

# APPENDIX F: FIT AND PROPER CHECKS DURING THE COMPETITION FOR THE FOURTH NATIONAL LOTTERY LICENCE

## ITA Phase Two – 16 July 2021

Applicants are reminded that as part of the note (Information for Applicants on Fit and Proper Checks) issued in October 2020 at the launch of the ITA, all identified Persons Needing to be Checked should have already been submitted to the Commission. The Commission continues to recognise that some Lottery Supervisors, Key Subcontractors, Critical Function Employees and Transition Staff may be identified later in the Competition or during the Implementation Period. In these cases, the Applicant must notify the Commission as soon as possible, providing their details and all such other information as the Commission may require.

This update to the Information for Applicants on Fit and Proper Checks includes a reminder of:

- The Fit and Proper Checks process
- The purpose of each document
- Access instructions
- Clarification instructions for phase 2
- Document submission instructions
- Roles and responsibilities

CONFIDENTIAL

**Important information for persons having lived outside the UK within the last 5 years**

Persons having lived abroad in the past 5 years are advised to apply as soon as possible to the relevant body for a 'certificate of good conduct' or equivalent. This certificate will be required for the completion of Fit and Proper Checks.

Details of how to obtain such a certificate are available on GOV.UK (<https://www.gov.uk/government/publications/criminal-records-checks-for-overseas-applicants>). If the country concerned is not listed, please contact the relevant embassy or consulate for further details.

**Why does the Gambling Commission require Fit and Proper Checks?**

Under the National Lottery etc. Act 1993, the Gambling Commission must ensure that the Licensee is Fit and Proper to operate the National Lottery.

**What are Fit and Proper Checks?**

Fit and Proper Checks examine the identity, integrity, criminality and financial integrity of those operating or benefitting from the National Lottery (or applying to do so).

**Who needs to be subject to a Fit and Proper Check?**

During the Competition, the Commission will require anyone who is a "Person Needing to be Checked" to undergo Fit and Proper Checks.<sup>1</sup>

Those persons include anyone who, if the Application were successful would, at the start of the Licence, be:

- The Licensee
- A Lottery Beneficiary
- A Lottery Supervisor
- A Critical Function Employee.

This also includes each person who would, if the Application were successful, be a member of Transition Staff.

**When in the Competition will Fit and Proper Checks take place?**

Fit and Proper Checks are taking place in tandem with the ITA Stage of the Competition.

If the Applicant identifies anyone else as a Person Needing to be Checked, they will need to notify the Commission as soon as such person has been identified and promptly provide the information necessary for the Commission to carry out the Fit and Proper Checks in relation to that person.

**What are the minimum expectations regarding Fit and Proper Checks prior to Award Notification?**

It is the Applicant's responsibility to ensure that all Persons Needing to be Checked are correctly identified and that the required information is provided to the Commission in line with the timelines set out in this document. As part of this, you will be required to provide organisational charts identifying the Persons Needing to be Checked, clearly identifying the entity or entities which are relevant for the checks.

As a minimum, before Award Notification, the Commission expects that the Applicant will have done everything it can to enable Fit and Proper Checks to have been carried out on anyone who, if the Application were successful

<sup>1</sup> Please see Appendix F2 for definitions

## CONFIDENTIAL

would, on signature of the Enabling Agreement, be:

- The Proposed Licensee (which will become the “Incoming Licensee” on entry into the Enabling Agreement)
- A Qualifying Direct Shareholder of the Incoming Licensee
- A Connected Party of a Qualifying Direct Shareholder of the Incoming Licensee
- A Key Subcontractor (where that Key Subcontractor is referenced in the Application)
- A Connected Party of a Key Subcontractor (where that Key Subcontractor is referenced in the Application)
- A Senior Executive of any of the above
- A Lottery Supervisor, Critical Function Employee or member of Transition Staff upon whom the Incoming Licensee would be dependent in order to ensure that it will have access to sufficient operational resources to implement the Application and the Incoming Transition Plan and prepare to operate the National Lottery.

