

Lottery Licence

Temporary Licence Number: DT2022-03

Pursuant to Section 207 of the *Criminal Code* and *The Alcohol and Gaming Regulation Act, 1997*,

Rotary Club of Regina Eastview Inc
Box 1633
Regina, SK
S4P 3C4

is licenced to manage and conduct a Large Raffle lottery at:

The Rotisserie
3698 Victoria Ave E
Regina, SK

subject to the terms and conditions issued pursuant to this licence and such additional terms and conditions as may be specified hereon:

Ticket sales to commence: January 5, 2022
Total retail value of prizes offered: \$50,000
Draw type: 50/50

Draw dates:
February 13, 2022

Total number of tickets available is 7,000
1 ticket for \$20
3 tickets for \$50
7 tickets for \$100

Total ticket sales revenue cannot exceed \$100,000

Issued at Regina in the Province of Saskatchewan on January 5, 2022.

This licence is issued subject to compliance with all other federal, provincial, or municipal laws that may apply to the holding of this licence.



Susan Ross
President & CEO
Saskatchewan Liquor and Gaming Authority

RAFFLE

TERMS AND CONDITIONS

(Raffles with a Total Retail Prize Value over \$2,500)



Effective: October 2021

TABLE OF CONTENTS

1.	DEFINITIONS	1
2.	GENERAL	2
3.	JOINT OPERATIONS	2
4.	TICKET REQUIREMENTS	3
5.	BASIC TICKET DRAWS	3
6.	STANDARD TICKET DRAWS	4
7.	ADVERTISING	5
8.	SALES.....	6
9.	ELECTRONIC RAFFLE SYSTEMS	7
10.	RULES OF PLAY.....	8
11.	CONDUCT AND MANAGEMENT	9
12.	DRAW PROCEDURES	9
13.	PRIZES.....	10
14.	EXPENSES	11
15.	RAFFLE MANAGEMENT/MARKETING COMPANIES	11
16.	USE OF PROCEEDS	12
17.	BANKING REQUIREMENTS	13
18.	RECORDKEEPING	14
19.	REPORTING REQUIREMENTS	14
20.	AUDIT REQUIREMENTS.....	15
21.	CONFLICT OF INTEREST.....	15

1. DEFINITIONS

In these Terms and Conditions:

- (a) "BASIC TICKET" means a ticket without the purchaser's contact information. This type of ticket may also be known as a "bearer ticket". Basic ticket draws will not be allowed for Large Raffles except in special circumstances as approved by SLGA.
- (b) "DRAW" means the approved selection process by which the winner(s) are determined on a random basis.
- (c) "ELECTRONIC RAFFLE SYSTEM" means any website, computer software, and/or related equipment used by a raffle Licensee for any or all of the following: sell tickets; account for sales; facilitate the selection of winners (and associated tasks); pay prizes.
- (d) "EXPENSES" means actual costs incurred in the conduct of the event (ticket printing, advertising, etc.) and approved in advance by SLGA.
- (e) "GROSS REVENUE" means all monies spent by patrons when purchasing tickets to participate in any raffle.
- (f) "LARGE RAFFLE" means a raffle offering prizes with a total retail prize value in excess of \$50,000.00.
- (g) "LICENCE" means a licence issued by SLGA pursuant to the Criminal Code, for the conduct and management of a lottery scheme.
- (h) "LICENSEE" refers to the holder of a valid and subsisting licence issued by SLGA.
- (i) "NET PROCEEDS" means the funds left for the approved charitable purpose after the payment of all prizes and expenses approved by SLGA.
- (j) "RAFFLE" means a lottery scheme where for consideration, tickets are sold on a random chance of winning a prize, excluding breakopen and scratch tickets but including such schemes as 50/50 draws, elimination draws, calendar draws, sports pools and rubber duck races or derbys, without restricting the generality of the foregoing.
- (k) "REGULAR RAFFLE" means a raffle offering prizes with a total retail prize value in excess of \$2,500 but not more than \$50,000.
- (l) "TICKET" means a ticket which the holder has purchased as proof of a chance to win.
- (m) "TOTAL RETAIL PRIZE VALUE" means the total value of all prizes offered (including all applicable taxes) even if the prizes are donated.
- (n) "VENUE" means a physical location where a raffle event is being held.

