LAGOS STATE LOTTERIES (AMENDMENT) LAW 2008

A Law establishing the Lagos State Lotteries Board to regulate Lagos State Lottery, public on-line Lotteries and other Lotteries and for connected purposes.

[Commencement]

PART A

1. Establishment of Lagos State Lottery Board

(1) There is established a Board to be known as the Lagos State Lotteries Board

(2) The Board shall-
   (a) be a body corporate with perpetual succession and a common seal;
   (b) have power to sue and be sued in its corporate name; and
   (c) be capable of holding, purchasing, acquiring and disposing of property movable or immovable,
      for the purpose of carrying out its functions under this Law.

2. Composition of the Board

(1) The Board shall consist of the following members-
   (a) the Chairman, who shall be a person with knowledge or experience with regard to matters
       connected with the functions of the Board;
   (b) the Permanent Secretary of the Ministry of Finance or his representative;
   (c) the Permanent Secretary of the Ministry of Home Affairs and Culture or his representative;
   (d) a Legal Practitioner with at least 10 years post call experience;
   (e) a qualified Accountant with at least 10 years post registration experience;
   (f) four members of the public with proven business acumen and experience in matters relating to
       the functions of the Board.

(2) Members of the Board shall be appointed by the Governor on the recommendation of the
    Commissioner: Provided that not more than five members of the Board are in the Lagos State Civil
    Service.

(3) The Legal Practitioner in section 2 (1) (d) shall be appointed by the Governor on the
    recommendation of the Attorney-General.

(4) A member of the Board shall hold office for such period, not exceeding five years, or as the Governor
    may determine at the time of his appointment, and shall be eligible for reappointment for one further
    term at the end of his first term of office.

(5) Subject to section 36 of the Constitution, the Governor-
    (a) may suspend the membership of any member of the Board on the grounds of serious misconduct
        or prolonged inability to perform the functions as a member of the Board;
    (b) shall suspend the membership of any member of the Board in the event of institution of any
        criminal proceedings in a court of law on a charge of theft, fraud, forgery, uttering a document,
        perjury, or any offence involving dishonesty against such a member;
    (c) shall terminate the membership of any member of the Board in the event that the member-
        (i) is found guilty in a court of law of contravening this Law or of theft, fraud, forgery or
            uttering a document, perjury, an offence in terms of the Criminal Code Law, or any
            offence involving dishonesty; or
(ii) fails to comply with the provisions of subsection (7)

(6) The Governor shall, fill a vacancy on the Board by the appointment of another person for the remainder of the period for which the person in respect of whom the vacancy arose, had been appointed.

(7) A person shall not be appointed or remain a member of the Board-
(a) unless he is a fit and proper person for such membership;
(b) if such person whether personally or through his spouse, immediate family member, business partner or associate-
   (i) has or obtains a direct or indirect financial interest in any lottery or associated activity, or if that person has had any such interest during the period of three years immediately prior to the envisaged date of appointment as member of the Board; or
   (ii) has or obtains any interest in any businesses or enterprise that may conflict or interfere with the proper performance of his or her functions as a member of the Board or in any shareholder of the licensees or prospective licensee;
(c) if such person-
   (i) becomes a political office holder;
   (ii) becomes insolvent;
   (iii) has been removed from an office of trust on account of misconduct or
   (iv) has at any time been convicted, whether in the Federal Republic of Nigeria or elsewhere, of theft, fraud, forgery or uttering a document, perjury, or any offence involving dishonesty.

(8) (a) A person who has been nominated for appointment to the Board and who has accepted that nomination, shall, prior to his appointment as a member, submit to the Governor a written statement in which he declares whether or not he has any interest contemplated in paragraph (c) (i) above.
(b) If any member during his term of office acquires or contemplates acquiring an interest which could possible be an interest contemplated in paragraph (b) (ii), he shall forthwith in writing declare that fact to the Governor and the Board, which at its following meeting shall consider whether such an interest constitutes or may constitute a contravention of paragraph (b) (i), and if it is considered not to be a contravention, whether such acquisition or contemplated acquisition is likely to compromise the impartiality of the Board.
(c) The Board shall in writing inform the Governor of its decision or recommendation contemplated in paragraph (b) above.
(d) The Governor shall, after consideration of the Board’s decision or recommendation, inform the member concerned if the acquisition or contemplated acquisition constitutes an interest contemplated in paragraph (b) (i) or is likely to compromise the impartiality of the Board, whereupon the member shall forthwith divest himself or herself of that interest, failing which the Governor shall take action in terms of subsection (5).

3. Meetings of the Board

(1) The first meeting of the Board shall be held on such a date and at such a time and place as the Governor may determine, and all subsequent meetings shall be held on such dates and at such times as the Chairman may determine after consultation with the Board.

(2) The proceedings at a meeting of the Board shall, subject to this section, be determined by the Chairman in consultation with the Board, and any decision in this regard shall be taken after due consideration of the principles of openness and transparency.

(3) The quorum for a meeting of the Board shall be taken by a majority of the members of the Board.

(4) A decision of the Board shall be taken by a majority of the votes of the members present, and in the event of an equality of votes on any matter, the Chairman shall have a second or casting vote.
(5) The Commissioner and the Chief Executive Officer of the Board may attend any meeting of the Board or its executive committee, and they shall each have the right to speak at any such meeting, but they do not have a right to vote.

(6) The Chairman shall notify the Commissioner of any meeting of the Board or its executive committee.

4. Executive Committee of the Board

(1) The Board may from time to time appoint an executive committee to perform the functions and exercise the powers delegated to it by the Board.

(2) An executive committee shall consist of such members of the Board as the Board may designate.

(3) The Board shall designate the Chairman of an executive committee.

(4) (a) An executive committee shall perform its functions in accordance with the provisions of this Law and such directives of the Board which are not in conflict with such provisions.

             (b) Any delegated function so performed shall be deemed to have been performed by the Board.

5. Remunerations and allowances of members of the Board

(1) Members of the Board who are not in the service of Lagos State may, in respect of their services be paid such remuneration and allowances as any be determined by the Governor on the advice of the Commissioner.

(2) The allowances of members of the Board may differ according to the different offices held by them or the different functions performed by them.

