

# World Lottery Association **By-Laws**

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Adopted at the General Meeting by write-in ballot, December 2, 2019.



## Preamble

- Cognizant of the colorful heritage of lotteries and betting that spans more than five centuries.
- Proud and vigilant of the trust placed in us by the governments who authorize our activities within an exclusivity as to jurisdiction and games offered.
- Aware of our role of guardians of the integrity inherent in the games of chance and/or skill we provide for public amusement.
- Inspired by the demands for territorial integrity, public order and morality.
- Mindful of the need to provide mutual assistance, the free flow of experience and establishment of standards of conduct and competence in all facets of our industry.
- Prepared to speak as one voice before international tribunals when requested to do so.

We, the Chief Executive Officers of the world's lotteries join together as an industry association for the betterment of our organization, our governments and the people we serve.

## Article I Definitions

In these By-laws these words have the following meaning:

### 1.1 Convention

A gathering of the membership to further the aims and objectives of the Association to which the entire membership is invited.

### 1.2 Regional Association

The organization representing one of the following geographic regions:

- Africa
- Asia/Pacific
- Europe
- North America
- South America

and recognized as such at a General or Special Meeting of the Association.

### 1.3 General Meeting

The gathering of the Members for purposes of conducting the business of the Association which is held annually or, subject to *Article 7.2.1*, if so decided by the Executive Committee every second year.

### 1.4 Special Meeting

The gathering of the Members convened according to the terms of *Article 8.2*.

### 1.5 Executive Committee

The Executive Committee is the body duly elected or appointed and charged with the responsibility to manage and supervise the affairs of the Association.

### 1.6 Executive Director

A person appointed by and reporting to the Executive Committee to manage the day-to-day affairs of the Association.

### 1.7 Lottery and Betting Game (s)

The games referred to in *Article 6.1.1*.



## Article II Name and Legal Status

### 2.1

The name of the Association is World Lottery Association (the “Association”).

Its legal status is an international, non-governmental, non-profit organization, of unlimited duration in the form of an Association with the status of a legal person, incorporated under Swiss Law, with a registered office in Lausanne, Switzerland, and an office in Montreal, Canada.

## Article III Office(s)

### 3.1

The responsibility and functions of the Offices shall be determined by the Executive Committee.

## Article IV Signing Authority

### 4.1

The Executive Committee shall have the power to appoint any member of the Executive Committee or the Executive Director to complete contracts, documents or other instruments on its behalf.

## Article V Aims and Objectives of the Association

### 5.1

The aims and objectives of the Association are to advance the collective interests of its Members and to enhance the capability, common knowledge and status of individual Members by:

- 5.1.1 providing forums for the exchange of experience and information;
- 5.1.2 the establishment of codes of conduct and certification of standards for lottery and betting operations in order to establish norms to which Members may wish to aspire;
- 5.1.3 the establishment of programs to assist in technical and educational areas to be made available to member organizations who request such assistance;
- 5.1.4 the establishment of services in educational, statistical, informational or administrative matters;
- 5.1.5 the convening of Seminars, Conventions, Conferences, General Meetings, Special Meetings and working groups to further the aims of the Association;
- 5.1.6 if so requested to provide stimuli and organizational assistance in the establishment of work groups seeking to form multi-jurisdictional lotteries, national or international in scope; and
- 5.1.7 representing several or all Members in conveying positions or opinions to authorities, private or public, wherever such Members have authorized the Association to speak on their behalf.

The Association shall promote alignment and harmonization of its aims and objectives with those of Regional Associations.

In carrying out its aims and objectives, the Association shall strive for territorial integrity, public order and morality.

