

LOTTERY SCHEMES, GENERAL RULES

1. The following shall be posted in a conspicuous place in the premises designated for the conduct and operation of a lottery event:
 - (a) a copy of the current licence authorizing the lottery and any amendments for the licence;
 - (b) related schedules;
 - (c) house rules; and
 - (d) notices and posters, as required by the division.
2.
 - (1) With the exception of charities, registered with the Charities Division of the Canada Revenue Agency, licensees shall open and maintain a separate designated lotteries trust account in a financial institution authorized to take deposits and to administer proceeds of the money derived from lottery schemes.
 - (2) Registered charities shall maintain separate lottery accounting records which shall include deposit books, journals and ledgers.
3. In administering the trust account the licensee shall appoint a minimum of 2 signing officers, who shall be members of the licensee and who shall write cheques on behalf of the licensee.
4. The licensee shall reconcile the trust account on a monthly basis, or as activity permits.
5.
 - (1) Cash proceeds from lotteries shall be deposited into the licensee's trust account immediately upon receipt.
 - (2) The licensee shall not deposit money received from any other sources other than lottery activity into the trust account, transfer funds by any means from the trust account into an operating or general account of the licensee or close the trust account until all money has been used for the approved charitable or religious object or purpose .
6. Any interest accrued on the trust account shall be used for the charitable or religious object or purpose of the licensee.
7. Where a lottery is conducted on the occasion of, or in conjunction with some other lawful activity, such as a dinner, dance, entertainment, fashion show etc. the percentage of the overall event revenues that are derived from lotteries shall be deposited in the trust account as reported, and used only for authorized purposes.
8.
 - (1) All expenses incurred as a result of conducting the lottery shall be deducted and paid out from gross receipts derived from the lottery.
 - (2) Unless there is negative revenue, the licensee shall use no money from any other source to pay for lottery expenses.
9.
 - (1) The licensee shall maintain the division's financial records that relate to the licensed lottery, or a similar version that is approved by the division.
 - (2) In addition the licensee shall maintain books and other documents in support of all financial records and reports.
 - (3) The licensee shall obtain receipts for each expense incurred.
 - (4) These records shall be kept up to date and be retained for no less than 6 years from the expiry date of the licence.
10. A peace officer as defined by the *Criminal Code*, or an official of the division, shall be given unencumbered access to all areas of a premises on which a lottery scheme is taking place and, the officer or official shall be given unencumbered access at any reasonable time to all records pertaining to a lottery scheme, including the records of any commercial agent, and if considered necessary to remove the records from a premises.
11.
 - (1) When requested the licensee shall deliver to the division, or permit the removal of, the licensee's books, records and other documents that would be requested.
 - (2) Where the licensee refuses access or does not produce as requested, records or documents, the division may suspend or revoke licences.
12. The division may require the licensee to provide audited statements in accordance with guidelines established by the division.
13. A lottery event shall be conducted in a suitable premises as approved by the division.
14.
 - (1) All equipment used in the conduct of a lottery shall be located in an area visible to the players.
 - (2) Equipment shall be maintained in good working condition and shall be made available for inspection, upon request.
15. The licensee shall comply with all federal, provincial and municipal laws.
16. In any licensed lottery scheme, the chances of winning shall be equal for all players or participants.
17.
 - (1) A licensee shall not enter into a contract or agreement, written or verbal, implied or stated, for the supply or purchase of goods or services, unless the method of payment is fixed and pre-determined.
 - (2) Payment terms based upon a percentage or commission shall not be allowed.
 - (3) Excluded are commissions paid on ticket entry sales.
18. The licensee shall not offer as a prize, tickets for a proposed future lottery.
19.
 - (1) The *Liquor Control Act* precludes the

