

CRIMINAL CODE OF CANADA

TERMS AND CONDITIONS FOR THE ISSUANCE OF LICENSES FOR THE CONDUCT AND MANAGEMENT OF LOTTERY SCHEMES

LOTTERY SCHEMES ORDER

Pursuant to section 207 of the Criminal Code of Canada (R.S.C. 1985, Cap. C-46), Council determined the following terms and conditions for the issuance of licenses for the conduct and management of lottery schemes.

DEFINITIONS

1. In this order

Definitions

- (a) “charitable” or “religious organization” means an organization that performs services of public good or welfare without profit for:
- (i) the relief of poverty;
 - (ii) education services;
 - (iii) the advancement of religion; or
 - (iv) any purpose beneficial to the community.
- (b) “lottery scheme” includes:
- (i) lotteries;
 - (ii) raffles;
 - (iii) bingos;
 - (iv) games of chance, including games of mixed chance and skill for which there is a prize.
- (c) “Minister” means the Minister of Justice and Public Safety or a person designated in writing by the Minister of Justice and Public Safety.
- (d) “prize” means all awards of money, articles, or merchandise.
- (e) “series event” means a number of events on more than one occasion during a period not exceeding twelve months from the validity date of the license.
- (f) “single event” means an event held on a single occasion as indicated on the license. (EC884/84;605/86; 342/15)

charitable, religious organization

lottery scheme

Minister

prize

series event

single event

ELIGIBILITY

Eligibility

2. (1) Pursuant to section 207 of the Criminal Code, the Minister is authorized to issue a license to a charitable or religious organization to conduct and manage a lottery scheme provided the charitable or religious organization is registered as a charitable organization with Revenue Canada as evidenced by a Revenue Canada Tax Number or is, in the opinion of the Minister, otherwise qualified to be issued a lottery license.

Idem

(1.1) Pursuant to section 207 of the Criminal Code, the Minister is authorized to issue a license for the board of a fair or an exhibition, or an operator of a concession leased by that board, to conduct and manage a lottery scheme, where the Minister has designated that fair or exhibition as one where a lottery scheme may be conducted or managed.

Application for license

(2) An application for a license shall be in a form as prescribed by the Minister. (EC884/84; 616/16)

LICENSE FEE

Total prize value less than or equal to \$1,000

3. (1) Where the total value of the prizes offered for a lottery scheme is less than or equal to \$1,000, a license fee is payable to the Minister of Finance in the amount of \$5.

Total prize value more than \$1,000

(2) Where the total value of the prizes offered for a lottery scheme, other than a bingo, is in excess of \$1,000, a license fee is payable to the Minister of Finance in the amount equal to the lesser of

- (a) 2% of the total value of the prizes offered; and
- (b) \$2,000.

Total prize value for bingo more than \$250

(3) Where, in respect of a year,

- (a) the total value of prizes offered for a bingo is in excess of \$250 but less than \$45,000; and
- (b) the gross receipts of the bingo are less than \$100,000,

a license fee in respect of the year is payable to the Minister of Finance of \$25.

Total prize value for bingo more than \$45,000

(4) Where, in respect of a year,

- (a) the total value of prizes offered for a bingo is in excess of \$45,000; or
- (b) the gross receipts of the bingo are \$100,000 or more,

a license fee in the amount equal to 2% of the total value of the prizes offered is payable to the Minister of Finance. (EC884/84;673/87;135/02; 566/13; 342/15; 616/16)

GENERAL TERMS AND CONDITIONS

Terms and conditions

4. A license is subject to the following general terms and conditions relating to the operation of a lottery scheme:

- (a) No lottery ticket shall be sold outside the Province;
- (b) No license shall be transferred or assigned;
- (c) The Minister may, at any time, amend, suspend, or cancel a license where, in his opinion, it is in the public interest to do so;
- (d) The Minister may require organizations licensed under clause 2(1) to submit a written report not later than 30 days after the holding of each single or series event showing:
 - (i) the total gross receipts received from the event;
 - (ii) the total of all prizes actually awarded;
 - (iii) the breakdown of other expenses incurred for the event;
 - (iv) the total amount available to the “charitable” or “religious” organization for:
 - 1. the relief of poverty;
 - 2. education services;
 - 3. the advancement of religion; or
 - 4. any purpose beneficial to the community.
- (e) The Minister, a peace officer, or any other person authorized by the Minister may investigate any aspect of the management and conduct of the lottery scheme and for that purpose may examine under oath any person appearing to him to be involved therein;
- (f) All lottery scheme applications, licenses, and reports shall be in a form prescribed by the Minister;
- (g) bingos shall be conducted in accordance with the rules set out in the Schedule;
- (h) The Minister may impose such other terms and conditions as may be specified in the license. (EC884/84;509/88)

