

# Bingo and Breakopen

## TERMS AND CONDITIONS

### General Provisions

#### A (i)

All bingo and breakopen events conducted in Manitoba must be licensed by the Liquor and Gaming Authority of Manitoba (LGA) or by a local gaming authority named or authorized by the Lieutenant Governor in Council.

#### A (ii)

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

#### A (iii)

Licenseses must follow the requirements of *The Liquor and Gaming Control Act*, associated regulations and the Bingo and Breakopen Terms and Conditions. The LGA may add or change terms and conditions of a licence at its discretion.

### Penalties

#### B (i)

Licenseses that breach any term or condition, or fail to conduct bingo or breakopen events as approved by the LGA, are subject to remedial action deemed necessary by the LGA.

#### B (ii)

The LGA 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 LGA, it is in the public interest to do so.

### Definitions

**“accumulator”** means a bingo game where the prize amount and/or maximum numbers allowed to complete the pattern increases at a specified rate under clearly stated conditions

**“bingo”** means a lottery scheme where bingo product is sold to players, random numbers that may appear on the bingo product are called and a prize(s) is awarded to a winner. To win, players complete a predetermined pattern on the bingo product using the numbers called. Winners must meet the criteria stated in the house rules

**“bingo product”** means a cards, sheets or booklets of sheets displaying rows and columns of numbers

**“bingo event”** means an event where bingo games are played

**“breakopen”** means a lottery scheme where sets or units of covered tickets are sold to players and predetermined prizes are awarded to players. The prize(s) is determined by the combination of symbols showing when the covering on the ticket is removed

**“breakopen ticket”** means a ticket printed with combinations of covered symbols

**“breakopen event”** means an event where breakopen tickets are sold

**“breakopen unit”** means a complete set of breakopen tickets marked with an identical serial number

**“game program”** means a complete listing of all bingo games to be played during each bingo event. It also lists the criteria to win (e.g. pattern) and the prizes awarded for each game

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



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“**house rules**” are rules established by the licensee that describe required player conduct and the event’s conduct or operation. All house rules must comply with these terms and conditions

“**progressive games**” means two or more bingo games played on the same bingo card(s) or sheet(s) with the same set of called random numbers

“**promotional prize**” means a prize of cash or merchandise awarded during bingo or breakopen events which is not attached to the winning or playing of a specific game (e.g. door prize, good neighbour prize), and for which no fee is charged for the chance to win

“**standard rules of play**” are those established by the LGA as provided in Section 7 of these terms and conditions

## General

### 1.01

Licensees must ensure the honesty and integrity of the individuals involved in the conduct and operation of bingo or breakopen events.

### 1.02

Licensees must notify the LGA without delay about anything that has, is or is likely to compromise the honest conduct and management of their bingo or breakopen events.

### 1.03

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

### 1.04

The LGA and its representatives must be given free access at all times and must be allowed to remove anything they consider relevant to bingo or breakopen events for inspection, examination or audit.

### 1.05

Applicants must identify all gaming service providers and the types of services on the application. The LGA will determine if these service providers require licensing.

### 1.06

Licensees must not do business with a gaming service provider that is not licensed, if the LGA has determined that licensing is required.

### 1.07

Licensees cannot assign the conduct or management of bingo or breakopen events to any gaming service provider on their behalf.

## Use of Funds

### 2.01

Funds generated from bingo or breakopen events must be used for the advancement of education, religion, health, and 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 LGA.

### 2.02

An organization using bingo or breakopen 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 bingo or breakopen events) are used for a charitable or religious purpose.

### 2.03

An organization using bingo or breakopen 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 the articles of incorporation, to ensure the organization’s assets are used for charitable purposes upon dissolution.

### 2.04

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



## Fees and Expenses

### 3.01

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

### 3.02

Bingo expenses must not exceed 10% of gross bingo revenue. Prizes, cost of product, licence fees and rent are not included in this 10% limit.

