

**LICENCE UNDER SECTION 6 OF
THE NATIONAL LOTTERY ETC. ACT 1993**

NATIONAL LOTTERY SCRATCHCARDS

February 2024

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1. PURPOSES AND OUTCOMES

Purposes

1.1 The purposes of this Licence are:

- (a) to authorise and require the Licensee to promote the Games; and
- (b) that certain outcomes regarding the Games are secured.

Outcomes

1.2 The outcomes referred to in Condition 1.1(b) are that each Game be promoted, and that each Game should operate, as part of the National Lottery:

- (a) with all due propriety;
- (b) in a way which protects the interests of Participants; and
- (c) subject to (a) and (b), so as to maximise the amount being paid out of the net proceeds of the National Lottery to Good Causes,

and the Licensee must interpret and perform its obligations under this Licence in the manner best calculated to achieve those outcomes.

Absolute obligations under this Licence

1.3 Where a Condition of this Licence provides that the Licensee must do (or refrain from doing) a thing or must ensure an outcome, the Licensee is in breach of that Condition if it fails to do (or refrain from doing) that thing or fails to ensure that outcome.

Other obligations as to outcomes under this Licence

1.4 Where a Condition of this Licence provides that the Licensee must do everything it can to ensure a specified outcome is achieved, the Licensee is in breach of that Condition if that outcome is not achieved unless the Licensee can satisfy the Commission that it has taken all reasonable steps and exercised all due diligence to achieve that specific outcome and, in doing so, to secure the outcomes set out in Condition 1.2.

1.5 In order to demonstrate that it has taken all reasonable steps and exercised all due diligence in accordance with Condition 1.4, it shall not necessarily be sufficient for the Licensee to have done those specific things which this Licence states it must do.

Cost of compliance with this Licence

- 1.6 The Licensee shall not under any circumstances be entitled to reimbursement from the Commission of its costs of compliance with the Conditions of this Licence or any directions from the Commission.

Non-Frustration

- 1.7 The Licensee must not do, and must do everything it can to ensure that no other person does, any thing which has the effect of avoiding, frustrating or circumventing any Condition of this Licence.

2. GRANT OF THE LICENCE

Grant

2.1 The Commission grants this Licence to promote the Games.

2.2 This Licence is granted under section 6 of the Act.

Promotion of the Games

2.3 The Licensee must:

- (a) for as long as it is promoting a Game, do so in accordance with this Licence;
- (b) ensure each Game complies with Schedule 3 (the "**Game Specification**"); and
- (c) comply, and ensure the promotion of each Game complies, with the Game Specific Requirements set out in Schedule 4.

2.4 The Licensee must notify the Commission at least one (1) Business Day prior to the launch of any new Game under this Licence.

2.5 If the Licensee considers that the promotion of a Game will damage any Matter to be Protected it must promptly:

- (a) suspend its promotion of, or cease to promote, that Game;
- (b) not itself sell, and do everything it can to prevent any other person selling, Tickets in that Game; and
- (c) notify the Commission of such suspension or cessation.

2.6 Without prejudice to Condition 2.4, the Licensee may, at any time and for any reason, suspend its promotion of, or cease to promote, a Game.

2.7 If the Licensee suspends or ceases to promote a Game, it shall:

- (a) ensure that doing so and the manner in which that is done does not damage any Matter to be Protected; and
- (b) do everything it can to ensure that no Participant is disadvantaged as a result of purchasing a Ticket in that Game after the promotion of that Game has ceased or been suspended.

2.8 If the Licensee suspends or ceases to promote all Games under this Licence in accordance with Condition 2.7, it must notify the Commission no less than 10 Business Days prior to such suspension or cessation being implemented, and must provide details of:

- (a) the reason for the suspension or cessation of the Games; and
 - (b) the date (if any) on which the Licensee expects to resume the promotion of one or more of the Games.
- 2.9 The Licensee must keep the Commission informed of any changes to its plans to resume the promotion of a Game, as notified to the Commission in accordance with Condition 2.8.
- 2.10 If the Licensee does not promote any Games under this Licence for a period of 12 consecutive months or more, this Licence will automatically terminate unless the Commission otherwise notifies the Licensee.

