessary to enable the Licensee to verify any such claim has not been provided to the Licensee, or according to such provided information, the Ticket at issue is not a winning Ticket or a Valid Ticket.
- 6.20 In any circumstance contemplated in Clause 6.19, the Minister and the Regulator shall undertake the settlement or defence of any such dispute or action and the Minister and the Regulator shall be responsible for any costs associated with such dispute or action, including without limitation all legal fees applicable to a settlement or defence of such dispute or action. The Licensee shall assist the Minister and the Regulator by providing all necessary information and data available to the Licensee regarding the dispute in question. In the event any amount is to be paid to the Participant following the outcome of the legal proceedings or settlement contemplated above relating to claims on winnings (with the exception of any legal and court costs or other compensation awarded), the Licensee shall procure, subject to the Regulator fulfilling its obligation under Clause 6.17. above, that the Regulator or the winner is paid such amount.
- 6.21 For the purposes of Clause 6.17, a National Lottery Game shall be considered held when the winners can be ascertained.

## **7 TRADE MARKS AND COPYRIGHT**

- 7.1 The goodwill attaching to the names "Irish National Lottery" and "National Lottery" and their equivalents in the Irish language and to the name of any National Lottery Game, shall vest with the Minister. This will include without limitation all copyright and trade marks in any corporate names, game names, logos and any other names relating to the National Lottery. The Regulator shall on behalf of the Minister exercise all such rights in relation to Trade Marks and copyright vested in the Minister.
- 7.2 The Licensee shall hold and administer all such copyright and trade marks referred to in Clause 7.1 in accordance with the provisions of Schedule 3 "Copyrights and Trade Marks" to this Licence.
- 7.3 The Licensee shall ensure that, except with the prior approval of the Regulator, the National Lottery Logo appears on all:
- 7.3.1 National Lottery play slips and physical Tickets;

- 7.3.2 *documents produced by or on behalf of the Licensee and made available or sent to any Person containing information about the National Lottery or any National Lottery Game (whether or not such documents are required to be made available or sent pursuant to Clause 8.1); and*
- 7.3.3 *correspondence by the Licensee in connection with the National Lottery or any National Lottery Game.*
- 7.4 The Licensee shall ensure that, except with the prior approval of the Regulator, the National Lottery Logo as well as the National Lottery Trade Marks appear or are displayed, as the case may be:
- 7.4.1 *on any equipment provided by or on behalf of the Licensee and used at Retail Outlets in connection with the National Lottery;*
- 7.4.2 *on all signs at Retail Outlets provided by or on behalf of the Licensee indicating that National Lottery Tickets can be purchased there;*
- 7.4.3 *on all advertisements and point of sale material produced by or on behalf of the Licensee in respect of the National Lottery or any National Lottery Game;*
- 7.4.4 *on all the Licensee's Interactive Facilities; and*
- 7.4.5 *in any sponsorship by or for the Licensee in respect of the National Lottery or any National Lottery Game.*
- 7.5 The Minister hereby warrants that:
- 7.5.1 *he is the sole legal and beneficial owner of the Trade Marks and that no other person has any right or entitlement to, or to the use thereof, save, notwithstanding anything to the contrary in this Licence, for beneficiaries of Good Causes as contemplated in or under section 41 of the Act for the purpose of acknowledging the support by the National Lottery for the relevant good cause.*
- 7.5.2 *each registered Trade Mark is valid and subsisting and is not subject to, or likely to be subject to, amendment, challenge to validity, removal or surrender;*
- 7.5.3 *he is unaware of any infringement or likely infringement of any Trade Mark or rights of copyright licensed pursuant to this Licence;*
- 7.5.4 *the Trade Marks and copyright licensed to the Licensee pursuant to this Licence include all relevant copyright, trade mark and related rights used in connection with or required to operate the National Lottery at the Effective Date;*
- 7.5.5 *so far as he is aware, exploitation of the Trade Mark or rights of copyright licensed pursuant to this Licence will not infringe the rights of any third party; and*
- 7.5.6 *all previous assignments of the Trade Marks are valid and all previous assignments of the Trade Marks were registered within applicable time limits.*

- 7.6 The Licensee and the Regulator shall seek to agree general rules on the mode of display and level of prominence of Trade Marks. If such rules have not been agreed by the Effective Date, then the rules applicable to the previous licensee shall continue to be applicable until the Regulator and the Licensee agree otherwise.
- 7.7 Upon the grant of this Licence, the Minister and the Licensee will enter into:
- 7.7.1 an assignment of copyright agreement in the form set out in Schedule 3 "Copyrights and Trade Marks" of this Licence; and
- 7.7.2 an exclusive copyright licence agreement in the form set out in of Schedule 3 "Copyrights and Trade Marks" of this Licence.
- 7.8 The Licensee may, in the name of the Minister and at the cost of the Licensee, file and attend to proceedings under the Trade Marks Act 1996 and/or the Community Trade Marks Office ("OHIM") and/or any international marks that relate to Ireland as the Licensee deems fit. The Licensee shall, if requested in writing to do so by the Regulator, attend to the withdrawal or abandonment of any such Trade Mark application. If on the Signature Date the Licensee is, or if at any time during the duration of this Licence the Licensee becomes, the registered proprietor or applicant for registration of any Trade Mark, the Licensee shall, at the cost of the Regulator, execute an assignment of such Trade Mark registration or application in favour of the Minister in the form set out in Schedule 3 "Copyrights and Trade Marks" of this Licence.
- 7.9 The Licensee shall enter into (and join with the Regulator in pursuing the registration of) a registered user agreement in the form set out in Schedule 4 "Registered User Agreement" of this Licence appointing the Licensee as the registered user of the Trade Mark in relation to such goods or services as the Regulator may specify in respect of which the Trade Marks shall be registered (or required by the Regulator to be registered).
- 7.10 The Regulator and the Licensee shall promptly give all reasonable assistance and co-operation necessary in respect of the matters referred to in Clauses 7.8 and 7.9 above, including the execution of all such acts, deeds, documents and things as may be necessary or desirable for the said purposes.
- 7.11 Save with the approval of the Regulator, the Licensee shall not, and shall not cause or permit any other Person to:
- 7.11.1 use any trade mark other than a Trade Mark in connection with the National Lottery or any National Lottery Game; and
- 7.11.2 register or seek to register the Licensee or any other Person as the proprietor of any Trade Mark.
- 7.12 The Licensee shall not use, or cause or permit any other Person to use, a Trade Mark on any goods or in relation to the provision of any services, other than the operation of the National Lottery or National Lottery Games without the prior approval of the Regulator and subject to any provisions which may be specified by the Regulator which, without prejudice to that generality may include, inter alia:

- 7.12.1 provisions intended to secure or to assist in the registration of the Minister as proprietor and the Licensee or any other relevant user, as the Regulator may require, as a registered user of the Trade Mark concerned in relation to the goods or services in question;
- 7.12.2 such provisions as the Regulator may think fit to ensure that any such goods or services are of such quality as the Regulator may think fit; and
- 7.12.3 provisions that all activities associated with the National Lottery are conducted tastefully and with all due propriety.
- 7.13 Subject to any provisions to the contrary elsewhere contained in this Licence, the Minister hereby grants to the Licensee the exclusive right:
- 7.13.1 to use the Trade Marks in the State, and such other jurisdictions as the Regulator may approve from time to time, strictly in accordance with the provisions of this Licence in connection with the National Lottery or any National Lottery Game or any National Lottery Game category previously approved by the Regulator; and
- 7.13.2 subject to the provisions of Clause 7.14.3 below, to authorise others to use the Trade Marks in the State in compliance with this Licence, and such other jurisdictions as the Regulator may approve from time to time, provided always that the Regulator shall be entitled to use the Trade Marks for any purpose in the course of carrying out its duties and functions under the Act or in connection with this Licence and provided further that the Minister shall be entitled to use the Trade Marks and to permit any beneficiaries of Good Causes as contemplated in or under section 41 of the Act, to use the National Lottery Trade Mark for the purpose of acknowledging the support by the National Lottery for the relevant good cause, in accordance with such rules, requirements or restrictions as may be from time to time to apply to the use of the National Lottery Trade Mark under this Licence. For the purposes of this Clause 7, the term "Trade Marks" shall be deemed to include any rights of copyright comprised therein which vest in the Minister.
- 7.14 The Licensee shall procure:
- 7.14.1 that it does not grant any licence, authority, consent or other right to do anything with or in relation to the Trade Marks which could not be done by the Licensee hereunder, save in accordance with the provisions of this Licence and all proposals, rules and codes of practice from time to time approved or determined by the Regulator under this Clause 7;
- 7.14.2 that it does not grant any licence, authority, consent or other right to use the Trade Marks in relation to the provision of lottery services or the operation of any lottery other than as set out in Clause 7.14.1;
- 7.14.3 that any licence, authority or consent granted by it to do anything with or in relation to a Trade Mark shall automatically terminate upon the termination for any reason of this Licence and shall contain provisions in the same terms (*mutatis mutandis*) as Clause 7.23 below and such other provisions (whether as to termination or otherwise) as the Regulator may require;

- 7.14.4 that any licence, authority or consent granted by it for the use of a Trade Mark on any goods or in relation to any services, in respect of which a trade mark registration has been or is to its knowledge to be applied for, shall be conditional upon the relevant user entering into and joining in the registration of such registered user agreement and other arrangements as the Regulator may require, whereas for the avoidance of any doubt the Licensee may authorise the appointed Retailers to use the Trade Marks without concluding a registered user agreement; and
- 7.14.5 that, except with the prior consent of the Regulator and subject to such terms as it may in its discretion require, no express or implied licence, authority, consent or other right granted by the Licensee shall permit any other Person to grant any sub-licence or authority or consent to any other Person in respect of the use of the Trade Marks.
- 7.15 The Licensee shall take reasonable steps to ensure that it shall investigate any suspected breaches coming to its attention and inform the Regulator immediately on becoming aware of any breach of the terms of any licence, authority, consent or other right issued or granted by the Licensee and, subject to the provisions of Clause 7.20, shall take such action as the Regulator shall require in respect thereof.
- 7.16 The Licensee shall not at any time during the subsistence of this Licence or thereafter either:
- 7.16.1 claim any right, title or interest in any Trade Mark or any part thereof or any trade mark comprising or incorporating a Trade Mark or any part thereof save as is granted by this Licence or the user agreement referred to in Clause 7.9; or
- 7.16.2 do anything to prevent or impede any registration of the Minister as proprietor of any trade mark including or comprising a Trade Mark or raise any claim or objection against or in any way seek to attack the rights of the Regulator in relation to a Trade Mark; or
- This sub-Clause 7.16 is severable from the rest of this Licence and shall remain in effect even if this Licence expires or is terminated for any reason whatsoever.
- 7.17 The Licensee shall, as soon as it becomes aware thereof, give to the Regulator in writing full particulars of any use or proposed use by any other Person of a trade name, trade mark, services or mode of promotion or advertising which amounts or might amount either to infringement of any copyright, trade mark rights or other proprietary rights in any Trade Mark (or which would or might do so if the Trade Mark concerned were registered as a trade mark in relation to any particular goods or services) or which would otherwise entitle the Licensee or the Regulator to take action in respect of, passing-off or any similar rights.
- 7.18 The Licensee shall, where it reasonably considers it to be appropriate or where so directed by the Regulator, promptly issue warnings against any such use, proposed use or infringement following confirmation from the Regulator (which shall not be unreasonably withheld or delayed) that such use, proposed use or infringement has not been authorised and will endeavour to stop such use, proposed use or infringement by inter alia obtaining undertakings. In the event that



the Licensee is unable to stop such use or infringement without commencing proceedings, then the Licensee shall promptly notify the Regulator and, if so required by the Regulator, consult with it or its duly authorised representatives as to the action to be taken in respect thereof.

- 7.19 Unless the Regulator otherwise directs in writing, the Licensee shall be entitled in its own name or, if necessary and appropriate, in the name of the Regulator and at the cost and expense of the Licensee, to take any action, issue any proceedings, make any comments or admissions, settle or agree to settle any claim, action or proceeding relating to any infringement or possible infringement of any copyright, any trade mark rights or other proprietary rights in respect of any Trade Mark or in respect of, passing-off or similar claim in any way related to the National Lottery, provided that the Licensee has previously notified the Regulator in writing of its proposed action and given the Regulator such opportunity as may be reasonable in the circumstances to exercise its rights in terms of Clause 7.20. Where the Licensee acts in the name of the Regulator as aforementioned, the Regulator shall promptly execute such documents and take such steps as may be reasonably required by the Licensee in order to act in the name of the Regulator upon being requested by the Licensee in writing to do so. Where the Licensee acts in the name of the Regulator, it hereby indemnifies the Regulator against all claims and any liability that may be incurred pursuant to the action taken in terms of this Clause 7.19 subject to the Licensee receiving promptly from the Regulator all necessary and appropriate assistance reasonably requested by the Licensee.
- 7.20 Save as aforesaid, the Regulator may, at its discretion, decide what action (if any) should be taken in respect of any infringement, alleged infringement, passing-off or any other claim or counterclaim brought or threatened in respect of the use or registration of any Trade Mark or any part of any Trade Mark or any mark which comprises or incorporates any Trade Mark or any part thereof, or is similar thereto. The Licensee shall, at the request and under the direction of the Regulator, take such actions (including but not limited to the commencement or defence of legal proceedings) in that regard as the Regulator may require. The Regulator shall not be obliged to bring or defend any such proceedings. The Licensee shall not be responsible for the costs of any action taken by it in terms of this sub-Clause if it is not in agreement with the action which the Regulator directs it to take, unless such action is reasonably deemed by the Regulator to be necessary in order to preserve or protect one or more of the Trade Marks or to maintain the integrity of the National Lottery.
- 7.21 Subject to the foregoing provisions of this Clause 7, unless the Regulator otherwise directs in writing, and to the extent permitted by law, any proceedings, claims or counter claims contemplated above may be issued or made by the Licensee in its own name and at the cost and expense of the Licensee and on such basis and using such legal and other advisors and agents as the Licensee may decide. The Licensee shall (and shall procure that any such advisors and agents shall) provide such information and reports in relation to such proceedings as the Regulator may require from time to time and the Regulator, acting reasonably, shall be entitled at any time to require that such advisors and/or agents of the Licensee take such steps as it may direct in relation to any such proceedings or claims. The Licensee shall allow the Regulator, or procure that the Regulator is allowed, full access to all documents in the possession or under the control of the Licensee or its advisors or agents in relation to such proceedings.

- 7.22 All damages or other monies including costs recovered from third parties in respect of any infringement or other breach of any rights in respect of a Trade Mark or copyright or any other proprietary rights shall be applied in the following order of priority: firstly, towards reimbursement of any costs reasonably incurred by the Regulator and/or the Licensee in pursuing the matter in question and, if the monies recovered are insufficient to discharge all such costs, they shall be divided between the Regulator and the Licensee in proportion to the costs so incurred by each of them; and secondly, if any excess exists after such reimbursement, this shall belong to the Licensee.
- 7.23 Upon termination of this Licence for whatever reason, the Licensee shall cease to make any use of the Trade Marks or to represent itself as being or continuing to be connected with the National Lottery and shall promptly remove all representations of the Trade Marks from all of its stock of goods, its premises, advertisements, stationery and all other places where it has used the Trade Marks or, at the option of the Licensee, destroy such items rather than remove the Trade Marks therefrom. The Licensee shall not thereafter, without the prior consent of the Regulator, use the Trade Marks or any mark which so nearly resembles any Trade Mark as to be likely to deceive or cause confusion. Any registration of the Licensee as a registered user of any Trade Mark shall be cancelled following termination or expiration of this Licence and the Regulator shall be entitled to take all necessary steps to that end and the Licensee shall forthwith, upon request by the Regulator, do and execute all such acts, deeds, documents and things as may be necessary or appropriate for the said purpose.
- 7.24 The Regulator and the Licensee shall co-operate in the identification of trade marks which it may be necessary to prohibit or restrict and shall take all necessary steps to seek such prohibition or restriction under the Trade Marks Act 1996, as amended.

## **8 PARTICIPANT RELATIONS**

### **Information to Participants and others**

- 8.1 The Licensee shall ensure that every National Lottery Ticket (and in the case of participation via Interactive Facilities, the specific gaming area of the National Lottery website) contains the following information:
- 8.1.1 the name and address of the registered or principal office of the Licensee;
  - 8.1.2 an address from which further information about the relevant National Lottery Game may be obtained;
  - 8.1.3 a statement of how to obtain the rules of the relevant National Lottery Game;
  - 8.1.4 the name of the National Lottery Game and a statement that it forms part of the National Lottery;
  - 8.1.5 the price of the Ticket;
  - 8.1.6 the game(s) and or Draw(s) for which the Ticket is valid;

- 8.1.7 the method by which the Ticket holder can ascertain whether the Ticket is a Winning Ticket;
  - 8.1.8 the period within which prizes must be claimed or, in the case of Instant Tickets, a statement as to where such information may be obtained; and
  - 8.1.9 that participation in the relevant National Lottery Game is subject to such National Lottery Game's rules.
- 8.2 The Licensee shall take all reasonable steps to ensure that documents are available on the National Lottery website to all Participants who seek or request such, containing the following information, relating to each relevant National Lottery Game:
- 8.2.1 the rules of each relevant National Lottery Game;
  - 8.2.2 information, in a form which can be readily understood by Participants, which contains or deals with:
    - 8.2.2.1 instructions on how to participate in each relevant National Lottery Game;
    - 8.2.2.2 all possible methods of participating in each relevant National Lottery Game together with the price of a Ticket for each method of participating;
    - 8.2.2.3 the methods of collecting any prize;
    - 8.2.2.4 the period within which prizes must be claimed; and
    - 8.2.2.5 the minimum age of Persons to whom Tickets in a relevant National Lottery Game can be sold together with a statement that prizes are not payable to any Person less than the minimum age.
  - 8.2.3 the likely proportion of the proceeds of each relevant National Lottery Game which is expected to be paid in prizes;
  - 8.2.4 a statement as to the odds of winning the various prizes;
  - 8.2.5 the name and address of the registered or principal office of the Licensee; and
  - 8.2.6 an address from which further information about each relevant National Lottery Game referred to in the document can be obtained and where complaints can be lodged.
- 8.3 Unless the Regulator otherwise allows in any particular case, the Licensee shall upon request by any Person, promptly make available to that Person, a copy of the document (by exact website link reference, in electronic form, or in hard copy as the case may be) containing the information referred to in Clause 8.2 above, as is requested but taking references in that Clause to "each relevant National Lottery Game" as references to "each National Lottery Game in which at the time when the request is made it is possible to participate".

- 8.4 Subject to Clause 8.5 below, the Licensee shall ensure that information is available on at least an annual basis to the public stating:
- 8.4.1 the amount which was received by the Licensee for National Lottery Ticket sales in the most recent Financial Year;
  - 8.4.2 the amount which was paid in prizes in the most recent Financial Year; and
  - 8.4.3 the amount which was allocated to Good Causes pursuant to section 44 (3) (c) of the Act and Clause 6.6 in the most recent Financial Year.
- 8.5 The Licensee shall ensure that winning Lottery numbers (where applicable) are publicised nationally in the broadcast and electronic media in a timely and high profile manner.

#### **Participants' Code of Practice**

- 8.6 The Licensee shall prepare and no later than four months prior to the Effective Date, submit to the Regulator for approval by the Regulator, a code of practice covering relations with Participants in National Lottery Games. This code of practice may, subject to the approval of the Regulator, be incorporated in the same document as the sales code of practice required by Clause 8.13 and further.
- 8.7 Such code of practice shall in particular deal with:
- 8.7.1 the provision of information on the rules for each National Lottery Game, the method of claiming prizes, the methods by which Participants can determine whether they have won a prize, including the procedures and times for publishing the result of any Draw;
  - 8.7.2 the handling of questions and complaints from Participants and procedures for seeking to settle disputes which shall not exclude or limit a Participant's right to conduct litigation or where the rules of a National Lottery Game so provide, arbitration;
  - 8.7.3 the procedures for making a complaint;
  - 8.7.4 the procedures, including locations, for making claims for prizes;
  - 8.7.5 the procedures for paying out prizes;
  - 8.7.6 the procedures for notifying claimants of invalid or disputed claims and subsequent procedures to be followed;
  - 8.7.7 the procedures for dealing with a claim affected by a bona fide accident or other circumstances beyond a Participant's control;
  - 8.7.8 the steps to be taken to ensure that no action is taken which might reasonably lead to the identity of a Person who has won a prize in a National Lottery Game being disclosed, without his or her consent or as otherwise required by law or legally binding regulatory, administrative, governmental or other requirement;

- 8.7.9 the provision of counselling services (other than financial advice) free of charge to winners of prizes greater than an amount specified in the code of practice;
- 8.7.10 maintaining the dignity of Persons who have won prizes in a National Lottery Game who have agreed to the disclosure of their identity; and
- 8.7.11 the provision of assistance to the Regulator relative to counselling services relating to compulsive or addictive play; and
- 8.7.12 a prohibition on giving any inducements to prize winners to agree to the disclosure of their identity.
- 8.8 Schedule 5 "Codes of Practice" shall apply in relation to the approval, review and amendment of the code of practice referred to in Clause 8.7 above.
- 8.9 The Licensee shall:
- 8.9.1 unless the Regulator otherwise allows in a particular case, give or send an electronic or hard copy (as the case may be) of the current code to any Person who requests the code of practice;
- 8.9.2 arrange for the current code to be sent to, or to be available in electronic format at, every Retail Outlet for viewing by any Person who shall so request;
- 8.9.3 ensure that a notice is displayed at Retail Outlets drawing the attention of the public to the existence of the current code; and
- 8.9.4 provide that any document which gives the rules of any National Lottery Game or instructions on how to participate in any National Lottery Game (whether or not it is a document which is required to be made available or sent pursuant to Clauses 8.1 to 8.6) draws attention to the existence of the current code.
- 8.10 In Clause 8.9, the "current code" means the code of practice referred to in Clause 8.7 above, as approved by the Regulator together with any amendments to that code approved by the Regulator.
- 8.11 The Licensee shall use its best endeavours to comply with the code of practice and shall contractually oblige every Retailer to use its best endeavours to comply with such of the provisions of the current code as are applicable and in the event of non-compliance by a Retailer, the Licensee shall take action to compel compliance as soon as reasonably possible after such non-compliance comes to the Licensee's attention.