## Article VI Membership and Membership Qualifications

### 6.1 Member

Any organization is eligible, subject to *Articles 7.4.3* and *8.1.2*, for membership that cumulatively respects the following:

- 6.1.1* conducts one or several of the games of chance and/or skill belonging to either of the following categories (collectively designated as Lottery and Betting Games):
- a) Lotto, classic lotteries, instant games, on and off-line lottery games, video lottery;
  - b) Toto, sports betting, sports lotteries, pari-mutuel betting on horse racing;
- whatever the technical and/or commercial means used for operating them are; be it at retail, on the internet or in the virtual world.
- An organization that is also duly authorized and also operates casinos can still be eligible for membership subject however to its operating on a permanent and significant basis at least three of the above mentioned Lottery and Betting Games; and
- 6.1.2* is licensed or authorized by a jurisdiction domiciled in a State recognized by the United Nations and not identified as a country that has strategic deficiencies by the Financial Action Task Force on Money Laundering (FATF), who, in accordance with national prevailing law, may issue a license or authorization to operate Lottery and Betting Games; and
- 6.1.3* acts in full respect of the legislation of each jurisdiction where it sells its games and where the client is located; and
- 6.1.4* its annual sales volume of its Lottery and Betting Games forms the greater part of the organization's total gross revenue; and
- 6.1.5* its net revenues for an important part, as defined by the Executive Committee, are dedicated, by public decision, to good causes and/or the State exchequer including specific gaming or dedicated taxes. For greater clarity, general taxes on revenues and capital as applicable are not included in the calculation; and

- 6.1.6* whose business practices conform to the aims and objectives of the Association; and
- 6.1.7* meets the highest standards of transparency and integrity as established by the Association, including:
- complying with at least Level 1 of the Association's Responsible Gaming Framework and committing, as best it can, in an integrated corporate social responsibility program and on the subsequent levels;
  - respecting the intellectual property rights, the games and data of all Associate members and of the members of the five Regional Associations;
  - demonstrating full transparency as to the identity of the organization's owners, its finances and structure;
  - taking into account regional and local culture constraints;
  - by agreeing to contribute to social issues such as climate change, respect of fundamental human rights and an inclusive society; and
- 6.1.8* subscribes to the Code of Conduct as may be approved by the membership or to a similar Code of Conduct adopted by a Regional Association and recognized as an equivalent by the Executive Committee.

### 6.2 Associate Member

Any person or organization that is supplying or intending to supply goods or services to the lottery and betting industry and whose application for Associate Membership is endorsed by at least two (2) Members, may be accepted by the Executive Committee as an Associate Member.

#### 6.2A Collaborating Members

An organization owned by a jurisdiction, as referenced in *Article 6.1.2*, and that is a shareholder of a WLA member is eligible for Collaborating Membership provided that it is endorsed by the WLA member in question.

Is also eligible for Collaborating Membership an organization which is licensed or authorized by a jurisdiction, as referenced in *Article 6.1.2*, to offer the Lottery and Betting Games of a WLA member in that jurisdiction provided that it has the approval of the WLA member in question. For greater clarity, this provision does not apply to retailers or retailers associations.



Collaborating members do not have voting rights but can, where applicable, participate in WLA certification programs and activities.

The Collaborating Member must comply with the provision of *Articles 6.1.3* and *6.1.4*.

The annual dues payable by Collaborating Member of the Association shall be paid in Swiss Francs and are equal to the lowest fee applicable to Associate Members.

The Executive Committee may suspend or expel any Collaborating Member who:

- 6.2A (1) fails to pay the appropriate collaborating membership dues;
- 6.2A (2) fails to retain the endorsement of the concern WLA member;
- 6.2A (3) fails to follow the Code of Conduct as may be required by the membership.

#### **6.2B Observer Status**

An organization that meets the WLA membership criteria as defined in *Article 6.1.2* other than it being domiciled in a State recognized by the United Nations, is eligible to be granted Observer Status. As an observer, it does not have voting rights but can, where applicable, participate in WLA certification programs and activities.

The last two paragraphs the *Article 6.2A* apply to the Observer Status.