### 3.03

Breakopen expenses must not exceed 7.5% of gross breakopen revenue. Prizes, cost of product and rent are not included in this 7.5% limit.

### 3.04

Licensees that own the premises in which their bingo or breakopen events take place must not deduct rent as an expense.

## Licence Applications

### 4.01

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

### 4.02

The LGA may limit the number of events held by a licensee during any specific time period.

### 4.03

Licensees may hold bingo events in:

- a) publicly-owned premises;
- b) premises owned by another charitable or religious organization; or,
- c) premises they own; provided that the premises referred to in (a), (b) and (c) are not primarily a business.

### 4.04

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

### 4.05

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 LGA.

### 4.06

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

## Product and Equipment

### 5.01

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

### 5.02

All bingo product and breakopen tickets must be purchased from Manitoba Liquor & Lotteries.

### 5.03

Bingo product, breakopen tickets and supplies must be securely stored.

### 5.04

Tampering with bingo product or breakopen tickets is prohibited.

### 5.05

Bingo product must not be cut or altered.

### 5.06

Bingo product or breakopen tickets must not be sold or exchanged between licensees.

### 5.07

When a licence expires or is relinquished by the licensee, all bingo product and unopened breakopen units must be returned to Manitoba Liquor & Lotteries, unless otherwise approved by the LGA.

### 5.08

Partial or opened breakopen units must be held by the licensee for sale at their next licensed event.

### 5.09

Unsold or damaged bingo product and breakopen tickets must not be disposed of without prior written approval from the LGA.

### 5.10

When a licence is suspended or cancelled by the LGA, all bingo product and breakopen tickets will be confiscated by the LGA.



### 5.11

Multiple or discounted prices are only allowed for bingo product or breakopen tickets if a method of ensuring financial accountability is provided in writing by the applicant and approved in writing by the LGA.

### 5.12

Only sealed bingo product may be sold for any game using pre-drawn numbers; otherwise, sales must cease prior to any numbers being drawn.

## Conduct

### 6.01

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

### 6.02

Licensees must post the following at each bingo event and breakopen ticket sales location:

- a) a copy of the current licence;
- b) all posters provided by the LGA; and,
- c) any other information required by the LGA.

### 6.03

Copies of the following must be available to players at each event:

- a) the game program;
- b) house rules, including those specified in 7.01; and,
- c) the LGA Standard Rules of Play (as set out in Section 7).

### 6.04

Individuals must be 18 years of age or older to sell, purchase or redeem breakopen tickets.

### 6.05

Callers at a bingo event may not play bingo at any time during that event.

### 6.06

No one involved in the conduct or operation of a breakopen event may purchase breakopen tickets or communicate any information that would give a winning advantage to any purchaser.

### 6.07

Gaming service providers who are licensed by the LGA to assist licensees with the operation of bingo and breakopen events, must not play at any event as long as their contract with the licensee is in effect.

### 6.08

The approved application, the Bingo and Breakopen Terms and Conditions and the approved rules are part of the licence. Any change must be applied for and approved in writing by the LGA before being advertised or implemented. All approved amendments must be available at each event.

### 6.09

Bingo and breakopen events may only be held in the location and on the date and time specified on the licence or any subsequently-approved amendment.

### 6.10

Accumulators must not be changed in any way unless the changes are applied for in writing by the licensee and approved in writing by the LGA. Approved changes must be advertised before the changes are implemented.

### 6.11

Licensees planning to stop operating their bingo events for more than 90 days must give away any existing accumulator at the last scheduled event before closing, unless otherwise approved by the LGA.

### 6.12

Licensees planning to stop operating their bingo or breakopen events must notify the LGA in writing of:

- a) the last scheduled event date; and,
- b) the method of giving away existing accumulators.

### 6.13

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

### 6.14

Licensees must not sell bingo product or breakopen tickets outside Manitoba and must not advertise bingo events outside Manitoba.

### 6.15

Licensees may accept orders for tickets or product through a website under the following conditions:

- a) Credit card information may be collected online, but the completion of the payment process online is not allowed.
- b) Online ordering cannot be the sole method offered.



