

Media Bingo Licence Terms and Conditions

DEFINITIONS

bona fide member means an active member in good standing of the licensee who has other duties, beyond conducting lottery events, within the organization. "Members of convenience" whose only duty is to assist with the Media Bingo are not considered to be bona fide members.

books and records means documents outlining financial details of lottery events and includes, but is not limited to, ledgers, sub-ledgers, cheque books, cheque stubs, deposit books, deposit slips, bank statements, cancelled cheques, receipts, invoices and control sheets.

licensee means a charitable organization to which a licence is issued to conduct a lottery under Section 207 of the *Criminal Code* of Canada and includes a Hall Charities Association.

licensing authority means the Director under the *Gaming Control Act, 1992* or a municipal council.

Media Bingo means a bingo event which is conducted on or through television, radio or newspaper or other communication devices.

Any Media Bingo licence issued is subject to the following terms and conditions, as well as the *Lottery Licence Terms and Conditions*, and may be subject to audit and investigation by the licensing authority. A breach of any term and condition can result in the cancellation or suspension of the licence or in prosecution.

It is a condition of each licence that:

(1) GENERAL

1.1 The licensee is responsible and accountable for the overall management and conduct of the Media Bingo.

- 1.2 The licensee must control and decide all operational, administrative and staffing requirements related to the conduct of the Media Bingo.
- 1.3 The licensee must comply with all federal, provincial and municipal laws including the *Criminal Code* of Canada and the *Gaming Control Act, 1992*.
- 1.4 The licensee must conduct the Media Bingo in accordance with the information supplied on the application and approved by the licence.
- 1.5 The licensee must produce the licence on demand.

(2) STAFFING

- 2.1 The licensee must designate at least two (2) bona fide active members to be in charge of and responsible for the conduct of the Media Bingo event. The designated members in charge must be at least 18 years of age and be responsible for:
- a) supervising all activities related to the conduct of the Media Bingo;
 - b) completing and filing the required financial report on the results of the event;
 - c) ensuring that all terms and conditions of the licence and any additional conditions imposed by the licensing authority, are complied with;
 - d) keeping all required records and depositing all monies into the designated lottery trust account;
 - e) reconciling sales of all bingo cards.

2.2 The licensee may use the services of persons other than bona fide members to sell Media Bingo cards on its behalf.

2.3 The licensee must not allow any person who has had a registration under the *Gaming Control Act, 1992* revoked or refused to participate in any way in the conduct of the event.

(3) CONDUCT OF THE EVENT

3.1 No person directly involved in or responsible for the conduct of the Media Bingo may participate as a player in the Media Bingo.

3.2 The licensee must establish rules consistent with these terms and conditions governing the conduct of the Media Bingo. Rules must be approved by the licensing authority and must include:

- a) the manner in which a winner is determined;
- b) the manner in which prizes will be awarded to the winner.

3.3 Other rules must include:

a) TV BINGOS

i. rules relative to the operation of an escalating number jackpot, including determination of winner.

b) NEWSPAPER OR RADIO BINGO

i. rules relating to the number of "numbers" which are announced or published each day and the duration of each game.

(4) CARD SALES

4.1 Bingo cards must not be sold in any municipality which has not granted formal approval to the licensee.

4.2 The licensee must only sell bingo cards which have a clearly visible, consecutively numbered serial number.

4.3 The licensee must not allow any person apparently under the age of 18 years to purchase Media Bingo cards.

4.4 The licence number must appear on all Media Bingo cards.

4.5 The licensee must ensure that the rules of play and game schedule are available to persons purchasing bingo cards.

4.6 The designated member in charge of the event is responsible for all bingo card sales and must maintain a serial number record showing the distribution of cards to each location, cash received and unsold or returned bingo cards. This record must contain sufficient detail to account for all cards and cash and to reconcile totals at the conclusion of each event.

4.7 Bingo cards must not contain any type of coupon, promotional or advertising material unless it is promoting the licensee and is approved by the licensee.

(5) PROCEEDS AND EXPENSES

5.1 The net proceeds derived from the conduct of the Media Bingo must be used for the charitable or religious objects or purposes in Ontario as approved in the application for licence.

5.2 All prizes and expenses incurred as a result of conducting the Media Bingo must be deducted and paid out from the gross receipts derived from the Media Bingo. The licensee must not use monies from any other source to pay for expenses related to the Media Bingo lottery.

5.3 Persons assisting in the sale of Media Bingo cards may be paid a sales commission not to exceed five (5) per cent of the price of each card sold.

5.4 Total expenses, including all taxes but not including sales commissions and the licence fee, incurred in the conduct of the Media Bingo must not exceed 15 per cent of the total gross receipts derived from each event.