3. RELATIONSHIP WITH THE SECTION 5 LICENCE

Licence specific to the licensee under the Section 5 Licence

- 3.1 This Licence is granted to the Licensee as the holder of the Section 5 Licence.
- 3.2 It is a Condition of this Licence that the Licensee complies with the Section 5 Licence.
- 3.3 This Licence contains, in Schedule 4, specific requirements which relate to the promotion of each Game and to the inclusion and operation of the Games as part of the National Lottery ("**Game Specific Requirements**").
- 3.4 All revenue received, and costs incurred, by the Licensee in its capacity as the holder of this Licence shall be dealt with in accordance with Condition 15 and Schedule 5 of the Section 5 Licence.
- 3.5 The provisions of this Licence are in addition to the requirements of the Section 5 Licence, and neither the provisions of this Licence, nor its termination, suspension or expiry, in any way qualify the requirements of the Section 5 Licence.
- 3.6 Save to the extent specifically varied in this Licence, terms defined in the Section 5 Licence shall have the same meanings in this Licence.
- 3.7 If the Section 5 Licence is suspended in accordance with the Act, the Licensee must not promote, or permit Tickets to be sold in, any Game under this Licence without the prior consent of the Commission.

4. **TERM OF THE LICENCE**

Start and End

- 4.1 This Licence starts on 1 February 2024. Subject to the remainder of this Condition 4, it will end on the date upon which the Licensee ceases to hold the Section 5 Licence.
- 4.2 This Licence can only be terminated early in accordance with the Act or Condition 2.10.

5. COMPLIANCE OBLIGATIONS

Legal Requirements

- 5.1 The Licensee must ensure that each Game complies with all laws, regulations and licences applicable to the National Lottery and that Game.
- 5.2 For the avoidance of doubt where, as part of the promotion of a Game by the Licensee, any activity is undertaken in any location outside the UK, the laws and regulations referred to in Condition 5.1 include those applicable to that location but the Licensee must also comply with the relevant UK laws and regulations in respect of that activity.

Best Practice

- 5.3 In relation to each Game, in addition to complying with law and regulation, the Licensee must comply with Best Practice, being the standard to be expected of an experienced and professional person doing a particular thing and seeking to secure the outcomes in Condition 1.2.
- 5.4 This means (among other things) that where the Commission or any other UK government or UK public authority or any recognised industry body:
 - (a) issues a code of practice or guidelines containing requirements which must be followed with regard to the undertaking of an activity which is relevant to a Game, the Licensee and any Licensee Subsidiary must comply with those requirements if it undertakes that activity;
 - (b) issues a code of practice or guidelines containing recommendations with regard to the undertaking of an activity which is relevant to a Game, the Licensee and any Licensee Subsidiary must have regard to those recommendations if it undertakes that activity; and
 - (c) publishes generally accepted standards for the undertaking of an activity in relation to that Game or performance of any asset which is relevant to a Game (**Recognised Standards**), the Licensee and any Licensee Subsidiary must, in relation to that Game, do everything it can to achieve those Recognised Standards and to obtain any certifications or approvals necessary in order to demonstrate that the Recognised Standards have been achieved.

6. FITNESS AND PROPRIETY OF THE LICENSEE

Overriding Duty

- 6.1 The Licensee must do everything it can to ensure that, at all times during the term of this Licence:
- (a) the Licensee is a fit and proper person to promote the Games;
 - (b) each person who manages the business, or any part of the business, of promoting the Games is a fit and proper person to do so; and
 - (c) each person for whose benefit the business of promoting the Games is a fit and proper person to benefit from it,
- (together the **Fit and Proper Game Requirements**).

Game Specific Requirements

- 6.2 In order to comply with this Condition, the Licensee must comply with:
- (a) Conditions 5-7 of the Section 5 Licence; and
 - (b) any Game Specific Requirements which relate to the Fit and Proper Game Requirements.

Game Specific Fit and Proper Checks

- 6.3 If, at any time during the Term, the Commission notifies the Licensee that it is necessary to confirm that a person (or category of persons) meets the Fit and Proper Game Requirements, the Licensee must comply with the requirements of Condition 6 of the Section 5 Licence as if that person were a Lottery Beneficiary.