6. Staff of the Board

(1) The Board shall in the performance of its functions under this Law, be assisted by-

             (a) a suitably qualified and experienced person appointed as the Chief Executive Officer who shall have responsibility for the implementation of the decisions of the Board.

             (b) the Chief Executive Officer shall be responsible for personnel matters (appointments, recruitment, retrenchments) except for senior management staff which should be referred to the Board.

             (c) the Chief Executive Officer shall carry out any other responsibilities delegated by the Board.

(2) Such other persons appointed by the Board as may be necessary.

(3) Such other persons that may be seconded to the service of the Board from the Lagos State Civil Service.

(4) Any member of the Board or an employee of the Board whose duties include any matters relating to lottery or any other person who has served as a member of staff of the Board, or his spouse, immediate family member or business partner or associate, may not during the time of his service to the Board or for a period of 12 months after the termination of such service take up employment or in any way receive any benefit from any person who is applying or has applied-

             (a) in terms of section 13, for the licence to conduct the Lagos Lottery;
in terms of this Law, for any other authorization, registration, certification or other benefits or advantages, or

unless the terms of such employment or the nature and extent of such benefits have been disclosed to the Board and the Board has authorized that employment or those benefits or advantages.

(5) The provisions of subsection (4) does not prevent the institution of criminal or civil proceedings in a court of law against such staff.

(6) Any agreement in contravention of subsection (5) or to circumvent the said provision is null and void ab initio.

7. **Funds of the Board**

   (1) The funds of the Board shall consist of-

   (a) the payments to the Board in terms of section 38;

   (b) licensing fees paid to the Board in terms of section 18; and

   (c) other money lawfully paid to the Board, excluding any prize money paid by the licensee to the Board.

8. **Finances**

   There shall be paid out of payment made to the Board in terms of section 38, such sums as are necessary to defray any expenses incurred by the Board, including the remuneration, allowances and other employment benefits of the chief executive officer and members of staff of the Board. These expenses should not exceed 5% of the good causes money.

9. **Functions of the Board**

   The Board shall have the following functions, to-

   (a) advise the Governor on the issuing of the licence to conduct the Lagos State Lottery as contemplated in section 12 (1) and on any matter contemplated in section 14 (3) (g);

   (b) ensures that –

   (i) the Lagos State Lottery is conducted with all due propriety and strictly in accordance with the Constitution, this Law, all other applicable laws and the licence for the Lagos State Lottery together with any agreement pertaining to that licence;

   (ii) the interests of every participant in the Lagos State Lottery are adequately protected; and

   (iii) subject to subparagraphs (i) and (ii), the net proceeds of the Lagos State Lottery are as large as possible;

   (c) administer the Fund and hold it in trust;

   (d) advise the Commissioner on the efficacy of legislation as relates to lotteries and ancillary matters;

   (e) administer the money paid to the Board in accordance with this Law and the licence for the Lagos State Lottery;

   (f) perform such additional duties in respect of lotteries as the Governor may assign to the Board;
(g) make such arrangements as may be specified in the licence for the protection of prize monies
and sums for distribution; and

(h) advise the Commissioner on any matter relating to the Lagos State Lottery and other lotteries or
any other matter on which the Commissioner requires the advice of the Board;

(i) ensure that all aspects of the Lagos State Lottery especially the good causes as contemplated in
section 32 to 37 of this Law are promoted;

(j) inspect and audit the licensee’s record of account whenever it appear necessary in the opinion of
the Board to do so;

(k) grant Licence for Public On-Line Lotteries and other Lotteries within the State;

(l) regulate and control every aspect of Lotteries operations in the State;

(m) monitor retail ticket sale by using information technology, standard based solutions,
comprehensive and automated processing;

(n) impose fee on all lotteries operations within the State;

(o) to enter into contract with any agent, supplier or platform operator for the exercise of its
monitoring, retail management and regulatory functions of the Board and;

(p) do all such things as are necessary and incidental to achieving the purpose of the Board;

10. Consultation by the Board

The Board may consult any person, organization or institution with regard to any matter deemed
necessary by the Board to enable the Board to perform its functions effectively.

11. Audit and annual report

(1) The Board shall-

   (a) Keep proper books and records in relation to receipts and payments;

   (b) Prepare a report of all the activities of the Board, including financial statements, in respect of
each financial year and the Board’s regulatory functions in respect of all lotteries and all
matters in respect of which the Board rendered advice or made recommendations to the
Commissioner in accordance with paragraph (c) and (e) of section 9, and

   (c) submit the reports and financial statements referred to in paragraph (b) to the
Commissioner, within three (3) months after the end of each financial year.

(2) In subsection (1) “financial year” means-

   (a) the period from the date on which the Board is appointed for the first time to the last day of
December in the following year, and

   (b) each period of 12 months thereafter ending on the last day of December

(3) The financial statements shall comply with generally accepted accounting principles and any
other directions that may be given by the Commissioner, or may be provided for in statutory
measures applicable to the Board, as to the information to be contained in such statements, the
manner in which such information is to be presented or the methods and principles according to
which such statements are to be prepared.
(4) The financial statements of the Board shall be audited by the Auditor-General and shall be published in a National Newspaper within ninety (90) days after submission to the House of Assembly.

(5) The report referred to in subsection (1) shall include the recommendations of the Board with regard to-

(a) the percentages prescribed in terms of section 33(3); and

(b) any amendments to this Law or regulations issued under this Law in order to improve the execution of the functions of the Board.

12. Licence to Conduct Lagos State Lottery

(1) The Governor may, after consultation with the Commissioner and/or the Board on the terms contemplated in section 13 and 14 issue a licence authorising a person to conduct the Lagos State Lottery.

(2) Application for a licence under this Law shall be in writing, and shall contain such information as the Governor or the Board has specified as necessary to enable the Commissioner to meet the requirement contemplated in the provisions of this Law.

13. (1) All Lotteries businesses within the State as provided for under Part A of this Law shall be conducted through on-line sales by Licensed Operators and their Retailers.

(2) All lottery operators within the State operating in accordance with the provisions of PART A of this Law shall sell Lottery tickets only at Board approved terminals or point sale units.

