

28 August 1992 No. 103

## **The act concerning Gaming Schemes etc.**

Cf. Previous Acts of 21 June 1946 No. 2 (football pools), 20 December 1985 no. 102 (Lotto).

*Section § 1.* The Act applies to

- a) gaming schemes related to sporting events and other competitions which are not governed by other acts,<sup>1</sup>
- b) the numbers game Lotto,
- c) lotteries that are arranged through the use of payout machines, cf. the Act of 24 February 1995 No. 11 on lotteries etc. § 1 first part *litra e*, and
- d) other gaming schemes to which the King may decide the Act should apply.

This Act also applies on Svalbard.

The Act shall ensure that gaming schemes are arranged in a satisfactory manner under public control, with the aim of preventing negative consequences of gaming, and at the same time ensuring that profits from the games can be allocated to the purposes mentioned in § 10.

Amended by the Acts of 17<sup>th</sup> April 1998 No. 23, 29<sup>th</sup> August 2003 No. 90 (first part came into force on 1<sup>st</sup> January 2004 pursuant to the resolution of 29<sup>th</sup> August 2003 No. 1091, third part came into force on 1<sup>st</sup> May 2005 pursuant to the resolution of 8<sup>th</sup> April 2005 No. 302

*Section 2.*

Except with legal authority in statute law the provision of gaming schemes in connection with sporting events and other competitions and numbers pools is not permitted. Similarly, the selling or offering of coupons and the like in connection with such arrangements is prohibited.

Sporting associations, humanitarian organisations and other organisations with charitable purposes, and the company's agents may form gaming teams, which participate in games in the company on behalf of their members. The Ministry may pass regulations governing such gaming teams, and in the event of disputes will decide whether an association is encompassed by these present provisions.

It is unlawful<sup>1)</sup> to advertise in newspapers and journals, or to announce to the public or in other ways disseminate information about foreign numbers pools and gaming schemes organised in connection with sporting events and other competitions, about the sale of coupons and the like or about the cashing of prizes.

1) Cf. Section 1

*Section 3.*

The gaming company will be a state-owned joint stock company in which the state owns all the shares.<sup>1)</sup>

The Act concerning joint stock companies<sup>2)</sup> will not apply to this company.

The King will pass a resolution to establish the company and will stipulate its Articles of Association.

The King<sup>3)</sup> may decide that the company may undertake assignments for other companies, associations or institutions which are permitted to provide games or betting to operate lotteries with legal authority in statute law.

1) cf. Section 16

2) The Act of 4 June 1976 No. 59

3) The Ministry of Cultural Affairs pursuant to the resolution of 17 June 1992 No. 1051.

#### *Section 4.*

The Act of 10 February 1967 concerning the processing of administrative matters (The Public Administration Act) and the Act of 19 June 1970 No. 10 concerning the freedom of information in administrative matters (The Freedom of Information Act) will not apply to this company. The Act of 18 July 1958 No. 2 concerning civil service disputes (The civil servants Act) will not apply to employees of this company.

#### *Section 5.*

The share capital of the company shall be NOK 150 000 divided into shares with a nominal value of NOK 50 000 each, to be fully paid up. The King may decide that the share capital is to be increased or decreased.

#### *Section 6.*

The company will be managed by a board comprising at least five members appointed by the King <sup>1)</sup> for a period of two years. The instructions may stipulate shorter or longer periods of office. Shorter periods of office may be fixed by supplementary elections. The King <sup>1)</sup> will issue instructions to the board and will appoint the chairman and the deputy chairman. If a majority of the employees so requires, two of the members of the board and their deputy members will be elected from amongst the ranks of the employees. The Ministry may issue detailed guidelines concerning the conditions for regulating voting rights and electability, the mode of election, the office of members, the resolution of disputes about elections and the withdrawal of the office of members of the board.

The Ministry will appoint the chief executive and will fix the chief executive's salary and other terms of employment. The chief executive will participate in the board meetings but will not have voting rights.

1) The Ministry of Cultural Affairs pursuant to the resolution of 11 December 1992 No. 1051.