2. GENERAL

- (a) The Licensee shall conduct the raffle in accordance with the application as approved, these Terms and Conditions, and any other Terms and Conditions as imposed by SLGA either before or after issuance of the licence.
- (b) The Licensee shall not revise any aspect of the raffle without prior SLGA approval. Requests for such changes must be submitted in writing by the Licensee to SLGA. If approved, SLGA will issue an addendum to the licence. If the approved amendments occur after ticket sales have commenced and affect the awarding of prizes, the Licensee is required to advise ticket holders and amend unsold tickets.
- (c) Amendments to extend or delay draw dates will not be approved except in extenuating circumstances. If approval is given to have a draw date amended, any purchaser's request for a ticket refund shall be accepted and a full refund issued.
- (d) A copy of the approved licence, any amendments to the licence and rules of play for the raffle must be posted or available during sales, whenever reasonable to do so, and at the time and location of the draw(s).
- (e) Licences are not transferable or assignable. The licence is rendered void.
- (f) The licensee shall ensure that the raffle is conducted completely within the province of Saskatchewan.
- (g) The Licensee shall comply with all municipal, provincial, and federal laws in connection with the licence issued.
- (h) An individual considered not being of good character or good standing shall not be involved in the operation of the raffle, if in the opinion of SLGA, the integrity of the raffle could be compromised by that person's involvement.
- (i) Licensees shall immediately notify SLGA in writing about any conduct, activity or incident that may be contrary to these Terms and Conditions or the approved Rules of Play for the event or that has, or may, compromise the fair and honest conduct of the raffle. This includes, for example, any suspected cheating or irregularities.

3. JOINT OPERATIONS

- (a) All partners in a joint licensing agreement must be eligible for a licence and are subject to an eligibility review by SLGA as part of the application process. The eligibility review includes the submission of a proposed use of proceeds from each partner. Each partner is named on the licence.
- (b) A copy of a partnership agreement or letter of understanding must be submitted at the time of application, and include the following:
 - (i) The names of the charitable or religious organizations involved;
 - (ii) How the proceeds are distributed and the expenses shared;
 - (iii) A joint bank account number;

- (iv) A contact person/persons for each partner.
- (c) All partners must share equal responsibility for the costs/liabilities of the raffle, or have an agreement specifying the liabilities and the distribution of revenues.
- (d) The partners will share in the responsibility for conduct of the raffle and for compliance with these Terms and Conditions.
- (e) All funds must be deposited directly in the joint bank account, and expenses, including the cost of prizes, must be paid from that account.
- (f) All partners are required to identify a lottery bank account into which their share of the net proceeds will be deposited. Disbursements to the approved use of proceeds shall be made directly from the lottery bank accounts.
- (g) All partners are required to use the proceeds only for approved purposes consistent with the use of proceeds approved as part of the licence approval and are required to provide access to the joint bank account and lottery bank accounts, as participants in the raffle, to SLGA auditors or investigators for financial review or audit.

4. TICKET REQUIREMENTS

- (a) The Licensee may be required to submit a draft or hand drawn copy of the proposed ticket with the licence application, for SLGA's approval.
- (b) The Licensee shall print only the number of tickets, and sell tickets only at the price or prices indicated and approved in the application for the licence.
- (c) The Licensee shall ensure that the total value of tickets printed and offered for sale does not exceed, but is not restricted to, twelve (12) times the total retail prize value of all prizes to be awarded (for example, if prize is \$1,000.00, gross sales cannot exceed \$12,000.00).
- (d) Tickets must indicate all pricing options (e.g. 1 ticket for \$2 and or 3 tickets for \$5). The Licensee may offer for sale single priced tickets and/or multiple priced tickets.
- (e) Tickets shall be numbered consecutively.
- (f) Licensees conducting sports lotteries, where tickets are issued related to the outcome of a sporting event (e.g. Grey Cup Pools), must ensure that all tickets are sold on the basis of pure chance and that the specific score/time is unknown until after the sale.

