

# Raffle

### General Provisions

#### A (i)

All raffles conducted in Manitoba must be licensed by the Liquor, Gaming and Cannabis Authority of Manitoba (LGCA) or by a local gaming authority named or authorized by the Lieutenant Governor in Council.

#### A (ii)

The LGCA may license charitable and/or religious organizations to conduct raffles within Manitoba in accordance with Section 207(1)(b) of the Criminal Code (Canada).

#### A (iii)

Licensees must follow the requirements of the *Liquor, Gaming and Cannabis Control Act*, associated regulations and the Raffle Terms and Conditions. The LGCA may add or change terms and conditions and any approval of a licence at its discretion.

### Penalties

#### B (i)

Licensees that breach any term or condition, or fail to conduct a raffle as approved by the LGCA, are subject to remedial action deemed necessary by the LGCA.

#### B (ii)

The LGCA may suspend a licence at any time, with or without notice, for the breach of any term or condition or, if in the opinion of the LGCA, it is in the public interest to do so.

### Definitions

**“accredited testing facility (ATF)”** means a test facility or laboratory licensed by the LGCA for the purpose of gaming supply testing.

**“draw”** means an occasion when entries are selected by a random method.

**“electronic raffle equipment”** means any electronic component designated by the LGCA as critical to the conduct of a raffle.

**“entry”** means the physical or electronic representation of a chance in a draw.

**“gaming service provider”** means a person who is licensed by the LGCA to provide gaming management services directly or indirectly to a person who holds a gaming event licence.

**“gaming supplier”** means a person who makes, sells, advertises or distributes gaming supplies used in Manitoba.

**“gaming supplies”** means ticket sales and verification devices plus associated software and systems used in a raffle.

**“raffle”** means a lottery scheme where a prize(s) is awarded or given away by selling a chance of winning to a number of persons for a fraction of the value of the prize(s). Winners are chosen by random selection described in the licence application.

**“random number generator (RNG)”** means any device or system used to randomly generate results for a raffle.

**“ticket”** means the physical or electronic record provided to a purchaser as confirmation of participation in a draw.

### General

#### 1.01

Licensees must ensure the honesty and integrity of the individuals involved in the conduct and operation of the raffle.

#### 1.02

Licensees must notify the LGCA without delay about anything that has, is or is likely to compromise the honest conduct and management of their raffle.



### 1.03

The LGCA and its representatives may, at any time before, during or after the raffle, audit or inspect anything related to the raffle. This includes, but is not limited to, event facilities, buildings, equipment, expenses, documents, records and recipients of funds.

### 1.04

The LGCA and its representatives must be given free access at all times and must be allowed to remove anything they consider relevant to the raffle for inspection, examination or audit.

### 1.05

Applicants must identify all gaming service providers, gaming suppliers and the types of services and gaming supplies on the application. The LGCA will determine if these service providers, gaming suppliers and supplies require licensing and/or approval.

### 1.06

Licensees must only do business with a gaming service provider or gaming supplier that is licensed, if the LGCA has determined that licensing is required.

### 1.07

Licensees must only use gaming supplies that have approval, if the LGCA has determined that approval is required.

### 1.08

Licensees must not assign the conduct or management of raffle events to any gaming supplier or gaming service provider on their behalf.

## Use of Funds

### 2.01

Funds generated from raffles must be used for the advancement of education, religion, health or the relief of poverty, or they must benefit the community through the promotion of sport, recreation, culture or any other area considered appropriate by the LGCA.

### 2.02

An organization using raffle funds to purchase, build or renovate real property must ensure the proceeds from the subsequent sale, mortgaging or other disposition of that property (at least an amount equal to the value of funds raised by the raffle) are used for a charitable or religious purpose.

### 2.03

An organization using raffle funds to purchase, build or renovate property owned by the licensee must have a dissolution clause that comes into effect should the organization fold or wind up. This clause must be included as a specific provision for distribution of assets in the organization's constitution and/or in its articles of incorporation to ensure the organization's assets are used for charitable purposes upon dissolution.