7. PROTECTING PARTICIPANTS' INTERESTS

Overriding Duty

- 7.1 The Licensee must do everything it can to ensure that the interests of every Participant in respect of playing, engaging with or being exposed to, the National Lottery and the Games are protected.
- 7.2 Some of the interests of Participants referred to in Condition 7.1 include prevention of play by persons under the Legal Age Limit, that excessive play is not encouraged, provision of adequate information about each Game, provision of an adequate complaints and redress system, payment of Prizes and provision of protection and support for Prize winners. The remainder of this Condition describes some of the ways in which the Licensee must protect those interests.

Game Specific Requirements

- 7.3 In order to comply with this Condition, the Licensee must comply with:
- (a) Condition 8 of the Section 5 Licence including by ensuring that the Participant Protection Strategy takes account of each Game and that promotion of that Game is in accordance with the Participant Protection Strategy; and
 - (b) any Game Specific Requirements which relate to the protection of the interests of Participants.

Preventing underage play

- 7.4 The Licensee must do everything it can to prevent people who are under the Legal Age Limit from participating in any Game. The Licensee must ensure that sufficient controls are in place to prevent underage play.

Not encouraging excessive play

- 7.5 The Licensee must not encourage anyone to play a Game excessively and must give effect to its obligations under the Section 5 Licence to:
- (a) provide Participants with information about responsible gambling and a broad suite of self-control and self-exclusion tools, including multi-operator national self-exclusion schemes, that are easily accessible, usable and reasonably adaptable;
 - (b) put in place policies, processes and procedures for self-exclusion and do everything it can:
 - (i) to refuse, and to ensure that Retailers refuse, to sell Tickets; or

- (ii) to otherwise prevent an individual who has entered a self-exclusion agreement from participating;
- (c) do everything it can to identify, offer and provide support to Participants who engage, or are likely to engage, in excessive play; and
- (d) have policies, processes and procedures to prevent excessive play, in each case in relation to each Game and to Tickets, participation and play in each Game.

The measures, arrangements, policies, processes and procedures to be implemented by the Licensee in accordance with this Condition 7.5 may address the promotion of each Game specifically and/or may apply to the promotion of some or all of the Games within the Class, or other constituent lotteries or games within the Licensee's portfolio.

Period for claiming Prizes

- 7.6 Unless the Game Specific Requirements provide for a shorter period, the Licensee must ensure that no Game is promoted under this Licence unless Participants can claim Prizes won in that Game within a period of 180 days.

Price of Tickets

- 7.7 Unless the Game Specific Requirements provide otherwise, the Licensee must ensure that no Tickets in a Game are given away for free or sold for less than the full price applicable in accordance with the rules of that Game (including by way of the exchange of a Ticket Entitlement which has been given away for free, or for less than the applicable full price for a Ticket) unless:
- (a) the Licensee or another person has paid full price for the Ticket; or
 - (b) for the purposes of calculating the Gross Value of Ticket Sales and Licensee Revenue under the Section 5 Licence, a payment equivalent to the full price of the Ticket shall be deemed to have been made in accordance with the Section 5 Licence.

Information about Games and the availability of Prizes

- 7.8 The Licensee must do everything it can to ensure that full, accurate and up to date information relating to each Game is made easily available, in a variety of formats, to any Participant.
- 7.9 The Licensee must do everything it can to ensure that information about the current availability of significant Prizes in any Game is made easily available to Participants.

8. PROMOTING THE GAMES IN AN APPROPRIATE WAY

Overriding Duty

- 8.1 The Licensee must do everything it can to ensure that each Game (including the way in which that Game is promoted, sold and made available) does not, when considered individually or as part of the overall portfolio of games being promoted as part of the National Lottery (including when considered alongside other Games within the Class), damage any of the Matters to be Protected, being:
- (a) the interests of Participants in the National Lottery referred to in Condition 7 of this Licence (*Protecting Participants' Interests*);
 - (b) that each Game is, and is perceived as being, honestly and fairly promoted and that Prizes are accurately awarded and paid in accordance with the rules of that Game;
 - (c) the National Lottery Brand;
 - (d) the reputation of the National Lottery; and
 - (e) the ability of the Licensee to otherwise comply with this Licence.