4.1 The following prize limits for bingo are established:

Prize limits

- (a) revoked by EC616/16;
- (b) maximum aggregate prizes in any period of 24 hours shall not exceed \$5,500;
- (c) revoked by EC616/16;
- (d) accumulating or build-up jackpots shall not exceed \$4,000 and each incremental increase shall not exceed \$200;
- (e) the total guaranteed prizes, excluding accumulating or build-up jackpots, at any bingo event shall not exceed \$3,500;
- (f) the total value of all prizes plus operating expenses provided in any calendar month shall
 - (i) not exceed 85% of the gross receipts for that month in the case of a bingo whose yearly projected aggregate value of prizes awarded exceeds \$100,000,
 - (ii) not exceed 90% of the gross receipts for that month in the case of a bingo whose yearly projected aggregate value of prizes awarded does not exceed \$100,000. (EC509/88;742/89; 616/16)

Budgets	<p>4.2 Where</p> <p>(a) the yearly projected aggregate value of prizes awarded by any licensed bingo exceeds \$100,000; and</p> <p>(b) the licensee has contracted with a third party operator to manage and conduct the bingos on behalf of the licensee,</p> <p>the applicant shall submit a budget demonstrating the planned expenditure of revenues generated under the license. (EC509/88)</p>
Third party operations	<p>4.3 Where a charitable organization engages a third party operator to manage and conduct bingos on its behalf</p> <p>(a) at least 15% of the gross receipts in any calendar month shall be forwarded by the operator to the licensed charitable organization; and</p> <p>(b) the operator is not entitled to charge for services rendered on the basis of a percentage of gross receipts or net profits. (EC509/88)</p>
Definitions	<p>4.4 (1) In this section</p> <p>(a) “satellite bingo licensee” means the holder of a license issued under subsection (2);</p> <p>(b) “participating licensee” means an organization that holds a license to operate a bingo and that has agreed to participate in a satellite bingo game operated by the satellite bingo licensee.</p>
PEI (Satellite) Bingo Association Inc. Application of provisions of Order	<p>(2) Revoked by EC616/16.</p> <p>(3) Sections 4.1 to 4.3 of this Order and sections 8 and 18 of the Schedule to this Order do not apply to bingos conducted and operated by the satellite bingo licensee.</p>
Prize limits	<p>(4) The following prize limits are established for bingos conducted and operated by the satellite bingo licensee:</p> <p>(a) maximum aggregate prizes in any period of 24 hours shall not exceed \$40,000;</p> <p>(b) the maximum prize for any one game shall be \$40,000;</p> <p>(c) accumulating or build-up jackpots shall not exceed \$40,000;</p> <p>(d) the total guaranteed prizes, excluding accumulating or build-up jackpots, at any bingo event shall not exceed \$1,000 plus \$100 for each participating licensee.</p>
Exception	<p>(4.1) Revoked by EC616/16.</p>
Restriction on service charges	<p>(5) Where the satellite bingo licensee engages a third party service provider to operate a satellite bingo system, the service provider is not entitled to charge for services rendered in excess of 20% of gross receipts (plus applicable taxes) in any calendar month.</p>

(6) It is a term and condition of any license issued under subsection (2) that no person under the age of eighteen (18) years of age shall play in a satellite bingo game or be awarded a satellite bingo game prize. (EC443/05; 14/12; 616/16) Prohibition

4.5 (1) - (7) revoked by EC342/15. Definitions

Prize limit. (EC567/13; 342/15; 616/16)