#### **6.3 Provisional Member**

Upon receipt of an application for admission as a Member the Executive Committee may approve the applicant, upon such conditions and payments of dues as the Executive Committee may establish, as a Provisional Member until accepted as a Member at the next General Meeting or Special Meeting. Failing such acceptance, the applicant ceases to be a Provisional Member.

#### **6.4 Honorary Member**

The Executive Committee may, for election at a General or Special Meeting, nominate as an Honorary Member any individual who has made a significant personal contribution to the international lottery and betting industry, and who is not directly responsible for representing his lottery or betting organization within the Association. No Honorary Member shall be remunerated as such; however, reimbursement of transportation, hotel, and meal expenses may be offered.

“Honorary Member” may be invited to participate in the activities of the Association without voting privileges.

#### **6.5 Suspension and Expulsion of Members**

The Executive Committee, after having given the concerned member the opportunity to present its arguments, may suspend or recommend for expulsion, for a final decision by the next General Meeting or Special Meeting, any Member who:

- 6.5.1 fails to pay the appropriate membership dues; or is not in good standing for a period exceeding 12 consecutive months;
- 6.5.2 fails to take effective action to prevent advertising, sales or distribution of its products, either directly or indirectly, in another jurisdiction, if that activity is in contravention of the laws of that jurisdiction;
- 6.5.3 otherwise conducts its business affairs in a manner that brings discredit to the industry;
- 6.5.4 No longer respects the membership criteria;
- 6.5.5 fails to subscribe to a Code of Conduct as may be approved by the membership or to a similar Code of Conduct adopted by a Regional Association and recognized as such by the Executive Committee.

The Executive Committee may decide not to suspend or recommend for expulsion a Member whose government or supervisory authority does not permit it to subscribe to the Code of Conduct, if notwithstanding this, the Member in fact abides by and respects the terms of the Code of Conduct.

#### **6.6 Expulsion of Associate Members**

The Executive Committee may expel any Associate Member for non-payment of dues or failure to retain the endorsement of at least two Members or for supplying goods or services to lotteries that do not adhere to the WLA Code of Conduct as may be required by the membership.

#### **6.7 Resignation**

Any Member or Associate Member may resign from the Association upon a written notice of at least six months, but shall remain liable for all dues and obligations up to the date that the resignation becomes effective.

#### **6.8 Members' Dues**

The annual dues payable by Members of the Association shall be payable in Swiss francs and shall be based on a sliding scale consisting of different levels of dues related to annual gross revenue of Lottery and Betting Games, the ratio of the lowest dues level to the highest dues level being 1 to 5.

A member also may choose to have added to its dues over two years an amount sufficient to cover all costs associated with the participation of a delegate to the WLA convention.



## 6.9 Associate Members' Dues

The annual dues payable by Associate Members of the Association shall be payable in Swiss francs and shall be based on a sliding scale consisting of different levels of dues related to annual gross revenues derived from sales to the lottery and betting industry.

## 6.10 Payment of Dues

The dues payable by members and Associate Members of the Association must be paid by May 31 of each current year.

## 6.11 Responsibility of Members

The members and Associate Members of the Association are neither personally nor jointly responsible for the debts and obligations of the Association.

# Article VII Executive Committee

## 7.1 The Executive Committee

### 7.1.1 Structure

The Executive Committee shall consist of 13 persons each from a different country. The General Meeting shall elect eight (8) persons to the Executive Committee composed of a President and seven (7) other persons. After the election at a General Meeting each Regional Association shall nominate a delegate to the Executive Committee at a time convenient to the Regional Association. The Regional Delegates are subject to ratification by the Executive Committee members elected at the General Meeting.

No Region shall have a majority of the members on the Executive Committee. In the event that the General Meeting votes on a slate of Executive Committee members and more than 6 of the 13 with the highest number of votes are from the same Region only the person selected to represent that Region's Regional Association and those 5 others from that Region, or 4 if the President is also from the same Region, with the highest number of votes are officially elected.