Game Specific Requirements

- 8.2 In order to comply with this Condition, the Licensee must comply with:
- (a) Condition 10 of the Section 5 Licence with respect to each Game; and
 - (b) any Game Specific Requirements which relate to the distribution, promotion, sale or availability of a Game.

9. RISK OF HARM

9.1 The Licensee will be in breach of this Condition if:

- (a) at the date of the Class Application, any Application Information was not factually accurate; or
- (b) the Application Information was not prepared in accordance with Best Practice for the purposes of the Class Application.

9.2 The Licensee must establish and operate, in accordance with Best Practice, arrangements to proactively monitor:

- (a) its compliance with this Licence; and
- (b) any Risk of Harm.

9.3 Without prejudice to the other Conditions of this Licence, if the Licensee becomes aware (as a result of information provided by the Commission or otherwise) of any Risk of Harm, the Licensee must promptly (and in any event, no later than 2 Business Days from the date on which it becomes aware of that risk):

- (a) unless the Commission has made the Licensee aware of the Risk of Harm, notify the Commission; and
- (b) stop promoting the relevant Game(s) (or, if applicable, all Games in the Class), including by doing everything it can to prevent the further sale by Retailers of Tickets in the relevant Game(s), unless Condition 9.4 applies or otherwise unless and until Condition 9.5 applies.

9.4 This Condition 9.4 applies if:

- (a) the Licensee:
 - (i) identifies Remedial Action which can be implemented within 7 Business Days from the date on which the Risk of Harm is identified; and
 - (ii) within that period, implements that Remedial Action such that the relevant Risk of Harm does not continue and will not reoccur; or
- (b) the Risk of Harm is not material and the Licensee:
 - (i) identifies Remedial Action which can be implemented within 30 Business Days from the date on which the Risk of Harm is identified; and
 - (ii) within that period, implements that Remedial Action such that the relevant Risk of Harm does not continue and will not reoccur; or

- (c) the Commission otherwise agrees.
- 9.5 Condition 9.4 will cease to apply if the Licensee satisfies the Commission that it has taken steps to prevent the Risk of Harm continuing or reoccurring.
- 9.6 If the Licensee identifies and intends to implement any Remedial Action, it will promptly notify the Commission, providing an explanation of the manner in which that Remedial Action will ensure that the relevant Risk of Harm does not continue or reoccur.
- 9.7 If the Licensee implements any Remedial Action, it will proactively monitor and ensure the effectiveness of that Remedial Action.
- 9.8 The Licensee must comply with any Game Specific Requirements which relate to any Risk of Harm.

10. THE NATIONAL LOTTERY BRAND

Overriding Duty

10.1 The Licensee must do everything it can to safeguard and promote the reputation of the National Lottery and the value, integrity and strength of the National Lottery Brand, both throughout the Term and as at the end of the Term.

Game Specific Requirements

10.2 In order to comply with this Condition, the Licensee must comply with:

- (a) Condition 13 of the Section 5 Licence; and
- (b) any Game Specific Requirements which relate to the National Lottery Brand.

Commissions' Regulatory Handbook

10.3 In fulfilling its obligations under Condition 10.1, the Licensee must have regard to any provisions of the Commission's Regulatory Handbook (as updated from time to time), which specify certain subject matters, images or themes which the Commission considers may damage the reputation of the National Lottery and/or the value, integrity and strength of the National Lottery Brand, if such subject matters, images or themes are used as part of the promotion of a Game or in association with the National Lottery Brand.

11. GAME RESERVES AND PROMOTIONAL PRIZES

- 11.1 The Licensee must ensure that any amounts standing to the credit of any Game Reserve Fund are held, used and applied in accordance with the Funds Protection Policies.
- 11.2 Subject to Condition 16 of the Section 5 Licence, the Licensee may utilise the amounts standing to the credit of any Game Reserve Fund to:
- (a) offer Promotional Prizes from time to time, in accordance with the Section 5 Licence and Condition 11.3 and 11.4 below; and
 - (b) otherwise increase the value of Prizes or offer Special Event Prizes in the circumstances described in Schedule 3.
- 11.3 The Licensee must comply with the Promotional Prize Methodology set out in the Game Specification when offering Promotional Prizes in any Game.
- 11.4 The Licensee must notify the Commission of its intention to use funds from any Game Reserve Fund before offering a Promotional Prize or a Special Event Prize.
- 11.5 The Licensee must set out within Schedule 3 what will happen to any remaining Game Reserve Fund in the event of:
- (a) closure of the Game;
 - (b) the expiry of the Section 5 Licence; or
 - (c) the National Lottery Trustee serving an Enforcement Notice on the Licensee.