The Commission recognises that some Lottery Supervisors, Key Subcontractors, Critical Function Employees and Transition Staff may be identified later in the Competition or during the Implementation Period. Where this is the case, the Incoming Licensee must notify the Commission as soon as possible, providing their details and all such other information as the Commission may require.

If it is necessary for a person to start work as a member of Transition Staff before the Commission has confirmed that such person is Fit and Proper, the Incoming Licensee will be required to notify the Commission and ensure that the individual is adequately supervised and prevented from accessing sensitive information. This requirement is set out in the Enabling Agreement.

### Overview of the documents relating to Fit and Proper Checks

We have previously provided the following documents (via email to the nominated points

of contact for each Applicant – please contact the Commission via the CQ route should you require copies of these (once more) alongside this updated Information for Applicants on Fit and Proper Checks:

- Lottery Beneficiary Illustrations
- Corporate Declaration
- Individual Declaration for Lottery Beneficiaries and Lottery Supervisors
- Individual Declaration for Critical Function Employees and Transition Staff
- Identity Verification Form

### Purpose of each document

#### Lottery Beneficiary Illustrations

This slide deck provides illustrations to support Applicants to identify Persons Needing to be Checked.

#### Corporate Declaration

The Corporate Declaration provides the Commission with the information required to conduct Fit and Proper Checks on corporate entities that meet the definitions of Persons Needing to be Checked.

This will include any corporate entity which, if the Application were successful would, at the start of the Licence, be the Licensee or a Lottery Beneficiary.

#### Individual Declaration for Lottery Beneficiaries and Lottery Supervisors

The Individual Declaration for Lottery Beneficiaries and Lottery Supervisors provides the Commission with the information required to conduct Fit and Proper Checks on individuals who, if the Application were successful, would be a Lottery Beneficiary or a Lottery Supervisor.

#### Individual Declaration for Critical Function Employees and Transition Staff

The Individual Declaration for Critical Function Employees provides the Commission with the information required to conduct Fit and Proper

CONFIDENTIAL

## CONFIDENTIAL

Checks on individuals who, if the Application were successful, would be a Critical Function Employee or member of Transition Staff.

### Identity Verification form

The Identity Verification form confirms that appropriate ID checking processes have taken place and that the Fit and Proper checks are being carried out on the correct persons.

### **What do Applicants need to do?**

The Applicant is responsible for ensuring the Gambling Commission receives all the required information for all Persons Needing to be Checked. Applicants should note that Persons Needing to be Checked may be corporate entities or individuals, and for each Person Needing to be Checked, the correct declaration form must be provided.

The Commission reserves the right not to evaluate an Applicant's ITA response if the required documentation has not been accurately completed and submitted.

See also section below entitled "**What if additional persons are added to an Application after the ITA is submitted**" for further information.

### Access instructions

We have previously provided copies of each of the documents named above to the nominated contact from the Applicants' Selection Questionnaire responses.

Any Applicant that has not received the forms should inform the Commission via Jaggaer.

### Clarification instructions

Applicants must submit any clarification questions regarding Fit and Proper Checks to the Commission via Jaggaer using the clarification request form.

For the avoidance of doubt, the Commission will not respond to clarification questions submitted via any other channels.

### Document submission instructions

Applicants are required to complete the relevant forms and upload them with any relevant documentation to the specified Sharefile upload area. A unique Sharefile link has been provided to each Applicant invited to participate in the ITA stage of the Competition.

Once the forms have been uploaded, Applicants are required to send a confirmation email to

[4nlvetting@gamblingcommission.gov.uk](mailto:4nlvetting@gamblingcommission.gov.uk) stating that their forms are complete and ready to review.

The Commission recognises that the information uploaded will contain personal data and may be personally sensitive and will handle it accordingly. Further information can be found in the Gambling Commission Privacy notice.

Applicants must complete a separate Declaration for each Person Needing to be Checked, where such persons are referenced in the Application, or the Applicant is otherwise dependent upon those Persons Needing to be Checked, in order for their Business Plan to be viable.