Notwithstanding the above, the immediate past elected president participates at all the Executive Committee meetings, as long as he/she meets the eligibility criteria established in *Article 7.1.2*. In such a case the limitations of one person per country and no Region having a majority, provided for in the preceding paragraphs, do not apply to the immediate past elected President,

who does not, however, have a right to vote at Executive Committee meetings.

### 7.1.2 Eligibility to serve

Only persons who are active in day-to-day management such as the Chief Executive Officer, the Chief Operating Officer, the Managing Director or the Lead Management Decision Maker of a lottery organization that has been a WLA Member for a minimum of 4 years to be eligible to serve on the Executive Committee. In the event that a person becomes ineligible such person immediately ceases to be a member of the Executive Committee.

### 7.1.3 Representative Regional Association

Subject to 7.1.2, any person appointed to the Executive Committee to represent a Regional Association must be selected solely by Members of the World Lottery Association in that Regional Association. A person appointed to the Executive Committee to represent a Regional Association may not serve as President or Vice President of the Association.

### 7.1.4 Vice Presidents

The Executive Committee shall, subject to the limitations in 7.1.3, elect two (2) Vice Presidents from among the Executive Committee members who have been elected at the General Meeting; one of whom shall be designated as the Senior Vice President.

### 7.1.5 Nominations

The Executive Director shall notify the membership at least 30 days in advance of a General Meeting at which an election is scheduled, of the names of the persons nominated for election to the Executive Committee.

## 7.2 Term of Office

### 7.2.1 Terms

The election of Executive Committee, provided for by *Article 7.1.1*, must be held every second calendar year. The terms of office for all persons who are elected at a General Meeting to the Executive Committee shall commence at the close of the Convention at which elections are held for Executive Committee members and terminate at the end of the Convention held in the second calendar year after the election. There shall be no limit on the number of terms a person on the Executive Committee may serve with the exception of the office of President which is limited to two elected terms. The period of office of the delegates of the Regional Associations ends on the date on which the respective Regional Association appoints a new representative after the election for Executive Committee members at a General Meeting.





### 7.2.2 *Vacancy/President/Vice President*

In the event that the office of the President shall become vacant, the Senior Vice President will assume the duties and title of the President for the remainder of the term. The second Vice President shall assume the office of the Senior Vice President in the event that that office becomes vacant either due to the Senior Vice-President assuming the presidency or for any other cause. The Executive Committee shall subject to 7.1.4, appoint a person selected from among the Members of the Association to fill the vacancy on the Executive Committee and appoint a second Vice President.

### 7.2.3 *Vacancy/Regional Association Member*

Subject to 7.1.3, in the event of a vacancy on the Executive Committee as a result of the resignation or other termination of the appointment of a person representing a Regional Association, such Regional Association shall appoint a person to fill such vacancy for the remainder of the term, subject to approval of the Executive Committee.

### 7.2.4 *Vacancy/Executive Committee*

Except as provided in 7.2.2 and 7.2.3, in the event of any other vacancy on the Executive Committee, for the remainder of the term the vacancy shall be filled by the Executive Committee by a person selected from among the Members of the Association.

In this selection process the Executive Committee shall strive to maintain regional balance and continuity.

## 7.3 **Quorum**

A quorum of the Executive Committee shall be a majority of the sitting Executive Committee members subject to no one Region being able to form a quorum. All decisions of the Executive Committee shall require a majority vote of all the votes cast at such a meeting.

## 7.4 **Authority/Function/ Powers of the Executive Committee**

### 7.4.1 *Nominating Committee*

The establishment of a Nominating Committee to select candidates for the position of President and seven (7) Members of the Executive Committee.

### 7.4.2 *Convening*

The holding of Conventions, Special Meetings and, General Meetings and write-in ballots.

### 7.4.3 *Admission/Suspension/Expulsion*

The provisional admission, suspension and recommendations for expulsion of Members of the Association.

The admission, suspension and expulsion of Associate Members, and Collaborating Members and Observer Status to the Association.