#### **Sales Code of Practice**

- 8.12 The Licensee shall prepare and, no later than four months prior to the Effective Date, submit to the Regulator a code of practice covering the sale of National Lottery Tickets. This code of practice may, subject to the approval of the Regulator, be incorporated in the same document as the Participants code of practice contemplated in Clauses 8.7 and 8.8 above.

- 8.13 Such a code of practice shall in particular deal with:
- 8.13.1 the standards which are to be observed for contact with Participants or potential Participants by mail or telephone and any other contact with Participants;
  - 8.13.2 the standards to be observed by Retailers who sell National Lottery Tickets, their staff or employees, and any other individuals authorised to sell National Lottery Tickets by the Licensee;
  - 8.13.3 the training of individuals who sell National Lottery Tickets;
  - 8.13.4 the display of material at Retail Outlets; and
  - 8.13.5 the procedures for monitoring Retailers and Retail Outlets.
- 8.14 Schedule 5 "Codes of Practice" shall apply in relation to the approval, review and amendment of the code of practice referred to in Clause 8.13 above.
- 8.15 The Licensee shall:
- 8.15.1 arrange for the approved code of practice (and all amendments to it) to be sent to, or to be available in electronic form at every Retailer for viewing by any Person who shall so request; and
  - 8.15.2 unless the Regulator otherwise allows in any particular case, give or send an electronic or hard copy (as the case may be) of the current code of practice any Person who requests the code of practice.
- 8.16 In Clause 8.15, "current code" means the code of practice referred to in Clause 8.13 above, as approved by the Regulator together with any amendments to it which have been approved by the Regulator.
- 8.17 The Licensee shall use its best endeavours to comply with the code of practice and to ensure that every Retailer uses its best endeavours to comply with such of the provisions of the code of practice as are applicable.

#### **Participant Relations**

- 8.18 The Licensee shall ensure that all prizes in every National Lottery Game are paid to the persons who have claimed them in accordance with the rules of the National Lottery Game.
- 8.19 The Licensee shall on a quarterly basis provide the Regulator with a written report stating the numbers and subject matters of all complaints made to the Licensee by members of the public whether as Participants in any National Lottery Game or not, and of the action taken to address each type of complaint. The Licensee shall advertise at all Retail Outlets and/or on its website that complaints may be referred to Licensee and/or the Regulator and such advertisement shall include the addresses and contact details of both the Regulator and the Licensee. For the avoidance of doubt the Regulator is entitled to receive an original copy of any complaint in a timely manner, following a written request.

- 8.20 The Licensee shall ensure that all Participants in a National Lottery Game have a reasonable opportunity to find out whether they have won a prize without undue inconvenience and without payment to the Licensee.
- 8.21 Save to the extent and in the circumstances otherwise agreed by the Regulator, the Licensee shall ensure that:
- 8.21.1 no Retailer or other Person responsible for the sale or issue of any Ticket or other entry into any National Lottery Game shall in effecting such sale or issue, act as the agent of the purchaser of such Ticket or entry or Participant in any National Lottery Game but each such Retailer or other Person shall act as the agent of the Licensee in effecting any such sale and receiving any sale proceeds therefor; and
- 8.21.2 there is a provision in the authorisation issued to the Retailers in relation to the sale of Tickets, requiring that the proceeds of sale of Tickets received by each Retailer be paid to the Fund via the Licensee, subject only to deductions which the Retailer is entitled to make pursuant to Clause 6.4, provided always that payment of the said proceeds of sale to the Licensee will be a full discharge of this obligation.
- 8.22 Save to the extent and in the circumstances otherwise agreed in the respective Lottery Contracts or Lottery Sub-Contracts with the Retailers, the Licensee shall not be liable for errors and omissions of the Retailers or of any other Person responsible for the sale or issue of any Ticket or other entry into any National Lottery Game.
- 8.23 The Licensee shall not disclose the identity of any Person who has won a prize in any National Lottery Game without the written consent of that Person or save as otherwise required by law or legally binding regulatory, administrative, governmental or other legal requirement including where required in the course of legal proceedings.
- 8.24 Where the Licensee operates a "registration scheme", it shall not make any charge to a Participant for registering unless the proposed charge has been approved by the Regulator.
- 8.25 In Clause 8.24 above, "registration scheme" means a scheme whereby:
- 8.25.1 a Participant may register his or her name and address, with or without details of his or her bank account or other payment mechanism; and
- 8.25.2 when any National Lottery Ticket is purchased by a Participant who has validly registered and the Participant gives details of his or her registration and bank account details when purchasing his or her Ticket, any prize is paid directly to the Participant or to his or her bank account without the need for the Participant to make any communication in order to establish his or her claim to the prize.
- 8.26 Save for the provisions of Clause 9.10 the Licensee shall ensure that no National Lottery Ticket may be issued to a Participant unless payment of the full amount of the price for the Ticket has been made to the Licensee or to the Retailer who sells the Ticket. The Licensee may enable such payment to be made either by cash or

by means of a cheque, charge card, credit card, debit card or other suitable payment mechanism.

8.27 Neither the Licensee nor any Retailer shall either lend money or advance credit to any Person for the purpose (or which he or she or it has any reason to believe may be used for the purpose) of making any payment for any National Lottery Ticket, whether by the Person to whom any money is lent or by any other Person. The Licensee shall use its best endeavours to ensure that all Retailers strictly adhere to this Clause.

8.28 Neither the Licensee nor any of its subsidiaries or Persons appointed under the Act shall be engaged or involved in any manner or capacity in the use, provision or promotion of any premium charge telephone numbers or lines for any purpose connected with the National Lottery. The Licensee shall take all necessary steps to ensure that its subsidiaries and all Retailers strictly adhere to this Clause.

## **9 ADVERTISING AND PROMOTION OF THE NATIONAL LOTTERY**

### **Advertising and Promotion Code of Practice**

9.1 The Licensee shall prepare and no later than five months prior to the Effective Date submit to the Regulator for approval, a code of practice covering advertising and promotion in respect of the National Lottery and every National Lottery Game.

9.2 Such code of practice shall in particular deal with:

9.2.1 the style and content of advertisements according to medium and location;

9.2.2 the style of Tickets in National Lottery Games, publications and other materials associated with the National Lottery;

9.2.3 techniques to avoid aiming advertisements at natural persons under 18 (eighteen) years of age or other unsuitable target markets and audiences;

9.2.4 methods for ensuring that any association between the National Lottery or any National Lottery Game and any other Lottery (not being a National Lottery Game) or competition and alcohol or alcohol related products, tobacco and tobacco related products, pharmaceuticals available on prescription or pharmaceutical related products, is strictly prohibited;

9.2.5 the presentation of information which describes or appears to describe the chances of winning, the nature of prizes or the cost of playing;

9.2.6 promotions, co-promotions and sponsorship agreements entered into by the Licensee in connection with the National Lottery, or any National Lottery Game including merchandising;

9.2.7 the style and content of promotions on National Lottery Tickets or at any other place associated with the National Lottery or any National Lottery Game; and

9.2.8 public relations.



- 9.3 Schedule 5 "Codes of Practice" shall apply in relation to the approval, review and amendment of the code of practice referred to in Clause 9.1 above.
- 9.4 The code of practice (referred to in Clause 9.1 above) and any amendments made to such code pursuant to the provisions of Schedule 5 "Code of Practice" shall comply with all laws of the State and with all relevant codes, rules, classifications or rulings of the Advertising Standards Authority for Ireland (ASAI) or such other relevant authority from time to time.
- 9.5 The Licensee shall unless the Regulator otherwise allows in any particular case, send an electronic copy or hard copy (as the case may be) of the code of practice to any Person who requests the code
- 9.6 References in this Clause 9 to "the code of practice" means the latest available version of the code of practice referred to in Clauses 9.1 and 9.2 above as approved by the Regulator together with any amendments to that code of practice approved by the Regulator.
- 9.7 The Licensee shall comply with the code of practice and shall use its best endeavours to ensure that any Person involved in the Operations and any other Persons who carry out any advertising in respect of the National Lottery and every National Lottery Game, complies with such provisions of the code as are applicable.

#### **Miscellaneous**

- 9.8 The Licensee shall ensure that all factual statements for the National Lottery or National Lottery Games or in any material designed to encourage the purchase of Tickets in a National Lottery Game are true and capable of independent verification. Where a factual statement is not capable of independent verification the Licensee shall ensure that it is not included in any advertisement. The Licensee shall also ensure that no advertisement of the National Lottery or any National Lottery Game includes the name of, or any images which are identifiable with, any individual or organisation to whom money has been distributed under the provisions of the Act without the consent of that individual or that organisation, and the Regulator.
- 9.9 The Licensee, its subsidiaries and all Retailers shall ensure that no unsolicited telephone calls or other forms of direct or personal communication are made with a view to encouraging the purchase of Tickets in a National Lottery Game without the prior written approval of the Regulator. Such approval may be considered in relation to the provision of "how to play" leaflets and in relation to operating a "registration scheme" (as defined in Clause 8.25). For the avoidance of doubt this Clause 9.9 does not prohibit calls or other forms of direct or personal communication promoting the purchase of Tickets in a National Lottery Game with the consent of players already registered via interactive channels.
- 9.10 The Licensee shall ensure that no National Lottery Tickets are given away free or sold for less than the full price payable in accordance with the rules of the relevant National Lottery Game (whether in connection with the advertisement or marketing of the National Lottery or any National Lottery Game or otherwise) unless full payment of the prize value and corresponding Retailers' commission (if

applicable), of the relevant Tickets has been made, whether by the Licensee or another Person: provided that the foregoing shall not prohibit:

- 9.10.1 free Tickets being provided as part of a Regulator approved lottery game prize structure; and
- 9.10.2 Tickets being given away free by the Licensee as part of its promotional and public relations activities, provided that the prize value and corresponding Retailers' commission (if applicable) of the Tickets has been paid by the Licensee from funds available to it provided that the amount of such prizes is excluded from the calculation of GGR.
- 9.11 The Licensee shall include appropriate provisions requiring compliance with Clauses 9.8 to 9.10 above in any contract with a Person appointed by the Licensee in relation to any material function of the Operations of the National Lottery, and in any contract with any Retailer or any third party which relates to the provision of advertising or marketing services.

## **10 RESPONSIBLE GAMING**

- 10.1 The Licensee shall operate the National Lottery in accordance with responsible gaming practices that prevent problem gaming. Such practices shall apply to all distribution channels of National Lottery Tickets, whether through Retail Outlets or Interactive Facilities.
- 10.2 The Licensee shall within nine (9) months after the Effective Date, achieve certification in accordance with Responsible Gaming Certificate of at least Level 4 according to the standards of the WLA, or a Responsible Gaming Certificate according to the European Responsible Gaming Standards of the EL.
- 10.3 The certification shall be carried out by a certified independent specialised auditor, to be approved by the Regulator, such approval not to be unreasonably withheld or delayed.

## **11 SECURITY**

### **General**

- 11.1 The Licensee shall take all reasonable measures to ensure the security of all equipment, systems, software, data, Tickets, Ticket materials and other consumables used in connection with the National Lottery and National Lottery Games and all money arising from any National Lottery Game so as to minimise opportunities for theft, fraud or misuse.
- 11.2 The Licensee shall be certified in accordance with the World Lottery Association (WLA) Security Control Standard 2012 within twelve (12) months after the Effective Date. The certification shall be carried out by a certified independent specialised auditor, to be approved by the Regulator, such approval not to be unreasonably withheld or delayed.
- 11.3 The measures referred to in Clause 11.1 above shall include, but are not limited to:

- 11.3.1 measures to ensure that the supply, repair and maintenance of equipment installed, and the supply of spare parts for such equipment are at all times under the control of the Licensee;
- 11.3.2 security over the production and distribution of all National Lottery Tickets and other items which could be used to produce forged National Lottery Tickets;
- 11.3.3 security over prize payments and ensuring the anonymity of prize winners. The Licensee shall ensure that no advertisement of the National Lottery or any National Lottery Game includes the name of, or any images which are identifiable with, any winner to whom money has been paid under the provisions of the Licence or the Act without the consent of that individual, and the Regulator;
- 11.3.4 system security and integrity including:
  - 11.3.4.1 segregation of computer system development and operational environments to prevent unauthorised access to live systems by development personnel;
  - 11.3.4.2 the control and monitoring of changes to live systems;
  - 11.3.4.3 access controls;
  - 11.3.4.4 encryption of transactions and data; and
  - 11.3.4.5 audit trails and logs;
- 11.3.5 procedures for the recovery of National Lottery operations including:
  - 11.3.5.1 tested procedures for Information Technology backup and recovery of lottery operations in the event of unscheduled occurrences or disasters including the provision of a secondary data centre capable of taking over fully the Information Technology operations of the National Lottery;
  - 11.3.5.2 on the Effective Date, establishing a business continuity plan summarising procedures for the continuation of lottery business operations in the event of unscheduled occurrences or disasters;
- 11.3.6 a comprehensive Risk Management Programme which identifies risks, proposes countermeasures and includes contingency plans which are reviewed and updated regularly. Such Programme shall be:
  - 11.3.6.1 submitted by the Licensee to the Regulator prior to the Effective Date; and
  - 11.3.6.2 approved by the Regulator within 30 (thirty) days after receipt of the Licensee's submissions.
- 11.3.7 provisions for process and system quality assurance;
- 11.3.8 an internal audit function;

- 11.3.9 security of electronic and hard copy records;
- 11.3.10 security over unclaimed prizes; and
- 11.3.11 security of Draw equipment and process.
- 11.4 The Licensee shall take all necessary measures to ensure that all equipment and software used to transmit data in connection with any National Lottery Game is designed so as to:
  - 11.4.1 prevent unauthorised access; and
  - 11.4.2 prevent the reading, addition, removal or alteration of any information by unauthorised Persons. The Licensee shall maintain a log, for inspection by the Regulator, of detected unauthorised infringements thereof.
- 11.5 The Licensee shall take all necessary measures to ensure that where there are arrangements of central recording of the production or activation of National Lottery Tickets, no equipment is installed which may be used to produce or validate a National Lottery Ticket if such production or validation of the Lottery Ticket is not recorded in accordance with central recording arrangements.
- 11.6 The Licensee shall take all necessary measures to satisfy itself as to the probity of all personnel employed or used as sub-contractors by the National Lottery.
- 11.7 The Licensee shall take all necessary steps to satisfy itself as to the security of the Instant Ticket manufacturing process including steps to prevent the unauthorised identification of Winning Tickets.

#### **Security Areas**

- 11.8 In this Clause 11 "secure area" means an area designated under Clause 11.9 below.
- 11.9 Where it is necessary for an area (whether it is in a premises occupied by the Licensee or occupied by some other Person) to be kept secure, in order to maintain the security of the National Lottery or any National Lottery Game, the Licensee shall (before it becomes necessary for the area to be kept secure) designate that area as a secure area. The Regulator may at any time specify additional areas to be designated as secure areas.
- 11.10 The Licensee shall maintain a list of secure areas, together with a description of each, and shall make such a list and description available to the Regulator for inspection before the first National Lottery Game is promoted and at any time thereafter.
- 11.11 The Licensee shall:
  - 11.11.1 keep a register of Persons permitted to enter each secure area;
  - 11.11.2 ensure that no Person enters or leaves a secure area unless named on the register referred to above for the secure area in question or is supervised by the Licensee; and

- 11.11.3 ensure that a record is kept of all persons who enter each secure area together with the times and dates on which each Person enters and leaves that area.
- 11.12 The Licensee shall:
- 11.12.1 at all times make the register available for inspection by the Regulator; and
- 11.12.2 notify the Regulator each month of any changes to the register.
- 11.13 The Licensee shall remove any Person from the register whom the Regulator reasonably determines should be removed.
- 11.14 The Licensee shall maintain a concurrent report of cases where a Person whose name is not on the register, referred to above for a secure area, enters that area without being supervised as required by Clause 11.11.2 above and shall make such report available to the Regulator at any time.

#### **Information on fraud**

- 11.15 The Licensee shall inform the Regulator immediately of any material matter coming to the attention of the Licensee that gives rise to any prima facie suspicion that there might be fraud or irregularity in connection with the National Lottery. Failure to comply strictly with this Clause shall constitute a material breach of this Licence.

### **12 PLAN FOR DEVELOPMENT AND IMPLEMENTATION OF SYSTEMS**

- 12.1 Within sixty (60) days after the Signature Date, the Licensee shall submit to the Regulator a plan for the conversion of all operations of the National Lottery ("conversion plan") for approval by the Regulator within thirty (30) days from such submission.
- 12.2 The Licensee shall adhere to this conversion plan and prepare a progress report to be submitted, to the Regulator, at monthly intervals on the implementation of the conversion plan. Such a plan may subsequently be materially varied only by written agreement with the Regulator.
- 12.3 The report to the Regulator contemplated in Clause 12.2 above, shall be submitted by the Licensee to the Regulator until completion of the conversion plan or until the Regulator in writing advises the Licensee that it no longer requires the aforementioned report, whichever occurs first.

### **13 IMPLEMENTATION AND TESTING**

- 13.1 The Licensee shall prepare descriptions in writing for all such Operations undertaken in pursuance of this Licence, which are of critical, core and /or material importance, which descriptions of Operations shall be referred to in this Clause as "Descriptions". In this Clause "Descriptions" shall include part-descriptions and classes of descriptions. Descriptions shall *inter alia* contain operational procedures, specifications for technology (including hardware, software, computer programs etc.), level of resilience, reliability and availability of service.

- 13.2 Each Description shall include:
- 13.2.1 a title by which it can be identified;
  - 13.2.2 the identity of the person or persons with primary responsibility for creating and amending it and ensuring that the operation to which it relates conforms with it;
  - 13.2.3 a statement of its purpose and the dates of its creation and amendment;
  - 13.2.4 a complete list of cross-references to all other Descriptions which relate to or concern the operation which is the subject of the Description; and
  - 13.2.5 if the Description relates to an Operation regarding any operational procedures, technology, systems, services and/or software used by the Licensee in respect of the National Lottery, such Description shall include specifications that define:
    - 13.2.5.1 the respective scope, inputs and outputs of such Operation;
    - 13.2.5.2 the controls which will be put in place to ensure security and reliability; and
    - 13.2.5.3 the levels of resilience, reliability, performance and availability of such Operation,

and which includes details of the manner in which the Regulator may have access to all premises, data, software, hardware, documented procedures, event logs and accounting records, including immediate access to current information on sales of Tickets and prizes.

- 13.3 If the Regulator shall so determine in relation to any Description (which for the purpose of this Clause shall include, but is not be limited to playing the National Lottery Games, Cash Management, Prize Payment Security, IT Security Standards, System Security Audit, Back-up and Recovery of the Licensee's Systems, Draw Procedure, Draw Machine Accreditation, Testing of Lottery Balls, Emergency Draw Procedure, playing the National Lottery Instant Games), the Licensee shall submit the same to the Regulator for approval and shall make such changes to it as shall be required by the Regulator to obtain its approval.
- 13.4 If the Regulator reasonably requires, the Licensee shall ensure that an Operation shall be tested on whether it conforms to a relevant approvable description. Such testing shall be carried out by a suitably qualified and independent (which in this Clause means independent of the Licensee) person nominated by the Licensee, and approved by the Regulator, who shall provide a written certificate of the result of the test. If the Regulator shall not be satisfied with the results of any test so carried out or the way in which it believes it has been carried out, it may require that the test be carried out again, either by the Regulator or by a person nominated by it and in a manner specified by the Regulator after consultation with the Licensee. If the Regulator shall so determine in relation to any operation or class of operations, the methods to be used in carrying out the testing and the expected test results shall be submitted to and approved by the Regulator prior to the test and the certificate of the result shall be submitted to it after the test.

- 13.5 If the Regulator shall so determine in relation to any Approvable Description, until such Description shall have been prepared by the Licensee and approved by the Regulator, the Licensee shall either not carry out the Operation or Operations which are to be the subject matter of such Description (and where such Operation or Operations form a necessary part of any National Lottery Game or Lotteries, shall not promote such Lottery or Lotteries) or shall carry out such Operation or Operations (or shall promote such Lottery or Lotteries) only in accordance with such conditions as the Regulator shall determine after consultation with the Licensee.
- 13.6 The Licensee shall ensure that every Operation which is the subject of an Approvable Description shall at all times be conducted in conformity with it, except with the Regulator's consent in relation to any Operation or class of Operations, which it may give subject to any conditions which appear to it to be appropriate in the circumstances.
- 13.7 The Licensee shall inform the Regulator of any material changes that it proposes to make to an Approvable Description. Without prejudice to its powers under Clause 13.11 below, the Regulator shall, on receipt of such information, decide within 30 days, or if it notifies the Licensee within thirty (30) days, such longer period as is reasonable, whether it requires changes to be made to the Licensee's proposal and whether it requires the associated operation to be tested in accordance with Clause 13.4 above.
- 13.8 The Licensee shall maintain a central register which records the title of each Description and identifies:
- 13.8.1 its subject matter;
  - 13.8.2 the date when it was created;
  - 13.8.3 the date on which it was last amended; and
  - 13.8.4 the person or persons with primary responsibility for creating and amending it and ensuring that the relevant operation conforms with it.

The Licensee shall prepare and deliver to the Regulator in respect of each month a report identifying all Descriptions which have been added to or removed from the central register during the month to which the report relates. Such a report shall be delivered within 14 (fourteen) days after the end of the month to which it relates.

