

Lottery Ticket Retailer

TERMS AND CONDITIONS

General Provisions

All lottery ticket retailers must be licensed by the Liquor and Gaming Authority of Manitoba (LGA). It is the responsibility of each lottery ticket retailer to meet all the requirements set out in the Lottery Ticket Retailer Licence Terms and Conditions below.

Definitions

“**Act**” means *The Liquor and Gaming Control Act* and includes regulations made under the Act

“**agreement**” means the Lottery Ticket Retailer Agreement made between the licensee and the Manitoba Liquor & Lotteries Corporation (MLLC) or among the licensee, the MLLC and the Western Canada Lottery Corporation authorizing the licensee to sell lottery product to the public

“**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 MLLC

“**executive director**” means the executive director of the Liquor and Gaming Authority of Manitoba

“**inspector**” means:

- a) an inspector appointed or designated under section 119 or 120 of the Act; and
- b) a member of a police service

“**LGA**” means the Liquor and Gaming Authority of Manitoba

“**licensee**” means a person, business entity or association of persons holding a licence issued by the LGA; in these terms and conditions it means the holder of a lottery ticket retailer licence

“**lottery product**” means any product sold by a lottery ticket retailer in order to permit participation in a lottery scheme

“**lottery scheme**” has the same meaning as in subsection 207(4) of the *Criminal Code* (Canada)

“**lottery ticket centre**” means the premises at which the lottery ticket retailer is authorized to sell to the public or other means of participating in a lottery scheme

“**lottery ticket retailer**” means a person who sells tickets or other means of participating in provincial gaming to the public

“**lottery ticket terminal**” means a device that issues a card or slip of paper that serves as a token or evidence of the chance to win in a lottery scheme

“**MLLC**” means the Manitoba Liquor & Lotteries Corporation

“**participate**” means to:

- a) pay an amount, directly or indirectly, to secure a chance to win a reward in a lottery scheme;
- b) purchase or accept a lot, card or ticket used in a lottery scheme; or
- c) redeem or attempt to redeem a lot, card or ticket for a reward in a lottery scheme

“**person**” includes an organization, association, group or partnership, corporation or any other business model

“**WCLC**” means the Western Canada Lottery Corporation

General

1.01

A lottery ticket retailer licence authorizes the licensee to sell lottery product on a retail basis from the retail premises.

1.02

The licensee may only sell lottery product purchased from the MLLC.

1.03

A separate lottery ticket retailer licence is required for each location where a person operates a retail premises.

1.04

A licence is not transferrable or assignable without the prior written consent of the LGA.

1.05

No proprietary rights accrue with a licence.

1.06

A licence shall be cancelled immediately if the licensee's agreement is terminated by the MLLC, the WCLC or by the licensee, and shall be suspended immediately if the licensee's agreement is suspended by the MLLC, the WCLC or by the MLLC, the WCLC and the licensee together.

1.07

The executive director may, at any time add, vary, repeal or substitute terms and conditions of a licence.

1.08

The licensee may not have any lottery ticket terminal or related equipment unless it is owned and authorized by the MLLC.

1.09

The licensee shall not move any lottery ticket terminal or related equipment from the location of installation in the lottery ticket centre.

1.10

The licensee shall not manipulate, nor permit anyone else to manipulate lottery product, a lottery ticket terminal or related equipment in an effort to influence the outcome of a game or prize payout.

1.11

The licensee shall not activate, nor permit anyone else to activate, a lottery ticket terminal by fraudulent means.

1.12

The licensee shall not modify a lottery ticket terminal, related equipment or any lottery product.

1.13

The licensee shall display any material/signage as provided by the LGA, MLLC or WCLC in a prominent location near the lottery ticket terminal.

1.14

The licensee shall not permit minors to participate in the purchase or redemption of lottery product.

1.15

The licensee shall not promote or participate in unsanctioned gaming.

1.16

The licensee shall comply with all direction from the LGA, MLLC or WCLC regarding the sale or redemption of lottery product.

Operations

2.01

The licensee must ensure that lottery product is sold in the retail premises in accordance with the Act and that the retail premises are operated in accordance with the Act.

2.02

The licensee is responsible for the conduct of all employees in the sale and redemption of lottery product.

2.03

The licensee shall remove any employee from the sale and redemption of lottery product if ordered to do so by the LGA.

2.04

If a person who appears to be a minor attempts to purchase lottery product from retail premises, the licensee must require that person to produce one of the following types of identification that belongs to the person:

- a) a valid passport;
- b) a valid driver's licence;
- c) identification card issued by Manitoba Public Insurance;
- d) a Secure Certificate of Indian Status issued by the Government of Canada;
- e) two valid pieces of government-issued identification, with at least one piece of identification containing a photograph of the person.

