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# SCHEDULES

## SCHEDULE 1

#### NATIONAL LOTTERY LICENSING

#### The National Lottery etc. Act 1993 (c. 39)

For sections 5 and 6 (licence to run the National Lottery and licence to promote lottery) substitute—

#### **"5 Licence to promote lottery**

- (1) The Commission may by licence authorise a person to promote a lottery.
- (2) A licence—
  - (a) may make provision about any matter connected with the promotion of a lottery (including, in particular, arrangements for advertising, for the sale of tickets, for the distribution of prizes or for compliance with a provision of this Act),
  - (b) may, in particular, require the licensee to-
    - (i) obtain in advance the Commission's approval of the rules of a lottery, and
    - (ii) pay a fee of such amount as may be prescribed by regulations made by the Secretary of State in respect of an application for approval of the rules of a lottery,
  - (c) shall include a condition requiring the licensee to pay into the National Lottery Distribution Fund sums out of the proceeds of any lottery promoted in reliance on the licence,
  - (d) shall include provision for determining—
    - (i) the amount of payments under paragraph (c), and
    - (ii) the timing of payments under paragraph (c), and
  - (e) may include provision requiring the licensee to make arrangements (which may include payments to the Commission) for securing the payment of prizes in certain circumstances.
- (3) No more than one licence may be issued in relation to any one lottery; but—
  - (a) a licence may relate to one or more specified lotteries or to lotteries of a specified description,
  - (b) a person may hold more than one licence at a time, and
  - (c) a licence may require or permit the holder to make arrangements with another person for the performance of specified functions.

## 6 Section 5 licence: procedure

(1) The Commission may issue a licence under section 5 to a person only if—

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- (a) he has applied in writing for the licence,
- (b) he has supplied such information or documents in or with the application as the Commission directs,
- (c) having considered the application the Commission is satisfied that the applicant is a suitable person to promote the lottery or lotteries to which the licence relates, and
- (d) the Commission has complied with any relevant regulations under section 6A (but this paragraph is subject to section 6A(3)).
- (2) For the purposes of subsection (1)(c) the Commission may, in particular, have regard to—
  - (a) the integrity of the applicant or of a person relevant to the application;
  - (b) the competence of the applicant or of any person relevant to the application;
  - (c) the financial and other circumstances of the applicant or of a person relevant to the application.
- (3) A person is relevant to an application under section 5 for the purposes of this section if, in particular—
  - (a) he is likely to exercise a function in connection with the promotion of a lottery in reliance on the licence applied for, or
  - (b) he is likely to have an interest in a lottery promoted in reliance on the licence applied for.

## **6A Competition for licences**

- (1) The Commission may not issue a licence under section 5 unless it has complied, in relation to the licence, with regulations of the Secretary of State about inviting competing applications for licences.
- (2) The regulations shall, in particular, make provision—
  - (a) about the publication of invitations (including provision as to the manner and timing of publication and the matters to be published), and
  - (b) about the timing of responses.
- (3) Where an application for a licence under section 5 relates to a lottery already licensed the Commission may issue the licence without complying with the regulations (whether or not compliance has begun) if the Commission thinks it—
  - (a) is likely to be in the interests of compliance with the duty under section 4(2), or
  - (b) is necessary in order to prevent the lapse of the lottery.
- (4) Where a licence is issued in reliance on subsection (3)(b), the period specified for the duration of the licence under section 7(1A) shall be no longer than the Commission thinks necessary to enable a further licence to be issued having complied with the regulations.
- (5) This section applies to a variation of a licence which expands the class of authorised activities as it applies to the issue of a licence.

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(6) Before making regulations under subsection (1) the Secretary of State shall consult the Commission."

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