

**PART I
GENERAL PROVISIONS**

- 1.01** The Manitoba Gaming Control Commission (hereinafter called the "Commission") may issue a license, authorizing a charitable or religious organization to conduct a lottery, in accordance with Section 207 of the Criminal Code of Canada, where deemed expedient and in the public interest.
- 1.02** The Commission may amend any of the terms, conditions or provisions of a license when it deems it appropriate.
- 1.03** All Calcutta Auction events in Manitoba shall be conducted under the authority and/or license of the Commission or by such other person or authority in the province as may be specified by the Lieutenant Governor in Council.
- 1.04** The Commission may limit the number of events held by an organization during any specific time period.
- 1.05** The Commission may, at any reasonable time before, during or after the operation of a licensed lottery scheme, cause to be made, by persons appointed by the Commission, such audit or inspection as is reasonably necessary, of:
- a) any books, records or accounts of the license holder or any vendor or any recipient of a grant from the proceeds of the lottery scheme; or
 - b) any lot, card, ticket, paper, slip, symbol, coin, device, equipment or game in the possession of the license holder or any vendor; or
 - c) any premises;
- that is or are reasonably relevant to the lottery scheme.
- 1.06** The Commission may remove and retain for a reasonable period of time, such things being audited or inspected under Para. 1.05, as are reasonably necessary for the purposes of the audit or inspection.

- 1.07** Any person subject to an audit or inspection, under Para. 1.05 shall allow the persons making the audit or inspection, as the case may be, free access at all reasonable times for the purposes of the audit or inspection and shall permit the removal of anything sought to be removed under Para. 1.06

**PART II
DEFINITIONS**

- 2.01** In this schedule:
"Calcutta" and "Calcutta Auction" means a lottery scheme associated with a competitive event in which the competitors are sold by Auction to the public in attendance. The purchaser(s) of the winning competitor share a predetermined percentage of the proceeds of the sale.

**PART III
CHARACTERISTICS OF ORGANIZATIONS**

- 3.01** To be eligible for licensing, an organization must be a volunteer, democratic, non-profit charitable or religious body.
- 3.02** No person convicted of any criminal offence, shall be involved in any manner whatsoever in any licensed lottery operation, if in the opinion of the Commission, such involvement may detract from the respectable conduct and management of lottery schemes in Manitoba.

**PART IV
USE OF FUNDS**

- 4.01** The funds generated from a Calcutta lottery must be used for the advancement of education, religion, health, the relief of poverty, or must benefit the community through the promotion of sport, recreation, culture, or any other area considered appropriate by the Commission.

**PART V
LICENSE APPLICATIONS**

- 5.01** An organization applying for a Calcutta license will be required to provide all information requested on the appropriate Commission application form. In addition, the Commission may request any further information deemed relevant.
- 5.02** The approved application and the terms and conditions for the operation of a lottery form a part of the license. Any change to a licensed lottery must be applied for, in writing. The licensee must receive written approval of these changes from the Commission prior to the implementation of any change to the lottery scheme.
- 5.03** The Commission may consider the granting of a license in exceptional circumstances where an organization clearly demonstrates, in writing, that the compliance with a certain term or terms may cause unreasonable hardship.

**PART VI
PRIZES**

- 6.01** Total prizes awarded shall be a minimum of eighty-four and one-half percent (84.5%) of the gross receipts of the Auction.

**PART VII
CONDUCT**

- 7.01** All Calcutta Auctions must be licensed.
- 7.02** Calcutta Auctions shall only be held at the premises and on the date(s) specified and approved by the Commission.
- 7.03** At the time and location of the Auction, the following shall be posted in a conspicuous place:
- a) a copy of the current license authorizing the lottery;
 - b) the house rules for the lottery; and
 - c) any approved amendments to the lottery license.
- 7.04** A Calcutta license shall not be transferred or assigned.

- 7.05** License fees shall be paid as determined by the Commission.
- 7.06** An organization owning the premises in which a Calcutta Auction is conducted shall not deduct rent as an expense.
- 7.07** All advertising of a Calcutta lottery shall include the lottery license number. If the value of prizes are advertised, the amount guaranteed must be indicated.
- 7.08** Within sixty (60) days of an organization ceasing lottery operations, all lottery funds must be disbursed as per the approved lottery application.
- 7.09** All records relating to the conduct and operation of a Calcutta shall be retained by the licensee for at least three (3) years after the expiration of the license period, unless expressly authorized by the Commission.

**PART VIII
PLAY**

- 8.01** The amounts of prizes and order of payout shall be determined and clearly communicated to all participants before the Auction begins.
- 8.02** House rules must specify if other persons involved in the conduct or management of the event may or may not play.
- 8.03** No person(s) under the age of eighteen (18) years shall play/enter a Calcutta Auction.

**PART IX
ACCOUNTING**

- 9.01** An organization licensed to conduct a Calcutta Auction shall submit financial reports pertaining to the lottery scheme, on a prescribed form within thirty (30) days from the date the license expires. These reports shall include:
- a) statements of gross receipts;
 - b) statements of prizes awarded;
 - c) statements of administrative and operational expenses of the lottery event;
 - d) statements of net proceeds;

e) statements of disbursement to charitable or religious purposes indicated in the license application.

9.02 All licensees shall:

- a) maintain a separate lottery account for the deposit of all lottery revenue;
- b) deposit all lottery proceeds into the lottery account, immediately upon receipt; and
- c) disburse all donations and expenses by cheque directly from the lottery account, as per the approved licence application.

9.03 Only actual and reasonable expenses shall be allowed and may not exceed (5%) of the gross receipts, unless expressly authorized by the Commission.

9.04 An organization raising lottery funds for a building project or expansion of real property owned by the applicant, may be required to execute an agreement in a form prescribed to ensure the proceeds from the sale, mortgaging or other disposition or encumbering of real property by the licensee (up to an amount equal to the value of funds raised by the lottery scheme) are used for a charitable or religious purpose.

PART X PENALTIES

10.01 The Commission may suspend or cancel a license without notice at any time for the breach of any terms and conditions or if in the opinion of the Commission it is in the public interest to do so.

10.02 Every person who violates or fails to comply with any terms and conditions of a lottery license issued by the Commission is guilty of an offence and is liable, upon summary conviction, to a fine, in addition to any other remedy or action the Commission may take with respect to the violation or failure to comply.

For more information contact:

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