14. Grant of a Licence

(1) Before a licence is granted under this section, the Board shall be satisfied that-

(i) The applicant of the licence contemplated in this section has sufficient and appropriate knowledge or experience to conduct the Lagos State Lottery, or has unconstrained and continuous access thereto, and will be able to conduct the Lagos State Lottery strictly in accordance with this Law, the licence of the Lagos State Lottery and any agreement pertaining to the licence;

(ii) the applicant has the necessary financial and other resources to conduct the Lagos State Lottery;

(iii) no political party in the State or political office holder shall have any direct financial interest in the applicant or is a shareholder in the applicant's business; and

(iv) the applicant, for the duration of the licence will show a clear and continuous commitment to the Lagos State Lottery.

(2) In considering whether to grant the licence, the Board shall take into account-

(a) Whether any person who appears to the Board to be likely to manage the business or any part of the business of the Lagos State Lottery or public on-line lottery under the licence, is a fit and proper person to do so;

(b) whether any person for whose benefit that business is likely to be conducted, is a fit and proper person to benefit from it; and
(c) whether any person who is likely to manage the business or any part of the business of the Lagos State Lottery under the licence will do so-

(i) with all due propriety and strictly in accordance with this Law, all other applicable laws and the licence for the Lagos State Lottery or public on-line lottery together with any agreement pertaining to the licence;

(ii) so that the interests of every participants in the Lagos State Lottery or public on-line lottery are adequately protected; and

(iii) subject to subparagraphs (i) and (ii), so that the net proceeds of the Lagos State Lottery or public on-line lottery are as large as possible

(3) The conditions contemplated in subsection (1) shall include such conditions as the Governor shall determine, after consultation with the Board, and shall in particular include conditions requiring the licensee to-

(a) notify the Board in writing before doing anything specified in the licence;

(b) refer specified matters to the Board, for approval

(c) ensure that such requirements as the Board may from time to time determine or approve in terms of the licence are compiled with, including the imposition of penalties in the event of the licensee not complying with any provision of this Law or the licence;

(d) provide the Board at times specified by the Board with such information as the Board may require;

(e) make such arrangements as may be specified in the licence for the payment of such sums out of the proceeds of the Lagos State Lottery or public on-line lotteries as may be so specified to the Fund or to the Board, as the case may be, at specified times;

(f) do such things in terms of the licence, including the transfer of property or any rights, excluding intellectual property rights or proprietary software, as the Board may require, upon the expiration of the licence;

(g) obtain the approval of the Board for any lottery and the rules thereof before that lottery is conducted under the licence for the Lagos State Lottery or public on-line lotteries;

(h) to secure a valid and enforceable undertaking in writing from the licensee not to permit, require or compel any of its employees or agents to knowingly sell a ticket, or to award or to pay any prize to a director of the licensee or a director of a holding or shareholder company of the licensee, an employee, agent or consultant of the licensee or a member, employee or agent of the Board.

(4) A licence granted under this section shall include the conditions contemplated in section 13, 14, 15 and 16.

(5) A licence contemplated in subsection (1) may allow the licensee to appoint another person to conduct certain lotteries of the Lagos State Lottery on behalf of the licensee only with written approval of the Governor.
(6) The Board after duly considering any application submitted to it may issue other Public On-Line Lottery licences within the state to applicants that have met all conditions stipulated under this Law.

15. Duration of Licence

The licence shall be granted for an initial period of 5 years.

16. Renewal of Licence

(1) Where the Licence has been granted the licensee, may not earlier than six months or later than two months to the expiration of the term apply for a renewal of licence;

Provided that the licencee shall have no rights or legitimate expectation in respect of an extension of validity of the licence other than the right afforded by this subsection; and shall pay the prescribed renewal fees.

(2) Each licence renewal shall be for a maximum period of five years.

(3) In determining whether to renew the licence or not section 14 (1) and (2) of this Law shall apply and the Governor shall take into account any advice given by the Board in pursuance of a grant of the licence.

17. Power to enter and inspect

A licensee shall allow the Board or anyone designated by it to enter any premises or facility belonging to or under the control of the licensee or a member of the management of the licensee, or premises to which the licensee has a right of access, after 24 hours notice has been given, if such entry is necessary for protection of the integrity of the Lagos State Lottery or public on-line lottery, and to—

(i) examine or inspect anything, machine, document or data captured in any form, excluding proprietary software, found on or in the premises or facility, and make copies of or make extracts from that thing, machine, document or data; and

(ii) take such steps as may be reasonably necessary to protect the integrity and conduct of the Lagos State Lottery.

18. Fees

On—

(a) applying for the licence to be issued under the provisions of section 13; or

(b) the granting of a licence under section 14.

the applicant or the licence, as the case may be, shall pay to the Board the prescribed fee.

19. Variation of conditions of Licence

(1) The Governor or the Board may vary any condition in the licence granted under section 12—

(a) to the extent provided for in the proviso to section 16 (1); or

(b) other than a condition contemplated in paragraph (a), only if the licensee consents to that variation, or if the licensee does not consent to that variation, if—

(i) that variation is provided for in this Law or to the extent provided for in the licence; and
(ii) the licensee has been given a reasonable opportunity to make representations to the Governor in respect of the intended variation.

(2) If the Governor on the recommendation of the Board after consideration of the licencee’s representations decides to vary a condition in the licence without the consent of the licencee, the Governor shall cause a notice to be served on the licensee informing him of the variation and the date on which that variation shall take effect.

(3) The provisions of the licence to vary a condition in the licence under subsection (1) may allow the Governor or the Board to add a condition to the licence or to omit a condition from the licence.

20. Financial penalties for breach of conditions in Licence

(1) If the Governor or the Board is satisfied that a person has contravened a condition in respect of all payment due from the licensee to the Board under the licence he may impose a financial penalty on the person in respect of that contravention.

(2) The matters to which the Governor or the Board may have regard to imposing a financial penalty include the desirability of both-

(a) deterring licensee from contravening conditions under section 14;

(b) recovering any diminution in the sums payable under the provisions of this Law.