### 7.4.4 *Budgets*

The approval of budgets and financial statements submitted by the Executive Director.

### 7.4.5 *Administration*

The supervision of the administration of the Association between General Meetings.

### 7.4.6 *Agendas*

The approval of the dates, location, agenda and programs of General Meetings.

### 7.4.7 *Staffing*

The appointment, terms, conditions and security of employment of the Executive Director, as well as the classification and working conditions of WLA staff.

### 7.4.8 *Amendments*

The consideration and approval of amendments to the by-laws to be presented at a General Meeting.

### 7.4.9 *Special Committees*

The establishment of special committees to undertake tasks for specific purposes.

### 7.4.10 *Meeting Sites*

The selection of the date and location of the next General Meeting.

### 7.4.11 *Additional dues*

Establish the amount to be added to a member's dues for two years to cover all the costs associated with a participation at the next WLA convention as provided for in *Article 6.9*.

### 7.4.12 *Recognition of Code of Conduct*

Recognize a Code of Conduct adopted by a Regional Association as similar to WLA's.

## **Article VIII Meeting of Members**

## 8.1 General Meetings

The General Meeting shall exercise the following functions and powers:

- 8.1.1 Modification of these By-laws.
- 8.1.2 Admission, suspension and expulsion of members of the Association.
- 8.1.3 Election and ratification of the members of the Executive Committee.
- 8.1.4 Appointment of auditors.
- 8.1.5 Ratification of the audited accounts of the previous financial period and approval of the budget for each fiscal year that will have commenced before the next scheduled General Meeting.
- 8.1.6 Establish the different dues categories and the corresponding dues payable from time to time by Members and Associate Members.
- 8.1.7 Consider reports and recommendations by the Executive Committee.
- 8.1.8 Consider and decide such other issues as may properly be brought before the meeting.
- 8.1.9 The establishment of a Code of Conduct for the Members and Associate Members of the Association.
- 8.1.10 To make all decisions for the Association not otherwise delegated or specified in these by-laws.

## 8.2 Special Meetings

Special Meetings may be convened by the Executive Committee if such is deemed in the best interests of the Association. The Executive Committee must convene a Special Meeting if petitioned to do so by a minimum of 20% of the Members in good standing.

Special Meetings shall consider and decide on any matter that may be considered at a General Meeting and that is properly brought before such meeting.

## 8.3 Quorum/Voting

- 8.3.1 A quorum is the Members who are present at a General Meeting or a Special Meeting.
- 8.3.2 The following decisions shall require the affirmative vote of no less than sixty-seven percent (67%) of the votes cast at such meeting:

- a) the recognition of the organizations representing the geographic regions (*Article 1.2*);
- b) the change of the Association's offices (*Article 3.1*);
- c) the election of Honorary Members (*Article 6.4*);
- d) the dissolution of the Association (*Article 18.1*);

8.3.3 The following decision shall require the affirmative vote of no less than seventy-five percent (75%) of all votes cast at a General Meeting or a Special Meeting:

- a) the admission, suspension and expulsion of Members of the Association (*Article 8.1.2*);
- b) the modification of these By-laws (*Article 15.1*).

8.3.4 All other decisions shall require a majority of all the votes cast at such meeting.

8.3.5 Prior to a vote being taken on a Member's expulsion for failure to subscribe to a Code of Conduct as may be approved by the membership or to a similar Code of Conduct adopted by a Regional Association and recognized by the Executive Committee as an equivalent, the Member must be offered the opportunity of presenting its position with regards to the alleged failure at the General Meeting where the vote is being taken.

## 8.4 Voting Rights

Members in good standing, that is members who have no payments owing to the Association for dues or invoiced services rendered by the WLA, and who are represented by a duly accredited delegate of such Member who is personally present shall be entitled to vote. The aforesaid accredited delegate may also cast the proxy vote for one other Member in good standing who is not present at the General Meeting, but never for more than one such absent Member, provided that he has received prior written authorization to execute the proxy from the person identified in 7.1.2 of that absent Member.