- granting of alcohol as prizes to any person under the age of 19 years.
- (2) It is an offence under the *Tobacco Control Act* to give tobacco as a prize to a person under the age of 19 years.
- (3) A prize of a firearm shall not be given to a person who is not authorized under the *Firearms Act* (Canada) to possess a firearm.
20. (1) The licence number shall be shown on all advertising.
- (2) Advertising outside of the province is not permitted unless a licence is held in that province in accordance with subsection 207(1)(f) of the *Criminal Code*.
21. The division may require verification by affidavit, or the posting of a bond or satisfactory guarantee of the payment of a prize.
22. Any changes or amendments to the licence shall be requested in writing and may be authorized by the division.
23. (1) Where a licensed lottery scheme does not proceed as scheduled, the division shall be notified immediately.
- (2) The licensee shall then comply with any additional instructions as to handling or disposition of proceeds collected, or any other matter concerning the lottery or the licence.
24. A licence period shall not exceed 12 months unless expressly authorized by the division.
25. The conduct and management of a lotteries scheme shall not be delegated to another organization or to a person who is not a member of the licensed organization, without the approval of the division.
26. A licence is not transferable.
27. (1) When required a financial report shall be submitted to the division within 60 days after the expiry date of the licence or as demanded.
- (2) The report shall be accompanied with applicable fees for lottery licensing schemes in accordance with the following schedule:
- (a) **BINGO** - Where a financial report is required, a licence fee shall accompany the report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes;
- (b) **BREAKOPEN** - A licence fee shall accompany the financial report in the amount of \$10 a box/unit or part box/unit of breakopens sold;
- (c) **BINGO/BREAKOPEN** - For the bingo lottery, a licence fee shall accompany the report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes; the licence fee for breakopens is \$10 a box/unit or part box/unit of breakopens sold;
- (d) **TICKET** - Where a financial report is required, a licence fee shall

accompany the report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes;

- (e) **GAMES OF CHANCE** - Where a financial report is required, a licence fee shall accompany the report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes except in the case of a wheel of fortune a fee of \$5 for each wheel per event and in the case of a game of chance a fee of \$5 for each game per event;
- (f) **MONTE CARLO** - A licence fee shall accompany the financial report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes except in the case of a wheel of fortune a fee of \$5 for each wheel per event and in the case of a table game a fee of \$5 for each game per event and in the case of a monte carlo game a fee of \$5 for each game per event; and
- (g) **SPORTS** - A licence fee shall accompany the financial report in the amount of 1% of the total amount of the retail value of prizes and cash given as prizes.

SCHEDULES

28. A licensed bingo lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule A.
29. A licensed breakopen lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule B.
30. A licensed bingo/breakopen lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule C.
31. A licensed ticket lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule D.
32. A licensed games of chance lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule E.
33. A licensed monte carlo lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule F.
34. A licensed sports ticket lottery scheme shall be conducted and managed in accordance with the rules as contained in Schedule G.

1. The total value of tickets or entries sold for any one event shall not exceed 12 times the total retail value of the prizes.
2. Discounted prices shall not be allowed for ticket sales, unless there is a method that ensures financial accountability that has been approved by the division.
3. Ticket or entry forms may be sold in series, each series shall be a different colour, and ticket numbers shall run consecutively from one series into the next. A series shall be released for sale only when a preceding series has been sold out.
4. A commission not to exceed 20% of gross receipts may be paid for the sale of time tickets or entry forms.
5. Standings, results and times shall be based upon official statistics provided by the appropriate sports league.

TIME TICKETS

6. Only televised games shall be authorized for a time ticket lottery.
7. Each time ticket shall be contained in a sealed envelope.
8. The licensee shall ensure that each ticket in a series shall have a different time, that is, minute and second.
9. (1) The licensee shall ensure that there shall be printed on a time ticket envelope the following:
 - (a) the licence number;
 - (b) the name of the licensee;
 - (c) the nature and value of prizes;
 - (d) the price of the ticket;
 - (e) the name of the printer;
 - (f) the date and time of the game; and
 - (g) the station televising the game.(2) The licensee shall have printed on the ticket the following:
 - (a) the licence number;
 - (b) the name, address and telephone number of the licensee;
 - (c) the nature and value of prizes;
 - (d) the date and time of the game;

- (e) the station televising the game;
- (f) reference as to how the purchaser may obtain times and claim their prize "Contact the Seller" is not sufficient reference, and the statement that "All prizes shall be claimed within 30 days of game"; and
- (g) the time in minutes and seconds.

10. The maximum individual prize for a time shall not exceed \$1,000, and the purchase price of a single ticket shall not exceed \$5.
11. Unclaimed prizes after 30 days of each event shall be included as part of the net proceeds to be used for, or paid to the charitable or religious objectives.

POOLS

12. All entry forms shall be self-copying or 2 part where the purchaser retains one copy. For other entry forms, the purchaser shall receive written confirmation of their choices.
13. All entry forms or written confirmation copies shall be consecutively numbered.
14. The licensee shall have printed on the entry form the following:
 - (a) the name of the licensee;
 - (b) a contact phone number;
 - (c) licence number;
 - (d) a list of prizes;
 - (e) the start and end dates of the pool;
 - (f) a place for the name, address and phone number of the purchaser;
 - (g) sufficient room to identify the purchaser's choice of each player or team; and
 - (h) rules concerning, the purchaser's choices, trades, point accumulation and ties, details of bonus prize award, if applicable, final date entries can be received to be eligible, where updates on standings shall be posted or broadcasted, and cancellation of the pool.
15. Winners of prizes shall be advised of the results of the pool by telephone, registered mail, or in person.