12. FINANCIAL AND OPERATIONAL RESILIENCE

Overriding duty

12.1 Subject to Condition 2.6, the Licensee must do everything it can to ensure that it has sufficient financial and operational resources to promote each Game in accordance with this Licence for the period during which that Game is promoted under this Licence and to fulfil its obligations with respect to that Game.

Game Specific Requirements

12.2 In order to comply with this Condition, the Licensee must comply with:

- (a) Condition 16 and Condition 18 of the Section 5 Licence; and
- (b) any Game Specific Requirements which relate to the operational and financial resources the Licensee must maintain in connection with its promotion of a Game.

Non-Cash Prizes

12.3 This Condition will apply where, in accordance with the Game Specification, a Prize in a Game is a Non-Cash Prize. The Licensee must ensure that each Non-Cash Prize has a Cash Equivalent which, if:

- (a) a Prize Winner elects (within the specified period for Prizes to be claimed) to receive the Cash Equivalent rather than the Non-Cash Prize; or
- (b) the National Lottery Trustee serves an Enforcement Notice on the Licensee, will be paid to the relevant Prize Winner in cash.

13. CONTRACTORS

Overriding duty

13.1 The Licensee must do everything it can to ensure that no Lottery Subcontract, or action taken by the Licensee, a Licensee Subsidiary or a Lottery Subcontractor in connection with a Lottery Subcontract, gives rise to any risk or damage to:

- (a) any Matter to be Protected in relation to any Game; or
- (b) the promotion of any Game during the term of this Licence.

Game Specific Requirements

13.2 In order to comply with this Condition, the Licensee must comply with:

- (a) Condition 21 of the Section 5 Licence; and
- (b) any Game Specific Requirements which relate to any Lottery Subcontracts as they relate to a Game or the promotion of a Game as part of the National Lottery.

14. PROVIDING INFORMATION AND ASSURANCE TO THE COMMISSION

Overriding Duty

14.1 The Licensee must do everything it can to:

- (a) assure the Commission, in accordance with any requirements of the Commission, that it is promoting each Game in the manner best calculated to achieve the outcomes set out in Condition 1.2; and
- (b) assure its board of Directors that its strategies, policies, processes and procedures and its business plans and forecasts are adequate to ensure that it complies, and demonstrate that it will comply, with the Conditions of this Licence throughout the Term in the manner best calculated to achieve the outcomes set out in Condition 1.2.

Game Specific Requirements

14.2 In order to comply with this Condition, the Licensee must comply with:

- (a) Condition 23 of the Section 5 Licence; and
- (b) any Game Specific Requirements which relate to the assurance to be given by the Licensee to the Commission in respect of a Game or the promotion of a Game as part of the National Lottery.

15. REGULATORY OVERSIGHT AND PERFORMANCE MANAGEMENT

Oversight of Games

15.1 The Licensee must comply with:

- (a) Condition 24 of the Section 5 Licence; and
- (b) any Game Specific Requirements as they relate to regulatory oversight of a Game.

Commission's Regulatory Handbook

15.2 The Licensee shall have regard to the Commission's Regulatory Handbook, as updated from time to time by the Commission following a period of at least 20 Business Days of consultation with the Licensee. The Commission's Regulatory Handbook may include certain standards or targets for performance which the Commission will consider when monitoring the Licensee's compliance with this Licence.

16. MISCELLANEOUS PROVISIONS

Incorporation from Section 5 Licence

- 16.1 The provisions of Conditions 31, 32.1-32.3, and 32.5-32.7 of the Section 5 Licence shall be incorporated into this Licence.

SCHEDULE 1

Glossary of words and phrases used in this Licence

Capitalised terms used in this Licence and not defined in this Schedule 1 are defined in the Section 5 Licence.