## 8.5 Notice

For a General Meeting, items to be considered for inclusion in the agenda must be submitted to the Executive Director at least 60 days in advance of the General Meeting. The agenda should be transmitted to the Members at least 30 days in advance of a General Meeting. Once the agenda is circulated to the Members it can only be changed if a majority of the Members attending the General Meeting give their consent.

## 8.6 Write-in ballot

Between General Meetings the Executive Committee may also decide to hold a write-in ballot on matters that require





the approval of the Members. In such instances, the Secretary General will circulate a document explaining the reasons justifying the proposed decision as well as the write-in ballot.

The write-in ballot will include 3 options: supporting the proposal, disapproving the proposal or abstaining.

Members must be given a minimum of 15 working days to return a completed write-in ballot. The write-in ballot can also mention that Members who have not responded by the given deadline are deemed to have voting in favor of the proposal.

## **Article IX Audit**

### **9.1**

There shall be a limited statutory examination of the books and accounts of the Association shall be audited every year as soon as possible, but no later than six months after the end of the fiscal year, by an independent external certified auditor designated for this purpose by the General Meeting.

## **Article X Languages**

### **10.1**

The official languages at any Convention, General Meeting or Special Meeting shall be French, German, Spanish and English. In the event of any dispute these By-laws, minutes and other records of the Association expressed in the English language shall be the determining text.

## **Article XI Functions of the President**

### **11.1**

The President is the principal representative of the WLA on policy matters as they are approved by the Executive Committee or General Meeting, as the case may be. The President is the chairperson of the Executive Committee and presides at all meetings of the Association.

## **Article XII Functions of the**

## **Vice Presidents**

### **12.1**

In the absence of the President, the duties shall be discharged by the Senior Vice President and in his absence by the Second Vice President.

## **Article XIII Functions of the Executive Director**

### **13.1**

The Executive Director shall report to the Executive Committee via the president and be responsible for the operations of the Association and the performance of all functions and duties assigned by these By-laws, by the Members at a General Meeting or Special Meeting, by the Executive Committee, or by the President.

The Executive Director shall attend all meetings of the Executive Committee.

## **Article XIV Remuneration and Expenses**

### **14.1**

The Executive Committee and immediate past elected President shall not be remunerated as such. Only those travel related expenses under the “WLA Reimbursement Policy” as approved by the Executive Committee shall be reimbursed.

## **Article XV Amendment of By-Laws**

### **15.1**

The Association’s By-laws may be amended at a General Meeting or Special Meeting of the Association.

### **15.2**

All modifications to present By-laws come into effect upon their approval at General Meeting or Special Meeting of the Association where they are adopted.

## **Article XVI**



## **Indemnity of the Members of the Executive Committee**

### **16.1**

The members of the Executive Committee are not personally liable of the debts and obligations of the Association and shall be indemnified for any costs incurred in proceedings taken against them in the execution of their duties, exercised in good faith.

## **Article XVII Fiscal Year**

### **17.1**

The fiscal year of the Association is January 1 to December 31.

## **Article XVIII Dissolution of the Association**

### **18.1**

The Association may be dissolved at any time at any General Meeting of the membership.

In the event of dissolution of the Association, and upon payment of all its debts and liabilities, the remainder of the assets of the Association shall be paid to other non-profit associations having objectives similar to those of the Association.

## **Article XIX Transitional Provisions**

### **19.1**

The *Articles 1.3, 1.4, 1.7, 2.1, 3.1, 6.1, 6.2, 6.2A, 6.3, 6.4, 6.5, 6.11, 7.1, 7.2, 7.3, 7.4, 8.1, 8.2, 8.3, 8.5, 8.6, IX, 10.2, 11.1, 15.1, XVI, XVII, 18.1* and *XIX* were amended at the General Meeting of November 21, 2018. All Association members on that date are deemed to meet the newly stipulated eligibility requirements.