5. BASIC TICKET DRAWS

- (a) Raffles using basic tickets are only allowed where ticket sales and draws will take place during the span of a single day's event. Basic tickets can be used when the event is taking place in one or more venues, as long as all venues are controlled by the event organizer. Applications for raffle schemes proposing to use basic tickets should be made

well in advance of the event, in order for SLGA to give appropriate consideration.

- (b) Basic ticket sales shall only occur in the area(s) in which the event takes place and such adjacent or associated areas as are approved by SLGA.
- (c) Tickets are to be numbered consecutively. Roll tickets are not acceptable.
- (d) If there are daily draws occurring on consecutive days, different colored tickets shall be used on each day.
- (e) All tickets used for a draw must be identical with the exception of the numbering (e.g. two different colors must not be used).
- (f) Appropriate ticket inventory control sheets must be used for each draw to ensure that all sold tickets are entered into each draw. Inventory control sheets must track all tickets that are distributed, sold and returned by volunteer ticket sellers.
- (g) Licensees must use a transparent barrel large enough to accommodate all tickets and ensure proper mixing of tickets prior to the draw unless otherwise approved by SLGA.
- (h) Ticket draws are to be announced to the public and are to occur before the end of the entertainment event when purchasers are likely to be in attendance. Where tickets are sold in multiple venues, winners must be announced at all venues. If a draw cannot be made before the end of the event (i.e. due to a technical issue or due to unforeseen natural circumstances), or if tickets are sold in multiple venues, sufficient notification is to be given to customers of when and where the final draw will take place and where winning numbers will be advertised or publicized.
- (i) Ticket purchasers are to have access to winning numbers at the event (subject to (h) above). All winning tickets are to be displayed at the event until all prizes are claimed or until close of the event.
- (j) All rules of play for the raffle, as outlined in Section 10 and approved on the licence application, must be readily available to potential ticket purchasers.
- (k) At a minimum, basic tickets shall include the following information on the portion that is retained by the purchaser:
 - (i) Ticket number;
 - (ii) Name of the Licensee;
 - (iii) Licence number
 - (iv) Telephone number or website for Licensee contact person.
- (l) Basic ticket draws will not be allowed for large raffles except in special circumstances as approved by SLGA.

6. STANDARD TICKET DRAWS

- (a) Except as outlined in Section 5 above, raffle tickets and/or sales systems for raffles must be designed to collect standard customer information at the time of sale in order that winners may be contacted. An example of standard customer information is a customer's

phone number. Additional customer information can be obtained at the discretion of the charity.

- (b) At a minimum, tickets shall include the following information on the portion that is retained by the purchaser:
 - (i) Name of Licensee;
 - (ii) Number of the ticket;
 - (iii) Licence number;
 - (iv) Description of prizes, their total retail prize value, and any cash alternatives;
 - (v) Time, date and location of draws;
 - (vi) Any restrictions that may be placed on the awarding of prizes;
 - (vii) Instructions on how to claim prizes (for example, website or phone number);
- (c) Licensees must use a transparent barrel large enough to accommodate all tickets and ensure the proper mixing of tickets prior to the draw. Any other draw barrel design must be approved by SLGA in advance.
- (d) All unclaimed prizes must be distributed in accordance with Section 13(d) of these Terms and Conditions unless otherwise approved by SLGA.
- (e) All rules of play for the raffle, as outlined in Section 10 and approved on the licence application, must be readily available to potential ticket purchasers.

7. ADVERTISING

- (a) The Licensee shall ensure all forms of advertising are accurate, and include the name of the Licensee as well as contact information. Advertising descriptions and prize values must accurately match prizes described in the licence application.
- (b) The Licensee shall ensure the following information regarding the raffle is readily available to potential customers (for example, included in advertising, posted online or available by mail/email upon request):
 - (i) Name of Licensee;
 - (ii) Licence number;
 - (iii) Price per ticket;
 - (iv) Description of prizes and their total retail prize value;
 - (v) Any cash alternatives to prizes, if applicable;
 - (vi) Date, time and location of all draws;
 - (vii) Total number of tickets offered for sale; and
 - (viii) Rules of play as outlined in Section 10.
- (c) Tickets shall not be sold, advertised or promoted to persons located outside of Saskatchewan.
- (d) The Licensee shall ensure all media advertising is done through outlets having a geographical location in Saskatchewan.