- 13.9 The Licensee shall ensure that the Regulator and its staff and/or agents shall have access at all times to the central register referred to in Clause 13.8 above and to copies of the current version of each Description. The Licensee shall also ensure that the Regulator, its staff and/or agents shall have such access and shall be provided with such assistance as may be necessary or appropriate to enable the Regulator to establish whether or not any operation is being conducted in conformity with its Description at any time.
- 13.10 The Regulator may from time to time reasonably require the preparation of a Description or to reasonably require any Description, part of a Description or class of Descriptions to be approved or tested.

- 13.11 If the Regulator determines at any time that there is or are any significant defects in any Operation, it may require the Licensee to make such changes to it (and accordingly to any Description relating to it which has been prepared) as it may specify. If the Regulator shall so determine, the changed Operation shall be tested to ensure conformity to its amended Description in the same way as described in Clause 13.4 above. The Regulator may require that any Operation affected by any such defect (whether the defective Operation itself or a related Operation) shall be suspended until the specified changes (and, in either case, any required testing) shall have been carried out and, where the Operation is necessary for the promotion of any new National Lottery Game or Lotteries, shall not be promoted until any new Description required shall have been prepared and, where required, approved and, in either case, any required testing shall have been carried out.
- 13.12 The Licensee shall not use any equipment or facilities for any purpose other than the National Lottery or any National Lottery Game, save with the prior written consent of the Regulator, and in such instance the Licensee shall ensure that such use or employment of facilities or equipment has no adverse effect on the National Lottery.
- 13.13 The Regulator and the Licensee shall within sixty (60) days of the Signature Date agree procedures for the submission to the Regulator of any application by the Licensee of any National Lottery Game, game category or Lottery and any rules thereof for the Regulator's approval in terms of the Act and this Licence, and to the extent necessary, any amendment thereto.

#### **14 TESTING OF EQUIPMENT USED IN A DRAW**

- 14.1 The Licensee shall ensure that no Draw in the National Lottery takes place unless:
- 14.1.1 the Regulator has approved a scheme for the periodic testing of all equipment used in connection with such a Draw;
- 14.1.2 a suitably qualified person not in any way connected to the Licensee, whether directly or indirectly, and approved by the Regulator, has carried out the appropriate tests to the equipment as specified in the scheme contemplated in 14.1.1; and
- 14.1.3 a written report prepared and signed by that person in respect of those tests has been provided by the Licensee to the Regulator in a timely manner in accordance with the scheme contemplated in 14.1.1, and that report shall indicate to what extent the equipment used to conduct Draws has performed according to the approvable descriptions specified in that scheme.
- 14.2 In this Clause "Draw" includes any procedure or process for determining the winners of prizes and/or the amount of prizes in the National Lottery or the amount of the prizes won by individual winners.

#### **15 BANKING, RECORD KEEPING, ACCOUNTING AND PROVISION OF INFORMATION TO THE REGULATOR**

##### **Banking and Record Keeping**



- 15.1 No money received by the Licensee in respect of sales of National Lottery Tickets shall be deposited or paid into any bank account unless the bank where the account is to be maintained provides appropriate money transmission facilities as approved by the Regulator.
- 15.2 The Licensee shall keep, records of every financial transaction and every event occurring in the operation and promotion of any National Lottery Game in a form prescribed by Irish Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS) and which will enable the expeditious analysis and adjudication of such transactions and events by the Regulator or any Person designated by the Regulator.
- 15.3 Unless specifically otherwise provided in law, the Licensee shall retain and preserve all records required to be kept pursuant to Clause 15.2 above for two (2) years after the date of termination of this Licence and make such records available for inspection by the Regulator at any time and thereafter shall not destroy or otherwise dispose of any such records unless it shall first have given not less than sixty (60) days' notice of its intention to do so, upon receipt of which the Regulator shall be entitled to require the delivery of such records to it: Provided that the Licensee may, subject to any legal requirements and the prior approval and control of the Regulator and any requirements and conditions the Regulator may determine, retain documents by computer storage or any other form of readily accessible electronic media.
- 15.4 Without prejudice to the generality of the foregoing, the Licensee shall keep the original of each Ticket in respect of which a prize has been paid which is equal to or in excess of EUR 15,000 until the expiry of a period of at least three (3) months following the final date on which a claim in respect of that Ticket could have been made.

#### **Management Information**

- 15.5 The Licensee shall at its own cost, enable the Regulator to have secure internet access to a near real time reporting system allowing read-only access to all data, information and programs identical to that available to the senior management of the Licensee or to its Auditors and shall train the Regulator to be able to use such system. Such system must allow the Regulator to generate ad-hoc reports relating to all material aspects of the Operations.
- 15.6 Without prejudice to the provisions of Clause 15.5, the data, information and programs available to the Regulator through such reporting system shall refer to matters relevant to the Operations and should at least cover the following aspects in respect of the National Lottery and every National Lottery Game:
- 15.6.1 information on sales of National Lottery Tickets, with the ability to be broken down by National Lottery Game or game category or combination thereof, geographical location, groups and types of Retailers, distribution channel;
- 15.6.2 the actual proportion of sales of National Lottery Tickets paid in prizes (broken down by National Lottery Game);

- 15.6.3 Retailer Bonuses, Retailer Validation Commissions and commissions paid to Retailers;
- 15.6.4 the speed of prize payments above the level of EUR 1,000;
- 15.6.5 the distribution of prizes by value and the probability of winning prizes for each National Lottery Game;
- 15.6.6 the geographical distribution, number and type of Retail Outlets where Tickets for all types of National Lottery Games could be purchased;
- 15.6.7 performance level metrics including:
  - 15.6.7.1 the average speed of answering any enquiries from Participants and availability of such service;
  - 15.6.7.2 the number and classification of complaints, the outcome of such complaints and the speed of response to and resolution of complaints;
  - 15.6.7.3 the frequency, length and distribution of periods when On-line Facilities could not be used;
  - 15.6.7.4 for each case the speed of restoration of On-line Facilities following occasions on which they ceased to be available for use; and
- 15.6.8 any other relevant matter which the Regulator may reasonably specify.

The Regulator may, in writing, request specific information in relation to the matters referred to in paragraphs 15.6.1 to 15.6.8 and the Licensee shall provide such information within a time limit agreed by the Regulator and the Licensee. For the avoidance of doubt information concerning corporate matters of the Licensee shall not be available through such a reporting system.

- 15.7 Information provided to the Regulator pursuant to Clauses 15.5 and 15.6 above relating to any matter in respect of which a standard has been established under Clauses 15.11 to 15.18 below, shall be provided in a form which will enable the Regulator to compare the Licensee's performance with that standard.
- 15.8 Any information provided to the Regulator pursuant to Clauses 15.5 and 15.6 above may be made available by the Regulator to the Minister but shall otherwise be kept confidential, save as required by law or with the prior written consent of the Licensee which consent shall not be unreasonably withheld or delayed.
- 15.9 The Licensee shall, within forty five (45) days of the Signature Date, provide to the Regulator details of the directors and senior managers of the Licensee.
- 15.10 On the fourteenth day of each subsequent month, the Licensee shall provide details of any changes in the matters referred to in Clause 15.9 above in the preceding month.

### **Performance Standards and Reporting**

- 15.11 In these Clauses (performance standards and reporting):
- 15.11.1 "Performance Standards" means such standards of performance established by the Licensee in Clause 15.12 below; and
- 15.11.2 "Determined Matter" means a matter determined by the Regulator under Clause 15.13 below.
- 15.12 The Licensee shall establish performance standards in relation to the running of the National Lottery in accordance with the provisions of Clauses 15.13 and 15.14 below.
- 15.13 Determined Matters
- 15.13.1 The matters in respect of which standards of performance shall be established shall be determined from time to time by the Regulator after consultation with the Licensee and (without prejudice to the foregoing) shall include the matters referred to in Clause 15.6 above.
- 15.13.2 Where the Regulator reasonably determines a matter under Clause 15.13.1 above it may specify the aspect of the Determined Matter to which the Performance Standard to be established is to relate.
- 15.14 The Licensee shall establish a Performance Standard in relation to any Determined Matter within one month of being notified by the Regulator that the matter is a Determined Matter and such standard shall relate to the aspect of the Determined Matter specified in Clause 15.13.2 above.
- 15.15 Without prejudice to the provisions of Clauses 15.5 and 15.6, the Licensee shall keep records of performance levels achieved in relation to each Determined Matter and shall allow the Regulator to inspect and obtain copies of any such records.
- 15.16 Where the Licensee has established a Performance Standard in relation to any Determined Matter, that Performance Standard shall not be amended without the prior consent of the Regulator.
- 15.17 The Licensee shall make available in such manner as the Regulator may determine, an annual report containing details of the matters specified in Clause 15.6 above for the Financial Year to which the report relates. Such report shall contain in respect of each Determined Matter:
- 15.17.1 a comparison between the level of performance achieved and the Performance Standard established for each matter in Clause 15.13, for the Financial Year to which the report relates; and
- 15.17.2 a statement of the forecasted level of performance in the next Financial Year following that to which the report relates.
- 15.18 The first report referred to in Clause 15.17 above shall relate to the First Financial Year and shall be made available within four (4) months of the end of that period and each subsequent report shall be made available within 4 months after the end of the Financial Year to which it relates.

- 15.19 The Regulator shall, if it makes the reports contemplated in 15.17 and 15.18 available in the public domain, notify the Licensee in writing of that fact.

### **Keeping Accounts**

- 15.20 The Licensee shall implement, within three (3) months of the Signature Date, an accounting system capable of accurately recording all financial transactions relating to the National Lottery in order to comply in a timely manner with the requirements in terms of this Licence, as well as in such a manner which is commensurate with the technological requirements of the National Lottery conducted by the Licensee. Complementary accounting procedures and policies shall be developed and be available at all times for inspection by the Regulator.
- 15.21 The Licensee shall:
- 15.21.1 provide copies of its monthly management accounts to the Regulator;
  - 15.21.2 prepare annual accounts in compliance with the Companies Acts and Irish GAAP or IFRS; and
  - 15.21.3 disclose details of related party transactions (as such term is understood in accordance with Irish GAAP or IFRS) to the Regulator.
- 15.22 The annual accounts referred to in Clause 15.21.2 above shall be available within four months of the Financial Year end of the Licensee and shall be audited in compliance with Irish GAAP or IFRS.
- 15.23 The Licensee shall perform its obligations in terms of Clauses 15.20 to 15.22 inclusive, in accordance with Schedule 7 "Accounts".

## **16 INSPECTION, REVIEW AND INTERNAL CONTROL**

### **Inspection and Review**

- 16.1 The Licensee shall allow the Regulator to inspect at all times:
- 16.1.1 all data, information, software, hardware, procedures, event logs, transaction logs, audit trails, books, records, contracts and correspondence; and
  - 16.1.2 any other items which the Regulator considers necessary  
in order to determine whether the provisions of this Licence are being complied with, including, without limitation, those contemplated in part 6 of the Act, and shall allow the Regulator or any nominated Person (whether or not a member of the Regulator's staff) authorised by it to:
    - 16.1.3 conduct interviews with any of the Licensee's employees, without exception, to determine whether the provisions of this Licence are being complied with;
    - 16.1.4 exercise its powers as identified in accordance with section 39 of the Act if such person is a "manager" as defined in the Act; and

- 16.1.5 examine the conduct generally of the National Lottery in accordance with the Act.
- 16.2 Without prejudice to the generality of Clause 16.1 above, the Licensee shall allow the Regulator to carry out a review at any time of the Licensee's operations in order to determine whether:
- 16.2.1 such operations conform to their Descriptions (as defined in Clause 13.1); and
- 16.2.2 the Licensee is operating the National Lottery in accordance with the applicable Description.
- 16.3 If the exercise by the Regulator of its powers under Clauses 16.1 and 16.2 disrupts the Licensee's activities under this Licence, the Licensee shall not be in breach of its obligations under this Licence and shall not be liable to pay any penalty as a consequence of such disruption.
- 16.4 Any information disclosed to the Regulator in terms of Clause 16.1 and 16.2 shall be subject to such confidentiality undertakings as may be advised to the Regulator at the time of such disclosure, provided that such confidentiality undertakings do not limit the Licensee's obligations under the Act or this Licence to provide or disclose information to the Minister or the Regulator, as the case may be.
- 16.5 The Licensee shall ensure that every Lottery Contract or Lottery Sub-Contract contains provisions which impose an obligation on the other party to the Lottery Contract or to the Lottery Sub-Contract to:
- 16.5.1 permit the Regulator to inspect:
- 16.5.1.1 the items described in Clause 16.1.1 above; and
- 16.5.1.2 any other items which the Regulator considers necessary to determine whether the National Lottery is operated and every National Lottery Game is promoted with all due propriety and that the conditions of this Licence and all codes of practice referred to herein have been and are being complied with, and which are under the control of a third party and, to allow the Regulator to have such access to any premises of the Licensee as is necessary to enable the Regulator to inspect those items; and
- 16.5.2 permit the Regulator or nominated Person (whether or not a member of the Regulator's staff) authorised by it, to conduct interviews with that party or any employees of that party, without exception, in order to determine whether the National Lottery is operated and every National Lottery Game is promoted with all due propriety.
- 16.6 The Licensee shall, whenever the Regulator so determines, take any necessary action to ensure that a Person who has entered into any Lottery Contract or Lottery Sub-Contract complies with the obligations imposed pursuant to Clause 16.5 above.

#### **Internal Control**

- 16.7 The Licensee shall establish an adequate system of internal control over financial and other areas to provide assurance:
- 16.7.1 of effective and efficient operation;
  - 16.7.2 of reliable financial information and reporting; and
  - 16.7.3 of compliance with the provisions of this Licence and any other provisions imposed by or under the Act or any other legislative measure which relate to the operating of the National Lottery or the promotion of any National Lottery Game. It is expected that such a system will incorporate:
    - 16.7.3.1 a demonstrated commitment to competence and integrity;
    - 16.7.3.2 an appropriate organisational structure within which operations can be planned, executed, controlled and monitored to achieve the Licensee's objectives;
    - 16.7.3.3 appropriate levels of authority with accountability which has regard to levels of risk;
    - 16.7.3.4 awareness of the key risks relating to its operations, including fraud, and controls in place to mitigate these risks;
    - 16.7.3.5 an internal audit function with appropriate independence operating to established professional standards;
    - 16.7.3.6 satisfactory segregation of duties for all lottery processes and procedures;
    - 16.7.3.7 reliable audit trails for all processes and procedures;
    - 16.7.3.8 adequate support for statements by the Licensee on any lottery operations;
    - 16.7.3.9 clear control objectives for all managers;
    - 16.7.3.10 performance indicators which allow the Licensee to monitor the key operations and to identify developments which require corrective action;
    - 16.7.3.11 information systems which provide on-going identification and capture of relevant, reliable and timely management information;
    - 16.7.3.12 monitoring process which provides reasonable assurance that there are appropriate control procedures in place for all the Licensee's lottery operations and that these procedures are followed; and
    - 16.7.3.13 has a formal procedure for identifying weaknesses and ensuring appropriate corrective action.
- 16.8 The Licensee shall, in respect of all personnel required to be approved by the Regulator pursuant to Clause 19, establish an adequate system of control over all

applicable operations comprised in its business so that assurance is provided of the matters referred to in Clauses 16.7.1, 16.7.2 or 16.7.3 above.

- 16.9 The Licensee shall before any National Lottery Game is promoted establish:
- 16.9.1 an audit committee composed of non-executive directors; and
- 16.9.2 an internal audit function independent of line management with a reporting line as agreed with the Regulator and with access to the audit committee referred to in Clause 16.9.1 above.
- 16.10 The Licensee shall ensure that the directors referred to in Clause 16.9.1 report annually on the effectiveness of the Licensee's system of internal control.
- 16.11 The Licensee shall ensure that the Auditors (approved by the Regulator), are appointed on terms which (in addition to any report which they are required to make under any statutory provision) require them:
- 16.11.1 to report to the Regulator within four months of the end of each Financial Year stating whether the Licensee has kept a proper set of books and records and has operated an adequate system of internal control as is mentioned in Clause 16.7 above; and
- 16.11.2 to inform the Regulator whether during their audit they were aware of any irregularities, fraud, failure to comply with any provisions imposed by or under any statute, breach of this Licence or misconduct by the Licensee or its officers or employees.
- 16.12 Whenever requested by the Regulator the Licensee shall provide the Regulator with a copy of:
- 16.12.1 the results of any reviews of the Licensee's operations (whether carried out pursuant to arrangements made pursuant to Clause 16.11 above or otherwise); and
- 16.12.2 any report made by the directors pursuant to Clause 16.10 above.
- 16.13 The Licensee shall, if the Regulator so determines, take the necessary action to ensure that its Auditors comply with the obligations referred to in Clause 16.11 above.
- 16.14 The Licensee shall at its own cost commission the development and implementation of an Independent Verification System ("IVS") by an independent organisation to be approved by the Regulator. The IVS shall be produced to a design approved by the Regulator. The production and installation of the IVS will be subject to the same procedures for approving Approvable Descriptions as provided for in Clause 13 above.
- 16.15 The Licensee shall at its own cost grant to the Regulator if it so requests, permission to use the IVS and any associated documentation for the same purposes as and on the same terms as apply to the Licensee for the duration of this Licence. The Licensee shall in addition provide at the request of the Regulator at any time during the term of this Licence, at the cost of the Licensee,

for the use of the Regulator and its duly authorised agents, such computer hardware, environment (including any network and communications software or equipment), operating system application software, relevant documentation, training, full hardware and software support and maintenance services, technical assistance and any other support as is necessary to enable the Regulator to operate the IVS independently of and to the same standard as the Licensee for the duration of this Licence. The Licensee shall make available for inspection by the Regulator, but for no other purpose, the pseudo code, or any portion of the code of the IVS as the Regulator may require for purposes of ensuring compliance with this Licence. The location of such IVS facility shall be in the Licensee's primary data centre or at such other location as shall be agreed between the Regulator and the Licensee. The Licensee shall ensure that the Regulator has all rights necessary to enable it to alter, enhance or modify the IVS should such need reasonably arise and shall arrange at the cost of the Licensee, for a competent independent organisation previously approved by the Regulator to provide technical assistance, maintenance and support services and any other support as is necessary or desirable to enable the Regulator to make such alterations, enhancements or modifications for the duration of this Licence. The Regulator shall inform the Licensee of any alterations, enhancements and modifications of the IVS and the reasons for their implementation. For the avoidance of doubt, the Licensee shall have no liability for loss or damage or for failure or delay in performing its obligations under this Licence where such loss, damage, failure or delay arises from any such alterations, enhancements or modifications made by the Regulator, provided however that the alterations, enhancements or modifications made by the Regulator, acting with due care and attention, were not in reaction to a problem that arose due to reasons attributable to the Licensee.

- 16.16 The Licensee shall at the Regulator's request provide it with the input data files required by the IVS, in the appropriate format for the IVS to read, process and generate and compare reports on them, in accordance with a processing schedule approved by the Regulator. Such input data files shall be provided by the Licensee daily or at such other intervals as the Regulator may from time to time require.
- 16.17 If requested by the Regulator, the Licensee shall at the Licensee's cost provide for the use of the Regulator and its staff at the Regulator's office, appropriate computer facilities to enable the Regulator and its staff to review directly, all information held by the Licensee's bankers in respect of the Prize Fund Account stipulated in Clauses 6.13 and 6.14, in "read only" format.
- 16.18 Nothing contained in this Licence shall be construed as to in any way limit the rights of the Minister and the Regulator under the Act.

## **17 PAYMENT SECURITY**

- 17.1 The Licensee shall furnish the Minister, with security ("Security"), as set out in Clause 17.2 below, in order to secure the obligations of the Licensee under this Licence as read with the Act, as well as any liabilities of the Licensee arising in the event of a revocation by the Minister of the Licence prior to Licence expiration. The terms of this Clause shall be read in conjunction with Clause 26 below.
- 17.2 The security contemplated in Clause 17.1 shall be a performance bond ("Performance Bond") in the form of an annual bank guarantee or another



equivalent form of guarantee subject to agreement between the Licensee and the Regulator.

- 17.3 The value of the Performance Bond shall initially be seven and a half million Euro (EUR 7,500,000) and it:
  - 17.3.1 shall be furnished by the Licensee not later than three (3) months before the Effective Date; and
  - 17.3.2 pursuant to Clause 17.2 shall be annually renewed during the Licence term to be:
    - 17.3.2.1 the same amount, on the first anniversary of it first being furnished i.e. EUR 7,500,000; and
    - 17.3.2.2 from the second anniversary of it being furnished and on each subsequent anniversary, an amount equal to one per cent (1%) of the Total Net Sales, as this is evidenced by the Central System, corresponding to the twelve (12) calendar months immediately preceding the respective anniversary.
- 17.4 The Performance Bond shall be returned to the Licensee to the extent not called upon where the Licensee has discharged all its obligations under this Licence, provided that if any obligations, actual or contingent, remain outstanding at such date then the Licensee shall deliver a replacement performance bond in an amount equal to the amount of the outstanding obligations, but not exceeding the amount of the Performance Bond in place for the previous year.