### **Roles and responsibilities**

The Applicant is responsible for ensuring that all Persons Needing to be Checked are correctly identified to the Commission, across all Persons Relevant to the Application. See Appendix F2 for definitions or refer to the Lottery Beneficiary Illustrations pack previously provided for further information.

The Applicant is responsible for co-ordinating and collating responses from all Persons Needing to be Checked relevant to the Application. It is likely that those Persons Needing to be Checked will include other corporate entities and their employees and executives, and not just the Proposed Licensee. For example, the Applicant will need to collate information from any potential Lottery Beneficiaries (including Key Subcontractors) identified in their Application, and any individuals associated with that Lottery

CONFIDENTIAL

## CONFIDENTIAL

Beneficiary who would be Lottery Supervisors, Critical Function Employees or members of Transition Staff.

The Applicant must notify the Commission without delay if it has a concern with undertaking Fit and Proper Checks through the Jaggaer portal on itt\_35 - ITA Phase 2.

The Applicant is responsible for:

- any failure to identify the correct Persons Needing to be Checked;
- any failure to provide the necessary information for Fit and Proper Checks to take place in a timely manner;
- the consequences of the above.

If the Commission is not able to satisfy itself that the Proposed Licensee would be Fit and Proper, it will not award the Licence to that Proposed Licensee.

### **What happens after the Commission receives Applicants' information?**

Once the Commission is satisfied that the forms have been completed correctly, the Commission will send them to the relevant agencies for checks.

Once a response has been received from all the relevant agencies, the Commission will consider the information which is provided and determine whether the person is Fit and Proper.

### **What if additional persons are added to an Application after the ITA is submitted?**

The Commission is relying on the information provided in response to the SQ and through the ITA Phase of the Competition in order to assess each Application, including (but not limited to) using the information provided as part of its assessment during the Competition of whether the Proposed Licensee meets the Fit and Proper Requirements. Subsequent Clarification Question responses have provided guidance that checks on any Critical Function Employee who is not required during Transition do not need to have been completed until the start of the Licence.

If at any time during the Competition there are any material changes to the information provided in response to the SQ, or other information in relation to any Person Needing to be Checked which might be relevant to an assessment as to that person's fitness and propriety (including if a new Person Needing to be Checked is identified by the Applicant), the Applicant must advise the Commission through Jaggaer as soon as it becomes aware of the change.

Applicants should note that the Commission does not guarantee that it will be possible to complete Fit and Proper Checks before award of the Licence for persons who are identified after the deadline for ITA phase one Applications. It should be noted that the Commission will only award the Licence to an Applicant which has satisfied the Commission that they are Fit and Proper in accordance with statutory requirements. Late submission of Fit and Proper checks exposes the Applicant to the potential risk that they are unable to satisfy the Commission that they are Fit and Proper.

### **What if Fit and Proper Checks return adverse information?**

Adverse information refers to any conviction, caution, penalty or fine imposed upon a person, or any other information which gives rise to concerns about the Proposed Licensee's fitness and propriety to operate the National Lottery.

Persons Needing to be Checked may self-declare potential adverse information when they complete their forms. Adverse information may also be revealed by the agency checks.

Where the Commission thinks any adverse information may mean that a Person Needing to be Checked is not Fit and Proper, the following steps will be taken:

- Where possible, a letter will be sent by email to the person in question to confirm that the information relates to them and inviting them to comment upon it (if the information was not

CONFIDENTIAL

## CONFIDENTIAL

previously declared). Applicants should note that in some instances, the Commission may be unable for legal reasons to disclose to Applicants the detail of the adverse information it has received. In this event, the Commission will provide notification that it has not been able to satisfy itself that the relevant person is Fit and Proper.

- The Commission will maintain records of all responses to queries.
- Where the person confirms that the information is correct, they will be required? To write to the Commission and explain why it was not included in their original declaration.
- If the person does not respond, it will not be possible to complete Fit and Proper Checks in respect of that person.
- Where adverse information is disputed, the Commission may make further enquiries and/or invite the person to make representations.
- The Commission will determine whether the person meets the required standard of fitness and propriety. Adverse information will be considered in the context of the Commission's statutory duties.
- The Commission will not award the Licence unless it is satisfied that the Proposed Licensee is Fit and Proper.
- The Commission's decision with regard to whether any person meets the required standard of fitness and propriety is final.

