

**PART I
GENERAL PROVISIONS**

- 1.01** The Manitoba Gaming Control Commission (hereinafter called the "Commission") may issue a licence, 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 licence when it deems it appropriate.
- 1.03** All Sports Draft events in Manitoba shall be conducted under the authority and/or licence 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 licence 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 licence 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:
- a) "**Sports Draft**" means a lottery wherein a prize comprised of an article of value, or cash, or both, is awarded or disposed of, by selling to a number of persons for a fraction of the value of the prize, a chance of winning the prize and wherein participants may exercise some choice in the particulars of their entry. A winner is determined contingent on the performance of players, chosen by the participant, during a series of sporting events;
 - b) "**series of sporting events**" means a series of athletic competitions at a provincial, interprovincial, national or international level approved by the Commission in its sole discretion; and,
 - c) "**ticket**" means a card or slip of paper serving as a token or evidence of the chance to win which the holder has purchased in a lottery scheme.

**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 the lottery scheme.

**PART IV
USE OF FUNDS**

4.01 The funds generated from a 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
LICENCE APPLICATIONS**

5.01 An organization applying for a lottery licence 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 from time to time.

5.02 The approved application and the terms and conditions for the operation of a lottery form a part of the licence. 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 licence in exceptional circumstances where an organization clearly demonstrates, in writing, that the compliance with a certain term or terms may cause unreasonable hardship.

5.04 At the time of application for licence, the organization may propose additional rules, procedures, or requirements which will be reviewed and approved as long as they are not inconsistent with the terms and conditions or regulations and policies established by the Commission.

5.05 An organization may be required to post and maintain a bond or a prize guarantee in a form satisfactory to the Commission.

**PART VI
TICKET REQUIREMENTS**

6.01 Each ticket shall be consecutively numbered and shall consist of a two part, self-copying form containing:

- a) name and address of the organization;
- b) telephone number for inquiries;

- c) name(s), starting and ending dates of the series of sporting events;
- d) description and value of prizes and methods of awarding same;
- e) price of the ticket;
- f) lottery licence number (i.e. MGCC #_ SD);
- g) total number of tickets printed;
- h) the number of the ticket;
- i) closing date of ticket sales;
- j) room for the purchaser to print first and last names of each player, and their team if applicable;
- k) name, address and telephone number of purchaser, including signature;
- l) rules concerning choice of players, point accumulation, method of resolving ties, and final date entries must be received to be eligible for participation; and,
- m) name of publication in which standings will appear.

6.02 Tickets must be consecutively numbered beginning with the number one (1).

6.03 Tickets shall not be printed in newspapers or any other type of print media. Application forms to obtain a ticket may be printed. When an application form is used, the rules of the draft shall be printed with the application form, including rules concerning late submission of application or tickets.

6.04 Tickets shall be sold individually for the price indicated. No multiple or discounted prices shall be allowed, unless two separate and distinct series are used or another method for ensuring financial accountability can be established.

**PART VII
CONDUCT**

7.01 Only Sports Drafts based on individual players shall be licensed.

7.02 The licensee must establish procedures ensuring each ticket is reviewed upon receipt by the licensee to ensure compliance with Sports Draft rules.

- 7.03** The original of the ticket shall be retained by the purchaser and the copy shall be retained by the licensee.
- 7.04** The following shall be forwarded to the Commission for final approval before ticket sales commence:
- a) a printed sample ticket identical in content and format to the approved draft ticket including the licence number issued; and,
 - b) a copy of the printer's invoice indicating the total number of tickets printed for the lottery.
- 7.05** All sales shall cease no later than:
- a) for a regular season, the fourth (4th) Friday after the regular season starts;
 - b) for a playoff series, before the playoffs start; or,
 - c) for any other series of sporting events, on a date approved by the Commission.
- 7.06** If the series of sporting events starts or ends on dates other than anticipated the Sports Draft lottery shall nevertheless be operated in respect of the altered dates of the series of sporting events, except if the series of sporting events is cancelled before it starts. The term of the licence shall accommodate the change in dates.
- 7.07** Standings shall be based upon official statistics provided by the appropriate league office.
- 7.08** The licensee shall maintain and make publicly available a listing of all entrants, together with their point scores. In the case of a regular season Sports Draft, all standings shall be published in a local newspaper at mid-season. Final prize winners' names and point standings shall be published in a local newspaper fourteen (14) days after the end of the series of sporting events.
- 7.09** The names, addresses, telephone numbers and ticket numbers of all winners, together with their point standings, shall be submitted to the Commission fourteen (14) days after the end of the series of sporting events.
- 7.10** Tickets cannot be sold or advertised outside the Province of Manitoba.
- 7.11** All advertising must contain the lottery licence number.