## **18 LIMITATIONS ON THE USE OF CONTRACTORS AND SUBCONTRACTORS**


- 18.1 The Licensee shall have sole responsibility for all Operations in relation to the National Lottery, including but not limited to delivery, implementation, commercial and technical operation, maintenance of all products and services offered, whether or not it is the supplier or vendor of them.
- 18.2 Should the Licensee utilise contractors and/or subcontractors to fulfil any of its obligations under the Licence, the Licensee shall be fully and solely responsible for the contractors' and subcontractors' performance and compliance with the terms and conditions of the Licence and Act.
- 18.3 Subject to the provisions of Clause 18.4 below, the following functions may not be carried out (whether pursuant to a Lottery Contract or Lottery Sub-Contract and whether as an original party thereto or as an assignee or other successor in title) by a party other than the Licensee or a wholly owned subsidiary of the Licensee, without the Regulator's prior written consent, which is not to be unreasonably withheld or delayed:
  - 18.3.1 Manufacture, supply or storage of any Instant Tickets, Ticket stock, Tickets for any type of National Lottery Game or other stationery for use in connection with any National Lottery Game, the use of which may affect the security and integrity of such National Lottery Game;

- 18.3.2 Supply of any telephone, computer or similar equipment (including without prejudice to that generality any radio, satellite or other electronic communications equipment or software) for use in the National Lottery, any National Lottery Game, or in any other way in connection with the Operations or any design, development, maintenance or management services in connection with any such equipment including software design, development or testing, to the extent that the use of such equipment or services may affect the security and integrity of the National Lottery;
- 18.3.3 Provision of any services or equipment for the purposes of maintaining any books or records in connection with the National Lottery or any National Lottery Game;
- 18.3.4 Provision of any services connected with the handling of cash, the transmission of funds delivered directly or indirectly from the National Lottery, and National Lottery Game;
- 18.3.5 Supply, servicing or maintenance of any Attended Vending Machine;
- 18.3.6 Provision of any security services;
- 18.3.7 Provision of any goods or services which require personnel other than employees of the Licensee or a wholly owned subsidiary of the Licensee to enter any secure area (as defined in Clause 11.8 above);
- 18.3.8 Provision of any goods, services or other items:
- 18.3.8.1 other than those referred to in Clause 18.3.10 the aggregate consideration for all of which, taken together under any number of contracts and comprising any number of separate transactions, is likely in any Financial Year to exceed three hundred thousand Euro (EUR300,000) (and for the purposes of this sub-Clause 18.3.8, all consideration payable to every Person who is a Connected Party in relation to any party to a Lottery Contract or Lottery Sub-Contract shall be aggregated); and
- 18.3.8.2 the use of which may affect the security and integrity of the National Lottery;
- 18.3.9 Provision of telecommunication, advertising and distribution services involving the distribution of Instant or other types of Tickets, or of anything that may affect the security and integrity of the National Lottery; or
- 18.3.10 Provision of such other goods or services as the Regulator may from time to time reasonably determine.
- 18.4 The Licensee shall ensure that any Lottery Contract, Lottery Sub-Contract, or any other arrangement entered into with any party other than the Licensee (or its wholly owned subsidiary) for the provision of the services set out in Clause 18.3, shall be in accordance with a written agreement which shall incorporate all the relevant terms and conditions of this Licence and the Act. The Licensee shall provide the Regulator with a copy of the said signed contracts.

- 18.5 A person acting on behalf of or in accordance with the terms of a contract with the Licensee for the provision of the services set out in Clause 18.3 is subject to all applicable conditions of this Licence, and the Licensee shall use its best endeavours to ensure that any person entering into a written contract with the Licensee is aware of and consents without reservation to all applicable conditions and is reasonably capable of complying with such conditions: provided that the Regulator may (prior to such a person acting on behalf of or pursuant to a contract with the Licensee) upon written application by the Licensee and such a person or by the Licensee and a person intending to enter into an agreement with the Licensee to so act on behalf of or pursuant to a contract with the Licensee, as the case may be, in writing exempt such a person, subject to the Act and Clause 18.7, from a provision or part thereof of the Licence: provided further that the Regulator shall specify:
- 18.5.1 the name of the person and the Clause or Clauses in the Licence or part thereof in respect of whom or which such exemption is granted;
- 18.5.2 the conditions subject to which such exemption is granted, if any;
- 18.5.3 the conditions under which the Regulator may vary or withdraw such exemption, if any;
- 18.5.4 the period in respect of which the exemption is granted, if applicable; and
- 18.5.5 the conditions under and manner in which the Regulator shall be notified of any change in the agreement between the Licensee and such a person, in respect of a change in the performance by such a person of his, her or its obligations under such an agreement or in respect of any other matter the Regulator may deem fit.
- 18.6 No legitimate expectations shall accrue merely as a result of an application made to the Regulator as contemplated in the proviso to Clause 18.5.
- 18.7 An exemption contemplated in the proviso to Clause 18.5 may be granted only to a specific person and in respect of a specific Clause or specific Clauses or part thereof and shall not be transferable to any other person.
- 18.8 The Licensee shall ensure that:
- 18.8.1 Except for any Lottery Contract or Lottery Sub-contract in respect of which the Regulator shall have otherwise agreed in writing or approved in terms of Clause 18.3 above each Lottery Contract contains a provision whereby the Licensee can terminate the Lottery Contract or secure the termination of any Lottery Sub-Contract if the Regulator considers that it is appropriate for such contract or subcontract to be terminated, within such period as the Regulator may specify; Provided that the Regulator shall not require the termination of the Lottery Contract or any Lottery Sub-contract unless the contractor or sub-contractor in question is in breach of its obligations in terms of such contract and until after the Regulator has consulted with the Licensee regarding the performance of such contractor or sub-contractor and after all remedy periods permitted in such Lottery Contract or Lottery Sub-contract have expired, provided that no remedy period shall be required in respect of breaches which cannot be remedied.

- 18.8.2 Subject to Clause 18.8.1, if the Regulator notifies the Licensee that it considers that it is appropriate that any Lottery Contract or Lottery Sub-Contract (other than any Lottery Contract or Lottery Sub-Contract in respect of which the Regulator shall have otherwise agreed in writing or approved in accordance with Clause 18.3) should be terminated, the Licensee shall take all necessary steps to terminate or secure the termination of the Lottery Contract or Lottery Sub-Contract in question within such period as the Regulator specifies.
- 18.9 The Licensee shall:
- 18.9.1 provide the Regulator with copies of any Lottery Sub-Contract which the Regulator may specify at such times as it may specify; and
- 18.9.2 allow the Regulator to inspect and take copies of any such contract.
- 18.10 To the extent that the provisions of this Clause 18 conflicts with the provisions of Clause 16, the provisions of Clause 16 shall prevail.

## **19 PROVISION OF INFORMATION ABOUT DIRECTORS, SHAREHOLDERS AND OTHERS**

- 19.1 The Licensee shall provide to the Regulator such information as it may from time to time request with a view to determining whether any Person who is managing the Licensee's business or for whose benefit the Licensee's business is being carried on is in the Regulator's opinion a fit and proper person and complies with all relevant provisions of the Act.
- 19.2 
- 19.3 Without prejudice to the generality of Clause 19.1 above, the Licensee must notify the Regulator in writing as soon as possible and in any event, within 15 (fifteen) days after the Licensee becomes aware, or should reasonably have become aware, of the occurrence of any change in the identity of any Connected Party in relation to the Licensee or any change in any of the information concerning such Connected Party which is specified in the form of a declaration relevant to that Connected Party determined by the Regulator under Clause 19.4.3.1 below.
- 19.4 For the purpose of this Licence:
- 19.4.1 a "Connected Party" in relation to any Person other than the Licensee means:
- 19.4.1.1 any director or other officer of that Person;
- 19.4.1.2 any Person (a "15% holder") who is entitled to exercise or control the exercise of 15% or more of the voting rights attaching to all of the issued shares of any class in the capital of that Person or to receive (beneficially or otherwise) 15% or more of the total amount of any dividend or other distribution which may be declared, made or paid in respect of any class of shares in the capital of that Person or who has any beneficial or other interest in shares with a

nominal value equal to 15% or more of the total nominal value of the issued shares of any class of that Person;

19.4.1.3 the ultimate parent company of that Person or the ultimate parent company of the 15% holder of that Person; or

19.4.1.4 any executive director of any 15% holder of that Person or of the ultimate parent company of that Person or of the ultimate parent company of any 15% holder of that Person;

In addition, in relation to the Licensee only, a "Connected Party" means:

19.4.1.5 any key employee (being any executive director or senior manager or any other person or class of person so designated by the Regulator from time to time, whether employed by the Licensee or any subsidiary of the Licensee or engaged as a consultant or on secondment or in any other manner to provide services but excluding auditors or other recognised professional advisors) of the Licensee or any subsidiary of the Licensee and any other executive director of any subsidiary of the Licensee;

19.4.1.6 any Person ("a qualifying direct shareholder") who:

19.4.1.6.1 is entitled to exercise or control the exercise of 3% or more of the voting rights attaching to all of the issued shares of any class in the capital of the Licensee; or

19.4.1.6.2 is entitled to receive (beneficially or otherwise) 3% or more of the total amount of any dividend or other distribution which may be declared made or paid in respect of any class of shares in the capital of the Licensee; or

19.4.1.6.3 has any beneficial or other interest in shares with a nominal value equal to 3% or more of the total nominal value of the issued shares of any class of the Licensee;

19.4.1.7 any Connected Party in relation to any qualifying direct shareholder; or

19.4.1.8 any Person who is a party to any Lottery Contract or Lottery Sub-contract of a type referred to in Clause 18.3 (but excluding any registered banks) and any Person who is a Connected Party in relation to any such Person.

In addition, in relation to any Person who is a party to any Lottery Contract or Lottery Sub-Contract of a type referred to in Clause 18.3, it also means any Person who is employed or engaged by any party to a Lottery Contract or Lottery Sub-Contract and whose involvement is of critical importance to the performance of the relevant contract.

19.4.2 Where any Person has any agreement, arrangement or understanding (whether formal or informal and whether in writing or not) with another Person or Persons which concerns or relates to the Licensee or its business or affairs or any direct or indirect interest of any of the parties to such agreement, arrangement or understanding in the Licensee or any

Person who is contemplated in Clauses 19.4.1.1, 19.4.1.2 or 19.4.1.3 above in relation to the Licensee, then the holdings or interests of such parties shall, for the purposes of Clause 19.4.1 above, be aggregated and attributed to each party to the agreement, arrangement or understanding in relation to the appropriate Person.

19.4.3 It shall be presumed (unless demonstrated to the satisfaction of the Regulator) that an agreement, arrangement or understanding of the type referred to in Clause 19.4.2 above exists between any Person who holds any shares in the capital of the Licensee or any interest therein and every Person in relation to which he or she is a Connected Party or which is a Connected Party in relation to that Person; and

19.4.3.1 where specifically requested in writing by the Regulator, every Person who is his or her parent, step-parent, partner, life partner (meaning a spouse or any other person with whom he or she is living as a couple), child, step-child, brother, sister, aunt, uncle, nephew or niece.

19.5 Where any notification is to be made to the Regulator pursuant to Clause 19.1 above, the Licensee shall deliver to the Regulator a duly completed declaration in the form from time to time determined by the Regulator and an authority and waiver in the form from time to time determined by the Regulator duly executed by each such new Connected Party and, where the new Connected Party is a qualifying direct shareholder, or otherwise becomes a Connected Party by acquiring an interest from a person who was subject to such an undertaking, an undertaking in the form set out in Schedule 6 "Provision of Information" duly executed by that Person.

19.6 The Licensee shall at all times during the term of this Licence maintain in force arrangements in a form and in terms agreed with the Regulator pursuant to which:

19.6.1 any Person who has a beneficial interest in the share capital of the Licensee or who is a Connected Party in relation to the Licensee, is obliged to notify the Licensee of the occurrence of any of the events referred to in Clause 19.1 above which concerns, relates to or derives from his or her interest in or relationship with the Licensee forthwith upon its occurrence; and

19.6.2 no such Person whose interest in or relationship with the Licensee derives from or through any holding of shares, shall dispose or cause or permit the disposal of such shares unless such shares are then listed on a recognised stock exchange or the Person acquiring the same shall have agreed to be bound by such arrangements (including this provision); and

19.6.3 no person who is a qualifying direct shareholder may dispose of any interest in shares in the capital of the Licensee to a person ("the recipient") who (whether as a result of that transaction or any other related or contemporaneous transaction and taking into account of all shares in the capital of the Licensee in which the recipient is interested, beneficially or otherwise, or which are controlled by the recipient) will become a 15% holder of the Licensee unless the recipient shall have been approved in writing by the Regulator prior to disposal; and

19.6.4 in the event of any failure to comply with the provisions of Clause 19.6.3, the Licensee shall be entitled forthwith to suspend all voting rights and rights to receive any dividend or other distributions in respect of any relevant shares or other securities.

The Licensee shall exercise all rights to which it is entitled under the arrangements referred to in this Clause 19.6 in such manner as the Regulator may from time to time require.

19.7 The Licensee shall procure that at all times during the duration of this Licence there shall be deposited with or otherwise be available to the Regulator an authority and waiver in the form determined by the Regulator under Clause 19.4.3.1 above which is, for the time being irrevocable and executed by each Connected Party in relation to this Licence.

19.8 The Licensee shall not change Control of the Licensee without the written consent of the Regulator. Any change of Control of the Licensee without the consent of the Regulator shall constitute a material contravention of this Licence and/or the Act.

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- 19.9 As soon as practicable thereafter the Licensee shall notify the Regulator in writing together with details thereof in the event of a change of ownership having taken place as contemplated by Clause 19.8 (i) or (ii).

#### **Vetting procedures**

- 19.10 The Licensee shall prepare and within two ~(2) months of the Signature Date submit to the Regulator for approval a code of practice concerning the vetting of employees to be carried out prior to their recruitment by, or secondment to, the Licensee and, by any contractor or sub-contractor (under a Lottery Contract or Lottery Sub-Contract) nominated by the Regulator.
- 19.11 Schedule 5 "Codes of Practice" to this Licence shall apply to the approval, review and amendment of the code of practice contemplated in Clause 19.10 above.
- 19.12 The Licensee shall comply with the code of practice and shall ensure that, every contractor or sub-contractor so nominated (under a Lottery Contract or Lottery Sub-Contract) by the Regulator, shall so comply.

#### **20 PROVISION OF INFORMATION TO THE REGULATOR**

- 20.1 The Licensee shall:
- 20.1.1 provide the Regulator at times specified with such relevant information as he, she or it may require in connection with the National Lottery in terms of any provision of the Act and/or this Licence;
- 20.1.2 allow the Regulator to exercise any of its rights contemplated under parts 3 and 6 of the Act; and
- 20.1.3 provide such information, documents or notification contemplated or required in this Licence to the Regulator or for and on behalf of the Regulator and to allow the Regulator to have access to any information, documents or premises as may be necessitated by or contemplated in or required in terms of this Licence.
- 20.2 Where any information contemplated in Clause 20.1 above or any information required for the purpose of the review in terms of this Licence is kept by means of a computer, the Licensee shall give the Regulator any assistance it requires to facilitate inspection and the taking of copies of the information in a visible and legible form or to inspect and check the operation of any computer and any associated apparatus or material that is or has been in use in connection with the keeping of the information.
- 20.3 Any information required to be provided to the Regulator pursuant to this Licence shall be provided in such form (including a form otherwise than in writing) as the Regulator may reasonably specify.
- 20.4 Where, pursuant to any provision contained in these Clauses, the Licensee is required to provide information or allow the Regulator to inspect or take copies of any items of any description, the Licensee shall provide the information or, as the case may be, allow the Regulator to inspect and take copies of the items without requiring payment by the Regulator.



- 20.5 The Licensee shall in addition, ensure that the Regulator or any Person designated by the Regulator shall have a right of access to any premises of any Retailer to which the Licensee has a right of access, where reasonably required by the Regulator for the purpose of adequately carrying out its duties under the Act.
- 20.6 Notwithstanding anything to the contrary in this Licence, the Regulator shall:
- 20.6.1 not, unless compelled to do so by law (in which event the Regulator shall forthwith notify the Licensee of such compulsion in writing), under any circumstances directly or indirectly disclose or divulge to any third party any of the Licensee's confidential information which may be provided to the Regulator pursuant to any provision of this Licence and/or the Act, without the prior written permission of the Licensee. The Licensee's confidential information shall include, without any limitation, the Licensee's trade secrets, management accounts, financial structure, financial statements (whether audited or not), commercial plans, contractual arrangements with any third party, shareholders agreements and arrangements and details of the Licensee's human and other resources, management, policies and procedures unless such information is already in the public domain. The foregoing shall apply mutatis mutandis to any other confidential information of a third party provided by the Licensee to the Regulator; and
- 20.6.2 use its respective best endeavours to ensure that its employees, agents and representatives comply with this Clause 20.6 mutatis mutandis.
- 20.7 Notwithstanding anything to the contrary in this Licence, the provisions of Clause 20.6 shall survive the expiry, termination or revocation of this Licence for any reason, without limitation in time.

## **21 RESTRICTION ON ACTIVITIES NOT RELATED TO THE NATIONAL LOTTERY**

- 21.1 The Licensee shall not undertake any activity except:
- 21.1.1 the operation of the National Lottery or National Lottery Games in accordance with this Licence;
- 21.1.2 any other activities in accordance with section 29 (3) of the Act;
- 21.1.3 the holding of any interest in a company which is a wholly owned subsidiary of the Licensee and which does not undertake any activities except those described in Clauses 21.1.1 or 21.1.2 above or any activity which is necessarily incidental to either of those activities;
- 21.1.4 such other activity that the Regulator may approve of from time to time.
- 21.2 The Licensee shall not be interested directly or indirectly in any Person which derives any benefit from the National Lottery except as:
- 21.2.1 contemplated in this Licence;
- 21.2.2 disclosed in writing to the Regulator prior to the issue of this Licence; and

21.2.3 may be consented to by the Regulator in writing prior to the Licensee being interested in or deriving any benefit from such interest.

21.3 Without prejudice to the provisions of Clause 21.2 above, if the Licensee uses any equipment or facilities partly for the purpose of the National Lottery and partly for other purposes, or any of the Licensee's employees are employed partly on work in connection with the National Lottery and partly on other work, the Licensee shall ensure that such use of equipment has no adverse effect on the National Lottery.

## **22 WITHHOLDING PAYMENT FOR DIMINISHED PERFORMANCE**

22.1 Without prejudice to the powers afforded to the Regulator under sections 33, 34 and 35 of the Act, subject to the provisions of this Clause, the Regulator may, if the Licensee has failed or fails to comply with any provision of this Licence, withhold an amount from the payments due to the Licensee pursuant to Clause 6.8. Unless otherwise provided in this Clause 22, such withholding shall be permanent.

22.2 If the Regulator considers that the Licensee has failed to comply with any provision of the Act or this Licence, the Regulator shall in writing notify the Licensee that it has failed or is failing to comply with the Act or this Licence, as the case may be, stating in which respect the Licensee has so failed to comply.

22.3 The Licensee may upon receipt of the notice contemplated in Clause 22.2 above within ten (10) calendar days from receipt thereof (or such longer period as the Regulator may agree):

22.3.1 make written representations to the Regulator about its alleged failure to so comply; and/or

22.3.2 appear before the Regulator to make oral representations about its alleged failure to so comply.

22.4 The Licensee shall, within the time stipulated in the notice contemplated in Clause 22.2 remedy any breach to comply with this Licence to the extent that the breach is capable of being remedied. The time period in respect of breaches which can be remedied shall be reasonable in the circumstances.

22.5 The Regulator shall if it is considering the withholding of payment in accordance with Clause 22.1 in respect of the Licensee's failure to comply with this Licence, in writing inform the Licensee that it intends to do so, specifying the quantum of the amount to be withheld.

22.6 If the Regulator in accordance with Clause 22.5 has indicated that it is considering withholding payment, the Licensee may within a period stipulated by the Regulator but in any case not later than fourteen (14) calendar days following receipt by the Licensee of the notice contemplated in Clause 22.5 above:

22.6.1 make written representations to the Regulator; and/or

22.6.2 appear before the Regulator to make oral representations about its alleged failure to so comply and/or the quantum of the amount to be withheld.

- 22.7 The Regulator shall after consideration of representations (if any) contemplated in Clause 22.6 make a decision, subject to Clause 22.8, on the withholding or not of payment as well as, subject to Clauses 22.9 and 22.10, the quantum of such amount to be withheld.
- 22.8 For the purposes of Clause 22.7, the Regulator shall take all relevant factors into consideration, including:
- 22.8.1 the ability of the Licensee to have foreseen or avoided the failure to comply with this Licence;
  - 22.8.2 whether the failure to comply with this Licence is a result of the Licensee's commission or omission;
  - 22.8.3 the extent to which the Licensee derived financial benefit from the failure to comply with this Licence;
  - 22.8.4 the extent to which the Licensee has in the past failed to comply with this Licence;
  - 22.8.5 any financial loss suffered by the Fund;
  - 22.8.6 the extent to which the Licensee has suffered financial loss as a result of the Licensee's failure to comply with this Licence;
  - 22.8.7 the extent to which the integrity and image of the National Lottery, the Regulator or the Minister has been compromised as a result of the Licensee's failure to comply with this Licence;
  - 22.8.8 the impact and effect of the withholding of payment on the Licensee's ability to fulfil its obligations and duties or meet its liabilities in terms of or under the Act or this Licence; and
  - 22.8.9 the fact that the Licensee has remedied the breach within the period stipulated in accordance with Clause 22.4.
- 22.9 The Regulator may in the event of a failure by the Licensee to comply with any provision of this Licence which continues without rectification by the Licensee after expiry of the period stipulated in accordance with Clause 22.4, if any, withhold, subject to the provisions of this Clause 22, an amount calculated at a daily rate for the period during which such failure continues.
- 22.10 The quantum of the withheld amount in the event of late start shall be fifty thousand Euro (EUR 50,000) per day of delay, for a maximum of fifty (50) Working Days.
- 22.11 For the purposes of Clause 22.10, a late launch shall have occurred, if the Licensee fails to launch the National Lottery, in accordance with the provisions of the Licence, on the Effective Date due to reasons attributable to the Licensee..
- 22.12 In the event of there being insufficient amounts in the Fund, the quantum to be withheld from the Licensee shall be set off against the performance bond or other form of security contemplated in Clause 17 of this Licence.