SCHEDULE**BINGO****DEFINITIONS****1. In this Schedule**

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|---------------------|---|
| bingo | (a) “bingo” means a lottery in which <ul style="list-style-type: none"> (i) a prize or prizes are awarded or disposed of by selling one or more bingo cards or papers to a number of players, then randomly calling numbers that may appear on the bingo cards or papers; (ii) players attempt to complete a predetermined pattern on the bingo cards or papers using the numbers called; (iii) the first player to declare they have correctly completed the pattern shall, upon verification, be the winner. |
| bingo event | (b) “bingo event” means a single gathering or session at which a series of successive bingo games are played within the time indicated in the license; |
| bingo card or paper | (c) “bingo card or paper” means a card or sheet or booklet of sheets consisting of various rows and columns of numbers; |
| progressive games | (d) “progressive games” means two or more bingo games played in succession on the same bingo card or sheet of bingo paper; |
| accumulator game | (e) “accumulator game” means a bingo game that <ul style="list-style-type: none"> (i) must have a stated minimum and maximum prize amount: minimum, the prize starting point; maximum, the prize freeze point, (ii) must have clear information regarding numbers and value of prizes being added while accumulating to the maximum prize freeze point, (iii) must have a stated prize point regardless of numbers being added at each successive event and must have a stated consolation prize amount, (iv) once the maximum or freeze point is reached, numbers must be added at each successive event until the prize is won. |

GENERAL TERMS

2. All bingo events in the province shall be conducted under the authority and license of the Minister. (EC342/15)

3. The games format, prize structure, house rules and price per card, sheet or booklet shall be the same as those approved by the Minister in the license application. (EC342/15)

- 4.** The Minister may limit the number of events held by an organization during any specific time period. (EC342/15)
- 5.** No person under 16 years of age shall play bingo except when accompanied by an adult.
- 6.** No person under 12 years of age shall be present at a bingo, unless the licensee has obtained prior approval from the Minister. (EC342/15)
- 7.** No admission charge shall be levied against a player at a bingo event where bingo paper is sold.
- 8.** The total expenses incurred by the licensee in the conduct and management of a bingo lottery, excluding prizes, license fees, payment for rent and cost of bingo paper or cards, shall not exceed 10% of the gross receipts.
- 9.** Financial reports shall be submitted as required by the Minister. (EC342/15)

EQUIPMENT AND SUPPLIES

- 10.** Bingo paper shall not be sold or exchanged between licensees.
- 11.** Bingo paper sheets or booklets may not be cut or altered in any way.
- 12.** A licensee shall ensure secure storage is available for bingo supplies in any premises used by the licensee for bingo operations.

PLAY

- 13.** (1) During play, bingo paper shall be marked in a manner which
 - (a) allows reading of numbers; and
 - (b) eliminates re-use of the paper.

(2) Bingo chips or other similar items shall not be used in conjunction with bingo paper.

(3) Notwithstanding clause 1(b) and subsection (2), licensees who on the date this Order comes into force operate bingo games using hard cards may continue to operate in that manner.
- 14.** Revoked by EC616/16.
- 15.** (1) Callers at a bingo shall not play bingo.

(2) House rules must specify if other persons involved in the conduct or management of the event may play.

16. When “bingo” has been declared, the following sequence of events shall take place:

- (a) no further numbers shall be called pending confirmation of the bingo card, cards or sheets;
- (b) the bingo machine shall be left on until the bingo has been verified;
- (c) the checker shall take the declared card and place it in front of a player other than the owner of the card being checked or under a TV monitor so that it is visible to all players. The checker shall then call back the numbers to the caller and receive verification of the bingo;
- (d) once all bingos have been checked, the caller must ask clearly if there are any more bingos and indicate it is the last call. If no further bingos are declared, the caller shall drop the balls and state clearly the game is closed;
- (e) progressive games may be won in any order and the caller must keep the balls in the ball pocket tray until the final progressive game has been completed.

17. No house rule shall specify that a valid bingo must include the last number called.

PRIZES

18. Total prizes offered or paid at any bingo event shall not exceed \$5,500.

19. Bingo cards, sheets or booklets shall not be given as a bonus or prize.

20. An organization which is planning to cease the operation of bingo lotteries are required to give away any jackpot in existence during the final event.

(EC509/88;742/89; 616/16)