Where Fit and Proper Checks cannot be completed, or the Commission determines a person does not meet the required standard of fitness and propriety, the Applicant may be given the opportunity to replace the person in question.

The Commission does not guarantee that it will be possible to complete Fit and Proper Checks of any persons identified as replacements before the award of the Licence. If the Applicant cannot find a suitable replacement who can be checked within the Competition timeframes and the Commission considers that

the Applicant is reliant on that person in their Application, the Commission reserves the right not to evaluate the Application or to disqualify the Applicant from the Competition.

### How will data be protected?

Adverse information will not be disclosed to third parties unless required by law and information will be kept securely at all times. This is subject to Data Protection Laws and further information can be found in the Gambling Commission Privacy notice.

Information relating to the successful Applicant will be kept on file. Checks must be renewed at least every 5 years and relevant Fit and Proper documentation will need to be resubmitted.

Information relating to the Applicant selected as the Reserve Applicant will be kept for so long as it remains the Reserve Applicant. That information will be destroyed after that date, unless that person becomes the successful Applicant.

Information relating to all other Applicants will be destroyed at the end of the Competition, to the extent this is reasonably possible. If the information cannot be destroyed, then it shall be kept confidential by the Commission.

### What are the ongoing obligations for the successful Applicant?

The successful Applicant will be required to remain Fit and Proper throughout the Implementation Period and the Licence Term.

The obligations of the successful Applicant in relation to remaining Fit and Proper during the Implementation Period are set out in the Enabling Agreement. The obligations of the Licensee in relation to remaining Fit and Proper throughout the Licence Term are set out in Conditions 5 to 7 of the Licence.

Applicants should note that, should they be successful, inaccuracies in the information provided to the Commission for the purposes of the above checks may result in the Enabling

CONFIDENTIAL

CONFIDENTIAL

Agreement being terminated during the Implementation Period or a breach of the Licence.

CONFIDENTIAL

**Appendix F1: Categories of Persons Needing to be Checked**

The following are the Persons Needing to be Checked.

Applicants should note that any reference to ‘person’ in the below table should be understood to mean any individual, company, corporation, firm, partnership, joint venture, association, state, state agency, institution or trust (whether or not having a separate legal personality).

In the table below, references to the Licensee are to the person who is the Proposed Licensee.

Role	Description
Applicant	Has the meaning given to that term in the Application Process Agreement.
Lottery Beneficiary	<p>Lottery Beneficiaries requiring Fit and Proper Checks include those persons who, should the Applicant be successful, would meet the following criteria at the Start Date:</p> <ol style="list-style-type: none"> <li>1. Qualifying Direct Shareholders of the Licensee, meaning any person who, in relation to the Licensee, has a Participation which is equal to, or greater than, 5%, where Participation is defined as:               <ol style="list-style-type: none"> <li>a) a right to exercise, or control the exercise of, voting rights attaching to issued shares of any class in the capital of the Licensee;</li> <li>b) a right to exercise, or control the exercise of, voting rights which may be exercised by the members of the Licensee;</li> <li>c) a right to receive (beneficially or otherwise) a dividend or other distribution in respect of any class of shares in the capital of the Licensee;</li> <li>d) a right to receive (beneficially or otherwise) a share of, or any other amount calculated by reference to, the profits of the Licensee; or</li> <li>e) a beneficial or other interest in the shares of any class in the capital of the Licensee.</li> </ol> </li> <li>2. A Connected Party of a Qualifying Direct Shareholder of the Licensee, meaning any person who, is:               <ol style="list-style-type: none"> <li>a) a Senior Executive of a Qualifying Direct Shareholder of the Licensee;</li> <li>b) a Material Shareholder of a Qualifying Direct Shareholder of the Licensee, meaning any person who has a Participation which is equal to, or greater than, 15%, where Participation is defined as:                   <ol style="list-style-type: none"> <li>(i) a right to exercise, or control the exercise of, voting rights attaching to issued shares of any class in the capital of the Qualifying Direct Shareholder;</li> <li>(ii) a right to exercise, or control the exercise of, voting rights which may be exercised by the members of the Qualifying Direct Shareholder;</li> <li>(iii) a right to receive (beneficially or otherwise) a dividend or other distribution in respect of any class of shares in the capital of Qualifying Direct Shareholder;</li> <li>(iv) a right to receive (beneficially or otherwise) a share of, or any other amount calculated by reference to, the profits of the Qualifying Direct Shareholder; or</li> <li>(v) a beneficial or other interest in the shares of any class in the capital of the Qualifying Direct Shareholder;</li> </ol> </li> </ol> </li> </ol>