- 22.13 Should an amount be withheld from the payment to the Licensee in accordance with this Clause 22, the relevant failure by the Licensee to comply with this Licence, shall, notwithstanding anything to the contrary in Clauses 24.1 and 25.1, not entitle the Regulator to (in addition to such withholding):
- 22.13.1 revoke this Licence in accordance with section 36 of the Act and/or any provision of this Licence; or
- 22.13.2 terminate this Licence in accordance with Clause 25.1.2;  
if such revocation or termination is based solely on such relevant failure.
- 22.14 Should:
- 22.14.1 the Regulator:
- 22.14.1.1 revoke this Licence in terms of any provision of section 36 of the Act and/or this Licence; or
- 22.14.1.2 terminate this Licence in terms of Clause 25.1.2; and
- 22.14.2 such revocation or termination is based solely on a failure by the Licensee to comply with this Licence; and
- 22.14.3 an amount has been withheld, in respect of such failure to comply,  
  
the withholding of such amount shall not occur or, in the event that it has already been withheld:
- 22.14.4 the amount (if any) withheld from the Licensee shall be repaid forthwith together with interest thereon at the Interest Rate from the date of payment thereof by the Licensee to the date of such repayment; and/or
- 22.14.5 any withholding claim shall forthwith cease to be of any further force and effect.
- 22.15 Should the Regulator, pursuant to any one failure by the Licensee to comply with any provision of this Licence, acting reasonably decide to revoke this Licence or terminate this Licence in accordance with Clause 25.1.2, then the Regulator shall, notwithstanding anything to the contrary in this Clause 22, not be entitled to withhold or request the withholding of, any payment in terms of this Clause 22 pursuant to such failure to comply.
- 22.16 The Regulator shall, forthwith after withholding any payments in terms of this Clause 22, give the Licensee a written receipt and/or other written confirmation that such amount has been withheld or discharged.
- 22.17 Withholding of payment to the Licensee shall not be possible to occur more than once in terms of this Clause 22 to the extent that any such withheld amounts arise from the same failure by the Licensee or cause of action, and in the event that alternative withheld amounts may be imposed in respect of the same event then the Regulator shall be entitled to seek to withhold such amount as the Regulator may elect.

22.18 Notwithstanding anything to the contrary contained in this Licence, the liability of the Licensee for any breach or default under this Licence or the Act, by way of withheld payments shall not exceed in any Financial Year in the aggregate twenty million Euro (EUR 20,000,000).

## 23 REQUESTS TO THE REGULATOR

23.1 When the Licensee submits, under this Licence, any request to the Regulator requiring its review and approval, the following procedure shall be followed, unless specifically otherwise provided for in the Licence:

23.1.1 The Licensee shall submit an application to the Regulator, which shall include:

23.1.1.1 the terms of the proposed request;

23.1.1.2 the reasons for the request;

23.1.1.3 evidence that and/or reasons why the outcome of the request if implemented, will comply with all material provisions of this Licence including the responsible gaming practices and security contemplated in Clauses 10 and 11 respectively; and

23.1.1.4 a financial analysis of the expected overall impact of the outcome of the request if implemented, on the net contributions to Good Causes, assessed across the entire portfolio of National Lottery Games;

23.1.2 As soon as practicable and in any event within twenty (20) Working Days of receipt of the Licensee's request, the Regulator may request additional information that is essential to enable the Regulator to properly assess the Request.

23.1.3 If a request for additional information has been made by the Regulator pursuant to Clause 23.1.2, the Licensee shall submit to the Regulator the required additional information within twenty (20) Working Days from receipt by the Licensee of such request.

23.1.4 The Regulator shall notify the Licensee of its determination on the Licensee's request, as soon as practicable and in any event no later than twenty (20) Working Days from receipt by the Regulator of the request pursuant to Clause 23.1.1, or receipt of the additional information pursuant to Clause 23.1.3, as the case may be.

23.1.5 In case the Regulator rejects a request by the Licensee, it must outline the reasons for such rejection in the notification referred to in Clause 23.1.4. Subsequently the Licensee may no later than ten (10) Working Days of such rejection, submit an amended request that attempts to satisfy the concerns of the Regulator, in which case the Regulator shall make its final determination within ten (10) Working Days from receipt of such amended request.

- 23.2 If the Licensee fails to submit any of the requested information pursuant to Clause 23.1.3, or an amended request pursuant to Clause 23.1.5, as the case may be, the request shall be deemed as rejected.
- 23.3 If the Regulator fails to notify the Licensee of its determination in accordance with the provisions of Clause 23.1.4, the request shall be deemed approved.
- 23.4 The Licensee may withdraw a request at any time before it is determined.

## **24 DEFAULT**

- 24.1 Subject to, and in addition to the rights of the Minister and the Regulator in terms of the Act, if the Licensee fails to comply with any obligation which arises in terms of this Licence or the Act, or is in default of any obligation in terms of this Licence or the Act, and the Licensee fails to remedy such failure or default within 14 (fourteen) Working Days after receipt of a written notice (or such further additional period as the Regulator may determine provided that a reasonable additional period shall be granted in circumstances where the Licensee notifies the Regulator that it is endeavouring to remedy the failure or default) given by the Regulator calling upon the Licensee to remedy such failure or default, then the Regulator or the Minister may, without prejudice to any other rights which it may have in terms hereof or at law and provided that the breach is a material breach of this Licence, may seek whatever redress it deems appropriate in the circumstances.
- 24.2 Notwithstanding anything to the contrary contained in this Licence, the Licensee shall be deemed to be in default if the Licensee:
- 24.2.1 is placed in provisional or final liquidation, whether compulsory or voluntary;
- 24.2.2 is placed under judicial management, whether subject to a provisional or final order;
- 24.2.3 commits any act or omission which would render it liable to be liquidated; or
- 24.2.4 admits in writing that it is unable to pay its debts on time or at all.

## **25 TERMINATION**

- 25.1 Notwithstanding anything to the contrary contained in this Licence, this Licence shall terminate:
- 25.1.1 forthwith on the date that is twenty (20) years after the Effective Date without notice by the Regulator to the Licensee; or
- 25.1.2 in the event of a default by the Licensee as contemplated in Clause 24.1 above which is not remedied by the Licensee in terms of Clause 24, should the Regulator give written notice of termination of this Licence to the Licensee, which termination shall take effect from the date stated in such notice; or

25.1.3                forthwith if revoked by the Regulator in terms of section 36 of the Act, whichever occurs first, but not otherwise.

25.2                Notwithstanding the termination of this Licence as contemplated in Clause 25.1 above, all relevant obligations of the Licensee which arose prior to the date of termination, must be fulfilled by the Licensee and all mechanisms provided for in the Act and this Licence for enabling or enforcing such fulfilment, shall accordingly continue to be available to the Minister and the Regulator for that purpose.

## **26 LICENSEE'S OBLIGATIONS AT TERMINATION AND REVOCATION OF THE LICENCE**

26.1                At the latest on the Licence Date, the Licensee shall pay or arrange for payment to the Fund, an amount equal to:

26.1.1              a sum which is sufficient to pay all Game and Player Liabilities in respect of: (a) a National Lottery Game for which a valid claim could have been made before the Licence Date other than a claim in respect of which a prize has already been paid prior to the Licence Date or in respect of which the entitlement to claim a prize has expired prior to the Licence Date, or (b) a National Lottery Game for any sums which have been received by or on behalf of the Licensee, by way of advance payments or subscription payments but the Relevant Date for which falls after the Licence Date, or (c) which the National Lottery Game was conducted before the Licence Date the winners of which can only be ascertained after the Licence Date, or (d) which any money which on the day before the Licence Date has been carried forward from a National Lottery draw based Game conducted prior to the Licence Date as representing the value of the prize which was not won in that National Lottery Game, with a view to it being added to the amount available to be paid in prizes in a National Lottery draw based Game intended to be held after the Licence Date, or (e) Instant Tickets where such Instant Tickets were activated and registered as sold before the Licence Date, such liabilities being recognised, for each Instant Ticket game, by applying the respective prize percentage stated in the Instant Ticket game rules proposed by the Licensee and approved by the Regulator, on the Total Net Sales corresponding to the Settled Packs of the specific Instant Ticket game, or (f) any valid Retailer Bonuses and Retailer Validation Commissions payable in relation to payments made under 26.1.1 (a), (c) and (e) that arose prior to the Licence Date and are due after the Licence Date;

26.1.2              all remaining unclaimed prizes until the Licence Date; and

26.1.3              a sum equal to any outstanding amounts for Good Causes accrued up to the Licence Date,

provided however that any amounts stipulated in this Clause 26.1 that have already been paid by the Licensee on the Payment Date immediately preceding, or coinciding with the Licence Date (as the case may be) pursuant to Clause 6.4, shall not be due twice.

For the purposes of this Clause 26.1, a National Lottery Game is held on the date on which the winners are ascertained.

- 26.2 The Licensee shall pay or procure the payment to the Fund of all payments (if any and other than the payments pursuant to Clause 26.1 above) due pursuant to Clause 6 above at such time (not to exceed 30 (thirty) days) after the Licence Date as the Regulator may determine. Any valid Retailer Validation Commissions as per Clause 26.1.1 (f) that cannot be ascertained on the Licence Date shall be paid by the Licensee into the Fund, on the day on which they can be ascertained.
- 26.3 The Licensee shall at such time as the Regulator may determine (whether immediately prior to or at any time after the termination of this Licence):
- 26.3.1 provide the Regulator or its nominee with such information as it may require to enable the Persons to whom prizes should be paid to be ascertained; and
- 26.3.2 provide the Regulator with copies of such of the records kept pursuant to Clause 15.2 above as determined by the Regulator.
- 26.4 If this Licence is revoked in terms of section 36 of the Act or terminated pursuant to Clause 25.1.2 of this Licence, the Licensee shall:
- 26.4.1 transfer such equipment as is owned by the Licensee and necessarily required to operate the National Lottery in the manner carried on by the Licensee prior to the time of revocation of the Licence (excluding, for the avoidance of doubt, intellectual property rights or proprietary software of the Licensee and/or any third party) as determined by the Regulator to any Person specified by the Regulator at such price as may be agreed in writing between the Licensee and such specified Person, or in the absence of such agreement within thirty (30) days of such revocation, as determined by an independent firm of chartered accountants ("Auditor") appointed by the President of the Irish Institute of Chartered Accountants (or his or her successor in title). Such Auditor shall act as an expert and not as an arbitrator and his decision on the price shall be final and binding on the parties: Provided that:
- 26.4.1.1 the price shall be the best price that can reasonably be obtained from a willing buyer of such equipment and shall be paid to the Licensee within 7 (seven) days after the date of agreement or determination thereof and against transfer of such equipment to such specified Person; and
- 26.4.1.2 such Auditor shall make his decision as quickly as reasonably possible in the prevailing circumstances;
- 26.4.2 use its best endeavours to procure the transfer of equipment not owned by the Licensee and necessarily required to operate the National Lottery (excluding, for the avoidance of doubt, intellectual property rights or proprietary software of the Licensee and/or any third party) by the owner thereof to any Person specified by the Regulator, for a period not exceeding the original termination date of the Licence pursuant to Clause 25.1.1 or if earlier, the date on which the agreement under which the



equipment was made available to the Licensee would otherwise have terminated in the absence of revocation of the Licence;

- 26.4.3 should the Regulator so direct, grant a licence to use the software or other intellectual property rights owned by the Licensee and used in respect of the National Lottery, to any Person specified by the Regulator at such licence fee and on such other reasonable, commercial and usual (for the type of licence in question) terms and conditions as may be agreed in writing between the Licensee and such specified Person, or in the absence of such agreement within thirty (30) days of such revocation, for a period not exceeding the original termination date of the Licence pursuant to Clause 25.1.1:
- 26.4.3.1 as to the licence fee, to be determined by the Auditor appointed by and subject to the provisions of Clause 26.3.1 above *mutatis mutandis* provided that such Auditor shall have regard to the matters referred to in Clause 26.4.5 below;
- 26.4.3.2 as to the other terms and conditions, to be determined by an independent solicitor or barrister practising in Ireland ("Attorney") of not less than ten (10) years standing and appointed by the President of the Law Society of Ireland (or his or her successor in title). Such Attorney shall act as an expert and not as an arbitrator and his or her decision on such terms and conditions shall be final and binding on the parties; provided that such Attorney shall have regard to the matters referred to in Clause 26.4.5 below and make his decision as quickly as reasonably possible in the circumstances;
- provided however that such specified person shall not be a Person that with regard to such software or intellectual property is a direct competitor of the Licensee or a Person to which a direct competitor of the Licensee is a Connected Party,
- 26.4.4 use its best endeavours to procure the grant of a licence to use software not owned by the Licensee and used by the Licensee in the operation of the National Lottery, by the owner thereof to any Person specified by the Regulator, for a period not exceeding the original termination date of the Licence pursuant to Clause 25.1.1 or if earlier the date on which the licence to the Licensee to use such software would otherwise have terminated in the absence of revocation of the Licence; provided that such specified person shall not be a Person that with regard to such software is a direct competitor of the owner thereof or a Person as to which a direct competitor of the owner thereof is a Connected Party; and
- 26.4.5 in the event that any matter is referred for determination pursuant to Clause 26.4.3 above, the decision maker shall be required to consider, among other things, the trade secret value of the software to the Licensee and/or its subcontractors, the importance of the software as a product of the Licensee and/or the Licensee's subcontractors, the adverse effect of the possible licence of the software on the competitive position of the Licensee and/or any of the Licensee's subcontractors, and the research and development amounts spent by the Licensee and/or any of the Licensee's subcontractors in respect of the software.

26.5 End of Licence Conversion

Should the Licensee not again be granted the licence to operate the National Lottery upon expiry of this Licence, the Licensee understands and agrees that the Regulator may use the last twelve (12) months of the term of this Licence for the conversion ("conversion") of the central gaming system/s, lottery network and retailer terminals (the "Conversion Period"), it being agreed, however, that all revenue generated from the sale of Tickets and other products shall continue to be paid in accordance with the provisions of Clause 6 throughout the term of this Licence, regardless of whether another entity (whether a prospective Licensee or otherwise) is providing goods and/or services and/or performing any activities for or in respect of the conversion. The Regulator shall be solely responsible for the identification of all activities comprising (and the timing of) the conversion during the Conversion Period. During the Conversion Period, the Licensee shall cooperate fully and in good faith in the said conversion. Such cooperation may, if the Regulator so directs, include but not be limited to the following actions:

- 26.5.1 granting all necessary access to the Licensee's databases to ensure the continued payment of prizes;
- 26.5.2 cross validation of Tickets;
- 26.5.3 database information required in the Regulator's opinion for the successful continuation of the National Lottery;
- 26.5.4 subject to Clause 26.5.6 below, providing information required to be provided to the Regulator described in Clause 15 above, and such information as is necessary for the continued operation of the National Lottery;
- 26.5.5 removal of the Licensee's hardware, equipment and software from the premises of Retailers after the end of Licence,  
provided that:
  - 26.5.6 the Licensee shall not be required to provide for the purposes of the conversion :
    - 26.5.6.1 hardware, equipment, goods and/or software owned by the Licensee or Licensee's subcontractors or suppliers; or
    - 26.5.6.2 (under licence or otherwise) intellectual property rights or confidential information of Licensee or Licensee's subcontractors or suppliers;
- 26.5.7 the Licensee's cooperation shall be generally within the scope of the actions described in Clauses 26.5.1 to 26.5.5 and shall not exceed 500 person hours per month of the Conversion Period. Should more effort be required beyond this limit, such effort shall be charged at reasonable market rates corresponding to the specialisation, experience and seniority of the involved staff;
- 26.5.8 only sufficiently qualified and experienced employees of the Licensee shall be made available by the Licensee for the purposes of such co-operation;

- 26.5.9 notwithstanding anything to the contrary in Clauses 22, 24, 25 and/or this Clause 26.5:
- 26.5.9.1 such conversion and/or cooperation shall not unduly interfere with the Licensee's business and/or operations and shall not cause the Licensee to suffer any material financial and/or other prejudice of any nature whatever; and
- 26.5.9.2 the Licensee shall not be liable in any manner whatever to the extent that any failure to comply with this Licence and/or the Act directly or indirectly arises out of or pursuant to such conversion and/or cooperation.
- 26.6 Any provision of this Licence which expressly imposes an obligation to be performed, or a right to be exercised, after the expiry, termination or revocation of this Licence, shall survive such expiry, termination or revocation and:
- 26.6.1 all mechanisms provided for in the Act, this Licence and/or at law for enabling or enforcing such performance and/or exercise, shall accordingly continue to be available to the Minister, the Regulator and the Licensee; and
- 26.6.2 such provision shall be severable from this Licence,
- for that purpose.

## **27 LIMITATION OF LIABILITY**

- 27.1 The Licensee shall not be held liable for its failure to perform or for its delay in performing any of its obligations under this Licence in the event of and to the extent that such failure or delay is caused by:
- 27.1.1 subject to Clause 27.2, any flood, earthquake, storm, fire, explosion, riot, war, embargo, civil commotion, act of terrorism, unrest or other Act of God, or any strike or lockout over which the Licensee has no control, or the underperformance or failure of information technology, satellite or telecommunications facilities not directly under the Licensee's control;
- 27.1.2 any change in law having effect in the State or any order of a competent court not arising out of any breach by the Licensee of this Licence, any applicable law or any undertaking to any third party which effectively and materially prevents the Licensee from fulfilling any of its obligations under this Licence; or
- 27.1.3 the material breach by a party other than the Licensee of any valid agreement between the Licensee and :
- 27.1.3.1 the Minister and/or the Regulator; and/or
- 27.1.3.2 any public enterprise owned (whether wholly or partially) by the State in respect of which the Minister and/or the Regulator has

directed the Licensee to enter into an agreement with, by that public enterprise,

(collectively described hereafter as "the limiting factors"), but only if:

- 27.1.4 and only to such an extent that the Licensee is directly or indirectly effectively prevented or restricted by any of the limiting factors from performing or is delayed in the performance of any of its obligations under this Licence;
- 27.1.5 the limiting factor is beyond the control of the Licensee;
- 27.1.6 the Licensee is not responsible for that limiting factor;
- 27.1.7 the Licensee when it becomes aware of a limiting factor which prevents or restricts its performance of any of its obligations under this Licence or is likely to do so, immediately gives notice to the Regulator of that limiting factor and the nature thereof and continues to inform the Regulator of relevant developments in respect of that limiting factor, including the termination or removal of that limiting factor;
- 27.1.8 the Licensee uses its best endeavours to remedy the position and to attempt to perform the affected obligations as far as possible in the prevailing circumstances; and
- 27.1.9 the limiting factor is not a circumstance which the Licensee could have reasonably foreseen and which by the exercise of care and skill it could be reasonably expected to avoid or have avoided.
- 27.2 Under no circumstances shall any inability to comply with this Licence because of a lack of financial resources or cash flow or other financial problems in respect of the Licensee or any of its subsidiaries, shareholders, directors, employees, agents or suppliers of goods or services be treated or deemed to be an Act of God.
- 27.3 The Minister and the Regulator, shall hold the Licensee harmless of any actions of the State which materially undermine the ability of the Licensee to fulfil its obligations under this Licence, or which are specifically directed towards the Licensee and materially increase the financial obligations of the Licensee under this Licence, or would materially reduce the revenue or profit of the Licensee. Furthermore:
  - 27.3.1 should the Licensee become aware of any action contemplated in this Clause 27.3 or any intention on the part of the State to take any such action, it shall immediately give written notice to the Regulator, detailing the particulars and the likely impact thereof on the Licensee;
  - 27.3.2 the Regulator, or a committee designated by the Regulator and the Licensee, shall as soon as is practicable after receipt of that written notice engage in a process of consultation in order:
    - 27.3.2.1 to consider the contents of that notice;
    - 27.3.2.2 to consider administrative or other similar solutions to resolve the issues raised in the notice; and

- 27.3.2.3 if necessary and appropriate, to negotiate in good faith to effect a variation of this Licence in accordance with the Act, and failing agreement with regard to such variation, then to reach a determination pursuant to Clause 29.
- 27.4 The Minister and the Regulator shall compensate the Licensee and hold the Licensee harmless of any judicial decision in any proceedings against the State, initiated by Rehab in the Court of Justice of the European Union, the General Court or the Irish Courts up to the Signature Date and for a period of 10 years thereafter, and/or any subsequent proceedings by Rehab to enforce or appeal any such judicial decision, which would: (a) materially undermine the ability of the Licensee to fulfil its obligations under this Licence, or (b) materially increase the financial obligations of the Licensee under this Licence, or (c) materially reduce the revenue or profit of the Licensee. For the purposes of this clause 27.4 "Rehab" means The Rehab Group, Rehab Lotteries Limited, any Subsidiary or Holding Company from time to time of The Rehab Group, any Subsidiary or Holding Company from time to time of Rehab Lotteries Limited, any Subsidiary of any such Holding Company and/or any successor of any of them;
- 27.5 If the Licensee fails to perform or delays performance of its obligations under this Licence due to any event as contemplated in Clause 27.1.1, the Licensee shall as soon as practicable in writing give notice to the Regulator thereof, providing details of the situation including the financial impact of that situation on the Licensee's operations under this Licence.
- 27.6 The Regulator shall forthwith on receipt of such a notice forward a copy thereof to the Minister for his or her information.
- 27.7 The Regulator, or a committee designated by the Regulator and the Licensee, shall as soon as is practicable after receipt of that notice engage in a process of consultation in order:
- 27.7.1 to consider the contents of that notice;
- 27.7.2 to consider administrative or other similar solutions to resolve the issues raised in the notice;
- 27.7.3 if necessary and appropriate, to negotiate in good faith to enable the Regulator to advise the Minister on the desirability and viability of modifying this Licence in terms of and subject to the Act; and
- 27.7.4 for the purpose of this Clause 27 "State" means all organs of the State of Ireland including for the avoidance of doubt, the Minister, the Regulator and the former operator of the National Lottery.

## **28 DISCLAIMER OF LIABILITY ON THE PART OF THE REGULATOR**

- 28.1 Notwithstanding any tests carried out or approvals or acceptances given by the Regulator, such tests, approvals or acceptances shall not constitute an acceptance or approval from the Regulator that any equipment or software used in the operating of the National Lottery or in promoting any National Lottery Game, is of the necessary quality and is fit for its purpose. Accordingly the Licensee shall assure itself that all equipment, systems, services and the like are adequate to

properly and correctly operate the National Lottery with effect from the Effective Date.