(3) If the Governor or the Board proposes to impose financial penalty he shall serve on that person a notice—

(a) stating that the person has contravened the conditions in the licence;

(b) identifying the contraventions in question;

(c) stating that the Board proposes to impose a financial penalty;

(d) specifying the amount of penalty

(e) stating the reasons for the imposition of the financial penalty and the amount of the financial penalty;

(f) stating the account number of the Distribution Trust Fund into which the financial penalty is to be paid.

(4) A notice under subsection (3) above must state that the person may, within the period of 14 days beginning with the date of the notice make written representation about the matter to the Governor or the Board.

(5) If within the period mentioned in subsection (4) above the Governor or the Board receives no written representation the financial penalty shall become payable at the end of that period.

(6) The Commissioner may make regulations as to the procedure to be followed where a person’s written representation has been received.

(7) The regulation referred to in subsection (6) above may make provision for—

(a) the financial penalty to become payable if the person fails to comply with any requirement imposed by or under the regulations made under this Law;
(b) the hearing of oral representation in addition to the written presentation.

(8) Where the Governor or the Board after taking the representations into account decide whether or not to impose a financial penalty, a notice conveying the decision shall be served on the person.

(9) Where the notice is to impose a financial penalty, a further notice served on the person must—

(a) identify the contravention in question;

(b) specify the amount of the financial penalty imposed;

(c) state the reasons for the imposition of the financial penalty and for the amount of the financial penalty;

(d) state the account number of the Distribution Trust Fund under which the penalty is to be paid.

(10) A financial penalty imposed by virtue of a decision under subsection (8) becomes payable on the date of the further notice.

(11) A person on whom a financial penalty is imposed is required to pay the penalty within the period of 14 days beginning with the date on which the financial penalty becomes payable.

(12) If the whole or any part of the financial penalty is not paid within the period mentioned in subsection (11) above then as from the end of that period the unpaid balance from time to time shall carry an interest at the current lending rate plus 2%.

(13) A financial penalty imposed on any person and any interest that would accrue under subsection (12) above in respect of the penalty shall be recoverable from that person as a debt due and the person’s liability to pay shall not be affected by the person’s licence ceasing for any reason to have effect.

21. **Enforcement of condition of Licence**

(1) If the Governor on the recommendation of the Board has reason to believe—

(a) that a person is likely to contravene a condition in the licence granted under section 14;

(b) that a person has contravened such a condition and there is a reasonable likelihood that the contravention will continue or be repeated; or

(c) that a person has contravened such a condition and that the contravention can be remedied,

the Governor or his appointed representative may apply to a Court of competent jurisdiction in Lagos State for an order prohibiting the contravention or, as the case may be, requiring the licensee and any other person who appears to the court to have been a party to the contravention, to take such steps as the court may direct.

(2) The liability of the licensee to pay any sum in terms of this Law or the licence or agreement pertaining to same shall not be affected by the licence ceasing to be valid for any reason and such sum may not be set off by the licensee against any amount due and payable.

22. **Grounds for revocation of Licence**
Any licence granted under section 14 of this Law may be revoked by the Governor on the recommendation of the Board on the ground listed in subsection (1-9)

(1) if the licensee is no longer a fit and proper person to conduct the Lagos State Lottery, whether because of the commission or omission of an act, insolvency, liquidation or for any other valid reason.

(2) if a condition contained in the licence has been contravened and the licensee has failed to redress such contravention 21 days after receiving notice from the Board of such contravention;

(3) if any information given by the licensee, any person who in any way controls the licensee or any agent or representative of the licensee to the Board—
   
   (i) in or in connection with the application for the licence;
   
   (ii) in accordance with a condition in the licence; or
   
   (iii) in making representations in terms of section 23 (1) in respect of financial matters regarding the Lagos State Lottery or in respect of any aspect of the management of the Lagos State Lottery is materially false;

(4) if any person who is managing the business or any part of the business of the licensee or who is a supplier of essential good or services to the licensee is not a fit and proper person to do so, whether because of the commission of an act of insolvency, liquidation, incarceration in a prison or other institution or for any other relevant reason, unless the licensee immediately takes steps to effectively dissociate himself, herself or itself from that person;

(5) if any person for whose benefit the licence has been acquired or who is a holding company of the licensee or who in any other way controls the licensee, is not a fit and proper person to benefit from it, whether because of insolvency, liquidation, imprisonment or for any other relevant reason;

(6) if the licensee has failed to take adequate steps to prevent the commission of fraud by his, or its employees, agents, representatives, suppliers or by participants in the Lagos State Lottery after having been alerted to or becoming aware of conditions conducive to the commission of fraud, or to instances of fraud or dishonesty.

(7) if the licensee, any of its employees, agents, representatives or suppliers prevent the Board or any person designated by it from exercising its rights contemplated in section 14 (3) (h);

(8) if the licensee, any of its employees or agents repeatedly and knowingly sell tickets or award or pay prizes to any person in contravention of section 14 (3) (h); or

(9) if an Order has been made by a Federal High Court, for the winding-up and liquidation, as the case may be against the licensee or a person who may control the licensee.

23. Notice of proposed revocation

(1) If the Governor on the recommendation of the Board is satisfied that grounds exist for the revocation of the licence granted in terms of section 14, the Governor shall in writing notify the licensee of the existence of such grounds and call upon the licensee to furnish reasons, within 21 days of service of that notice at the registered address of the licensee, why the licence should not be revoked, failing which the licence will cease to be valid upon the expiration of the said period of 21 days.

(2) If the licence for the Lagos State Lottery ceases to be valid in terms of subsection (1), the Governor shall inform the licensee in writing of that fact and of the expiry date upon which the licence ceased to be valid.

24. Suspension of Licence
The Governor on the recommendation of the Board may order a suspension of the licence in the notice contemplated in section 23 (1) as from the date of service of that notice for a period not longer than 30 days after the licensee has furnished those reasons.

25. Revocation of Licence

(1) If reasons are furnished by the licensee as contemplated in section 23 (1), the Governor on the recommendation of the Board, shall after considering such reasons—

(a) decide whether or not to revoke the licence; or

(b) call upon the licensee to appear before the Board on a specified date to make oral representations in support of any written representations made by the licensee or to answer any question which the Governor may have with regard to such written representations where after the Governor on the recommendation of the Board shall consider the matter and decide whether or not to revoke the licence.