Application Information	all information, supporting evidence and confirmations provided to the Commission with, or in connection with, the Game Application
Associated Game	two or more constituent lotteries or games are “Associated Games” where: <ul style="list-style-type: none"> (a) one constituent lottery or game is of the same description as the other constituent lottery or game (apart from any variation with respect to the time when any Draw in the constituent lottery or game can take place); or (b) in the opinion of the Commission, one constituent lottery or game is of the same description as the other constituent lottery or game except for a minor variation in the timing, Prize structure, price or some other aspect of the constituent lottery or game.
Cash Equivalent	<ul style="list-style-type: none"> (a) the amount due to any Non-Cash Prize Winner as a cash alternative for the relevant Non-Cash Prize in accordance with the rules of the relevant Game; or (b) following the service of an Enforcement Notice, an amount (including VAT) equal to the amount that would have been paid or reimbursed by the Licensee by way of a Non-Cash Prize Supplier Payment for the purpose of providing a Non-Cash Prize to a Non-Cash Prize Winner
Enforcement Notice	an enforcement notice served by the National Lottery Trustee on the Licensee in accordance with the terms of the Trust Deed
Game	the constituent lottery or game which the Licensee is authorised to promote pursuant to this Licence, as further described in Schedule 3
Game Application	the application for this Licence (including any application for variation of this Licence) submitted by the Licensee to the Commission in accordance with section 6 of the Act
Game Reserve Fund	a reserve fund which relates to a particular Game or Games (whether alone or together with other games) and is held in the Trust Primary Reserve Account in accordance with the Funds

	Protection Policies. Game Reserve Funds are defined as Inbuilt Reserves within the Funds Protection Policies
Remedial Action	in respect of any Risk of Harm, any action (whether taken by the Licensee, a Licensee Subsidiary or a Lottery Subcontractor) which will ensure that the relevant Risk of Harm does not continue or reoccur
Risk of Harm	at any time, any risk that the Game or its promotion might damage any Matter to be Protected to the extent that such risks or such damage were not readily apparent from, and clearly demonstrated in, the Application Information (taking account of any risk mitigation actions described in the Application Information)
Section 5 Licence	the licence granted to the Licensee on 1 February 2024 to run the National Lottery, pursuant to section 5 of the Act
Special Event Prize	Prizes which are available in the ordinary course of operating the Game and are funded from the prize payout percentage allocation to the Game Reserve Fund, as described in the Game Specification and Funds Protection Policies

SCHEDULE 2

Interpretation

1. In this Licence:
 - 1.1 reference to a Condition or Schedule is, unless stated otherwise, a reference to a Condition of or Schedule to this Licence;
 - 1.2 the Schedules form part of this Licence and a reference to “**this Licence**” includes its Schedules;
 - 1.3 the headings in this Licence do not affect its interpretation;
 - 1.4 a reference to a statute or statutory provision includes a reference to any subordinate legislation and is a reference to:
 - (a) that statute, statutory provision or subordinate legislation as modified, consolidated, superseded, re-enacted or replaced (whether with or without modification) from time to time after the date of this Licence; and
 - (b) any statute, statutory provision or subordinate legislation which it consolidates, supersedes, re-enacts or replaces (whether with or without modification);
 - 1.5 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);
 - 1.6 a reference to one gender is a reference to all or any genders and the singular includes the plural (and vice versa);
 - 1.7 a reference to a particular time of day is, unless stated otherwise, a reference to that time in London, England;
 - 1.8 a reference to “**including**”, “**includes**” or “**in particular**” or any similar expression does not limit the scope of the meaning of the words preceding those terms;
 - 1.9 a requirement for the Licensee to do any thing “**promptly**”, means that it must do that thing as quickly as is necessary to avoid any adverse consequences for any of the Matters to be Protected or the Commission and, in any event, as soon as reasonably practicable;
 - 1.10 where the consent or approval of the Commission is required to be obtained by the Licensee under this Licence, such consent or approval must be obtained in writing (including by email); and
 - 1.11 where this Licence refers to the “promotion” of a Game, that shall include making arrangements for, or making available, the Game and the preparation

and distribution of terms and conditions, rules or other marketing or explanatory material relating to the Game.