- 28.2 The acceptance or approval by the Regulator of any such system, service or equipment is no warranty as to its quality or fitness for purpose or as to any other matter.
- 28.3 The Regulator accepts no liability for any loss or damage suffered by the Licensee or any other Person in placing reliance on such acceptance or approval or otherwise arising out of any acceptance or approval including inter alia those contemplated in Clauses 28.1 and 28.2 above, even if resulting from any negligent act or omission by or on behalf of the Regulator.
- 28.4 The Licensee agrees that the Regulator, the Minister and the State or any of its advisors or consultants shall not be liable for, nor shall the Licensee be entitled to rely upon any facts, information, opinion or conclusion contained or expressed in the RFA issued in respect of this Licence.

## **29 DISPUTE RESOLUTION**

- 29.1 Without prejudice to the Parties' rights under law and Part 6 of the Act, in the event of a dispute arising between the Regulator and the Licensee in regard to any matter provided for, in or under this Licence, such dispute shall be settled in the manner set out hereinafter, subject to the provisions of the Act: Provided that in the event that any Party requires relief on an urgent basis, that Party, for reasons of urgency only, shall be entitled to bring an urgent application before the High Court of Ireland for the relief sought, whether such relief is of an interim or final nature.
- 29.2 The Parties shall firstly attempt to resolve any dispute arising out of, or connected with this Licence in an amicable manner at the appropriate working level and/or through escalation to the responsible managers within their respective organisations.
- 29.3 Any dispute which cannot be amicably resolved by the Parties in the manner contemplated in Clause 29.2 within ten (10) Working Days from the request by either Party that the dispute is considered, will at the request of either Party be referred to the highest ranking officers at the Regulator and the Licensee, for final settlement. The Parties shall ensure that these officers consider the dispute as soon as practically possible and then for a period of five (5) Working Days (or such other period as the Parties agree in writing) after the referral. Neither Party shall start any proceedings regarding a dispute that is being considered under this Clause 29.3 of this Licence.
- 29.4 If the Parties have not resolved a dispute as set out in Clause 29.3 of this Licence, the dispute shall be resolved in accordance with Clause 29.5 of this Licence.
- 29.5 Pursuant to Clause 29.4 of this Licence, the courts of Ireland shall have exclusive jurisdiction to settle a dispute.

### **30 DOMICILIA AND NOTICES**

30.1 The Parties choose as their respective domicilia citandi et executandi for all purposes under this Licence, whether in respect of court process, notices or other documents or communications of whatsoever nature, the following addresses:

30.1.1 The Minister at: Government Buildings, Upper Merrion Street, Dublin 2.

30.1.2 The Regulator at: To be notified by the Minister when the Regulator is appointed.

30.1.3 The Licensee at: Fitzwilton House, Wilton Place, Dublin 2.

30.2 Any notice or communication required or permitted to be given in terms of this Licence shall be valid and effective only if in writing, but it shall be permitted to give notice by email.

30.3 Any Party may by notice to the other parties change its domicilium citandi et executandi to any other physical address within the State or email address provided that the change shall become effective on the 10<sup>th</sup> (tenth) day after the latest receipt of the notice in respect of a change of that Party's physical address and on the same day set out in the notice in respect of a change of that Party's email address.

30.4 Any notice to a Party contained in a correctly addressed envelope and:

30.4.1 posted by registered mail to the other Party's physical address; or

30.4.2 delivered by hand to a responsible person during ordinary business hours at the other Party's domicilium citandi et executandi,

shall be deemed to have been received, in the case of Clause 30.4.1 on the 10<sup>th</sup> (tenth) Working Day after posting (unless the contrary is proved), or in the case of Clause 30.4.2 on the day of delivery.

30.5 Any notice sent by email to a Party at its email address shall be deemed, unless the contrary is proved, to have been received on the first Working Day after the date of transmission thereof.

30.6 Notwithstanding anything to the contrary herein contained, written notice or communication actually received by a Party shall be adequate written notice or communication to it notwithstanding that it was not sent or delivered to the Parties chosen domicilium citandi et executandi.

### **31 VARIATION OF AGREEMENT**

No variation or amendment of the terms of this Licence, including a variation of this Clause, shall be valid unless made in accordance with the provisions of the Act, detailed in writing and signed by both the Licensee and the Regulator. Notwithstanding anything to the contrary in this Licence, for the avoidance of doubt, the Licensee shall not be obliged to sign any variation of the Licence, which

materially increases the financial obligations of the Licensee under this Licence or which would materially reduce the revenue or profit of the Licensee.

## **32 INDULGENCE**

No indulgence or relaxation of any kind, unless given in writing and then only to that extent, which one Party may grant to another, in regard to the performance of another Party's obligations under this Licence, shall prejudice any of the other Party's rights under this Licence or be regarded as a waiver of any of such Party's rights pursuant hereto or as an estoppel against the enforcement of such rights, which rights such Party may invoke or enforce at any time in its sole and absolute discretion.

## **33 ENTIRE LICENCE**

Subject to the Act, this Licence and the Schedules hereto record the entire Licence between the Parties hereto and there are:

- 33.1 no ancillary agreements between them, except as expressly provided for in this Licence;
- 33.2 no collateral agreements between them, except as expressly provided for in this Licence;
- 33.3 no representations by either of them not recorded in this Licence which induced either or both of the Parties to enter into this Licence. The rights and obligations of the Parties shall not be affected or varied by any condition or representation not expressed herein or in the Act.

## **34 COMPLIANCE WITH THE OFFICIAL LANGUAGES ACT 2003**

The Licensee must comply with the Official Languages Act 2003. In this respect and unless specifically stated otherwise in this Licence or the RFA, the Licensee shall use its best endeavours to ensure that it complies with its obligations to issue certain communications in both the English and the Irish languages.

## **35 ROLE OF THE REGULATOR**

In exercising any rights, or discharging any obligations, under this Agreement, the Minister shall procure that the Regulator discharges its functions under this Licence in accordance with the provisions of this Licence and the Act.

## **36 CESSION AND DELEGATION**

The Licensee may not cede its rights or delegate its obligations hereunder without the written consent of the Regulator or unless specifically provided for in this Licence and provided that any cession or delegation shall be in writing.

## **37 PARTIES TO ACT REASONABLY**

In making any request or determination in terms of this Licence, responding to any submission or in exercising any discretion or right granted to it in terms of this Licence, the Parties shall act in a reasonable manner and in accordance with the requirements of the Act.



## **38 SUPPORT**

The Parties undertake at all times to co-operate with each other and to perform all such acts and to take all such steps as may be open to them and necessary for or incidental to the putting into effect or maintenance of the terms, conditions and import of this Licence. Without detracting from the generality of the foregoing, the Regulator shall provide reasonable assistance to the Licensee with regard to the import of equipment necessary for the Licensee to perform its functions in terms of this Licence.

## SCHEDULE 1 - CLAUSE 6: THE TICKET SALES PAYMENT

### PART I - CALCULATION

1. In determining the Total Net Sales of National Lottery Tickets for the purpose of this Schedule:
  - a. the value of all National Lottery Tickets sold in the Financial Year in question shall be taken into account whether or not the Licensee receives the consideration for any such Ticket sold, save that:
    - i. a National Lottery Ticket which has been properly cancelled in accordance with procedures approved by the Regulator shall not be treated as sold; and
    - ii. an Instant Ticket which was comprised in a Pack of Tickets which has been activated but the sale of which Ticket has subsequently been cancelled or which Ticket has been repurchased prior to such Pack becoming a Settled Pack, shall not be treated as sold provided that, if such cancellation or repurchase is as a result of the cancellation or withdrawal of an Instant Lottery, the Regulator shall have been notified of such cancellation or repurchase; and
    - iii. any non-activated Instant Tickets that have been destroyed by the Licensee, or stolen shall not be treated as sold; and
    - iv. free tickets provided in accordance with Clauses 9.10.1 and 9.10.2 of the Licence shall not be treated as sold; and
    - v. any applicable taxes such as value added tax or similar should they ever be imposed shall not be included in the calculation.
  - b. a National Lottery Ticket shall be treated as sold at the higher of the price at which it is actually sold and the price at which it should have been sold to a Participant in accordance with the rules of the Lottery in question.
2. For the purposes of this Schedule, a National Lottery Ticket shall be treated as sold on the date on which it is sold by or on behalf of the Licensee (whether or not it has subsequently been sold by a Retailer or other Person or intermediary to any Person who participates or intends to participate in the relevant Lottery Game) and, in the case of payments made in advance or by subscription, shall be treated as sold on the day on which the relevant Draw takes place.
3. Where a Pack of Instant Tickets has been activated and has become a settled Pack and the related Instant Ticket sales payment has accordingly been made in respect of all the Tickets comprised in it, the Licensee shall cancel or repurchase from the relevant Retailer some or all of the Instant Tickets comprised in that Pack, (with prior notification to the Regulator in the case of any such cancellation or repurchase made as a result of the cancellation or withdrawal of an Instant game), the Licensee shall be credited with the amount of the Ticket sales payment made in respect of such cancelled or repurchased Tickets and its obligation in respect of the Ticket sales payment due in the next (and, if necessary, subsequent) weeks shall be reduced accordingly.

**PART II – INFORMATION**

4. The Licensee shall, on each Payment Date, notify the Regulator of:
- a. the Total Net Sales of National Lottery Tickets in the Relevant Week;
  - b. the total value of Retailers' commissions (including Retailer Validation Commissions and Retailer Bonuses) paid to Retailers in the Relevant Week;
  - c. the total value of all prizes paid to players by Retailers in the Relevant Week;  
and
  - d. the payment made into the Fund on the Payment Date.

## **SCHEDULE 2 – CLAUSE 6: GOOD CAUSES CONTRIBUTION**

### **PART I – INTERPRETATION**

1. In this Schedule:

**“Good Causes Contribution”** means the amount in the Fund, allocated to Good Causes that is determined in accordance with Part II of this Schedule.

### **PART II – CALCULATION**

2. Amounts in the Fund, allocated to Good Causes pursuant to Clause 6.6 of the Licence shall amount to 65% of the GGR calculated on an annual basis.

### **PART III - INFORMATION**

3. The Licensee shall, in respect of each Quarter deliver to the Regulator a statement containing details of the Good Causes Contribution corresponding to the respective Quarter.
4. Every statement referred to in paragraph 3 above shall be signed by two directors of the Licensee, one of which shall be the Chief Executive or equivalent officer or if no one has been appointed to that office, a director who is the holder of some other executive office in the Licensee.
5. The Licensee shall, in respect of each Financial Year deliver to the Regulator a statement containing details of the Good Causes Contribution corresponding to the respective Financial Year.
6. The annual statement of paragraph 5 containing details of the Good Causes Contribution corresponding to the Financial Year shall be:
  - a. signed by two directors of the Licensee, one of which shall be the Chief Executive or equivalent officer or if no one has been appointed to that office, a director who is the holder of some other executive office in the Licensee; and
  - b. confirmed by the Auditors of the Licensee as giving a true and fair view.
7. Every statement referred to in Part III shall be furnished to the Regulator by the last day of the Quarter following the end of the Quarter to which it relates.
8. The Licensee shall, following delivery of each statement referred to in Part III above, give to the Regulator such further information relating to the matters described in the statement above as the Regulator may require.

**SCHEDULE 3 – CLAUSE 7: COPYRIGHTS AND TRADE MARKS**

**ASSIGNMENT OF COPYRIGHT**

**PARTIES:**

**THE LICENSEE**

(hereinafter referred to as the "ASSIGNOR")

and

**THE MINISTER**

(hereinafter referred to as the "ASSIGNEE")

**WHEREAS:**

- A. To the extent that the Assignor becomes the owner of the copyright in certain artistic and literary works within the meaning of the Copyright and Related Rights Act 2000 (as amended) in the nature of logos, tickets, advertising and promotional material and the like intended for use in the course of operating the Irish National Lottery;
- B. It is the desire and intention of the parties that the Assignee should become the owner of the Rights of Copyright (as defined below) as well as various ancillary rights.

**NOW THEREFORE IT IS AGREED AS FOLLOWS:**

**1**                    Definitions

In this agreement the following terms shall have the following meanings:

- 1.1                    **Accrued Claims**                    :                    all the Assignor's accrued rights and claims against third parties arising out of

any infringements of the Rights of Copyright in the Copyrighted Works subsisting and enforceable by the Assignor at the date of assignment thereof by the Assignor to the Assignee. Such rights shall include, but shall not be limited to, the right to claim from any infringer of the said Rights of Copyright the damages suffered by the Assignor arising from the infringement of such Rights of Copyright, delivery-up of any infringing copies of the Copyrighted Works in the possession or under the control of the said infringer, such so-called "additional damages" as the Assignor might have been entitled to claim from the infringer of the said Rights of Copyright, and generally whatsoever rights arising out of its ownership of the Rights of Copyright in the Copyrighted Works which might have been enforceable by the Assignor against third parties at the date of assignment;

- 1.2 Copyrighted Works : the works detailed in Schedule "A" of hereto;
- 1.3 Moral Rights : the right of the author of a Copyrighted Work to claim authorship of the Copyrighted Work and to object to any distortion, mutilation or other modification of the Copyrighted Work which would be prejudicial to the honour or reputation of the holder of that right;
- 1.4 Rights of Copyright : the full and complete copyright in the Copyrighted Works in the Territory;
- 1.5 Term : in respect of each Copyrighted Work, the full duration of the copyright in that Copyrighted Work; and
- 1.6 Territory : Ireland.

2                    Assignment of Rights of Copyright

2.1                    For good and sufficient consideration the Assignor hereby assigns, transfers and makes over to the Assignee the Rights of Copyright for the Term.

2.2                    In order to enable the Assignor to have the requisite right and title to the Rights of Copyright in any and all Copyrighted Works to be made in the future which are assigned to the Assignee in this agreement and to give effect to the assignment of such Rights of Copyright as provided herein, the Assignor shall use its reasonable endeavours to enter into appropriate assignments of copyright with any employee, sub-contractor or any person whom the Licensee commissions to make a relevant work, who might in the normal course hold rights comprised in the Rights of Copyright in the Copyrighted Works, or any of them.

2.3                    Notwithstanding the provisions of Clause 2.2, it is recorded that the Assignor shall, in the course of operating the National Lottery, from time to time have cause to make use of copyrighted works belonging to third parties. The Assignor shall use such endeavours as are reasonable in the circumstances to enter into appropriate assignments of copyright with the holders of rights of copyright in such works or, if appropriate, to enter into sub-licences of such copyright in favour of the Assignee. The parties agree that if, despite such endeavours, the Assignor fails to acquire rights of copyright in such works, such works will not form part of, or be deemed to form part of, the Copyrighted Works as defined herein.

2.4                    In order to enable the Assignee in due course to prove the subsistence of the Rights of Copyright and the Assignee's title to such rights before any court or wherever such proof may be reasonably required, the Assignor shall use its reasonable endeavours from time to time to obtain such documentary or other evidence as may be reasonably required for the aforesaid purpose.

3                    Cession of Accrued Claims

For good and sufficient consideration the Assignor hereby cedes, transfers and makes over to the Assignee the Accrued Claims. The Assignee may exercise and enforce the Accrued Claims in its own name and on its own behalf as though it were the Assignor.

4                    Waiver of Moral Rights

The Assignor hereby waives in favour of the Assignee or any successor in title any and all Moral Rights which may vest in the Assignor, and warrants that each of the authors of the Copyrighted

Works which were made prior to the date of this agreement and during the term of the Licence has waived absolutely any Moral Rights which may vest in each such author, and undertakes to procure that each author of any Copyrighted Work to be made in the future will waive absolutely any Moral Rights which may vest in such author.

5 Warranties and Indemnity

5.1 The Assignor hereby warrants that:

5.1.1 each Copyrighted Work is original and its making did not constitute an infringement of any copyright;

5.1.2 copyright subsists in each existing Copyrighted Work;

5.1.3 the Assignor is the sole legal and beneficial owner of the Rights of Copyright in existing Copyrighted Works without encumbrance at the date of this agreement and that the Assignor has not assigned, ceded, transferred or made over the Rights of Copyright or the Accrued Claims to any other person;

5.1.4 the Assignor and the author of each Copyrighted Work are qualified persons in accordance with the Copyright and Related Rights Act, 2000;

5.1.5 no Copyrighted Work contains anything that is libellous, defamatory or indecent or which infringes the statutory or common law rights of any third person;

5.1.6 the Assignor has full power, capacity and authority to enter into this agreement; and

5.1.7 on the date of assignment of the Rights of Copyright in any Copyrighted Work to be made in the future, the warranties given in Clauses 5.1.1 to 5.1.6 shall be applicable in respect of such Rights of Copyright or Copyrighted Works, as the case may be.

5.2 The Assignor indemnifies the Assignee against any and all loss, damage and costs which may be sustained by the Assignee arising out of any breach by the Assignor of any of the warranties set out in Clauses 4 or 5.1 above and, at the request of the Assignee, the Assignor shall provide all such assistance as the Assignee may



reasonably request to enable the Assignee to resist any action, claim or proceedings brought against the Assignee as a consequence of any such breach.

6 Acceptance by Assignee

The Assignee hereby accepts the rights assigned, ceded, transferred or made over to it in Clauses 2 and 3.

7 Proof of title to rights

The Assignor shall, when called upon to do so by the Assignee, provide all reasonable information, materials, co-operation and/or assistance to the Assignee to enable the Assignee to prove the subsistence of the Rights of Copyright and the Assignee's title to such Rights of Copyright before any court or wherever such proof may be reasonably required.

8 Governing Law

This agreement shall be governed by and construed in accordance with the laws of Ireland.

Signed at        on

for THE LICENSEE

who warrants that he is duly authorised hereto

AS WITNESSES:

1. \_\_\_\_\_

2. \_\_\_\_\_

Signed at        on

for THE MINISTER

who warrants that he is duly authorised hereto

AS WITNESSES:

1. \_\_\_\_\_

2. \_\_\_\_\_

## **SCHEDULE A**

### **COPYRIGHTED WORKS**

- 1** Any works to be created in the future for replacing, amending, substituting or superseding any of the following works:
  - 1.1** The device comprised in the National Lottery Trade Marks (as defined in Clause 1.1 of the Licence to operate the National Lottery, to which this agreement is annexed), being an artistic work.
  - 1.2** Any and all devices comprised in constituent Lottery Trade Marks (as defined in Clause 7.1 of the Licence to operate the National Lottery, to which this agreement is annexed), being artistic works.
  - 1.3** Any and all literary and artistic works comprised in Tickets (as defined in Clause 1 of the Licence to operate the National Lottery, to which this agreement is annexed) issued by or on behalf of the Assignor in the course of operating the National Lottery.
  - 1.4** The contents of all advertising and promotional materials produced by or on behalf of the Assignor in respect of the National Lottery, which contents are or are intended to be perceived in the ordinary course by Participants and potential Participants in the National Lottery, and which are eligible for copyright protection as works within the meaning Copyright and Related Rights Act 2000 (as amended).
  - 1.5** Any and all literary and artistic works comprised in the contents of signage of a permanent nature located at Retail Outlets (as defined in Clause 1 the Licence) relating to the National Lottery. For the avoidance of doubt, it is recorded that "signage" shall not include any fixtures or fittings, frames, supports, surrounds, structures or the like which fulfil the function of framing, holding, containing or displaying signs.

EXCLUSIVE COPYRIGHT LICENCE AGREEMENT

BETWEEN:

THE MINISTER FOR PUBLIC EXPENDITURE  
AND REFORM  
(hereinafter referred to as  
the "Copyright Holder")

THE REGULATOR OF THE NATIONAL LOTTERY  
(hereinafter referred to as "The Regulator")

- and -

PREMIER LOTTERIES IRELAND LIMITED  
(hereinafter referred to as the "Licensee")

RECITALS:

- A. The Copyright Holder is the holder of the Rights of Copyright, as defined herein.
- B. The Licensee wishes to acquire an exclusive licence in respect of the Rights of Copyright.
- C. It is the desire and intention of the parties that the Licensee should become the exclusive Licensee in respect of the Rights of Copyright.

NOW IT IS HEREBY AGREED as follows:

1. Definitions

In this agreement the following terms shall have the following meanings:

**"Copyright Holder"**, The Minister

**"Copyrighted Works"**, the works detailed in Appendix "A" hereto;

**"National Lottery Licence"**, the Licence to operate the National Lottery, granted by the Minister for Public Expenditure and Reform to the Licensee in terms of the provisions of the National Lottery Act 2013;

**"Licence"**, the right in respect of the Rights of Copyright granted by the Copyright Holder to the Licensee in Clause 2;

**"Rights of Copyright"**, the full and complete copyright in the Territory;

**"Term"**, the duration of the National Lottery Licence; and

**"Territory"**, Ireland.

2. Grant of Rights

For good and sufficient consideration the Copyright Holder hereby grants to the Licensee the exclusive right to exercise the Rights of Copyright for the Term.

3. Undertaking by Copyright Holder

Save as otherwise provided to the contrary in the National Lottery Licence, the Copyright Holder shall not itself exercise, nor authorise others to exercise, the Rights of Copyright for so long as this agreement remains in force.

4. Termination of Licence

Upon the expiry of the Term or the termination of this agreement for whatever cause the Licence shall be determined and the Licensee shall cease forthwith to exercise the Rights of Copyright.