(2) If the Governor after considering the matter decides to revoke the licence, the Governor shall by written notice served at the registered head office of the licensee notify the licensee of that fact, of the grounds for that revocation and of the date on which the revocation shall take effect.

(3) If the Governor decided to revoke the licence in terms of subsection (1) above, the Governor shall inform the Lagos State House of Assembly of the fact and of the grounds for that revocation and if the House of Assembly is not in session on the first day of its session.

26. Restriction on Licence

The Board under Part B of this Law shall not grant Licences or regulate any lottery or lotteries under the provisions of this Law.

27. Establishment of Lagos State Lottery distribution Trust Fund

(1) There is established a Fund to be known as the Lagos State Lottery Distribution Trust Fund (referred to in his Law as “the Fund”) to be managed by the Board in consultation with the Fund Manager appointed by the Board.

(2) The Board shall annually submit a report to the State House of Assembly in respect of the Fund, which may form part of the report contemplated in section 11 (1) (b).

28. Notwithstanding the provision of this Law, on revocation of a Licence, the Board may at its discretion terminate sales by any lottery operator at the expiration of seven (7) days demand notice in respect of paragraphs (a) and (b) and without prior notice in respect of (c)-(e) in the event that such operator:

(a) defaults in payment of proceeds due to the Board;

(b) fails to segregate and make available funds due to the State or the Board;

(c) sells or vends tickets off-line or in un-prescribed manner;

(d) fails to handle lottery funds in a prescribed manner;

(e) fails to observe the terms and conditions of its licence or any addendum thereto or any regulation or rule duly passed under this Law; or when such termination is in the best interest of the State and or the public.

29. The Fund to vest in and be administered by Board
(1) The Fund shall vest in and be administered by the Board.

(2) The Fund shall be held in trust by the Board for the purposes mentioned in this Law.

30. Revenue of the Fund

The Fund shall consist of—

(a) the sums paid to the Fund as provided for in section 7;

(b) interest and dividend derived from the investment of money standing to the credit of the Fund; and

(c) other money lawfully paid into the Fund.

31. Banking account

(1) Money in the Fund shall, pending the application thereof in terms of this Law, be paid into an account to be known as “The Lagos Lottery Distribution Trust Fund” at a financial institution to be determined by the Board on the recommendations of the Fund Manager.

(2) The financial institution where the account contemplated in subsection (1) is kept, shall not in respect of any liability of the Board, not being a liability arising out of or in connection with any such accounts, have or obtain recourse or any right, whether by set-off, counter-claim, charge or otherwise, against money standing to the credit of such account.

32. Investment of money not immediately required

(1) Any money of the Fund which is not required for immediate allocation, may be invested with a financial institution approved by the Board on the advice of the Fund Manager and may be withdrawn when required.

(2) Any unexpended balance of the money of the Fund at the end of any financial year shall be carried forward as a credit to the next succeeding financial year.

33. Allocation of money in the Fund

(1) Every sum that is paid to the Fund shall be appropriated for expenditure by the Board in accordance with subsection (2) and (3).

(2) Not more than 5% of the sum in the Fund shall be allocated for making payment under section 41 and held in the Fund for that purpose.

(3) Of the balance in the Fund after the deduction of the allocated sum referred to in subsection (2) above—

(a) 20% shall be allocated for expenditure on or connected with infrastructural objectives in the State;

(b) 20% shall be allocated for expenditure on or connected with educational objectives in the State;

(c) 20% shall be allocated for expenditure on or connected with environmental objectives in the State;

(d) 20% shall be allocated for expenditure on or connected with social and health related objectives in the State; and

(e) subject to section 41 (1) the balance shall be allocated for expenditure in respect of any other matter in the State and approved by the Governor for that purpose.
(4) The Board shall commence with the distribution of the sums as contemplated under subsection (3) above not later than six months after the launch of the Lottery.

34. Allocation to Infrastructural Objectives

(1) The money allocated for infrastructural objectives under section 33 (3) (a) shall be distributed by the distributing agency appointed by the Governor in consultation with the Board.

(2) The distributing agency shall possess the required skills and expertise to distribute the allocated sum fairly and equitably amongst all persons who meet the prescribed requirements.

(3) Any person or Company meeting the prescribed requirements may, in the prescribed form apply to the distributing agency for a grant.

(4) The distributing agency shall consider applications for grants and may, subject to section 38, pay such grants to appropriate recipients in accordance with the provisions of this Law.

(5) Any Appointment in terms of subsection (1) may at any time be revoked or the conditions applying to that appointment may be varied by the Governor, and no claim shall arise as a result of such revocation or variation.

(6) The Auditor-General or a person designated by him shall audit all financial statements reflecting expenditure from the sum allocated for social purposes twice a year and report of such auditing shall be published in a national newspaper within 90 days after submission to the House of Assembly.

35. Allocation to Educational Objectives

(1) The money allocated for educational objectives under section 33 (3) (b) shall be distributed by the distributing agency appointed by the Governor in consultation with the Board.

(2) The distribution agency shall possess the required skills and expertise to distribute the allocated sum fairly and equitably amongst all persons who meet the prescribed requirements.

(3) Any person or Company meeting the prescribed requirements may, in the prescribed form apply to the distributing agency for a grant.

(4) The distributing agency shall consider applications for grants and may subject to section 38 pay such grants to appropriate recipient in accordance with the provisions of this Law.

(5) Any Appointment in terms of subsection (1) may at any time be revoked or the conditions applying to that appointment may be varied by the Governor, and no claim shall arise as a result of such revocation or variation.

(6) The Auditor-General or a person designated by him shall audit all financial statements reflecting expenditure from the sum allocated for educational purposes twice a year and report of such auditing shall be published in a national newspaper within 90 days after submission to the House of Assembly.

36. Allocation to Environmental Objectives

(1) The money allocated for environmental objective under section 33 (3) (c) shall be distributed by the distributing agency appointed by the Governor in consultation with the Board.

(2) The distribution agency shall possess the required skills and expertise to distribute the allocated sum fairly and equitably amongst all persons who meet the prescribed requirements.
Any person or Company meeting the prescribed requirements may, in the prescribed form apply to the distributing agency for a grant.