## CONFIDENTIAL

Role	Description
	<p>c) the immediate, intermediate or ultimate parent company of any Material Shareholder of a Qualifying Direct Shareholder of the Licensee; or d) any Senior Executive of any person identified in (b) or (c) above.</p>
	<p><b>3.</b> A Key Subcontractor meaning any person who enters into a Key Subcontract with: a) the Licensee or a Licensee Subsidiary; or b) in the case of a Key Subcontract to which the Licensee or a Licensee Subsidiary is not a party, a Lottery Subcontractor.</p>
	<p><b>4.</b> A Connected Party of a Key Subcontractor, meaning: a) a Senior Executive of a Key Subcontractor; b) a Material Shareholder of a Key Subcontractor, meaning any person who has a Participation in the Key Subcontractor which is equal to, or greater than, 15%, where Participation is defined as: (i) a right to exercise, or control the exercise of, voting rights attaching to issued shares of any class in the capital of the Key Subcontractor; (ii) a right to exercise, or control the exercise of, voting rights which may be exercised by the members of the Key Subcontractor; (iii) a right to receive (beneficially or otherwise) a dividend or other distribution in respect of any class of shares in the capital of the Key Subcontractor; (iv) a right to receive (beneficially or otherwise) a share of, or any other amount calculated by reference to, the profits of the Key Subcontractor; or (v) a beneficial or other interest in the shares of any class in the capital of the Key Subcontractor; c) the immediate, intermediate or ultimate parent company of any Material Shareholder of a Key Subcontractor; or d) any Senior Executive of any person identified in (b) or (c) above.</p>
	<p><b>5.</b> Any Senior Executive of a person listed in 1 to 4 above.</p>
	<p>A Control Arrangement between two persons may also mean that each of those persons is a Lottery Beneficiary. Please see the Lottery Beneficiary Illustrations for further information on Control Arrangements</p>

## CONFIDENTIAL

CONFIDENTIAL

Role	Description
Lottery Supervisor	<p>Lottery Supervisors requiring Fit and Proper Checks include those persons who, should the Applicant be successful, would meet the following criteria at the Start Date:</p> <ul style="list-style-type: none"><li>a) any of the Licensee, of any Licensee Subsidiary or of a Key Subcontractor; or</li><li>b) any person employed by the Licensee, by any Licensee Subsidiary or by a Key Subcontractor who has overall responsibility for:<ul style="list-style-type: none"><li>(i) the strategy of the Licensee or the Licensee’s strategy for the National Lottery;</li><li>(ii) any strategy, process, policy or procedure which relates to the operation of the National Lottery;</li><li>(iii) National Lottery operations;</li><li>(iv) management of National Lottery operations;</li><li>(v) financial planning, control and budgeting of the Licensee or in relation to the National Lottery operation;</li><li>(vi) marketing and commercial development of the Licensee or in relation to the National Lottery operation;</li><li>(vii) regulatory compliance, including in relation to money laundering, of the Licensee or in relation to the National Lottery operation;</li><li>(viii) IT provision and security (including the hosting or storage of Lottery Data) of the Licensee or in relation to the National Lottery operation;</li><li>(ix) contact centre operations of the Licensee or in relation to the National Lottery operation; or</li><li>(x) a Critical Function.</li></ul></li></ul>
Critical Function Employee	<p>Critical Function Employees requiring Fit and Proper Checks include those persons who, should the Applicant be successful, would meet the following criteria at the Start Date:</p> <p>A Critical Function Employee is any person who is not a Lottery Supervisor and who:</p> <ul style="list-style-type: none"><li>a) works within a Critical Function; or</li><li>b) manages or oversees any person who works within a Critical Function,</li></ul> <p>whether employed or engaged by the Licensee, any Licensee Subsidiary or by a Key Subcontractor.</p>
Proposed Licensee	<p>The entity (whether or not in existence) which the Applicant intends will be the Licensee under the Licence if it is selected as the successful Applicant</p>