5. Licensee's Right of Action

- 5.1 The Licensee shall, as soon as it becomes aware thereof, give to the Copyright Holder in writing full particulars of any use or proposed use by any other person of a trade name, trade mark, work, services or mode of promotion or advertising which amounts or might amount either to infringement of any of the Rights of Copyright, or which otherwise entitles the Copyright Holder to take action.
- 5.2 The Licensee may in its discretion issue warnings against any such use, proposed use or infringement and endeavour to stop such use, proposed use or infringement by inter alia obtaining undertakings. In the event that the Licensee is unable to stop such use or infringement without commencing proceedings, then the Licensee shall promptly notify the Copyright Holder and, if so required by the Copyright Holder, consult with it or its duly authorised representatives as to the action to be taken in respect thereof.
- 5.3 Unless the Copyright Holder otherwise directs in writing, the Licensee shall be entitled to take any action, issue any proceedings, make any comments or admissions, settle or agree to settle any claim, action or proceeding relating to any infringement or possible infringement of any Right of Copyright, provided that the Licensee has previously notified the Copyright Holder in writing of its proposed action and given the Copyright Holder such opportunity as may be reasonable in the circumstances to exercise its rights in terms of Clause 5.4.
- 5.4 Save as aforesaid, the Copyright Holder may, in its discretion, decide what action (if any) should be taken in respect of any infringement or alleged infringement, claim or counterclaim brought or threatened in respect of any Rights of Copyright. The Licensee shall, at the request and under the direction of the Copyright Holder, take such actions (including but not limited to the commencement or defence of legal proceedings) in connection with any such infringement or alleged infringement, claim or counterclaim as the Copyright Holder may require. The Copyright Holder shall not be obliged to bring or defend any such proceedings. The Licensee shall not be responsible for the costs of any action taken by it in terms of this sub-Clause if it is not in agreement with the action which the Copyright Holder directs it to take, unless such action is reasonably necessary in order to preserve or protect the Rights of Copyright or to maintain the integrity of the National Lottery. If the circumstances are such that the Copyright Holder may be required to bear the costs of legal proceedings and the State Attorney would be required to be involved in the conduct of the litigation, the Licensee shall consult with and be advised by the State Attorney prior to the proceedings being initiated.

Subject to the foregoing provisions of this Clause 5, unless the Copyright Holder otherwise directs in writing, and to the extent permitted by law, any proceedings, claims or counterclaims contemplated above may be issued or made by the Licensee in its own name and at the cost and expense of the Licensee and on such basis and using such legal and other advisors and agents as the Licensee may decide. The Licensee shall (and shall procure that any such advisors and agents shall) provide such information and reports in relation to such proceedings as the Copyright Holder may require from time to time and the Copyright Holder, acting reasonably, shall be entitled at any time to require that such advisors and/or agents

5.1 of the Licensee take such steps as it may direct in relation to any such proceedings or claims. The Licensee shall allow the Copyright Holder, or procure that the Copyright Holder is allowed, full access to all documents in its or their possession or under its or their control in relation to such proceedings.

5.2 All damages or other monies including costs recovered from third parties in respect of any infringement or other breach of any Right of Copyright shall be applied in the following order of priority: firstly towards reimbursement of any costs reasonably incurred by the Copyright Holder and/or the Licensee in pursuing the matter in question and, if the monies recovered are insufficient to discharge all such costs, they shall be divided between the Regulator, the Copyright Holder and the Licensee in proportion to the costs so incurred by each of them; and secondly, if any excess exists after such reimbursement, the whole of the excess shall be paid to the Licensee.

6. **Proof of Title to Rights**

The Copyright Holder shall when called upon to do so by the Licensee provide all reasonable information, materials, co-operation and/or assistance to the Licensee to enable the Licensee to prove the subsistence of the Rights of Copyright and the Licensee's title to such Rights of Copyright before any court or whenever such proof may be reasonably required.

7. **Sub-Licences**

The Licensee shall be entitled to grant sub-licences in respect of the Rights of Copyright to other persons, provided that the Licensee shall procure:

7.1 that it does not grant any sub-licence, authority, consent or other right to do anything with or in relation to the Rights of Copyright which could not be done by the Licensee hereunder, or in accordance with the provisions of the National Lottery Licence and all proposals, rules and codes of practice from time to time relating to such.

7.2 that any sub-licence, authority or consent granted by it to do anything with or in relation to the Rights of Copyright shall automatically terminate upon the termination for any reason of this Licence and shall contain such provisions (whether as to termination or otherwise) as the Copyright Holder may require and for this purpose the Licensee shall submit to the Copyright Holder for approval a copy of any sub-licence or other consent or authority not less than fourteen days prior to its grant;

7.3 that, except with the prior consent of the Copyright Holder and subject to such terms as it may in its discretion require, no sub-licence granted by the Licensee shall permit any other person to grant any sub-licence to any other person in respect of the use of the Rights of Copyright.

7.4 the Licensee shall take reasonable steps to ensure that it shall investigate and inform the Copyright Holder immediately on becoming aware of any breach of the terms of any sub-licence granted by the Licensee and, subject to the provisions of Clause 5.4, shall take such action as the Copyright Holder shall require in respect thereof.

8. **Personal Right**

The Licence shall be personal to the Licensee and the Licensee shall not be entitled to transfer or cede it to another person unless the prior written authorisation is obtained from the Copyright Holder.

9. **Nature of Rights Granted**

**The Rights of Copyright granted in this agreement shall be by way of licence and the Licensee shall not hereby acquire any ownership or interest in such Rights of Copyright.**

**10. Governing Law**

**This agreement shall be governed by and construed in accordance with the laws of Ireland.**

SIGNED  
for and on behalf of PREMIER LOTTERIES  
IRELAND LIMITED  
by its lawfully appointed attorney  
in the presence of:

Witness (Signature)

EMMA McADAM

Print name

Williamstown, Fitzwilliam House, Wilton Place, Dublin 2.

Print address

Authorised Signatory (Signature)

ILYA KACHKO

Print name

SIGNED  
for and on behalf of THE REGULATOR OF THE  
NATIONAL LOTTERY  
by its authorised signatory  
in the presence of:

Witness (Signature)

JOHN BURKE

Print name

D/PER.

Print address

Authorised Signatory (Signature)

Brandon Howlin

Print name

SIGNED <sup>by</sup>  
~~for and on behalf of~~ THE MINISTER FOR  
PUBLIC EXPENDITURE AND REFORM  
by its authorised signatory  
in the presence of:

Witness (Signature)

JOHN BURKE

Print name

D/PER.

Print address

Authorised Signatory (Signature)

Brandon Howlin

Print name



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## **SCHEDULE B**

### **COPYRIGHTED WORKS**

- 1 Any and all works which are eligible for copyright protection as works within the meaning of the Copyright and Related Rights Act 2000 (as amended) and which are related to the operation of the National Lottery, including but not limited to the following:
  - 1.1 The device comprised in the National Lottery Trade Marks (as defined in Clause 1 of the Licence to operate the National Lottery, to which this agreement is annexed ("the Licence"), being an artistic work.
  - 1.2 Any and all devices comprised in constituent Lottery Trade Marks (as defined in Clause 7.1 of the Licence), being artistic works.
  - 1.3 Any and all literary and artistic works comprised in Tickets (as defined in Clause 1 of the Licence) issued by or on behalf of the Licensee in the course of operating the National Lottery.
  - 1.4 The contents of all advertising and promotional materials produced by or on behalf of the Licensee in respect of the National Lottery, which contents are or are intended to be perceived in the ordinary course by Participants and potential Participants in the National Lottery, and which are eligible for copyright protection as works within the meaning of the Copyright and Related Rights Act 2000 (as amended).
  - 1.5 Any and all literary and artistic works comprised in the contents of signage of a permanent nature located at Retail Outlets (as defined in Clause 1 of the Licence) relating to the National Lottery. For the avoidance of doubt, it is recorded that "signage" shall not include any fixtures or fittings, frames, supports, surrounds, structures or the like which fulfil the function of framing, holding, containing or displaying signs.
  - 1.6 All works created or to be created in the future for replacing, amending, substituting or superseding any of the foregoing works.
- 2 Such other works as the parties may, from time to time, agree in writing.

DEED OF ASSIGNMENT OF TRADE MARKS

BETWEEN

PREMIER LOTTERIES IRELAND LIMITED  
(hereinafter referred to as the "Assignor")

- and -

THE MINISTER FOR PUBLIC EXPENDITURE  
AND REFORM  
(hereinafter referred to as the "Assignee")

WHEREAS the ASSIGNOR is the proprietor of the registered Trade Marks, as defined in the Licence.

AND WHEREAS it has been agreed that the Assignee shall take over the said Trade Marks in the countries in which they are registered or in which applications for registration have been filed (as the case may be).

AND WHEREAS the ASSIGNOR and ASSIGNEE have agreed that the Trade Marks shall be assigned and transferred to the ASSIGNEE.


NOW THEREFORE THESE PRESENTS WITNESS THAT:

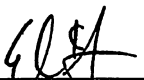
For good and sufficient consideration the ASSIGNOR hereby assigns unto the ASSIGNEE all its rights, title and interest in and to the Trade Marks and the ASSIGNEE accepts such assignment.

This assignment is deemed to have become effective as from the date of signature hereof.

SIGNED AND DELIVERED as a deed  
for and on behalf of  
PREMIER LOTTERIES IRELAND LIMITED  
by its lawfully appointed attorney  
ILYA KACHKO

Witness to the Signature of the Attorney:

  
\_\_\_\_\_  
Authorised Signatory (Signature)  
ILYA KACHKO  
\_\_\_\_\_  
Print name

  
\_\_\_\_\_  
Witness (Signature)

Elisha Mc Auliffe  
\_\_\_\_\_  
Print name

William Fitzgibbon House, Wilton Place, Dublin 2  
\_\_\_\_\_  
Print address

91A

SIGNED AND DELIVERED as a deed  
by ~~on behalf of~~ THE MINISTER FOR PUBLIC  
EXPENDITURE AND REFORM  
by its authorised signatory  
in the presence of:

*John Burke*

Witness (Signature)

JOHN BURKE

Print name

O/PER

Print address

*Brendan Howlin*

Authorised Signatory (Signature)

Brendan Howlin

Print name

WF-7759208

**SCHEDULE 4 – CLAUSE 7: REGISTERED USER AGREEMENT**

**REGISTERED USER AGREEMENT**

**BETWEEN:**

**THE MINISTER FOR PUBLIC EXPENDITURE  
AND REFORM  
(hereinafter referred to as the "Proprietor")**

**- and -**

**PREMIER LOTTERIES IRELAND LIMITED  
(hereinafter referred to as the "User")**

**RECITALS:**

- A. The Proprietor is the Proprietor of the Trade Marks, as defined in the Licence.**
- B. In terms of the provisions of the National Lottery Act 2013, the User has been granted the Licence to operate the National Lottery (hereinafter referred to as "the National Lottery Licence") in terms of which the User is entitled to procure the manufacture and sale of certain goods and to render certain services referred to therein.**
- C. It is the desire and intention of the parties that the User be permitted to use each of the Trade Marks and, if circumstances allow, be entered as a registered user under the registrations thereof in relation to the goods and services in respect of which the Trade Marks apply, subject to the conditions hereinafter set out.**

**NOW THEREFORE the parties agree as follows:**

**1. Grant of Rights**

**The Proprietor grants to the User the right to use and the User hereby undertakes to use each of the Trade Marks in the country in which it is registered in relation to the applicable goods and services, only if such goods are manufactured and such services rendered in accordance with the provisions of the National Lottery Licence.**

**2. Quality Control**

**2.1 The User shall permit duly authorised representatives of the Proprietor to enter upon and inspect premises in accordance with the provisions of the National Lottery Licence and for the purposes of ensuring that the requirements of Clause 1 hereof are being observed.**

**2.2 The Trade Marks shall be used in such form and manner as determined in accordance with the provisions of the National Lottery Licence from time to time.**

**3. Registered User**

**The User undertakes to join the Proprietor in making application to the proper authority for the registration of the User as a registered user and undertakes to execute such documents as may be necessary for that purpose.**

**4. Personal Right**

**Unless otherwise determined in accordance with the provisions of the National Lottery Licence from time to time:**



- 4.1 it is the intention that the User shall be the sole registered user;
- 4.2 the right as granted in Clause 1 is personal to the User and is not divisible, transferable or assignable;
- 4.3 the User shall not have the right to enter into any sub-licence of the trade marks.

5. Duration

This Agreement shall be without limit of period but subject to termination by the Proprietor upon the National Lottery Licence being terminated for whatever reason.

6. Termination of Agreement

Upon termination of this Agreement:

- 6.1 The User immediately will cease any further use of the Trade Marks;
- 6.2 The User undertakes to do all such acts as may be necessary to procure the cancellation of itself as a registered user. For this purpose the User hereby appoints the Proprietor irrevocably as its agent to do all such acts and to sign all such documents as may be reasonably necessary to procure such cancellation.

7. Ownership of Trade Marks

The User acknowledges the Proprietor's exclusive right, title and interest in and to the Trade Marks and will not at any time do or cause to be done any act or thing contesting, or in any way impairing or tending to impair any part of that right, title and interest. In connection with such use, the User shall in no way represent that it has any ownership in the same or in any registration thereof, and such use will inure to the benefit of the Proprietor.

8. Notices

Every notice, consent or other communication required or permitted hereunder from either party shall be in writing and shall be given or transmitted in accordance with the provisions of the National Lottery Licence.

9. National Lottery Licence

It is recorded that it is not the intention of the parties that this Agreement should in any way supersede or novate the National Lottery Licence and in the event of there being a conflict between the terms and conditions of the National Lottery Licence and the terms and conditions of this Agreement, then the terms and conditions of the National Lottery Licence shall prevail.

SIGNED  
on behalf of PREMIER LOTTERIES IRELAND  
LIMITED  
by its lawfully appointed attorney  
in the presence of:



Witness (Signature)

LISHA MC ANIFFE

Print name

Million Egg Fitzwilliam House, Wilton Place, Dublin 2.

Print address




Authorised Signatory (Signature)

ILYA KACHKO

Print name

SIGNED <sup>by</sup>  
~~on behalf of~~ THE MINISTER FOR PUBLIC  
EXPENDITURE AND REFORM  
by its authorised signatory  
in the presence of:



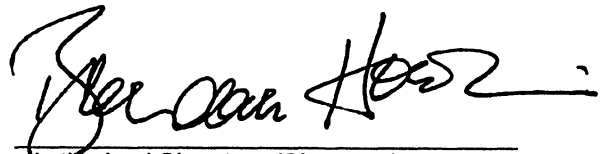
Witness (Signature)

JOHN BURKE

Print name

D/PER

Print address



Authorised Signatory (Signature)

Brendan Howlin

Print name

WF-7758264

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## **SCHEDULE 5 - CLAUSES 8, 9 AND 19.9: CODES OF PRACTICE**

### **PART I – CODES OF PRACTICE**

1. In this schedule "code" means a code of practice prepared pursuant to Clauses 8 and/or 9 of the Licence.
2. The Regulator may approve a code in the form in which it was submitted to it or may make modifications to it before approving it. The Licensee shall accept and comply with the code as approved (including any amendments thereto) by the Regulator. A failure to comply with the code so approved by the Regulator shall constitute a material breach of this Licence.
3. The Regulator shall use its best endeavours to give its approval pursuant to paragraph 2 above (with or without modification) within one month of the date on which the code was submitted to the Regulator.
4. At least once in each Financial Year and at any other time when directed by the Regulator, the Licensee shall review each code and the manner of its operation to determine whether amendments should be made to it.
5. The Licensee shall submit the results of the review carried out pursuant to paragraph 4 above to the Regulator.
6. The Licensee shall submit any amendments to the code (whether arising from a review carried out under paragraph 4 above or otherwise) to the Regulator for approval and thereupon paragraphs 2 and 3 above shall apply taking references in those Clauses to the code as references to amendment to the code.
7. The Licensee shall send a copy of the code and any amendment to it (in each case in the form approved by the Regulator) to the Regulator.
8. The Licensee shall prepare and within 2 months of the Signature Date submit to the Regulator for approval a code of practice concerning the vetting of employees (as referred to in Clause 19.10 of the Licence) to be carried out prior to their recruitment by, or secondment to, the Licensee and, if the Regulator requires, by any contractor or sub-contractor nominated by the Regulator.

**SCHEDULE 6- CLAUSE 19: PROVISION OF INFORMATION**

**PART I – PERSONAL DECLARATION**

**Minister for Public Expenditure and Reform**

**Individual Declaration**

in respect of ..... (the "Declarant") who is connected with ..... ("the Licensee")

(see note 4 below)

The Department of Public Expenditure and Reform ("D/PER") wishes to ensure that the National Lottery is run with all due propriety, and the interests of all Participants are protected. It must, therefore, ensure that all personnel involved in the activities of the Lottery are fit and proper to carry out those activities undertaken by them.

**Notes:**

1. Declarants are advised that information sought in this declaration will be used only for the purpose of satisfying the Minister and D/PER that the Licensee and/or Declarant is a "fit and proper" Person to be involved in the operation of the Irish National Lottery and that it/they have the suitability and competence to hold the Licence. D/PER reserves the right to check or verify the information given by Declarants with any governmental, quasi-governmental, statutory or regulatory department, body or agency in Ireland or overseas. Declarants are required to sign a form of authority and waiver to enable D/PER to obtain such necessary information.  
Declarants are assured that any information contained in this declaration or obtained in order to verify any answer to questions in this declaration will be kept strictly confidential and used only for the purposes set out above.
2. In the event of any information provided by the Declaring Company being untrue the Minister reserves the right to revoke or otherwise terminate the Licence.
3. "Director" shall mean a director or a Person in accordance with whose direction or instructions the directors of a company are accustomed to act.
4. "Partner" shall mean the Declarant's spouse or any other Person with whom the Declarant is living as a couple.
5. "Company" means the company contemplated in section 29 of the National Lottery Act 2013.
6. Where this declaration is made by an individual because of his directorship of, employment by, or association with a company please supply that company's name at the head of the page.

## 1. Personal Information

### 1.1

- a). Declarant's full name:                      Surname:                      Forename:
- b). Any previous surname:                      Surname:  
    date changed:  
    how changed:
- c). Any previous forename:                      Forename:  
    date changed:
- d). Date and place of birth

### 1.4

- a). Declarant's Nationality
- b). Country of residence:
- c). Any change of nationality:  
    previous nationality:  
    date changed:
- d). Any change in country of residence:  
    previous country of residence:  
    date changed:

### 1.5

- a). Current private address(es):
- b). Any other private address(es) used by the Declarant in previous five years and dates:

1.6 Give details of all Irish or overseas professional qualifications including date of qualification.

### 1.7

- a). Irish Revenue and Social Insurance (RSI) number, (or equivalent);
- b). Irish tax district and reference number (or equivalent):

Note: Declarants are advised that contact will be made with and information sought from the Revenue Commissioners only so far as is necessary to provide assurance to D/PER that answers to questions in section 4 are true. No other information about the Declarant's personal tax affairs will be sought.

## 2. Declarant's Employment and Directorship Details

2.1 Please supply a list of the names of your principal employers during the last five years and the dates during which you worked for them, together with a short description of each business, your job and your job title, in each case.

2.2 Please state your reasons for leaving each place of employment listed in 2.1.

2.3 If you have ever been dismissed, suspended or asked to leave your employment for any reason during your working career provide full details.

2.4 Please state the names, nature of business and date of commencement (and if appropriate, termination) of the directorship of every company of which you are now or have within the last five years been a director.

## 3 Declarant's Position with the Licensee and Experience Details

3.1 Position held or to be held in the Licensee.

3.2 Give details of any position described in section 3.1.

3.3 Details of previous experience or employment within the Lottery industry, where applicable.

## 4. Good Reputation of the Declarant

Note 1: The questions in this section 4 should be completed both on behalf of the Declarant and the Declarant's Partner.

Note 2: Any legal or other process referred to in this section 4 includes any analogous process under the law of another country (e.g. Chapter 11 proceedings of the Bankruptcy Code prescribed by the United States Supreme Court).

Note 3: When a positive response is given to any section, full details must be given.

4.1 Has at any time during the last 5 years any company referred to in section 2.4 above, or any company of which you are now or at any time have been a shareholder (other than listed companies of whose shares you hold or have held less than 3 per cent) been put into compulsory liquidation or had an examiner, administrator or administrative or other receiver or any other equivalent process under the applicable insolvency laws and regulations appointed whilst you were a shareholder or a director or within six months of your ceasing to be a shareholder or director?

4.2 Has at any time during the last 5 years any firm in which you have held a partnership or proprietorship been wound up whilst you were a partner or held proprietorship or within one year of your ceasing to be a partner or proprietor?



4.3 For each of the companies/firms referred to in reply to sections 4.1 and 4.2 state the date of commencement of liquidation, examinership, administration or receivership or any other equivalent process under the applicable insolvency laws and regulations and the amount involved together with an indication of the outcome or current position.

4.4 Have you at any time been a party to a deed of arrangement or any form of voluntary arrangement or any equivalent arrangement under the applicable insolvency laws or regulations within the meaning of the Companies Acts and insolvency law generally?

4.5 Have you in Ireland or elsewhere been concerned with the management or conduct of the affairs as a director or otherwise of any company or partnership which has been at any time during your involvement or within six months of your ceasing to have such involvement:-

(a) Investigated by an inspector appointed under companies legislation, or other securities enactments or by any other regulatory body (otherwise than for routine investigations)?

(b) required to produce books and papers to a state authority?

4.6 Have you or any company of which in the last five years you were a director ever paid any penalty or made any other payment to the Revenue Commissioners or any other equivalent body to avoid a prosecution being referred?

4.7 State whether you, personally, are currently engaged, or have been engaged in the previous 5 years in any litigation.

4.8 State whether

(a) you have ever been declared bankrupt or had your estate sequestered;

(b) you are currently the subject of bankruptcy proceedings or proceedings for sequestration of your estate; or

(c) you are aware of any proceedings pending of the types referred to in (a) & (b).

If so, state the court by which you were adjudged bankrupt and if discharged, the date and conditions on which you were granted your discharge.

4.9 State whether you have ever been dismissed or requested to resign or removed from any fiduciary office or position of trust, whether or not remunerated.

4.10 State whether you have ever been disqualified from acting in the management or conduct or the affairs of any company, partnership or unincorporated association.

4.11 State whether, in connection with the formation or management of any company, partnership or unincorporated association you have been adjudged by a court in Ireland or overseas to be civilly liable for any fraud, misfeasance, or fraudulent or reckless trading or other misconduct by you towards such a body or towards any members or creditors of such a body.