The distributing agency shall consider applications for grants and may subject to section 38, pay such grants to appropriate recipients in accordance with the provisions of this Law.

Any Appointment in terms of subsection (1) may at any time be revoked or the conditions applying to that appointment may be varied by the Governor, and no claim shall arise as a result of such revocation or variation.

The Auditor-General or a person designated by him shall audit all financial statements reflecting expenditure from the sum allocated for social purposes twice a year and report of such auditing shall be published in a national newspaper within 90 days after submission to the House of Assembly.

37. Allocation to social and Health related Objectives

(1) The money allocated for social and health related objectives under section 33 (3) (d) shall be distributed by the distributing agency appointed by the Governor in consultation with the Board.

(2) The distributing agency shall possess the required skill and expertise to distribute the allocated sum fairly and equitably amongst all persons who meet the prescribed requirements.

(3) Any person or company meeting the prescribed requirement may in the prescribed form apply to the distributing agency for a grant.

(4) The distributing agency shall consider applications for grant and may subject to section 38 pay such grant to appropriate recipient in accordance with the provisions of this Law.

(5) Any appointment in terms of subsection (4) may at any time be revoked or the conditions applying to that appointment may be varied by the Governor and no claim shall arise as a result of such revocation or variation.

(6) The Auditor-General or a person designated by him shall audit all financial statements reflecting expenditure from the sum allocated for health purposes twice a year and the report of such auditing shall be published in a national newspaper within 90 days after submission to the State House of Assembly.

38. Allocation for miscellaneous purposes

(1) Any amount allocated for miscellaneous purposes under section 33 (3) (e), shall be distributed for good causes by the Governor in consultation with the Board.

(2) The Auditor-General or his designate shall audit all financial statements reflecting expenditure from the sum allocated to miscellaneous purposes twice a year and the report of such auditing shall be published in a national newspaper within 90 days after submission to the State House of Assembly.

39. Payment of Allocations

(1) The Governor shall, after consultation with the Board, in respect of any allocation awarded for a specific cause which the Board pays over to the distributing agency or in respect of a grant which a distributing agency may pay to recipients, impose such conditions as he deems fit, in addition to conditions requiring-

   (a) the amount of a grant or an allocation to be repaid on breach of any condition, in addition to any penalty which the Governor, the Board or the distributing agency, as the case may be, may impose;
(b) that a percentage of the allocation at the disposal of the distributing agency for grants
determined by the Board or the Governor shall be allocated to recipients in specified local
government.

(c) that a Company shall in respect of amounts granted to it every quarter provide the Board and the
distributing agency with audited accounts of all amounts distributed, and

(d) any recipient of a grant to provide the Board or the distributing agency with any relevant
information it may require.

(2) In considering any application for a grant in terms of this Law, the distributing agency shall comply
with any direction given to it by the Governor, or the Board as to the matters to be taken into
account, in determining the companies to whom, the purposes for which and the conditions subject
to which, that distributing agency is to allocate any amount.

(3) In performing his functions provided for under subsection (2), the Governor shall—

(a) consult with the Board and the relevant distributing agency before giving any directions to that
distributing agency; and

(b) take into account—

(i) the general development in the state, with specific reference to the financial, social and
moral interests of Lagos and the enhancement of the standard of living of people in the State;
and

(ii) local interest, including—

(a) the number of lottery tickets sold in each local government;

(b) the population of each local government; and

(c) the social requirement of each local government.

40. Power of the Governor to prohibit certain grants

The Governor may within seven days after a distributing agency has made a grant under this Law
prohibit that distributing agency from paying out such grant if such grant may be utilized for any
unlawful purpose or fails to comply with the conditions the Governor has imposed under section 34:
Provided that the Governor shall—

(a) consult with the Board and the distributing agency before any such prohibition is imposed; and

(b) disclose to the Board and the distributing agency any information at his disposal which may indicate
that any such grant may be utilized for any unlawful or improper purpose.

41. Payment from Fund in respect of Expenses

(1) The Governor may when he deems it appropriate, authorize that payments not exceeding 5% of the
money in the Fund be allocated to the Board out of the money in the Fund held under section 33 (2)
in respect of the Board’s expenses.

(2) The payments shall be of such amounts as the Governor deems sufficient for meeting the payments
made or to be made under sections (5) (1) and 6 (2), or any other expenses incurred by the Board.

(3) In determining the amounts that are sufficient for meeting the payments referred to in subsection
(2), the Governor shall take into account sums paid or to be paid to the Board in terms of section 8.
42. **Power to make Order in respect of section 33**

(1) The Governor may make an order on the recommendation of the Board, to substitute different percentage’s for any of the percentages for the time being specified in section 33 (3).

(2) Any amendment made under this section shall be such that—

(a) no percentage lower than 5 per cent is specified in section 33 (2); and

(b) the percentage specified in section 33 (3) amount in total to 100 per cent.

(3) Subject to the approval of the House of Assembly the Governor may provide for sums that would be held in the Distribution Trust Fund for distribution by a particular body to be held in the Distribution Fund for distribution to any other body contemplated in section 33.

43 (1) No other lottery business regulated under Part A of this Law shall be operated within the state without a Licence issued in accordance with the provisions of this Law.

(2) Unless authorized by or under this Law or any other law, no person shall conduct through any newspaper, broadcasting service or any other electronic device, or in connection with any trade or business or the sale of any article to the public, any lottery other than one authorized by or under this Law in which prizes are offered for forecast of the result of either--

(a) future events; or

(b) a past event, the result of which has not yet been ascertained or is not yet generally known.

44. **General offences**

(1) Any person who—

(a) Participates in; or

(b) Conducts, facilitates, promotes or derives any benefit from a lottery, shall unless such lottery, is or has been authorized by or under this Law or any other law, be guilty or an offence.