- (e) If applicable, raffle advertisements shall state that some tickets are eligible for more draws than other tickets. For example, those tickets purchased before a specific cut-off date are eligible for early bird draws.
- (f) Advertising a list of prize winners is not required. A list of winners, along with being submitted to SLGA as part of the reporting requirements, must be kept with the raffle records and the winners' names, ticket numbers and prizes won must be provided at no cost to any purchaser upon request.
- (g) The Licensee shall ensure that raffle advertising or publicity is not addressed to minors.
- (h) The Licensee shall not promote the raffle through a form of advertising or publicity that:
 - (i) Gives a person an unrealistic perception of a player's chances of winning; or
 - (ii) Does not conform to prevailing community standards.

8. SALES

- (a) The Licensee shall ensure all purchases are made on a voluntary basis. No person shall be obligated to purchase tickets as a condition of registration for the Licensee's programs or services.
- (b) A Licensee may distribute books of tickets to its membership to be sold or purchased by the membership on a voluntary basis, and where this occurs:
 - (i) A control sheet documenting the series of tickets shall be prepared;
 - (ii) The Licensee shall ensure that all ticket stubs and unsold tickets are returned to the Licensee prior to any draws taking place; and
 - (iii) The control sheets are to be retained as part of all lottery records.
- (c) The Licensee shall not distribute books of tickets to the general public to sell.
- (d) The Licensee may only sell tickets for cash, cheque, money order, debit, or credit card. If accepting non-certified cheques or credit card payments, the Licensee shall ensure the revenue from the ticket sales is received before tickets are eligible for draw(s).
- (e) Ticket sales must take place within Saskatchewan. Persons visiting from out of province may purchase a ticket if the entire transaction of payment and receipt of ticket occurs while the person is in Saskatchewan.
- (f) If the Licensee maintains a previous purchaser list from previously licensed raffles and there are customers on the list from outside Saskatchewan, these customers shall not be contacted or solicited in any fashion, or sent a ticket application form.
- (g) Websites and/or software used to sell tickets online must restrict sales to ticket purchasers located within Saskatchewan. Ticket requests by telephone shall only be processed if the call originates in Saskatchewan. The Licensee shall ensure that ticket orders are not accepted from, or solicited or processed for, a person located outside of Saskatchewan.

- (h) Licensees who offer an online sale option may consider other purchase options such as telephone or in-person ticket sales. See Section 9 for the Terms and Conditions relating to the use of websites and other electronic systems in raffles.

9. ELECTRONIC RAFFLE SYSTEMS

- (a) Licensees may use an Electronic Raffle System for a raffle under the following conditions:
 - (i) The Electronic Raffle System meets the *SLGA Integrity Certification Requirements for Electronic Raffle Systems* including certification by an independent test lab;
 - (ii) If a third party is providing the technology, the third party is a gaming supplier registered with SLGA;
 - (iii) Use of the Electronic Raffle System is approved by SLGA in advance (typically at the time of application); and
 - (iv) Any use of an electronic random number generator (RNG) is approved by SLGA in advance (typically at the time of application).
- (b) Licensees may be approved to use Electronic Raffle Systems to do any or all of the following:
 - (i) Take payment for and/or deliver tickets;
 - (ii) Account for sales;
 - (iii) Use an RNG to facilitate the selection of winners and other associated tasks; or
 - (iv) Pay prizes.
- (c) Licensees may also use websites, software, and other electronic systems to advertise raffles and to accept orders to purchase tickets that will be paid for and delivered off-line. Systems used only for these purposes are not required to be certified under *SLGA Integrity Certification Requirements for Electronic Raffle Systems*.
- (d) At all venue-based events where Electronic Raffle Systems are used, Licensees must comply with the following conditions:
 - (i) All electronic tickets must be sold by representatives of the Licensee. Licensees must ensure that all electronic ticket units (handhelds or kiosks) are operated by a charity representative. Unattended electronic ticket kiosks are not permitted.
 - (ii) All charity representatives must receive adequate training in advance of selling electronic tickets. The number of Licensee supervisory and management staff must be sufficient to support all ticket sellers and they must have a level of expertise and requisite training to operate the Electronic Raffle System.
 - (iii) Licensee supervisory and management staff must be present at all times during the course of the raffle to deal with any potential equipment or personnel issues.
 - (iv) Unless the use of an RNG to select winning tickets has been approved:
 - a. Licensees must ensure that ticket printing rooms/servers rooms must be kept secure at all times. The rooms must be staffed while sales are active and while tickets are printing. Unauthorized access to these rooms is not permitted at any time.