SPORTS POOLS

16. A spreadsheet, as approved by the division, or a copy of all entries shall be received by the division, not later than 2 weeks after the commencement of the pool. Any trades completed shall be received by the division within 2 weeks of the trade deadline. Failure to comply with this, may result in the licence being revoked and participants' monies being refunded.
17. Final prize winners' names and point standings shall be published at the end of the pool and submitted along with the financial report. To allow for any challenges to the standings, prizes cannot be awarded until 2 weeks after the publication.

PREDICTION POOLS

18. A minimum of 10 picks per entry is required from the games selection sheets.
19. A spreadsheet, as approved by the division, or a copy of all entries shall be received by the division, or postmarked, not later than 4:00 p.m. of the day that is 24 hours before the commencement of the games. Failure to comply with this, may result in the licence being revoked and participants' monies being refunded.

Sports

Lottery Financial Report (F/R).



Office use only	Organization RSN _____
	Trust Account RSN _____
	Folder RSN _____
	Entered _____

Licencee	Licence Information
Organization Name: _____ Mailing Address: _____ City/Town: _____ Province: _____ Postal Code: _____ Phone: _____ Fax: _____ Email: _____	Licence Number: _____ Report Period: From: _____ To: _____

Use of Proceeds

Provide detailed as to how proceeds were used: (Attach a separate sheet if necessary.)

To be signed by a Principal Officer of the Organization & the Person Completing this financial report.

We certify that this Financial Report and all accompanying documents are true and correct statements regarding the above lottery activity.

Principal Officer	Person Completing Financial Report
Name: _____	Name: _____
Position: _____	Position: _____
Phone (W): _____ Phone (H): _____	Phone (W): _____ Phone (H): _____
Signature: _____	Signature: _____
Email: _____	Email: _____
Date: _____	Date: _____

Financial Report can be dropped off at any Service Centre; mailed to Consumer Affairs Division P.O. Box 8700, St. John's, NL A1B 4J6.

Faxed to (709)729-6998 or emailed to appsconsumeraffairs@gov.nl.ca

For inquires contact Consumer Affairs toll free at 1-877-968-2600 or locally (Mount Pearl) at 709-729-2660.

Regional Office Contact Numbers:

Corner Brook (709) 637-2445

Reminder

Licence fee is 1% of the amount reported as your "Total Prize Payout".

Attach a list of winners.

The Financial Report is to be signed by a principal officer of your organization. i.e. president, vice president, treasurer

Make cheques payable to "Newfoundland Exchequer".

Keep a copy of this report for your records.

The Financial Report is due 60 days after the expiry date of your licence.

Failure to file a Financial Report may affect your organization's ability to obtain future licences.

All records for the lottery must be retained for a period of 6 years after the expiry date of your licence.

Personal Information contained on this form is collected by the Government of Newfoundland and Labrador and is protected under the Access to Information and Protection of Privacy Act, 2015.

Sports Lottery Financial Report

Event Information

Total Number of Events _____

Total Number of Tickets/ Entry Forms Printed _____

Total Number of Tickets/Entry Forms Sold _____

Total Number of Ticket/Entry Forms Unsold _____

Total Number of Ticket/Entry Forms Given as Commission or Promotion _____

Have all Prizes Been Paid out? Yes No

Gross Proceeds (Total Sales)

Ticket/Entry Form Sales \$ _____

Value of Donated Prizes (Retail Value Less Purchase Price) _____

Total Gross Proceeds \$ _____ (A)

Prize Payouts

Grand Prize(s) \$ _____

Consolation Prize(s) _____

Seller's Prize(s) _____

Other _____

Total Prize Payout \$ _____ (B)

Expenses

Licencing Fees (See reminder section on front page) \$ _____

Printing _____

Advertising _____

Rent _____

Salaries/Commissions _____

Utilities _____

Professional Fees _____

Equipment Lease/Rent _____

Administration _____

Other _____

Other _____

Total Expenses \$ _____ (C)

Net Proceeds For Charity \$ _____ (D)

(Total Gross Proceeds less Total Prize Payout and Total Expenses: A - B - C = D)