4.12 Has a company of which you were a director at the time of the offence been convicted in Ireland or elsewhere of any offence involving fraud or dishonesty or an offence under

legislation (whether or not of Ireland) relating to companies, building societies, credit unions, friendly societies, insurance, banking or other financial services, insolvency, consumer credit or consumer protection? If so state the court by which the company was convicted, the date of conviction and full particulars of the offence and penalty imposed.

4.13 Are you currently or have you ever been the subject of:-

(a) any investigation by the Revenue Commissioners, the Department of Social, Community and Family Affairs, the Department of Enterprise, Trade and Employment or any other Government body?

(b) any censure or investigation by the Stock Exchange or any self-regulating organisation or body, or by any other body in relation to your business or professional activities?

If so, please provide full details.

4.14 Are you now or have ever been obliged to pay a fine or penalty imposed by reason of your conduct of your tax affairs, or that of any agent acting on your behalf?

4.15 Have any allegations of fraud ever been made against you. If so, please provide full particulars.

## 5. Criminal Convictions or Cautions

5.1 State whether you have convictions or have been cautioned for any criminal offence (other than motoring offences) in Ireland or elsewhere.

If so state the Court by which you were convicted, the date of conviction and full particulars of the offence and penalty imposed and/or full particulars of the offence for which you were cautioned.

5.2 Are you currently or have you ever been the subject of any investigation by the police? If so, please provide full details.

## 6. Declaration

I confirm that having made due enquiry the information supplied is complete and correct to the best of my knowledge and belief;

Signed:

Date:

Signed (partner):

Date:

## Form of Authority & Waiver

To:

The Department of Public Expenditure and Reform ("D/PER") and to whomsoever else it may concern

I / We hereby authorise and consent to the disclosure by or on behalf of any government or governmental, quasi-governmental, supra-national, statutory or regulatory body, authority, court, trade agency, professional association or any other like Person or body in any jurisdiction (including, for avoidance of doubt, and without prejudice to the generality of the foregoing, any Person or body described or mentioned below) to D/PER or any Person duly authorised by it of any information which any such government or other body as aforesaid may have concerning me/us or my/our affairs (whether public, business or private).

The persons or bodies referred to above may include:

- a. Any Irish government department or agency;
- b. Irish Revenue Commissioners and any taxation authority of any other country;
- c. Any part of the armed forces or the security services of Ireland or any other country; Any police force or authority in Ireland or elsewhere;
- d. Any authority or body responsible for the regulation or operation of any lottery promoted in any jurisdiction;
- e. Chief State Solicitors Office; Any local authority;
- f. The Irish Stock Exchange Limited; and
- g. The Central Bank of Ireland.

I/We confirm the I/we shall have no claim against any such Person who makes any such disclosure to D/PER or any Person authorised by it, whether in respect of any breach of confidence or statutory or other duties whatsoever or for defamation or any analogous right in any jurisdiction, whether or not any Person acted negligently or reasonably in obtaining or disclosing it or had committed any breach of any duty (statutory or otherwise) in obtaining or retaining any such information. I/we hereby irrevocably waive any such claims which I/we might otherwise have

The Terms of the Authority and Waiver shall be incapable of revocation during the currency of the Licence granted by D/PER to [THE LICENSEE] pursuant to the Act.

SIGNED

BY

IN THE PRESENCE OF

Name of Witness

Address of Witness

**PART II – CORPORATE DECLARATION**

**Minister for Public Expenditure and Reform**

**Corporate Declaration**

..... ("the Declaring Company")

**Notes:**

1. Information sought in this declaration will only be used for the purpose of satisfying the Minister and the Department of Public Expenditure and Reform ("D/PER") that the Declaring Company is a "fit and proper" organisation to be involved in the operation of the National Lottery and that it has the necessary suitability and competence to hold the Licence. D/PER reserves the right to check or verify any of the information given by the Declaring Company with any governmental, quasi-governmental, statutory or regulatory department, body or agency in Ireland or overseas. A form of consent or waiver signed on behalf of the Declaring Company is required to enable D/PER to obtain such necessary information. Any information contained in this declaration or obtained in order to verify any answer to questions in this declaration will be kept strictly confidential and used only for the purposes set out above.
2. In the event of any information provided by the Declaring Company being untrue the Minister reserves the right to revoke or otherwise terminate the Licence.
3. Any legal or other process referred to in this declaration includes any analogous process under the law of another country.
4. "the Department" or "D/PER" in this declaration shall mean the Department of Public Expenditure and Reform.
5. "Person" includes any person, company, unincorporated association or partnership.
6. "the Company" means the company contemplated in section 29 of the National Lottery Act 2013.
7. Please attach a signed individual declaration (in the form approved by the Department) in respect of each director or other officer (other than an auditor) of the Declaring Company.

1. Name of Declaring Company.
2. Any other name under which the Declaring Company trades or has traded in the past 5 years.
3. Registration number.
4. Date of registration.
5. Place of registration.
6. Address of principal office.
7. Address of registered office.
8. VAT registration number.
9. Please describe the nature of your relationship with or connection to the Licensee (e.g. supplier, contractor, subcontractor to or shareholder in the Licensee).
10. Please attach copies of Memorandum and Articles of Association or other appropriate constitutional documents.
11. Authorised share capital (including details of each class).
12. Issued share capital (including details of each class, and the amounts paid up on all shares).
13. Please provide the following details in relation to shareholdings or other interests (direct or indirect as at the date of this declaration):
  - a) the names of all persons who have an interest of 15% or more in the Declaring Company;
  - b) the name of the ultimate parent company of the Declaring Company; and
  - c) please attach a copy of (or where not reduced to writing, a statement of the terms of) every agreement, arrangement or understanding to which the Declaring Company is a party which concerns the Licensee or its business or affairs or any interest (direct or indirect) of the Declaring Company therein.

For the purpose of this declaration a Person has an interest of 15% or more in another if he is entitled to exercise or control the exercise of 15% or more of the voting rights attaching to all of the issued shares of any class in the capital of that other Person or to receive (beneficially or otherwise) 15% or more of the total amount of any dividend or other distribution which may be declared made or paid in respect of any class of shares in the capital of that Person or who has any beneficial or interest in shares with a nominal value equal to 15% or more of the total nominee value of the issued shares of any class of that Person.

14. Please provide a copy of the audited accounts or equivalent financial statements of the Declaring Company for the last two financial years for which they are available and any interim accounts published in respect of any subsequent period.
15. If the Declaring Company is a qualifying direct shareholder in the Licensee (i.e. has an interest of 3% or more, determined in like manner to interest of 15% or more referred to above), please provide:
- A). the following details of all charges created (or which are intended to be created) by the Declaring Company over or in respect of all or any of its interest in the Licensee;-
- a) date of charge
  - b) description of charge
  - c) amount secured
  - d) property charged
  - e) chargee; and
- B). details of any option or other encumbrance or equity over or in respect of its interest in the Licensee.
16. Please confirm that the Declaring Company has complied with all provisions of the Companies Acts and company law regulations and that all returns, particulars, resolutions and other documents required under any legislation to be delivered on behalf of the Declaring Company to the Registrar of Companies or to any other authority whatsoever have been properly made and delivered.
17. Please confirm that no offer has been made or petition presented or resolution passed for the winding up of the Declaring Company; no execution or other process has been levied in respect of the Declaring Company or any subsidiary; and no unfulfilled or unsatisfied judgement or court order is outstanding against the Declaring Company or any subsidiary.
18. Has at any time during the last 5 years any subsidiary of the Declaring Company been put into liquidation (otherwise than by a members' voluntary winding up when the Declaring Company was solvent) or had an examiner, administrator or administrative or any other receiver appointed or any other equivalent process under the applicable insolvency Laws or regulations? If so, in each case, state the name, nature or the business, date of commencement of winding up or receivership and the amount involved together with an indication of the outcome or current position.
19. Please confirm that neither the Declaring Company nor any of its officers, agents or employees (during the course of their duties in relation to the Declaring Company) have been convicted in Ireland or elsewhere of any offence involving fraud or dishonesty.

20. Please confirm that the Declaring Company's accounts have over the last 5 financial years been prepared in accordance with the requirements of the Companies Acts and all relevant statutes and any other equivalent applicable laws or regulations and Irish GAAP or IFRS and that the Auditors' reports for each set of accounts have been unqualified. If not, please provide details.
21. Has the Declaring Company ever paid or become liable to pay any penalty or made any other payment to the Revenue Commissioners or other equivalent body to avoid a prosecution being referred? If so, please provide full details.
22. Is the Declaring Company currently or has it ever been the subject of any investigation by the police, the Revenue Commissioners, the Department of Social, Community and Family Affairs, the Department of Enterprise Trade and Employment or any other Government body? If so, please provide full details.

I confirm that, having made due enquiry, the information supplied above is complete and correct to the best of my knowledge and belief.

Signed .....

(being a duly appointed officer of the Declaring Company)

Date: .....

## Form of Authority & Waiver

To:

The Department of Public Expenditure and Reform ("D/PER") and to whomsoever else it may concern

We hereby authorise and consent to the disclosure by or on behalf of any government or governmental, quasi-governmental, supra-national, statutory or regulatory body, authority, court, trade agency, professional association or any other like Person or body in any jurisdiction (including, for avoidance of doubt, and without prejudice to the generality of the foregoing, any Person or body described or mentioned below) to D/PER or any Person duly authorised by it of any information which any such government or other body as aforesaid may have concerning us or our affairs (whether public, business or private).

The persons or bodies referred to above may include:

- a. Any Irish Government department or agency;
- b. The Irish Revenue Commissioners and any taxation authority of any other country; Any part of the armed forces or the security services of Ireland or any other country; Any police force or authority in Ireland or elsewhere;
- c. Any authority or body responsible for the regulation or operation of any lottery promoted in any jurisdiction;
- d. Chief State Solicitors Office; Any local authority;
- e. The Irish Stock Exchange Limited; and
- f. The Central Bank of Ireland.

We confirm that we shall have no claim against any such Person who makes any such disclosure to D/PER or any Person authorised by it, whether in respect of any breach of confidence or statutory or other duties whatsoever or for defamation or any analogous right in any jurisdiction, whether or not any Person acted negligently or reasonably in obtaining or disclosing it or had committed any breach of any duty (statutory or otherwise) in obtaining or retaining any such information. We hereby irrevocably waive any such claims which I/we might otherwise have.

The Terms of the Authority and Waiver shall be incapable of revocation during the currency of the Licence granted by D/PER to [THE LICENSEE] pursuant to the Act.  
PRESENT WHEN THE COMMON SEAL OF

[INSERT NAME]

WAS AFFIXED HERETO

Director .....

Director/Secretary .....



**SCHEDULE 7 – CLAUSE 15: ACCOUNTS**

1. The Licensee shall at such monthly or other intervals as may be agreed with the Regulator, prepare and submit management accounts to the Regulator in such form as may be agreed.
2. The Licensee shall produce audited financial statements for each Financial Year in accordance with the Companies Acts on a consistent basis in accordance with all statutory requirements and according to Irish GAAP or IFRS and shall procure that they shall be so prepared and audited and delivered to the Regulator within four months after the end of each Financial Year of the Licensee.
3. (1) The Licensee shall prepare on a consistent basis in respect of each Financial Year, accounting statements which disclose in relation to each transaction of a description specified in the left hand column of the table below which took place during the Financial Year to which the statements relate, between the Licensee and any Person who is a Connected Party in relation to the Licensee:
  - a. all of the parties to the transaction; and
  - b. the information in relation to that transaction in the right hand column of the table:

PROVIDED ALWAYS that such details (whether of such parties or of information set out in the table or both) as the Regulator may from time to time determine and notify to the Licensee, may be omitted from such accounting statements in respect of any Financial Year (and, for the avoidance of doubt, the Regulator may so determine in respect of any individual party or parties or individual transaction or transactions or in respect of any classes or categories of party or transaction).

|                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Any borrowing or sums lent by or to the Licensee to or by any Person who is a Connected Party in relation to the Licensee                                                                                                                                                                       | The principal of the amount borrowed or lent, the date on which or the dates between which repayment is to be made and the rate of interest payable.                                                                                     |
| The giving of any guarantee or other form of security by the Licensee for or in respect of any obligations of any Person who is a Connected Party in relation to the Licensee or the acceptance of a guarantee by any such Connected Party for or in respect of any obligations of the Licensee | The form of the guarantee or other security given, the assets the subject of the security, the amount of the obligation (including where relevant the rate of interest payable) and the date of maturity of the obligation.              |
| The transfer of any asset or liability to or by the Licensee by or to any Person who is a Connected Party in relation to the Licensee.                                                                                                                                                          | The asset or liability the subject of the transfer, the amount of the consideration for the transfer and the method of determining it and the value attributed to the asset or liability in the accounting records kept by the Licensee. |
| The supply of any product or service by or to the Licensee to or by any Person who is a Connected Party in relation to the Licensee.                                                                                                                                                            | The nature of the service supplied, the terms of which it was supplied and the total charge made for the service.                                                                                                                        |

(2) The Licensee shall:

- a. procure, in respect of the accounting statements prepared in accordance with this paragraph, a report by its Auditors addressed to the Regulator stating whether in their opinion those statements have been properly prepared in accordance with this paragraph and comprise a complete and accurate statement of the transactions described in subparagraph 3.(1) above; and
- b. deliver to the Regulator a copy of the Auditors report referred to in subparagraph 3.(2)(a) above as soon as reasonably practicable, and in any event not later than four months after the end of the Financial Year to which they relate; and
- c. at the request of the Regulator, deliver to the Regulator a copy of any agreement entered into between the Licensee and a third party, of which the above exceeds an amount determined by the Regulator.

(3) Where any details are omitted from any accounting statements pursuant to any determination by the Regulator under the proviso to subparagraph 3(1) above, the Licensee shall nevertheless, if or insofar as the Regulator shall so require, provide a statement of such details to the Regulator together with a report by the Licensee's Auditors addressed to the Regulator stating whether in their opinion that statement has been properly prepared in accordance with this subparagraph 3 and whether it comprises a complete and accurate statement of the relevant transactions. The Regulator may if at any time at its absolute discretion it determines it to be appropriate to do so, publish in such a manner as it shall think fit such statement or any part or parts of it with or without the auditor's report referred to in this paragraph.

4. (1) In addition to preparing the accounts which the Licensee is required to prepare pursuant to any statutory provision, the Licensee shall, if the Regulator so determines, prepare accounting statements on a current cost basis in respect of each Financial Year.

(2) Accounting statements prepared pursuant to subparagraph 4(1) above shall be prepared in accordance with such guidelines as the Regulator may from time to time determine.

(3) The Licensee shall in respect of each accounting statement prepared pursuant to subparagraphs 3 (1) and 4 (1) (if appropriate):

- a. procure a report by its Auditors addressed to the Regulator and stating whether in their opinion those statements have been properly prepared in accordance with the provisions of this paragraph and give a true and fair view of the Licensee's affairs;
- b. deliver to the Regulator such accounting statements within the period referred to in paragraph 2 above; and
- c. make available to the Regulator such accounting statements with the annual accounts of the Licensee.

(4) Where any details which would otherwise be required to be included in accounting statements pursuant to subparagraph 3(1) have been included in the annual accounts

of the Licensee, they need not also be set out in the accounting statements prepared pursuant to subparagraph 3(1) above provided that (a) they are clearly identifiable in the said annual accounts as details to which subparagraph 3(1) applies and (b) they are covered by the report of the Auditors prepared under sub-paragraph 3(2) above.

5. The Regulator shall obtain the prior written consent of the Licensee prior to the publication or release of the Licensee's confidential information referred to in Clause 20.6.1 of the Licence.

## **SCHEDULE 8: GAMES**

### **PART I – ALLOWED GAME TYPES**

Without prejudice to the provisions of this Licence and sections 2 and 45 of the Act, the following game categories shall be allowable and may become a National Lottery Game under this Licence:

1. All Lottery Games and Lottery Game types that are operated by An Post National Lottery Company in accordance with previously approved schemes and are available to Participants in the twelve (12) months preceding the Effective Date.
2. Subject to the Regulator's approval in accordance with Clause 23 Lottery Game types in the following categories (as interpreted in accordance with Clause 1.12 of this Licence):
  - a. Single matrix games (X of Y)
  - b. Double or multiple matrix games (W of X and Y of Z)
  - c. Keno type games (X of Y of Z)
  - d. Pick digit games (Pick X), where X can be 1,2,3 or 4
  - e. Add-on games, only in combination with another National Lottery Game
  - f. Instant Lottery
  - g. Probability games
  - h. Raffle games
  - i. Passive games
3. Lottery Games or Lottery Game categories not listed in Part I of this Schedule 8, save for those specifically prohibited in Part II of this Schedule 8 may be introduced in due course subject to the Regulators' approval in accordance with Clause 23.

The games listed in this Part I, may include multi-jurisdictional games. The draw frequency of each game listed in this Part I will be at the discretion of the Licensee but subject to Regulator's approval in accordance with Clause 23 and under the terms of the Licence and section 45 of the Act.

### **PART II – PROHIBITED GAME TYPES**

The following game categories (as interpreted in accordance with Clause 1.12 of this Licence) shall not be allowed under this Licence

1. Casino Games including, but not limited to:
  - a. Card Games and their interactive equivalents (e.g. Poker, Blackjack, Baccarat, etc.)
  - b. Table Games and their interactive equivalents (e.g. Roulette, Mah-jong, etc.)
  - c. Slot Machines and their interactive equivalents

2. Video Lottery Terminals (VLTs), or equivalent
3. Amusement With Prizes (AWP) machines or equivalent
4. Betting and/or wagering on any form of Sports, Events, Races, Financial Transactions and other similar occurrences.

## SCHEDULE 9: Registration for Interactive Channels

### 1. Registration Process

In order to register and open an account to purchase Tickets through interactive channels, a person must:-

- (a) confirm that he/she has read the applicable Terms and Conditions and that he/she is over 18 years of age;
- (b) confirm that he/she is a legal resident of Ireland; and
- (c) confirm his/her date of birth.

### 2. Game Rules/Terms and Conditions

- (a) All Game Rules shall specify that a Player must be over 18 years of age
- (b) The Terms and Conditions and Prize Rules for games played via Interactive Channels shall specify that no prize shall be paid to a minor (i.e. to a person under 18 years of age)
- (c) The Licensee shall reserve the right to request proof of age documentation from time to time during or after registration from any applicant or player and shall conduct random spot checks at regular intervals. The Licensee shall put in place a system to close an account and return any unutilised funds in the account should a player, subsequent to registration, be identified as underage.

### 3. Prize Payment

All cheques issued by the Interactive System will be sent to the name and address contained in the Player's Interactive Profile. All cheques issued will be stamped 'Payee Account Only' Winners of prizes between €501 and €9,999 will be contacted by the Licensee to verify their age and identification details before their prize is paid. Winners will be required to complete a claim form and to return proof of age (passport or driver's licence) together with their claim form to the Licensee which shall verify that the winner is over 18 prior to issuing any prize payment.

Winners of prizes of €10,000 or more must present themselves at National Lottery HQ where their age and identification details will be verified before a cheque is issued.

The prize payment/prize tier arrangements are summarised in the following table:

| PRIZE TIERS | PRIZE AMOUNT  | PAYMENT ARRANGEMENTS                                                                                                                                                                                                           |
|-------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| LOW         | €1 - €99      | <ul style="list-style-type: none"> <li>• Email notification sent for Draw Game wins</li> <li>• Prizes automatically transferred to Player's on-line wallet</li> </ul>                                                          |
| MID         | €100 - €500   | <ul style="list-style-type: none"> <li>• Email notification sent for Draw Game wins</li> <li>• Cheque automatically sent by post to winners registered address.</li> </ul>                                                     |
|             | €501 - €9,999 | <ul style="list-style-type: none"> <li>• Winners are contacted by the Licensee which will verify their age and identification details and send out a claim form for completion by Winner before a cheque is issued.</li> </ul> |
| HIGH        | €10,000 +     | <ul style="list-style-type: none"> <li>• Email notification sent for Draw Game wins.</li> </ul>                                                                                                                                |

|  |  |                                                                                                                                              |
|--|--|----------------------------------------------------------------------------------------------------------------------------------------------|
|  |  | Winners must present themselves at National Lottery HQ where their age and identification details will be verified before a cheque is issued |
|--|--|----------------------------------------------------------------------------------------------------------------------------------------------|

**4. On-Line Wallet Balance Limits**

If a player's on-line wallet balance exceeds €750 at any time they will be prevented from playing/purchasing any further games. A player must reduce his wallet balance below €750 to continue playing; any amount withdrawn will only be issued by cheque. A player can choose, at any time, to withdraw all or a portion of their on-line wallet balance. The withdrawn amount will always be paid by cheque. An on-line wallet balance limit of €750 applies.

**5. Spending Limits**

The Daily, Weekly and Monthly spending limits for National Lottery online play are as follows:-

|         | LIMIT |
|---------|-------|
| Daily   | €75   |
| Weekly  | €300  |
| Monthly | €900  |

A Player can choose to self-impose a lower limit to the system limits above. Any new limit cannot be altered for at least 24hrs.

**6. Self-Exclusion**

- a) A player will be able to lock himself out of an Interactive Instant Win game for a minimum period of 2 days.
- b) All Games – Minimum Six Months  
If a player chooses this option their account will be closed for a minimum of six months and the balance in their online wallet will be returned. They will receive no marketing messages for the period of their exclusion.
- c) All Games – Minimum One Month (Take a Break)  
If a player chooses this option their account will be suspended for a minimum of one month. The balance in their online wallet will be held for the player but they will receive no marketing messages for the period of their exclusion.

**7. Annual Review**

The Regulator, in his annual report to the Minister required under section 22(2) of the Act, will comment on the effectiveness of controls in relation to Play Online.

**8. Change in Controls**

Any change by the Licensee to the conditions governing the participation in National Lottery games via interactive channels which are set out in paragraphs 1 to 7 above will require the approval of the Regulator. If the Regulator considers that the conditions need to be amended, he will consult with the Licensee in order to agree appropriate adjustments.