5.5 a) Each expense must be individually calculated and paid separately by cheque,

drawn on the designated lottery trust account described in Section 8.

b) Sales commissions may be paid by cash, provided they are supported by a receipt.

5.6 Bona fide members of the licensee who are involved in the distribution of bingo cards may be compensated for out-of-pocket expenses, such as gas costs. All such expenses paid must be supported by a receipt. Copies of these receipts must be submitted with the financial report filed with the licensing authority.

(6) ADVERTISING

6.1 The licensee is responsible for the design, placement and payment of any advertising.

6.2 Advertisements must clearly state the name of the licensee and the licence number.

6.3 The licensee must supply samples of advertising and promotional materials to be used in connection with the bingo if requested to do so for approval by the licensing authority.

(7) BOOKS AND RECORDS

7.1 The licensee must obtain receipts for each expense incurred.

7.2 The licensee must maintain a detailed record of how profits from the Media Bingo lottery were disbursed.

7.3 The licensee must maintain books, records and other documents in support of all financial reports or statements. These records must be kept up to date and be retained for no less than four (4) years.

7.4 The licensee must provide officers appointed by the licensing authority and all peace officers unencumbered access to all books and records related to the conduct of the Media Bingo and must deliver these documents to the licensing authority when requested. The books and records may be

retained by the licensing authority for audit and investigation purposes.

(8) BANKING AND FINANCIAL

8.1 The licensee must open and maintain a separate designated lottery trust account to administer all funds related to the conduct of lottery events. The licensee has the option of:

a) opening and maintaining one designated lottery trust account to administer all lotteries conducted by the licensee; or

b) opening and maintaining separate designated lottery trust accounts for each type of lottery conducted by the licensee.

8.2 Each designated lottery trust account must be maintained in the name of the licensee, in trust and must have the following features:

a) cheque writing privileges and monthly statements issued;

b) all cheques or electronic images of backs and fronts of cheques returned with monthly statement.

8.3 Any interest accrued on the lottery trust account must be used for the charitable purposes of the licensee.

8.4 In administering the lottery trust account, the licensee must:

a) appoint a minimum of two (2) signing officers who are bona fide members of the licensee to administer the account and write cheques;

b) deposit into the account all monies derived from the operation of any and all lottery events as soon as it is practical to do so;

c) ensure all withdrawals are made by cheque;

d) ensure cheques are written only for the payment of the expenses incurred in the conduct of the lottery and the donation of net proceeds for the charitable purposes approved on the application for licence.

- 8.5** The licensee must not:
- a)
 - i. where only one designated lottery trust account is maintained, deposit monies received from any source other than lottery events conducted by the licensee into the designated trust account, or
 - ii. where a separate designated trust account for Media Bingo lotteries has been established, deposit monies received from any other source in the designated Media Bingo lottery account.
 - b) transfer funds from the designated lottery trust account into an operating or general account of the licensee;
 - c) close the designated lottery trust account until all monies have been donated to approved charitable purposes and a report has been submitted to the licensing authority.

8.6 Where only one designated lottery trust account is maintained, the licensee must maintain ledgers outlining financial details of each lottery event conducted, including proceeds derived from each, expenses paid in the conduct of each lottery event, and a list of how proceeds have been disbursed.

(9) REPORTING REQUIREMENTS

- 9.1** The licensee must provide the licensing authority with a financial report outlining the results of the Media Bingo on the prescribed forms. Copies of all deposit slips related to the event must accompany the financial report.
- 9.2** The financial report must be filed within 30 days of the date of the event. The licensing authority may request additional documents deemed necessary to substantiate the particulars of the event which may include receipts for each expense incurred.
- 9.3** The licensee must provide the licensing authority(ies) with a verified financial statement on a yearly basis outlining the financial details of all lottery events conducted. The financial statement must be

submitted within 180 days of the organization's year end.

- 9.4** The type of financial review required will depend on the gross annual revenues from all sources. Licensees that receive:
- a) less than \$250,000 in gross annual revenues from all sources must prepare financial statements in accordance with the standards set out in the *CICA Handbook*;
 - b) \$250,000 or more in gross annual revenues from all sources must prepare financial statements in accordance with the standards set out in the *CICA Handbook* which have been audited by a public accountant.
- 9.5** Where requested, the licensee must provide an audited financial statement to the licensing authority within 120 days of the request or such other time frame as may be imposed by the licensing authority.
- 9.6** The licensee may use lottery proceeds to pay for expenses related to the preparation of the yearly financial statements. This expense shall not be included in any expense maximum within these terms and conditions.