

VLT Siteholder Registration TERMS AND CONDITIONS

FIRST NATIONS

All VLT siteholders must be registered by the Manitoba Gaming Control Commission (MGCC). It is the responsibility of each VLT siteholder to meet all the requirements set out in the VLT Siteholder Registration Terms and Conditions.

The MGCC monitors and enforces compliance with all siteholder terms and conditions to ensure that VLT gaming in Manitoba is conducted honestly, with integrity and in the public interest.



MANITOBA GAMING CONTROL COMMISSION

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1.0 DEFINITIONS

“**Act**” means The Gaming Control Act;

“**Association of persons**” means an unincorporated body of persons which has a separate and distinct legal status from its members;

“**Business entity**” means a proprietorship, a partnership, a limited partnership, or a body corporate, but does not include the Corporation;

“**Commission**” means the Gaming Control Commission created by the Act;

“**Corporation**” means the Manitoba Lotteries Corporation constituted under The Manitoba Lotteries Corporation Act;

“**Executive Director**” means the Executive Director of the Commission appointed under the Act;

“**Inspector**” means an inspector appointed by the Commission under the Act;

“**Lottery scheme**” means a lottery scheme within the meaning of the Criminal Code (Canada);

“**Registrant**” means a person, business entity or association of persons registered under Part 4 of the Act; in these Terms and Conditions it means the siteholder;

“**Site**” means the premises on which the Corporation has placed Video Lottery Terminals (VLTs) as a venue for VLT Gaming

“**Siteholder**” means a business entity or association of persons which has contracted with the Corporation to be its agent in the conduct and management of a lottery scheme by the placement of video lottery terminals in its premises;

“**Siteholder Agreement**” means a contract between a siteholder and the Corporation whereby the siteholder is appointed as an agent of the Corporation;

“**Video Lottery Terminal (VLT)**” means an automatic or electronic machine that

- (a) accepts consideration for allowing a person to engage the machine for the chance of realizing a reward, and
- (b) has a maximum reward prescribed under The Manitoba Lotteries Corporation Act for being engaged any one time.

“**VLT Gaming**” means a lottery scheme carried on by operation of VLTs.

2.0 GENERAL

2.1 Registration is not transferable or assignable without the prior written consent of the Commission.

2.2 No proprietary rights accrue with registration.

2.3 Registration shall be cancelled immediately if the registrant's Siteholder Agreement is terminated by the Corporation or by the registrant and shall be suspended immediately if the registrant's Siteholder Agreement is suspended whether by the Corporation or by the Corporation and registrant together.

2.4 The Executive Director may, at anytime, add, vary, repeal or substitute Terms and Conditions of registration.

2.5 The registrant may not have any VLT or related equipment unless it is owned and authorized by the Corporation.

2.6 The registrant shall not move any VLT from the location of installation.

2.7 The registrant shall not manipulate, nor permit anyone else to manipulate, a VLT in an effort to influence the outcome of a game.

2.8 The registrant shall not activate, nor permit anyone else to activate, a VLT by fraudulent means.

2.9 The registrant shall not modify a VLT.

2.10 The registrant shall not grant credit, cash cheques, provide advances on credit cards or give cash through the use of a debit card to enable a person to play a VLT.

2.11 The registrant shall not install an automated teller machine (ATM) within the area of the site in which the VLTs are located.

2.12 The registrant shall not permit minors to play VLTs or to enter the area where VLTs are situated.

2.13 The registrant shall redeem cash slips for the amount indicated on the same business day as they were printed.

2.14 The registrant shall not promote or participate in any unsanctioned gaming.

3.0 NOTIFICATION

3.1 The registrant must notify the Commission not less than 10 days before the effective date of any of the following transactions:

- a) any sale, assignment or transfer of assets of the registrant through which the activities authorized by the registration are carried out;
- b) any sale, assignment or transfer of 5% or more of the shares or units of the registrant or any entity which directly or indirectly controls the registrant;
- c) any sale, assignment or transfer which results in a change in direct or indirect control of the registrant.

3.2 The registrant understands that the Executive Director must assess the impact of the transaction on the registration and, having done so, may maintain, modify, or cancel the registration.

3.3 The registrant shall immediately notify the Commission in writing of any change in the composition of Chief and Council.

4.0 CONSEQUENTIAL REPORTING

4.1 The registrant shall immediately notify the Commission in writing of:

- a) any change of the registrant's name;
- b) any change of the registrant's permanent address;
- c) any change of the registrant's address for service;
- d) any suspension or cancellation of any registrations issued to the registrant by any other jurisdiction;
- e) any charge or conviction of the registrant or any principals of the registrant of any offence under the Criminal Code (Canada), or any comparable legislation;
- f) any charge or conviction of the registrant or any principals of the registrant of any offence under the Competition Act (Canada), or any comparable legislation;
- g) the bankruptcy of the registrant, or the filing of any proposal under the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada), or any comparable legislation, or the appointment of a receiver of the registrant's property.

4.2 The registrant shall immediately notify the Commission in writing of any suspension, cancellation or any disciplinary actions or sanctions (including fines) issued to it by the Manitoba Liquor Control Commission, any other regulatory body, or the Corporation.

4.3 The registrant shall, as soon as is reasonably practicable, provide the Commission with any information it possesses that may be material to:

- a) the honesty and integrity of the siteholder and its principals; or
- b) ensuring the integrity of the conduct and management of its VLT gaming.