CONFIDENTIAL

CONFIDENTIAL

Role	Description
Transition Staff	<p>Those persons employed or engaged by the Proposed Licensee who, in order for the Purpose of Implementation to be achieved and/or to ensure an orderly handover (minimising disruption or inconvenience to the public) of the operation of the National Lottery to the Proposed Licensee, are required to (i) have access to, or (ii) supervise or manage any person who has access to:</p> <ul style="list-style-type: none"><li>(a) the information disclosed in the folder in the Competition Data Room named "VDR 3";</li><li>(b) information in relation to the security of the National Lottery, including in relation to the verification of tickets and prizes;</li><li>(c) information or data which:<ul style="list-style-type: none"><li>(i) is sensitive;</li><li>(ii) is personal data of players or prize winners;</li><li>(iii) is held by the Third Licensee in a Secure Area (as defined in the Third Licence)</li></ul></li><li>(d) the Third Licensee's Technology Operation (as defined in the Third Licence) in each case before the Start Date.</li></ul>

CONFIDENTIAL

**Appendix F2: Related definitions**

In the table below, references to the Licensee are to the person who is the Proposed Licensee and, where relevant, each of the following definitions should be read in the context that they refer to the operation of the National Lottery during the term of the Licence. Any definitions in the Fourth Licence supersedes the definitions in this table.

Term	Definition
Award Notification	<p>A written notification from the Commission to the Applicant that:</p> <ul style="list-style-type: none"> <li>(a) the Application has been successful and as a result the Proposed Licensee under the Application has been chosen as the selected new Licensee; and</li> <li>(b) the standstill period has ended and either:                             <ul style="list-style-type: none"> <li>(i) there has been no challenge during the standstill period to the Commission’s decision to name the Proposed Licensee as the selected new Licensee; or</li> <li>(ii) there has been a challenge during the standstill period to the Commission’s decision to name the Proposed Licensee as the selected new Licensee but that challenge has been resolved to the satisfaction of the Commission</li> </ul> </li> </ul>
Critical Function	<p>Any function which constitutes a material part of the business of running the National Lottery including any function which:</p> <ul style="list-style-type: none"> <li>(a) could influence the outcome of any Game; and/or</li> <li>(b) is material to the continuing operation of the National Lottery in circumstances in which the Licensee could not readily engage an alternative person to undertake that function without any interruption to, or adverse impact on, the National Lottery</li> </ul>
Competition	The competition to award the Licence
Data Protection Laws	The Data Protection Act 2018, the UK General Data Protection Regulation and all other applicable data protection and privacy legislation in force from time to time in the UK
Director	Any executive or non-executive director
Enabling Agreement	The agreement between the Commission and the Licensee, entered into in anticipation of the Licence being granted to the Licensee and governing the implementation of the Application and the Licensee’s preparation to run the National Lottery in accordance with the Licence