- 7.12** Individuals who are responsible for the conduct and management of the Sports Draft are not eligible to participate in the lottery.
- 7.13** No person under the age of eighteen (18) years shall buy or sell Sports Draft tickets.
- 7.14** A licence shall not be transferred or assigned.
- 7.15** No person shall, except in the lawful conduct and management of or lawful participation in the licensed Sports Draft, deface, damage, separate, alter, place any marking upon or in any way tamper with any ticket, device, equipment or game used in and for the purposes of the licensed Sports Draft.

PART VIII PRIZES

- 8.01** Retail value of all prize(s) shall be at least twenty percent (20%) of the approved total ticket value and shall not exceed three thousand dollars (\$3,000.00).
- 8.02** Prizes must be awarded as approved in the licence application.
- 8.03** After the publication of winner's names, the licensee must wait two weeks before awarding prizes in order to allow for any challenges to individual standings. In the event of a challenge, the Commission must be notified before the licensee responds to the challenge or awards any prizes.
- 8.04** Winners shall be advised of the results of the lottery by telephone, registered mail or in person within 21 days of publication. This notice shall indicate how the prize is to be awarded.
- 8.05** Prizes unclaimed after ninety (90) days following publication of the winners' names shall be disposed of by following the order of prize winners as approved on the licence. The licensee shall notify the Commission in writing providing all relevant details of such disposition.

PART IX ACCOUNTING

- 9.01** An organization licensed to conduct a Sports Draft lottery shall submit a financial report pertaining to the lottery scheme, on a prescribed form within sixty (60) days from the date the licence expires. This report shall include:

- a) copies of applicable bank statements;
 - b) statements of gross receipts;
 - c) statements of prizes awarded;
 - d) statements of administrative and operational expenses of the lottery event;
 - e) statements of net proceeds;
 - f) statements of disbursement to charitable or religious purposes indicated in the licence application; and,
 - g) an accurate inventory count of all unsold tickets at the end of the event.
- 9.02** The licensee shall keep a log of all sold and unsold ticket numbers in order to account for all tickets and payments.
- 9.03** Only actual and reasonable expenses shall be allowed and may not exceed ten percent (10%) of gross receipts excluding prizes, cost of printing tickets and licence fees.
- 9.04** 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.
- 9.05** Within sixty (60) days of an organization ceasing all lottery operations, lottery funds must be fully disbursed as per the approved lottery application.
- 9.06** An unqualified audited statement of lottery revenue, prizes, expenses and disbursements must be provided, if gross combined annual lottery revenue exceeds two hundred and fifty thousand dollars (\$250,000.00). This statement must be submitted within ninety (90) days of the organization's fiscal year end.
- 9.07** All records relating to the conduct and operation of a Sports Draft lottery, including sold and unsold tickets, shall be retained by the licensee for at least three (3) years after the expiration of the licence period, unless expressly authorized by the Commission.

9.08 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
LICENCE FEES**

10.01 The licence fee for a Sports Draft lottery is 1.5% of gross revenue and must be submitted with the financial report.

**PART XI
PENALTIES**

11.01 The Commission may suspend or cancel a licence 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.

11.02 Every person who violates or fails to comply with any terms and conditions of a lottery licence 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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