

Lottery General Rules



Posting of Rules and Licence

1. Pursuant to Section 12. of the **Lottery Licence Regulations**, 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.

Lotteries Trust Account

2. Pursuant to Section 13. of the **Lottery Licence Regulations**
 - (1) With the exception of charities, registered with the Charities Directorate 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.

Signing Officers

3. Pursuant to Section 14. of the **Lottery Licence Regulations**, 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.

Trust Account Reconciliation

4. Pursuant to Section 15. of the **Lottery Licence Regulations**, the licensee shall reconcile the trust account on a monthly basis, or as activity permits.

Mandatory Depositing

5. Pursuant to Section 16. of the **Lottery Licence Regulations**
 - (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.

Interest

6. Pursuant to Section 17. of the **Lottery Licence Regulations**, any interest accrued on the trust account shall be used for the charitable or religious object or purpose of the licensee.

Combined Event Revenues

7. Pursuant to Section 18. of the **Lottery Licence Regulations**, 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.

Expenses

8. Pursuant to Section 19. of the **Lottery Licence Regulations**
 - (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.

Licensee's Financial Records

9. Pursuant to Section 20. of the **Lottery Licence Regulations**
 - (1) The licensee shall maintain financial records that relate to the licensed lottery scheme.
 - (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.

Unencumbered Access by Peace Officer

10. Pursuant to Section 21. of the **Lottery Licence Regulations**, 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.

Removal of Books

11. Pursuant to Section 22. of the **Lottery Licence Regulations**,
 - (1) When requested the licensee shall deliver to the director, 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 director may suspend or revoke licences.

Audited Statements

12. Pursuant to Section 23. of the **Lottery Licence Regulations** the director may require the licensee to provide audited statements in accordance with guidelines established by the director.

Suitable Premises

13. Pursuant to Section 24. of the **Lottery Licence Regulations**, a lottery event shall be conducted in a suitable premises as approved by the division.

Equipment

14. Pursuant to Section 25. of the **Lottery Licence Regulations**

- (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.
- (3) Subsection (1) does not apply to electronic gaming equipment.

Use of Electronic Gaming Equipment

15. Pursuant to Section 25.1 of the **Lottery Licence Regulations**

- (1) A licensee shall not use electronic gaming equipment to conduct, manage and operate an electronic ticket lottery unless the electronic gaming equipment complies with the policy for electronic gaming equipment established by the director.
- (2) A licensee shall not install, move, maintain, modify or repair or permit the installation, movement, maintenance, modification or repair of the electronic gaming equipment referred to in subsection (1) without the director's approval.
- (3) A licensee shall not permit a player to use electronic gaming equipment to participate in an electronic ticket lottery where the electronic gaming equipment has been, in any way, tampered with so that it could affect:
 - (a) its integrity, safety, security or reporting capability; or
 - (b) the outcome or pay-out of the electronic ticket lottery.

Compliance

16. Pursuant to Section 26. of the **Lottery Licence Regulations** the licensee shall comply with all federal, provincial and municipal laws.

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Chances Equal

17. Pursuant to Section 27. of the **Lottery Licence Regulations**, in any licensed lottery scheme, the chances of winning shall be equal for all players or participants.

Contracts or Agreements

18. Pursuant to Section 28. of the **Lottery Licence Regulations**

- (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 pre-determined.
- (2) Where the method of payment is percentage based, the percentage shall not exceed 15 percent of the gross receipts.
- (3) Notwithstanding subsection (2), the percentage in relation to ticket sales shall not exceed 20 percent of the ticket sales.

Proposed Future Lottery

19. Pursuant to Section 29. of the **Lottery Licence Regulations** the licensee shall not offer as a prize, tickets for a proposed future lottery.

Prizes

20. Pursuant to Section 30. of the **Lottery Licence Regulations**

- (1) An organization licensed under section 3 may offer alcohol as a prize in a licensed lottery event to persons over the age of 19 years.
- (2) Notwithstanding subsection (1), the Liquor Control Act precludes the granting of alcohol as prizes to any person under the age of 19 years.
- (3) It is an offence under the Tobacco and Vapour Products Control Act to give tobacco, vapour products and non-tobacco shisha as a prize to a person under the age of 19 years.
- (4) 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.

Licence number

21. Pursuant to Section 31. of the **Lottery Licence Regulations**

- (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 .

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Verification

22. Pursuant to Section 32. of the **Lottery Licence Regulations**, the division may require verification by affidavit, or the posting of a bond or satisfactory guarantee of the payment of a prize.

Licence Amendments

23. Pursuant to Section 33. of the **Lottery Licence Regulations**, any changes or amendments to the licence shall be requested in writing and may be authorized by the division.

Notification

24. Pursuant to Section 34. of the **Lottery Licence Regulations**

(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.

Licence Period

25. Pursuant to Section 35. of the **Lottery Licence Regulations**

(1) A licence period shall not exceed 12 months.

(2) Notwithstanding subsection (1), where a licence relates to a series of lottery events, the licence period shall not exceed 24 months.

Conduct, Management and Operation

26. Pursuant to Section 36. of the **Lottery Licence Regulations**

(1) The conduct, management and operation of a lottery scheme shall be the responsibility of the licensee and shall not be delegated to another organization or person who is not a member of the licensee's organization.

(2) A licensee may acquire assistance with the conduct, management and operation of a lottery event from a person who is not a member of the licensee's organization where that person is under the supervision of the licensee.

The licensee will be held accountable for the operation of the approved lottery event and for compliance with the **Lottery Licence Regulations** under the **Criminal Code of Canada**.

Non-transferrable

27. Pursuant to Section 37 of the **Lottery Licence Regulations** a licence is not transferable.