#### *Section 7.*

The board will ensure that the business is operated in accordance with the objects of the company, its Articles of Association and its guidelines. The board will be responsible for ensuring that the company is satisfactorily organised and managed, which will include managing the relationship with the agents, and will ensure that the bookkeeping and management of the company's assets are subject to satisfactory controls. The board will monitor the chief executive's management of the business. <sup>1)</sup>

The board will submit accounts and annual report to the Ministry for approval.

The accounts of the company will be audited by the Office of the Auditor General.

1) Cf. Section 14.

#### *Section 8.*

The King may resolve that the company is to be dissolved and will pass regulations as to the procedures for doing so.

#### *Section 9.*

The King <sup>1)</sup> may resolve that the company should establish reserves and if so, will pass detailed rules on what provisions should be made and how the reserves should be managed.

1) The Ministry of Cultural Affairs pursuant to Res. 9 December 1992 No. 1051.

#### *Section 9a.*

A subsidiary can also be a gaming company. §§ 3 to 9 also apply to subsidiaries. The parent company shall regardless own all the shares in such companies, and the Board of Directors of the parent company shall appoint the Managing Director and stipulate the directors' wages, salaries and other remunerations and terms of employment.

Amended by the Act of 29<sup>th</sup> August 2003 (came into force on 1<sup>st</sup> January 2004 pursuant to the resolution of 29<sup>th</sup> August 2003 No. 1091)

#### *Section 10.*

After provisions have been made for reserves <sup>1)</sup>, the profits of the company will be distributed to: 1/3 to sporting purposes, 1/3 to cultural purposes and 1/3 to scientific purposes. The funds for sporting purposes will be distributed by the King. The funds for cultural purposes and for scientific purposes will be distributed by the Storting.

1) Cf. Section 9.

#### *Section 11.*

The Ministry will lay down the rules applicable to the games encompassed by the Act. The lower age limit for playing pay out machines is 18 years. The Ministry can stipulate age limits for participation in other games as mentioned in § 1.

Amended by the Act of 29<sup>th</sup> August 2003 (came into force on 1<sup>st</sup> January 2004 pursuant to the resolution of 29<sup>th</sup> August 2003 No. 1091)

#### *Section 12.*

For each individual game the Ministry will lay down how large a share of the stake should be applied for the purpose of prize money.

The Ministry may decide that a prize may not exceed a specific amount, that the prize money should be rounded off and that prizes under a certain minimum amount should not be paid out.

The right to a prize will lapse if the prize is not claimed from the company within three months of the announcement of the results of any round of the game in question.

#### *Section 13.*

Gaming coupons and electronically transferred games may only be sold from the offices of the company or by the company's agents. Sales will be from fixed sales outlets approved by the company. The board may at any time deprive an agent of the right to sell gaming coupons or the right to transfer bets electronically.

#### *Section 14.*

The Gaming Authority shall supervise that the business of the company activities is conducted in accordance with the Act and the gaming rules, including deciding which coupons and stakes are entitled to prizes.

The Gaming Authority will lay down instructions for supervision.

#### *Section 15.*

Breaches of the provisions of this Act or abetting therein will be punished by fines or by imprisonment for up to three months.

Persons breaching the provisions passed pursuant to the Act or complicity in such breaches will be punished in the same way.

Negligent breach of the Act is also an offence.

Attempts <sup>1)</sup> to sell gaming coupons in contravention of Section 13 will be punishable.

1) Chapter 4 of the Criminal Code.

*Section 16.*

The company established pursuant to section 2 of the Act concerning the football pools of 21 June 1946 No. 2 may at any time be transferred in its entirety to a company approved pursuant to Section 3 of this Act by transferring assets, rights, including public licences, and obligations relating to the business to the company. Creditors and any other parties holding rights in respect of debts may not oppose such a transfer or contend that it constitutes grounds for voiding the legal relationship.

*Section 17.*

The Act will enter into force on the date decided by the King <sup>1)</sup>.

From the same date the Act concerning football pools of 21 June 1946 No. 2 and the Act concerning the numbers pool Lotto of 20 December 1985 No. 102 will be replaced.

1) From 1 Jan. 1993 pursuant to resolution of 28 August 1992 No. 633.