- b. Licensees must ensure that all computers, accessories and printers are properly maintained in order to ensure the proper operation during the course of the raffle. Printer maintenance must ensure that tickets are printing properly at all times during the course of the raffle.
- c. All electronic ticket stubs used for manual draws must be the same size, shape, and weight, and must have the same chance to win.
- d. If there is a power failure or technical problem with the system and the system can no longer be used, the raffle draw must be delayed until such time that all tickets sold can be printed. In the case of a delayed draw, customers must be properly informed of where winning ticket number(s) will be advertised. The draw can be made when all tickets sold have been printed and the accumulated cash prize must be paid.

10. RULES OF PLAY

- (a) The Licensee shall establish rules of play governing the conduct of the Raffle, including the Draw and awarding of prizes. The rules of play shall be approved by SLGA, must be consistent with these Terms and Conditions, and shall be made readily available to all Ticket purchasers if requested.
- (b) Rules of play must include any of the following that are applicable:
 - (i) Whether members of the organization, immediate family, or people involved in the conduct and management of the raffle are allowed to purchase tickets;
 - (ii) Any other restrictions on eligibility to purchase tickets, such as any minimum age requirement.
 - (iii) The purchase price of the ticket;
 - (iv) The number of tickets being made available for sale;
 - (v) The date(s), time(s), and location(s) of the draw(s);
 - (vi) The location of the draw;
 - (vii) The method by which the draws will be conducted, including but not limited to the order in which prizes will be awarded;
 - (viii) A description of each prize and its retail value (can be shown as dollar amount or percentage of sales, as appropriate), along with the value of any cash alternatives. If merchandise prizes are used, this must be identified;
 - (ix) Any conditions affecting ability to win or claim prizes (all require SLGA approval at time of application). Such conditions may include, but are not necessarily limited to:
 - a. If ticket purchasers must be present to win;
 - b. Prizes that are available only to a subset of ticket purchasers (for example, early bird or returning purchasers);
 - c. Any delivery costs the winner may be required to pay to take possession of a merchandise prize;
 - d. Any prize expiry dates (for example, trip vouchers);
 - e. If tickets will be discarded after being drawn rather than returned to the draw barrel to be eligible to win remaining prizes;
 - f. The method of distributing unclaimed prizes (see Section 13(d) for requirements);
 - g. For sports lotteries, how prizes will be awarded if the winning ticket is not sold.

- (x) A method for ticket purchasers to contact the Licensee in the event of a question, complaint, or dispute.

11. CONDUCT AND MANAGEMENT

- (a) The Licensee shall supervise, as well as be responsible and accountable for the conduct and management of every aspect of the raffle, including:
 - (i) The collection of all ticket sale revenue;
 - (ii) The payment of prizes;
 - (iii) The payment of all operating expenses;
 - (iv) Completing and filing the required financial report on the raffle;
 - (v) Ensuring that all Terms and Conditions of the licence, and any additional Terms and Conditions, are adhered to;
 - (vi) Supervising all ticket sellers;
 - (vii) Keeping all required records and depositing all monies into the raffle bank account; and
 - (viii) The reconciliation of all tickets and cash.

12. DRAW PROCEDURES

- (a) The Licensee must be able to account for all tickets at the draw. Prior to the draw, the Licensee shall reconcile the number of sold tickets and unsold tickets, with the number of tickets in the draw container to ensure that all eligible tickets are available for the draw.
- (b) All draws must be open to the public. The name, address and ticket number of the winner for each prize shall be recorded and verified by a party other than the person drawing the ticket.
 - (i) For Regular Raffles, the draws shall be witnessed by at least three members of the Licensee or other non-participating party (see Section 21 – Conflict of Interest).
 - (ii) For Large Raffles, the draws shall be made by an impartial party such as an accounting firm, or other non-participating party (see Section 21 – Conflict of Interest).
- (c) All winning tickets that are drawn shall be returned to the draw drum after each draw to allow for equal opportunity to participate in all draws, unless otherwise approved by SLGA.
- (d) The Licensee shall select the winning tickets by a method of random selection as described at the time of application and approved by SLGA.
- (e) The Licensee shall not require a ticket purchaser to be present at the draw to win the prize, unless warranted by the raffle scheme and approved in advance by SLGA.
- (f) The Licensee shall afford access to all areas of prize draw premises during the conduct of prize draws to ticket purchasers, inspectors or other persons designated by SLGA.