2.05

If the person is unable to produce the required identification, the licensee must not sell any lottery product to that person.

Change in Control, Notification Obligations and Consequential Reporting

3.01

Unless approved by the executive director, a licence ceases to be valid if:

- a) the licensee sells, assigns or transfers its assets through which it carries out the activities authorized by the licence;
- b) 10% or more of the shares, or any class of share, of the following are sold, assigned or transferred:
 - (i) a licensee that is a corporation, or
 - (ii) a corporation that effectively controls the business of a corporation that is a licensee;
- c) a person becomes or ceases to be a partner of a licensee that is a partnership;
- d) a person becomes entitled to any of the profits from the licensed activity or becomes liable for any obligations incurred from the licensed activity; or
- e) a person loans, advances, or causes to be loaned or advanced money or anything of value, with or without security, to the licensee.

3.02

To seek the executive director's approval of a change described in subsection (1), the licensee must, at least 10 days before the proposed change is to occur:

- a) apply to the LGA in writing; and
- b) provide any information requested by the LGA.

3.03

The licensee shall immediately notify the LGA in writing of:

- a) any change in the principals of the licensee, or change to the authorized signatory of the licensee responsible for the agreement;
- b) any change of the licensee's name;
- c) any change of the licensee's permanent address;
- d) any change of the licensee's address for service;
- e) any suspension or cancellation of any licences issued to the licensee by any other jurisdiction;
- f) any charge or conviction of the licensee or any principals of the licensee of any offence under the *Criminal Code* (Canada) or any comparable legislation;

- g) any charge or conviction of the licensee or any principals of the licensee of any offence under the *Competition Act* (Canada) or any comparable legislation;
- h) any suspension, cancellation or any disciplinary actions or sanctions (including fines) issued to is by the MLLC or any other regulatory body;
- i) the bankruptcy of the licensee, or 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 licensee's property;
- j) any disciplinary action or sanction (including fines) issued to the licensee by the MLLC or the WCLC under the Agreement;
- k) any circumstances which cause the licensee to consider that an offence has occurred under the Act or under a provision of the *Criminal Code* (Canada) that is relevant to the lottery scheme.

3.04

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

- a) the honesty and integrity of the licensee and its principals;
- b) the integrity of a lottery scheme or any lottery product.

3.05

The licensee shall notify the LGA of any matter which the licensee can reasonably assume to be of consequence to the LGA.

3.06

The licensee shall provide such further information relating to it and its principals as required by the LGA.

Inspection

4.01

For the purposes of determining compliance with the Act, an inspector may at any reasonable time, without a warrant, enter:

- a) any business premises of a licensee; and
- b) any other premises other than a dwelling where the inspector has reasonable grounds to believe that records or things relevant to the administration or enforcement of the Act are kept.

4.02

The licensee or person in charge of the retail premises being inspected or having custody or control of the relevant records or things must:

- a) produce or make available to the inspector all records and things that the inspector requires for the inspection;
- b) provide any assistance or additional information, including personal information that the inspector reasonably requires to perform the inspection; and
- c) answer questions related to the purpose of the inspection that are asked of them by the inspector.

4.03

A licensee must not obstruct or hinder, or make a false or misleading statement to, an inspector who is exercising powers or performing duties under the Act.

Offences and Compliance

5.01

It is an offence to sell lottery product without holding a valid licence issued by the LGA.

5.02

It is an offence to contravene a provision of the Act or these terms and conditions.

5.03

A licensee who is the subject of a compliance order must comply with the order.

5.04

A licensee is guilty of an offence under this Act who:

- a) contravenes a provision of this Act; or
- b) knowingly makes a false statement in an application for or renewal of a licence, permit or approval or in any record, return or report required under this Act.

5.05

A licensee who is guilty of an offence is liable on summary conviction:

- a) in the case of an individual, to a fine of not more than \$50,000, imprisonment for up to six months, or both; and
- b) in the case of a corporation, to a fine of not more than \$250,000.

5.06

If a corporation commits an offence under this Act, a director or officer of the corporation who authorized, permitted or acquiesced in the commission of the offence is also guilty of an offence and is liable on summary conviction to the applicable penalties set out in clause 5.05, whether or not the corporation has been prosecuted or convicted.

5.07

Every licensee can appeal an order made under Part 6 of the Act.

5.08

The appeal must be held in accordance with Part 7 of the Act, after which the LGA may uphold, vary or cancel the order of the executive director or impose a fine.

5.09

The licensee must comply with all the terms and conditions and any contravention constitutes an offence under the Act.