### 2.04

An organization using raffle funds for a future capital project may place raffle funds into an interest-bearing investment or bank account until the organization has sufficient funds to begin the project. Special reporting is required while the funds are invested outside of the organization's lottery bank account.

## Fees and Expenses

### 3.01

Licence fees are set by the LGCA and must be submitted as required.

### 3.02

Only actual and reasonable expenses are allowed, and must not exceed 20% of gross anticipated revenue. Prizes, ticket printing, bank and payment processing charges and licence fees are not included in this 20% limit.

## Licence Applications

### 4.01

Applicants must provide all information required on the application form. In addition, the LGCA may request any other information it deems necessary.

### 4.02

A licence to conduct a raffle will generally be granted to a single organization. This organization must retain full responsibility for the operation of each raffle event. Partnerships or associations of two or more licensable organizations will be considered.

### 4.03

Rules governing the raffle must be included with the application and must state:

- a) the method and order in which prizes will be drawn;
- b) whether one entry can win more than one prize for draws with multiple prizes;
- c) any age limit to purchase tickets or win prizes;



- d) if members of the organization or persons involved in the conduct or management of the raffle can or cannot purchase tickets;
- e) any other restrictions attached to the winning of a prize(s); and,
- f) how unclaimed prizes will be handled.

#### 4.04

Applicants must ensure enough funds are available to award all prizes offered. Applicants may be required to provide a prize guarantee in a form satisfactory to the LGCA.

#### 4.05

Licensees or applicants may ask in writing for an exemption from any term or condition and must satisfy the LGCA that compliance with that term or condition would cause them unreasonable hardship.

### Tickets

#### 5.01

Applicants must submit a draft copy of the proposed raffle ticket with the application. Tickets issued to purchasers must at minimum contain the following:

- a) the organization's name and address;
- b) the draw(s)' location;
- c) the draw(s)' time and date;
- d) the prize(s)' description and value;
- e) the method and order in which the prize(s) will be awarded;
- f) the ticket number;
- g) the number of tickets available;
- h) the ticket price;
- i) the LGCA licence number to be displayed as LGCA\_\_\_RF;
- j) any restrictions that may be placed on awarding prizes; and,
- k) an indication that every ticket holder has the right to witness the draw(s).

The licensee must retain:

- a) the purchaser's contact information; and,
- b) the ticket number.

Any other format may be submitted for consideration with each application and must be approved in writing by the LGCA.

#### 5.02

Tickets must be consecutively numbered and must have an identifiable beginning and end, unless a method of accountability is submitted to and approved by the LGCA.

#### 5.03

Each raffle ticket must be sold individually for the price indicated. Multiple discounted prices will only be allowed if a way of ensuring financial accountability is provided in writing by the applicant and approved in writing by the LGCA.

### Conduct

#### 6.01

A raffle licence may not be transferred, assigned, lent or borrowed.

#### 6.02

Licensees must make the current licence, any approved amendments and approved rules (as specified in 4.03) available upon request.

#### 6.03

Licensees using a website to promote a raffle must post approved rules (as specified in 4.03) on that website.

#### 6.04

Gaming service providers and gaming suppliers licensed by the LGCA to provide services or supplies to licensees for the operation of a raffle, must not purchase any tickets as long as their contract with the licensee is in effect.

#### 6.05

The approved application, the Raffle Terms and Conditions and the approved rules are part of the licence. Any change must be applied for and approved in writing by the LGCA before being advertised or implemented.

#### 6.06

Raffle draws may only be held in the location and on the date and time specified on the licence or any subsequently-approved amendment. Every ticket holder must be allowed to witness the draw.

#### 6.07

Licensees must ensure advertising accurately reflects the approved licence and includes the organization's name and licence number. Advertising for prizes must identify any applicable restrictions.

#### 6.08

Licensees must not advertise or solicit sales of raffle tickets outside Manitoba.



### 6.09

Licensees must ensure that all tickets sold online are:

- a) for orders originating from a location within Manitoba; or,
- b) for residents of Manitoba.