- (g) If a draw occurs and the Licensee later determines that not all eligible ticket stubs were in the draw, SLGA shall be immediately notified. The Licensee shall complete a report specifying the total number and serial numbers of the affected tickets and an explanation for how this occurred.

13. PRIZES

- (a) SLGA reserves the right to restrict the total retail prize value of any raffle prior to issuing a Licence.
- (b) The Licensee shall award all prizes as described on the Licence application and approved by SLGA.
- (c) The Licensee is responsible for contacting the prize winner(s) and shall make every reasonable effort to notify the prize winner(s).
- (d) The Licensee shall hold prizes that are unclaimed in a secure location for a period of one (1) year from the date of the draw. If the prizes go unclaimed beyond their hold date, the prize/cash equivalent shall be donated to a charitable beneficiary approved by SLGA. Additionally, the following conditions apply to unclaimed prizes:
 - (i) An exception is made for cash draws with basic tickets (e.g. 50-50), as these draws may have a timeframe of ninety (90) days for which unclaimed prizes must be held.
 - (ii) Licensees that have cash draws with basic tickets can either reuse the prize money within the current or future licensed raffle or donate the unclaimed prize money after the ninety (90) day hold has expired.
 - (iii) Any other unclaimed prize process, including those used in a basic ticket raffle, shall be approved in advance by SLGA and shall be outlined in the Rules of Play.
- (e) For prizes such as live animals, travel packages, food or other perishable items, the Licensee may set a specified time, subject to SLGA approval, in which the prize winner may claim the prize. The specified time shall be listed in the Licensee's Rules of Play.
- (f) The Licensee shall submit a list of unclaimed prizes to SLGA with the raffle financial report.
- (g) The Licensee shall not offer 'tickets for a proposed future lottery' as a prize.
- (h) For Large Raffles, applicants may be required by SLGA to guarantee that sufficient funds are available to cover the cost of all prizes offered. The guarantee may be either an irrevocable letter of credit or written documentation confirming a trust account has been established by a qualified Trustee, and that all Gross Revenues from the raffle will be deposited into that account.
- (i) Cash alternatives must be fully disclosed at the time of application, and if less than stated retail value of the prize including taxes, must be included on tickets and in all advertising.

- (j) Prizes must be immediately transferable to the winner without encumbrances on the title. No costs, including taxes, may be charged to the winner(s) to transfer ownership of the prize to the winner's name, with the possible exception of delivery costs to other locations as specified in the raffle Rules of Play at the time of application.
- (k) Where prizes are paid by cash, the Licensee must obtain a receipt from the winner showing the cash received, to be retained as part of the raffle records.
- (l) A raffle Licensee may award monetary prizes to winners by cash, cheque or electronic fund transfers or other electronic methods.

14. EXPENSES

- (a) The Licensee shall not pay any person or organization any remuneration, per diem, honoraria, or any other form of direct or indirect compensation or consideration for assistance in the conduct and management of a raffle, without prior SLGA approval. The Licensee may, with SLGA approval, pay a commission to other charitable or religious organizations for selling tickets. The other organizations must use the funds for approved purposes consistent with the use of proceeds guidelines outlined in the SLGA Policy and Procedures Manual.
- (b) The Licensee shall pay by cheque, or electronic transfer, directly from the lottery bank account those operating expenses approved by SLGA. Approved expenses include (for more detail see the Gaming Event Expenses section of the Policy Manual):
 - (i) Ticket printing;
 - (ii) Advertising;
 - (iii) Licence fee;
 - (iv) Appraisal fees for prizes, if required;
 - (v) Registered raffle management/marketing company fee, if applicable; and
 - (vi) Other expenses receiving prior approval from SLGA relating to the conduct and management of the raffle (e.g. mall space rental, credit card charges, banking charges, etc.).
- (c) Only actual and reasonable expenses related to the conduct of the raffle are allowed. Total cost of expenses (excluding prize costs) shall not exceed 30% of Gross Revenues. Exceptions to this limit may be considered by SLGA, at point of licensing or during the course of the license, if circumstances of the raffle scheme warrant such approval.
- (d) The Licensee shall pay directly from the lottery bank account all expenses as approved by SLGA. Until the raffle prizes are secured, approved raffle expenses may be paid from non-gaming funds. Once the prizes are secured, revenue from the lottery bank account shall be used to reimburse the expenses paid from non-gaming funds, with the appropriate corresponding receipts.