SCHEDULE 3**Game Specification – Scratchcards****1. Name and description of Class**

Scratchcards are pre-printed Tickets in a lottery Game which allow the player to determine whether the Ticket has won a Prize or not immediately after purchasing it.

The Class permitted under this Licence is:

- The price of each Scratchcard Game will range between £1 and £5.
- The Game mechanism used will ensure the random distribution of Prizes to satisfy the defined Prize structure.
- All Prizes will fall into one of the following categories:
 - a cash amount payable in a single lump sum;
 - a Regular Payment Prize with a set number of payments, for example £25,000 per month for a year;
 - an Annuity Prize; or
 - a Non-Cash Prize.
- The Prize payout percentage (PPO) for each Scratchcard Game will be in the range of 50% - 75% (with Commission approval required for any game with a PPO over 75%).
- The following information will be made clearly available on the front of any Scratchcard Ticket:
 - the price per Scratchcard Ticket in the relevant Scratchcard Game;
 - the Significant Prize
- The number of individual Tickets for a particular Scratchcard Game will vary. The Licensee may Rapid Re-Order (RRO) any Game that still has a Top Prize available.
- Individual Scratchcard Games will be removed from market once all Top Prizes have been won/claimed.

2. Type of lottery

Each Scratchcard Game will constitute a simple lottery under section 14(2) of the Gambling Act 2005.

3. Entry

The player can enter a Scratchcard Game by purchasing a Ticket from a Retailer.

4. Allocation of Prizes

Prizes are allocated by a pre-defined Prize Structure for each individual Scratchcard Game and distribution of Prizes within each batch of Tickets is random.

5. Price

The price of each Scratchcard Game will range between £1 and £5, unless otherwise agreed by the Commission.

6. **Types of Prizes**

All Prizes will fall into one of the following categories:

- a cash amount payable in a single lump sum;
- a Regular Payment Prize with a set number of payments, for example £25,000 per month for a year;
- an Annuity Prize; or
- a Non-Cash Prize.

7. **Prize structure and odds of winning**

Approximate odds of winning a Prize in a Scratchcard Game are between 1:3 and 1:1,000.

8. **Prize Payout Percentage**

The Prize Payout Percentage will be in the range of 50% to 75%. No Prize Payout Percentage will be greater than 75% without the Commission's prior approval.

9. **Promotional Prize methodology**

Not applicable.

10. **Special Event Prizes**

Not applicable

11. **Game Reserve Fund**

Not applicable.

12. **Core Lottery IP**

Any IP and rights in IP in the name of any Game or any characteristic get-up, styling or copy used in connection with any Game which has been licensed to the Licensee by any person who is not a Related Party and was not originally created or revised for the purpose of the National Lottery or the Game shall not constitute Core Lottery IP for the purpose of the Section 5 Licence.

SCHEDULE 4**Game Specific Requirements****1. Period for claiming Prizes**

For each Game, the Licensee must:

- (a) publish a date upon which that Game is closed (the "Closing Date");
- (b) itself stop selling, and do everything it can to ensure that Retailers stop selling, Tickets in that Game from the Closing Date; and
- (c) do everything it can to ensure that information as to the Closing Date is readily available to Participants.

For the purposes of Condition 7.6, for each Game the 180 day period referred to in that Condition begins on the day after the Closing Date.

2. Information on the availability of Prizes

The Licensee must:

- (d) do everything it can to monitor the current availability of significant Prizes in each Scratchcard Game; and
- (e) promptly after the Licensee becomes aware that the significant Prizes in each Game have been won, the Licensee must do everything it can to prevent the sale of further Tickets in that Game and to ensure that no Participant is disadvantaged in the event that such sales occur.

3. Rapid Re-Order

A further print run (Rapid Re-Order) for a Game may take place should the Licensee believe there is a benefit to keeping a Game in the market. A re-order shall only take place providing that:

- (f) there is at least one Top Prize (being the highest value which is available to be won on a Scratchcard Game) remaining to be claimed at the point at which the request for a re-order is placed; and
- (g) the number of Top Prizes has not been specified on the front of the Scratchcard.