- c) Immediate confirmation of the order may be done electronically, but actual tickets or products must be delivered by mail or in-person to the purchaser.
- d) Only orders placed within Manitoba may be processed.

#### 6.16

Licensees must not charge admission at bingo events where bingo product is sold.

## Standard Rules of Play

### 7.01

House rules are part of the licence, must be compliant with the Bingo and Breakopen Terms and Conditions, and must identify:

- a) the minimum age to play bingo;
- b) if volunteers, or other people involved in the conduct or operation of the bingo event are allowed to play;
- c) the criteria to win any game or prize, including accumulator and consolation prizes; and,
- d) the time limit for cashing in winning breakopen tickets.

### 7.02

Winning breakopen tickets can only be cashed in by the licensed organization from which they were purchased.

### 7.03

Bingo balls must be displayed on the tray so that they can be inspected by any player before the start of play at each event.

### 7.04

Bingo product must be marked so that:

- a) numbers can be read; and,
- b) product cannot be reused.

### 7.05

The number on the bingo ball must be called out by the caller before the ball is considered to be in play.

### 7.06

Players have the right to confirm the accuracy of the numbers called or displayed against the balls in the tray. If there is a discrepancy, only the balls on the tray are considered correct.

### 7.07

When a player calls out "bingo":

- a) no further numbers will be called until all bingos are checked; and,
- b) the bingo machine must be left on unless the next available ball is trapped.

### 7.08

To confirm that a player is a winner, the checker must move the bingo sheet or card from in front of the player who has called out "bingo" and place it so that it is visible to other players. The checker then:

- a) calls out the covered numbers of the required pattern on the card or sheet to the caller; or
- b) calls out the control number in the centre (free space) of the card or sheet if an electronic bingo verifier is used.

### 7.09

After the sheet or card of any player who called out "bingo" has been checked and a winner confirmed, the caller must clearly ask if anyone else has a bingo to be checked and state that it is the last call. If no other player asks for a bingo to be checked, the caller will clearly state that the game is closed and drop the balls from the tray into the bingo machine.

### 7.10

Progressive games may be won in any order. The caller must keep the balls in the tray until the final progressive game has been closed.

### 7.11

For games with pre-called numbers:

- a) numbers must not be called before the start of the event; and,
- b) balls must be available for confirmation until the conclusion of the game unless another method of verification has been approved by the LGA.

## Prizes and Winners

### 8.01

Bingo product or breakopen tickets must not be awarded or given away as a bonus or prize, unless a way of ensuring financial accountability is approved by the LGA.

### 8.02

Licensees must identify the method of awarding a merchandise prize when there is more than one confirmed winner.



### 8.03

Promotional prizes are allowed only if there is no charge or consideration, including the requirement to purchase product, for the chance to win.

### 8.04

Winning breakopen tickets must be defaced by the seller before paying out the prize. All paid out winning tickets must be kept by the licensee until that entire breakopen unit is sold and accounted for.

## Records and Reporting

### 9.01

Licensees must maintain complete bingo and breakopen records. These records must include, but are not limited to, approved bingo and breakopen event reports.

### 9.02

Licensees must keep all records relating to the conduct and operation of bingo or breakopen events for at least three years after the expiration of the licence, unless otherwise approved in writing by the LGA.

### 9.03

All bingo and breakopen 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 LGA-licensed events.

### 9.04

Licensees must make payments directly from their lottery bank account to the providers of goods and services and charitable purposes as approved by the LGA. 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) return all unused bingo product and unopened breakopen units to Manitoba Liquor & Lotteries;
- b) disburse all funds as approved with the licence; and,
- c) submit required financial information on approved forms;

unless otherwise approved by the LGA.

### 9.07

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

### 9.08

Licensees must provide the LGA with supporting documentation for the use of bingo and breakopen 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 LGA, licensees must provide an independent audited financial statement or financial review of its bingo or breakopen operations.