15. RAFFLE MANAGEMENT/MARKETING COMPANIES

- (a) The Licensee shall only use management or marketing services that are provided by a registered gaming supplier approved by SLGA.

- (b) Raffle management/marketing company employees and members of their immediate family are not eligible to win prizes in raffles for which they provide services.
- (c) Licensees contracting raffle management/marketing companies shall retain responsibility for conduct and management of the raffle. The Licensee must ensure the raffle management company complies with these Terms and Conditions, with *The Alcohol and Gaming Regulation Act, 1997*, with SLGA policy, and also maintains the integrity of the gaming. Licensees are required to report, in writing, to SLGA any non-compliance or issues which may impact upon the integrity of the gaming.
- (d) A draft copy of the raffle management/marketing contract must be provided with the raffle application for review by SLGA prior to being signed. A final copy must also be submitted once the contract is signed by both parties.
- (e) The raffle management/marketing contract shall specify all services provided, including the fees paid.
- (f) The raffle management/marketing company shall provide the Licensee with a business plan for the raffle and the business plan must be submitted to SLGA with the raffle application.
- (g) The raffle management/marketing company shall provide to the Licensee, if requested, a monthly summary of all income and expenses relating to the raffle.
- (h) The raffle management/marketing company shall comply with the Terms and Conditions of their registration as well as *The Alcohol and Gaming Regulation Act, 1997*, and the Terms and Conditions of the applicable raffle for which they are contracted to provide services.
- (i) The raffle management/marketing company shall maintain the integrity of the raffle.

16. USE OF PROCEEDS

- (a) The Net Proceeds from the raffle must be used for charitable or religious purposes, as required by the *Criminal Code*, and as approved by SLGA at the time of application. (For further details on approved use of proceeds, see SLGA's Charitable Gaming Policy Manual.)
- (b) The Licensee shall ensure any and all interest paid into the lottery bank account becomes part of the gaming proceeds and subject to the licensed charitable spending restrictions as though such interest was earned as part of lottery proceeds.
- (c) The Licensee shall not use Net Proceeds for any purpose not approved at the time of application without advance approval from SLGA.
- (d) The Licensee shall not use any lottery proceeds for the approved charitable purposes until all prize commitments have been met.
- (e) Gaming proceeds may not be used to cover gaming losses or expenses from other gaming licences unless approved by SLGA.

- (f) Disbursements of proceeds shall normally be payable directly to the vendor or supplier. Disbursements to individuals are not permitted unless prior approval is obtained from SLGA and/or proper documentation is maintained to ensure the disbursement was for an approved use.