4.4 If the registrant considers that an offence has occurred under the Act or under a provision of the Criminal Code (Canada) that is relevant to VLT gaming, it must notify the Commission immediately.

4.5 The registrant shall notify the Commission of any matter which the registrant can reasonably assume to be of consequence to the Commission.

4.6 The registrant shall provide such further information relating to it and its principals as required by the Commission.

5.0 PROBLEM GAMBLING ASSISTANCE PROGRAM

5.1 The registrant shall ensure that at least one senior staff person, who works in the VLT area, attends and completes a Problem Gambling Assistance Program (PGAP) training session offered by the Addictions Foundation of Manitoba (AFM). The registrant shall provide the Commission with written evidence acceptable to the Commission of compliance with this requirement. Proof of training must be available upon inspection.

5.2 The registrant shall notify the Commission within 15 days in the event of the termination of a PGAP trained employee, if the leaving of the employee means there are no more trained staff employed by the siteholder.

5.3 If the registrant has no more trained staff employed, the registrant shall have 90 days to ensure compliance with Section 5.1 and must provide the Commission with written evidence of compliance once training is complete.

5.4 The registrant shall display any material/signage as provided either by the Commission or Corporation in a prominent place where VLTs are located.

6.0 SITE VISIBILITY

6.1 The registrant shall ensure that VLTs are not visible to minors within the area of the site in which the VLTs are situated.

6.2 The registrant shall maintain sight visibility restrictions as described in the Siteholder Agreement Site Planner.

7.0 INSPECTION

7.1 No registrant shall obstruct, hinder, or make a false or misleading statement to an inspector who is carrying out his or her duties or functions under the Act.

7.2 Every registrant shall give (or cause any person found at the site to give) an inspector all reasonable assistance to enable the inspector to carry out his or her duties and shall furnish the inspector with any information the inspector reasonably requires.

8.0 COMPLIANCE

8.1 The registrant shall comply with any order made by the Executive Director.

8.2 If any order made by the Executive Director is not complied with within the specified time, the Executive Director may suspend or cancel the registration.

8.3 Every registrant can appeal an order made under Part 8.1 or Part 11 of the Act.

8.4 The appeal must be held in accordance with Part 7 of the Act, after which the Commission may uphold, vary or cancel the order of the Executive Director or impose a fine not to exceed \$100,000.

9.0 OFFENCES

- 9.1 Knowingly furnishing false information in the application for registration as a siteholder constitutes an offence under the Act.
- 9.2 The registrant must comply with all Terms and Conditions as required under Section 15(2) of the Act, and that any contravention constitutes an offence under the Act.
- 9.3 When the registrant commits an offence under the Act, the principal of the business entity or association of persons who authorized, permitted or acquiesced in the commission of the offence is also guilty of the offence.
- 9.4 Every registrant who is guilty of an offence is liable, on summary conviction, to a fine of not more than \$250,000.00.

10.0 RECORD KEEPING AND REPORTING

10.1 Every registrant must publish an annual report of the VLT gaming for each fiscal year containing:

- (a) the following aggregate amounts:
- (i) the money wagered,
 - (ii) the prizes awarded,
 - (iii) the expenses incurred, including the administrative expenses paid to the Corporation,
 - (iv) the net proceeds disposed of,
 - (v) revenue retained by the siteholder; and
- (b) the name and address of each recipient of any of the net proceeds, and the amount each received.

The registrant must post the annual financial report in a public area within the reserve and must provide a copy of the annual financial report to any band member upon request.

- 10.2 The annual report must be published and a copy provided to the Commission on or before the 120th day following the end of the siteholder's fiscal year.
- 10.3 The registrant consents to the Corporation releasing to the Commission any information in its possession about the siteholder and its VLT gaming upon request from the Commission.
- 10.4 The registrant must undertake VLT reporting and record keeping training as required by the Commission.

- 10.5 The registrant must:
- a) maintain a separate bank account for the deposit of all VLT revenue;
 - b) prepare a separate deposit for each day of operation and ensure these deposits remain intact until they are deposited to the VLT bank account; and
 - c) pay out all VLT expenses and disbursements of VLT net proceeds directly from the VLT bank account unless otherwise approved.
- 10.6 The registrant must implement and maintain the following daily site records:
- a) a Commission approved Cashier's Daily Balancing report; and
 - b) a Commission approved Manager's Daily Summary report.
- 10.7 The registrant must implement and maintain generally accepted accounting practices for all financial transactions related to VLT funds, including but not limited to, the establishment of appropriate general ledger accounts to accurately record VLT revenue (dollars in), VLT prizes (dollars paid), daily VLT deposits, daily cash shortages/overages, all VLT expenses, and all VLT net proceeds disposed of unless otherwise approved by the Commission.
- 10.8 The registrant must ensure all VLT expenses and VLT net proceeds disposed of, have supporting documentation. Supporting documentation includes, but is not limited to, invoices, receipts, and authorized requisitions.
- 10.9 The registrant must retain all records relating to the conduct and operation of the VLT site(s) for not less than three years after the record is made.
- 10.10 The registrant must make all relevant records available for inspection, examination and audit.
- 10.11 The Executive Director may, in writing, direct how the records are to be kept.
- 10.12 On request, the registrant shall submit the following to the Executive Director, at the time and for the period specified by the Executive Director:
- a) a financial statement that is in the form and with the content required by the Executive Director;
 - b) a financial statement, as described in clause (a), that has been audited by an auditor approved by the Executive Director;
 - c) any other information that the Executive Director considers relevant.