(2) Any person who—

(a) contravenes or fails to comply with any provisions of this Law;

(b) forges or in any other fraudulent way changes any ticket or any other document or thing pertaining to any lottery;

(c) knowingly sells, or in any other way disposes of any forged ticket or any other document or thing pertaining to any lottery;

(d) with intent to defraud, alter any number or figure on any ticket or any other documents or thing pertaining to any lottery;

(e) obtains any direct or indirect financial gain, which is not solely a share in the prize payout, by forming, conducting or in any other way promoting a syndicate for the purchase of a ticket;

(f) sells a tickets—

(i) at a price higher than the authorized price;
(ii) on condition that the seller of the ticket shares in the prize in the event of a ticket sold by him being the ticket in respect of which a prize is paid;

(iii) on any condition not provided for in the rules of the lottery concerned;

(iv) on credit or with the financial assistance in any form of the seller; or

(g) conducts, organizes, promotes, devices or manages any scheme, plan, competition, arrangement, system, game or device which directly or indirectly provides for betting, wagering, gambling or any other game of risk on any outcome of any lottery unless authorized by or under this Law or any other law,

shall be guilty or an offence.

45. Offences relating to Lagos State Lottery

Any person who—

(a) advertises or offers the opportunity to participate in a lottery, or game of another description and who gives by whatever means, a false indication that it is a lottery, or game, forming part of, or is otherwise connected with the Lagos State Lottery;

(b) with the intent to defraud, falsely makes, alters, forges, utters, passes or counterfeits a Lagos State Lottery ticket;

(c) influences or attempts to influence the winning of a prize through the use of coercion, fraud of deception, or through tampering with lottery equipment, systems, software, data, tickets or materials; or

(d) fails to comply with any regulation made under section 47,

shall be guilty of an offence.

46. Penalties

Subject to the provisions of section 20, any person who commits an offence under this Law or fails to comply with any of the provisions of this Law or any requirement made there under shall be guilty of an offence and shall be liable on conviction to a fine of N1,000,000 (One Million naira) or to imprisonment for a term not exceeding three years or both.

47. Power to make Regulations

The Commissioner may in consultation with Board make regulations, with respect to—

(a) the conduct of the Lagos State Lottery, including—

(i) the minimum age of persons to whom or by whom tickets or chances may be sold;

(ii) the persons or categories of persons who shall be disqualified from participation;

(iii) the places where or circumstances or manner in which tickets or chances may be sold or persons may be invited to buy such tickets or chances;

(iv) the circumstances under which lotteries may be advertised and the information that is to appear in an advertisement for a lottery;
(v) the places where or circumstance or manner in which signs relating to a lottery may be displayed;

(vi) the rules referred to in section 14 (3) (g);

(vii) licensing fees referred to in section 18;

(viii) in general any other matter which may be necessary or expedient to prescribe in order to achieve or promote the objects of Part A of this Law; and

(b) the making of oral representations as provided for in section 20 (7) (b).

48. Interpretation

In this Law, unless the context indicates otherwise requires—

“Approving Authority” means the authority appointed under the Lotteries and Pools Betting Law Cap.L76 Laws of Lagos State of Nigeria 2003 Vol.5;

“Attorney-General” means the Attorney General and Commissioner for Justice of Lagos State;

“Auditor-General” means the Auditor-General of Lagos State;

“Board” means the Lagos State Lottery Board established by section 1 of this Law;

“Chief Executive Officer” means the Chief Executive Officer contemplated in section 6 (1) (a);

‘Commissioner” means the Commissioner for Finance for Lagos State or any other person responsible for his function by whatever name he is called;


“Contravention” in relation to a condition and requirement and contravention to be read accordingly;


“date” in relation to a lottery, means the date in which the winners of that lottery are determined;

“distribute” in relation to documents or other objects, includes distribution to persons or places within or outside Lagos State;

“Distributing Agency” means a person or institution appointed by the Governor to distribute money, but not any Ministry or Department of the State Government;

“Educational Objectives” shall have the meaning ascribed in section 19 of the 1999 Constitution;

“Environmental Objectives” shall have the meaning ascribed in section 21 of the 1999 Constitution;

“essential goods and services” means goods and services that are essential to the operation of the Lotteries;

“Fund” means the Lagos State Lottery Distribution Trust Fund established by section 27 of this Law;

“Fund Manager” means a Fund Manager appointed by the Board under section 27 of this Law;

“Good causes” shall mean any cause as provided by this Law to which net proceeds of the Lagos State Lottery are payable;
“Governor” means the Governor of Lagos State;

“Licensee” means the person to whom the licence for the Lagos State Lottery has been issued in terms of section 14 (1) of this Law;

“Lottery” includes any game, scheme, arrangement, system, plan, or device for distributing prizes by lot or chance and any game, scheme, arrangement, system, plan or device, which the Commissioner may by notice in the Gazette declare to be a lottery;

“Lagos State Lottery” means any lottery or other games of chance that are operated by or on behalf of the State which includes lotteries played on-line, digital, electronics, telephones and other technology based lotteries but excluding public on-line lottery by society charitable and other private lotteries;

“net proceeds of the Lagos Lottery” means the sums that are payable to the Fund or the Board in terms of section 14 (3) (e), from the sales of lottery tickets.

“newspaper” includes a journal, magazine or other periodical publication;

“Ministry” means the Ministry of the Lagos State Government charged with responsibility for Lotteries and Betting;

“participant” in relation to a lottery means a person who is in possession of a valid ticket in that lottery obtained in consequence of payment of a price;

“person” includes any body of persons corporate or unincorporated;

“place” means any place, whether or not it is a public place, and includes any premises, building, dwelling, flat, room, office, shop, structure, vehicle, vessel or aircraft;

"Political office-holder” means a member of the Lagos State House of Assembly and any official of a political party, Alliance, political appointee or Movement;

“prescribe” means prescribe by regulation, and “prescribed” has a corresponding meaning;

“prescribed fees” means the licence fees payable under the licence;

“prize” means the prize awarded to the winner of a lottery;

“Public On-line Lottery” means any lottery or other games of chance which includes lotteries played on-line, digital, electronics, telephone and other technology-based Lotteries that are open to members of the public and is not restricted to membership of any society, religious group, association or social group;

“software” means a set of instructions fixed or stored in any manner and which, when used directly or indirectly in a computer, directs its operation to bring about a result;

“social objectives” means the objectives outlined in the fundamental objectives and directives of State policy in the Constitution;

“subscription” means the payment, or delivery of any money goods, article, matter or thing, including any ticket, coupon or entry form, for the right to compete in a lottery;

“this Law” includes regulations made under the Law;
“ticket”, in relation to a lottery means any symbol, sign, token, coupon, warrant, card, printed paper, document or list or any other means or device which confers or purports to confer the right to take part in a lottery and which is issued by or on behalf of the lottery in question.