17. BANKING REQUIREMENTS

- (a) The Licensee shall open and maintain a designated lottery bank account to administer all funds related to the conduct of the raffle. The Licensee shall have the option of:
 - (i) Opening and maintaining one designated lottery bank account to administer all lotteries conducted by the Licensee; or
 - (ii) Opening and maintaining separate designated lottery bank accounts for each type of lottery conducted by the Licensee.
- (b) The Licensee shall prepare and maintain a ledger to accurately reflect and describe all transactions occurring in the lottery bank account including outlining financial details of the raffle event conducted including proceeds derived from the lottery, expenses paid in the conduct of the raffle event, and a detailed list of how proceeds have been disbursed.
- (c) Where the Licensee opts to have only one designated lottery bank account, the Licensee shall maintain separate ledgers outlining financial details of each lottery event conducted including proceeds derived from each, expenses paid in the conduct of each lottery event, and a list of how proceeds have been disbursed.
- (d) The lottery bank account shall be in the name of the Licensee and shall have cheque privileges and monthly return of cancelled cheques or digital image of cheques.
- (e) The Licensee shall deposit all funds from ticket sales, prior to the final draw date, into the raffle bank account. Funds shall be deposited as soon as it is practical to do so.
- (f) The Licensee shall not transfer funds to a general account or any other account unless otherwise approved by SLGA.
- (g) All disbursements from the lottery bank account shall be made by cheque or electronic transfer directly to the expense or authorized charitable purpose.
- (h) The lottery bank account shall be administered by a minimum of two signing officers and each cheque shall be signed by a minimum of two members of the Licensee's executive.
- (i) The Licensee shall not deposit funds received from any source other than lottery events, conducted by the Licensee and licensed by SLGA, into the lottery bank account.
- (j) The Licensee shall not close the lottery bank account until all funds have been disbursed for the approved charitable objects and purposes.

18. RECORDKEEPING

- (a) The Licensee shall retain all records pertaining to the lottery for a period of three (3) years from the final draw, including:
 - (i) Bank statements;
 - (ii) Cancelled cheques;
 - (iii) Ledgers;
 - (iv) Invoices/receipts for expenses;
 - (v) Ticket inventory control sheets;
 - (vi) List of prize winners;
 - (vii) All unsold tickets;
 - (viii) All ticket stubs of sold tickets. When tickets are sold through an Electronic Raffle System, an SLGA approved record of sales must be kept and non-winning tickets may be destroyed. Winning tickets must be kept;
 - (ix) Agreement with commercial outlets, if applicable;
 - (x) Contract with registered raffle management/marketing company, if applicable;
 - (xi) Agreement or letter of understanding with any other charities involved in the raffle, if applicable;
 - (xii) Any other information relevant to the conduct and management of the raffle.
- (b) The Licensee shall keep a record of the distribution of ticket stubs and cash or unsold tickets in order to account for all tickets and cash for reconciliation of the raffle results.
- (c) The Licensee shall ensure that, at all reasonable times, SLGA representatives have access to all records. SLGA representatives may copy or temporarily remove records at their discretion.
- (d) The Licensee shall maintain a detailed record of how all raffle Gross Revenues have been spent/disbursed.

19. REPORTING REQUIREMENTS

- (a) All lost or stolen tickets shall be immediately reported to SLGA. The report shall specify the total number and serial numbers of the lost or stolen tickets and an explanation for how the tickets were lost or stolen.
- (b) The Licensee is required to complete a financial report including the Gross Revenue, prizes, expenses and proceeds generated as a result of the raffle. The Licensee shall complete the raffle financial report on forms prescribed by SLGA and submit these forms, along with a list of all winners, to SLGA within 60 days of the final draw, or within the time period approved by SLGA.
- (c) Financial reports must be signed, and certified correct, by a member of the Licensee who is indicated on the application.
- (d) SLGA may request additional documents deemed necessary to confirm the particulars of the event.

- (e) The Licensee shall indicate on the financial report any prizes which have been donated.

20. AUDIT REQUIREMENTS

- (a) The books and records of the Licensee are subject to review and/or audit by SLGA and must be maintained in a manner acceptable to SLGA.
- (b) Licensees which realize Net Proceeds in excess of \$100,000 from the conduct of lottery events shall provide to SLGA an independent audit opinion to confirm the accuracy of the raffle financial reports submitted to SLGA. The independent audit opinion must be signed by an accountant with a recognized professional accounting designation (CPA). The audited opinion shall be provided to SLGA within 120 days or such other time as may be approved by SLGA.

21. CONFLICT OF INTEREST

- (a) The Licensee shall ensure there is no conflict of interest, real or perceived, with regard to the operation of gaming activity.
- (b) A conflict of interest means any situation in which a Licensee or any officer, director or member of the organization, or any person who supplies gaming services to the Licensee, either for himself or some other person(s), promotes or attempts to promote a private or personal interest which results or appears to result in the following:
 - (i) A conflict or interference with the exercise of his duties; or
 - (ii) A gain or an advantage by virtue of his position.