CONFIDENTIAL

Group Company	<p>In relation to a person (Person A), any other person (Person B) who is from time to time:</p> <ul style="list-style-type: none"><li>(a) a subsidiary of Person A;</li><li>(b) a parent company of Person A; or</li><li>(c) any other subsidiary of such parent company,</li></ul> <p>where “parent company” and “subsidiary” have the meanings given to those terms in defined in section 1162 of the Companies Act 2006</p>
Implementation Period	<p>The period of time from the execution of the Enabling Agreement until the start of the Fourth Licence, in which the Outgoing Licensee and the Incoming Licensee cooperate to transfer the operation of the National Lottery, and the Incoming Licensee fully implements its Incoming Transition Plan submitted as part of its Application to the satisfaction of the Commission</p>
Key Subcontract	<p>Any Lottery Subcontract:</p> <ul style="list-style-type: none"><li>(a) which relates to any Critical Function;</li><li>(b) is with a party with whom the Commission specifies any Lottery Subcontract will be a Key Subcontract; or</li><li>(c) is otherwise specified by the Commission to be a Key Subcontract</li></ul>
Licence	<p>The Fourth National Lottery Licence awarded under Section 5 of the Act</p>
Licensee Subsidiary	<p>Any subsidiary of the Licensee which has been incorporated or acquired following approval from the Commission</p>
Lottery Data	<p>Any data processed by or on behalf of the Licensee, or by any Lottery Subcontractor under any Lottery Subcontract, in either case in connection with the operation of the National Lottery (including the operation or promotion of any Game) or any Ancillary Activity, including Participant Data</p>

CONFIDENTIAL

CONFIDENTIAL

Lottery Information	<p>Any information in any form whatsoever which relates to:</p> <ul style="list-style-type: none"><li>(a) the National Lottery, the operation of the National Lottery or of any Game, or any Ancillary Activity, whether such information is in the possession or control of, or is the property of, the Licensee, a Licensee Subsidiary or of any Lottery Subcontractor;</li><li>(b) the Licensee, a Licensee Subsidiary or their business and affairs; or</li><li>(c) any other information the Commission may require concerning the Licensee or its business or affairs, in each case whether in the possession of the Licensee or a Lottery Subcontractor</li></ul>
Lottery Subcontract	<p>Any agreement, arrangement or understanding (including a licence of software or other IP), whether formal or informal:</p> <ul style="list-style-type: none"><li>(a) by which any person other than the Licensee or a Licensee Subsidiary operates, or provides assets, goods, services or facilities for the purposes of, or in connection with, any part of running the National Lottery or any Ancillary Activity; or</li><li>(b) entered into by the Licensee, a Licensee Subsidiary or any Lottery Subcontractor with any third party where such agreement or arrangement directly or indirectly contributes or forms part of running the National Lottery or the operation of any Ancillary Activity.</li></ul> <p>Any agreement, arrangement or understanding to subcontract some or all obligations under a Lottery Subcontract is itself a Lottery Subcontract</p>
Lottery Subcontractor	<p>Any person other than the Licensee or a Licensee Subsidiary who is a party to a Lottery Subcontract</p>
Person	<p>A reference to a “person” includes any individual, company, corporation, firm, partnership, joint venture, association, state, state agency, institution or trust (whether or not having a separate legal personality)</p>
Purpose of Implementation	<p>That the Licensee shall operate the National Lottery on and from the Start Date in the manner contemplated by the Application and in accordance with the Licence</p>

CONFIDENTIAL

CONFIDENTIAL

Related Party	In relation to the Licensee, each of the following and each of their Group Companies: <ul style="list-style-type: none"><li>(a) the Licensee</li><li>(b) a Qualifying Direct Shareholder of the Licensee; or</li><li>(c) a Connected Party of a Qualifying Direct Shareholder of the Licensee</li></ul>
Selection Questionnaire (SQ)	The first stage of the Competition
Senior Executive	A Director or senior executive (being a person other than a Director who has direct responsibility to the board of Directors for a substantial activity or function)
Start	The Licence coming into effect and the Licensee commencing operation of the National Lottery in accordance with the Licence
Start Date	The date on which the Licence will Start
Technology Operation	Any aspect of the running of the National Lottery (including any Ancillary Activity) associated with the provision, operation and/or use of technology and or the processing, storage and use of Lottery Data, including the Entry and Prize System and the Independent Verification System, whether carried on by the Licensee, any Related Party or any Lottery Subcontractor
Third Licence	The Third National Lottery Licence awarded under Section 5 of the Act to Camelot UK Lotteries Limited
Third Licensee	The holder of the Third Licence

CONFIDENTIAL