



Notification Procedure for a Remote Gaming Shared Conduct of Business Agreement

In terms of the Remote Gaming Regulations, licensees must obtain the prior approval in writing of the Lotteries and Gaming Authority before entering into any Shared Conduct of Business Agreement (hereafter referred to as 'Agreement') with any third party supplier or entity providing services.

The procedure to be followed in such case is notification by the licensee to the Authority of the intention of entering into such a contractual arrangement, outlining the agreement which the licensee proposes to enter into and a request for approval of same.

The notification must be sent by the licensee to the attention of the Legal and Enforcement Directorate in one of the following manners:

- A hardcopy by post or handed in at the 'Lotteries and Gaming Authority, 'La Concorde', Abate Rigord Street, Ta' Xbiex XBX 1121.
- In digital format (Adobe PDF) by email to (**legal@lga.org.mt**)
- or by facsimile (+(356) 21316599)

The request for approval must be accompanied with the following documentation:

- **The final, non-executed Agreement** which must clearly specify (amongst other things):
 1. the obligations/activities which each party to the agreement will have and be responsible for;
 2. the revenue and cost sharing between the parties;
 3. the percentage of profits due to each party from the remote gaming operation;
 4. how the control of the enterprise will be exercised;
 5. that the arrangement will be automatically suspended during any period within which the Remote Gaming license is suspended. Provision must also be made to the effect that cancellation of the license also entails the automatic termination of the agreement.

Moreover the Lotteries and Gaming Authority must ensure that the third party (or parties) which will become involved in the remote gaming operation through such an arrangement is a fit and proper person according to law prior to granting its approval. To this effect, the notification letter requesting the Authority's approval must be accompanied with the following **information/documentation about the proposed third party involved**:

- Information on the proposed third party (if the third party is a company, its Memorandum and Articles of Association and its latest Management and Audited Accounts must be submitted);
- A list of all the shareholders owning a qualifying shareholding (exceeding 5%) in the third party and the ultimate beneficiary owners of such shares (duly filled Personal Declaration forms must be submitted for all qualifying owners);
- A list of all directors of the third party (Personal Declaration Forms must also be submitted for all Directors);

- If the third party is established and authorized to offer the services covered by the agreement in another EEA country, detailed information (including a true copy of such authorization) must be submitted in this regard;
- A declaration that the third party shall disclose any information reasonably requested by the LGA;

Where the persons who are required to tender a Personal Declaration Form have already submitted one to the Authority (or a due diligence process has already been successfully conducted under the purview of a competent Authority in another EEA country) within the previous six months, reference may be made to such Forms/approval.

The LGA shall then review the documentation submitted by the licensee, conduct probity tests on the proposed third party and notify the licensee whether or not such arrangement has been accepted by the Authority. The LGA may request any amendments to the draft agreement which it considers necessary.

The licensee must submit to the Authority a certified true copy of the final agreement as approved by it within 20 days of execution and must notify the Authority with any changes effected to such an agreement thereafter.

This note is solely intended to provide general information which may be of interest. It is not intended to be comprehensive, specific or enforceable and should not be acted or relied upon as doing so.