### 6.10

Licensees must ensure that before every draw the pool of entries:

- a) represents all tickets sold;
- b) has no duplicate of any entry;
- c) is not corrupted or compromised in any way; and,
- d) that each entry has an equal chance to win.

### 6.11

Licensees are responsible to ensure all aspects of the raffle are conducted with trained individuals to ensure it is properly operated and compliant with these terms and conditions.

## Systems and Equipment

### 7.01

Raffle equipment must be in good working order and is subject to inspection and approval by the LGCA.

### 7.02

Raffle equipment must be physically located within Manitoba unless otherwise approved by the LGCA.

### 7.03

Raffle equipment used in the conduct of the raffle must not be relocated from the site identified on the application without prior approval from the LGCA.

### 7.04

Electronic raffle equipment and software must meet the minimum technical requirements and may require certification by an accredited testing facility (ATF).

### 7.05

The configuration of a system, both hardware and firmware, must remain in the state as approved by the LGCA. The approved state will be referred to as a particular version which must not be altered or substituted without prior approval from the LGCA. Alteration of a system may require recertification by an ATF.

### 7.06

Applicants must provide the LGCA with the procedures they will follow for:

- a) the electronic sale of tickets - including payment, issuing and receipt of tickets;

- b) the electronic selection of winners; and,
- c) the electronic distribution of prizes.

### 7.07

Any electronic method used in the selection of winners (eg. random number generator (RNG)) must be approved by the LGCA.

## Prizes and Winners

### 8.01

Raffle tickets cannot be awarded or given away as a bonus or prize unless a way of ensuring financial accountability is approved by the LGCA.

### 8.02

The stated value of any prize being offered must be based on its retail value (excluding taxes). Licensees may be required to provide written proof of the prize value from the supplier.

### 8.03

All prizes offered in the raffle must be awarded as approved with the licence.

### 8.04

Licensees must keep a list of winners as part of their event records, unless otherwise approved or directed by the LGCA.

### 8.05

Winners must be advised of the results of the raffle as soon as possible after the draw. This notice must explain how the prize can be claimed.

### 8.06

Within 10 days following the final raffle draw, the licensee must advertise (in at least the same market) a list of winners' names, winning numbers and prizes won, along with the draw date, licensee name and licence number. Licensees must make this information available to the public on request.

### 8.07

Cannabis cannot be given as a prize.

## Records and Reporting

### 9.01

Licensees must maintain complete records of the raffle. These records must include, but are not limited to, sales and distribution records.

### 9.02

Licensees must keep all records relating to the conduct and operation of the raffle for at least three



years after the expiration of the licence, unless otherwise approved in writing by the LGCA.

#### **9.03**

All raffle revenue must be deposited immediately into a separate lottery bank account. This bank account must be separate from other organizational bank accounts and used for the sole purpose of depositing and disbursing funds earned by conducting LGCA-licensed events.

#### **9.04**

Licensees must make payments directly from their lottery bank account to providers of goods and services and charitable purposes as approved by the LGCA. All forms of payment from the lottery bank account must be supported by invoices and/or receipts. Cash payments for expenses at an event are only allowed if they are supported by receipts that are attached to the applicable event sheet.

#### **9.05**

Licensees must submit required financial reports in an approved paper or electronic format. Reports must be complete and accurate and must include copies of all applicable bank statements.

#### **9.06**

Within 60 days after the final event, licensees must:

- a) disburse all funds as approved with the licence; and,
  - b) submit required financial information on approved forms;
- unless otherwise approved by the LGCA.

#### **9.07**

Licensees must make available to the public on request, information regarding the charitable use of raffle revenue.

#### **9.08**

Licensees must provide the LGCA with supporting documentation for the use of raffle revenue upon request. This documentation must include, but is not limited to, invoice copies, receipts and written acknowledgements from each recipient.

#### **9.09**

Upon written request from the LGCA, licensees must provide an independent audited financial statement or financial review of their raffle operations.

This document is available in alternate formats, upon request.

