

# Procedure for a Shared Conduct of Gaming Business Agreement

Malta Gaming Authority



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The procedure to be followed in such cases is notification to the Malta Gaming Authority (hereinafter the 'Authority') of the intention of entering into a Shared Conduct of Gaming Business Agreement (hereinafter the 'Agreement'), outlining the agreement which the applicant proposes to enter into.

The notification must be sent by the applicant to the attention of the Legal and Enforcement Directorate as a hardcopy by post or handed in at the 'Malta Gaming Authority, Building SCM 02-03, Level 4, SmartCity Malta, Ricasoli SCM1001, Malta.'

The notification must be accompanied with the **final non-executed Agreement** which must clearly include:

- a) the activity/ies which each party to the Agreement will be responsible for and the obligation/s which each party to the Agreement will have;
- b) that the entry into force of the Agreement is conditional on the consent in writing by the Authority that the criteria referred to in this Notice are satisfied;
- c) that the contents of the Agreement once acknowledged by the Authority cannot be changed without the Authority's consent;
- d) the share of revenues and/or profits of each party to the Agreement corresponding to the operations carried out by each of the said parties in accordance with the Agreement;
- e) a clause clearly specifying that the operation shall always be in compliance with the Remote Gaming Regulations (S.L. 438.04) of Malta. The notification must include an indication to the relevant articles of the Agreement which make reference to the matters referred to in points (a) to (d) above.

In the case of Agreements that have already been submitted to the Authority prior to the publication of this notice, the said Agreements must be resubmitted to the Authority together with a notification referring to the previous correspondence with the Authority and an indication of relevant articles of the Agreement which make reference to the matters referred to in points (a) to (d) above.

Furthermore the Authority requires, unless these have already been submitted:

## 1 Information on the proposed party/ies to the agreement

- A. If the party/ies to the agreement is/are licensed in another jurisdiction, the following should be submitted:
  - a. a certified true copy of the license/s held;
  - b. a statement of good standing issued by the Regulatory Body;
  - c. a list of all shareholders, partners and/or equivalent of the parties to the Agreement, the ultimate beneficial owners of such holding and a list of directors and/or equivalent.
- B. If the party/ies to the agreement is/are not licensed in another jurisdiction, the following should be submitted:

- i. a list of all shareholders, partners and/or equivalent of the parties to the Agreement and the ultimate beneficial owners of such holding. Personal Declaration forms together with all the relevant documentation must be submitted for all shareholding/partnerships and/or equivalent having a qualifying shareholding or ownership (equal to or exceeding 5%).

If any one of the parties to the agreement is a person other than a physical person, the following must be submitted:

- a) a certified true copy of the certificate of incorporation;
  - b) the Memorandum and Articles of Association or equivalent;
  - c) a statement of good standing issued by the relevant regulatory body;
  - d) the last three (3) year Audited Financial Statements and latest Management Accounts or equivalent. The Audited Financial Statements must be prepared in accordance with International Financial Reporting Standards or any other reporting standards acceptable to the Authority.
- ii. a list of all directors and/or equivalent of the parties to the Agreement. Personal Declaration Forms together with all the relevant documentation must also be submitted in respect of the said persons.

## 2 Information on the proposed business operation

- a) Business Plan explaining the objective, structure and functions of the proposed shared conduct business agreement. The plan should, amongst other, demonstrate that the parties to the agreement have the appropriate business and financial ability to conduct the operation successfully.
- b) A detailed three (3) year financial projection including a three (3) year profit and loss, balance and cash flow statements and a financial plan showing the sources of finance separately for each of the parties to the agreement and on a consolidated basis.

In the case when the parties to the agreement are licensed, discussions should be entered into with the Authority as to the extent of details required in the above mentioned documentation.

## 3 Other Documentation

A declaration that the parties shall disclose any other information requested by the Authority.

The Authority reserves the right to conduct a review of the share conduct business operation at the Licensee's expense.

## 4 Rates

The following hourly rates for review of the documentation shall apply:

70 euro per hour; or

100 euro per hour; or

200 euro per hour.

Rates shall be determined by the Authority depending on the complexity of the Agreement and other documents submitted. Once all documentation has been received, quotation of rates and hours shall be communicated.