PART B

Other Lotteries

49. Power to make Regulation

The Commissioner may make regulations generally for carrying into effect the provisions of this Part of the Law and in particular and without prejudice to the generality of the foregoing such regulations may provide for all or any of the following matters—

(a) laying down rules and regulations for the control of other lotteries, and for other connected purposes within the State;

(b) prescribing penalties for breaches or contraventions of any regulation made under this Law.

50. General provision as to other Lotteries

(1) Subject to the provisions of this Part the operation of other lotteries within the State shall be lawful if—

(a) it is so conducted that the chances therein are equally favourable to all the stakers;

(b) no money or money’s worth which any staker puts down as stakes is disposed of otherwise than for payment to a staker as winnings;

(c) no other payment in money or money’s worth is required for a person to take part in the lotteries or raffles.

51. Prohibition of other Lotteries without License

(1) No other lotteries’ business shall be operated within the State without a licence issued by the Board.

(2) Other lotteries in whatever form shall not take place in any premises or place without a licence issued in pursuance of subsection (1) above.

52. Licence fee

(a) For every other lottery that is conducted within the State there shall be paid a licence fee of Five hundred thousand naira (N500,000.00). For avoidance of doubt, it is hereby stated that the licence fee shall be payable for every other lottery, be it drawn daily, weekly or monthly.

(b) For every other lottery that is conducted within the State a levy of Twenty-five thousand naira (N25,000) is payable, be it drawn, weekly or monthly.

53. Application for Licence and approval rules for other Lotteries

(1) Every application for other lotteries shall be made to the Board whenever any licensee intends to conduct any lottery as stipulated in this Part.
(2) Every application for the issue of each other lottery licence shall be as in Form A and shall be accompanied by three copies of the rules in accordance with which the applicant proposes to conduct each lottery competition; and if the applicant proposes to conduct different competitions in accordance with different rules, the application shall be accompanied by three copies of each set of the rules.

(3) Every application for the issues of each other lottery licence shall be accompanied by three copies of the prizes payable to each category of winners in each competition.

(4) Every application for the issue of a lottery licence shall be accompanied by three copies of the intervals at which the competition shall be conducted.

(5) Subject to the approval of the Board, every other lottery competition shall be conducted in accordance with the rules previously approved by the Board.

(6) At any time during the duration of another lotteries licence—
   (a) any rules governing the conduct of competition by the licensee may be altered with the prior approval of the Board.

   (b) further sets of rules for the conduct of the competition may be adopted with the like approval.

54. Form and duration of License

Every other lottery licence shall be in the Form B set out in the Schedule to this Part.

55. Offences and penalty

(1) Any company or person who contravenes any regulation governing the conduct of other lotteries shall on conviction be liable to a fine of One Million Naira (N1,000,000:00) or imprisonment for two years or both.

(2) Where a company is proved to have committed the offence in subsection (1) above, with the consent or connivance or is attributable to any neglect on the part of any director, manager, secretary or similar officer of the company or any body purporting to act in any such capacity, he as well as the company shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

56. Prohibition of Lotteries in public places

Subject to the provisions contained in this Part conducting other lotteries in any street or other public places is prohibited.

57. Savings for club

Nothing contained in this Part shall prohibit—

(a) lottery competition carried on as an activity of a club; and

(b) application for lottery competition carried on for and by social and charitable organizations may be granted on special conditions by the Board.

58. Savings for entertainment

(1) Where lottery competition is conducted as an entertainment promoted for raising money to be applied for purposes other than private gain, then, in relation to the lottery competition, the provision of section 59 shall not apply.
(2) For lottery competition to be conducted for purposes stated in subsection (1) of this section, the organizers shall obtain the approval of the Board who may prescribe conditions or special conditions for such lottery competition.

59. **Power to suspend or revoke Licences**

A licence may be suspended or revoked—

(a) if upon a complaint made to the Board, it is satisfied that the licensee has failed to comply with any of the requirements of his licence, or the provisions of the law or any regulations made hereunder;

(b) if the Board is satisfied that it is in the public interest so to do; or

(c) if in any criminal proceedings however arising, the court recommends to the Board that the licence be revoked.

60. **Interpretation**

In this Law, unless it is otherwise expressly provided for or the context otherwise requires—

“**Board**” means the Lagos State Lottery Board appointed by the Governor under section 48 of this Law;

“**Commissioner**” means Commissioner for Finance for Lagos State or any other person responsible for his function by whatever name is called;

“**gaming**” means the playing of a game of chance for winnings in money or money’s worth, whether any person playing the game is at risk of losing any money or money’s worth or not;

“**Governor**” means the Governor of Lagos State;

“**Machine**” include any apparatus used for gaming;

“**Other lotteries**” means private lotteries, charitable lotteries, society lotteries and promotional competitions;

“**Premises**” include any place whatsoever where gaming is taking place;

“**Private lotteries**” means the one in which the sale of ticket is conferred to—

(a) members of the society established and conducted for purposes not connected with lotteries and any other person on the society’s premises; or

(b) persons all of whom either work or reside on the same premises;

“**Society lotteries**” means lottery promoted on behalf of a society which is established and conducted wholly and mainly for one of the following purposes—

(a) charitable purposes;

(b) participation in or support of athletics, sports, or games or cultural activities.

61. **Savings**

Nothing in this Law shall apply in relation to any lottery in respect of which there is no subscription.

62. **Repeal and exemption of Laws**
(1) Notwithstanding the provisions of any other Law, sections 240, 240A, 240B and 240C of the Criminal Code Law shall not apply to anything done under this Law.


(3) The provision relating to lotteries licenced and operated under the Lotteries and Pools Betting Law Cap. L.76, Laws of Lagos State of Nigeria, 2003 is repealed.

63. Citation and commencement

This Law may be cited as the Lagos State Lotteries (amendment) Law and shall be deemed to have come into force on the 21st day of July 2008.