

Electronic Raffle Operational Terms and Conditions

DEFINITIONS

Raffle means a lottery scheme where Tickets are sold for a chance to win a prize at a draw, and includes 50/50 draws.

Electronic Raffle Assets means supplies, equipment, or financial assets related to the Raffle, including but not limited to cash, Raffle Sales Units, and other assets.

Electronic Raffle Personnel means individuals involved in the operation of the electronic Raffle, including both paid staff and volunteers.

Electronic Raffle System (ERS) means gaming equipment, including both software and hardware, that is used to generate and record Raffle numbers; account for sales of Raffle Tickets; select the winning Raffle Ticket; display the award; or print tickets, award amount, results, and other information related to the raffle.

Raffle Ticket (also known as Ticket) means a type of lottery Ticket which serves as a transaction record (receipt) for the purchase of one or more Raffle numbers.

Licence means a Licence issued to an eligible charitable organization under the Criminal Code (Canada) by or under the authority of the Lieutenant Governor in Council, to conduct and manage a lottery scheme approved by the Registrar.

Licensee means a charitable organization to which a Licence is issued.

Notification Matrix means a document defining the types of incidents and regulatory submissions that must be reported to the AGCO as well as the requirements for how the notification must be made (e.g., written communication, phone call, etc.)

Raffle Number means the identifier providing a unique entry into the draw, representing a chance to win.

Backend System means a dedicated computer system that is used to conduct and manage Raffle Games. It includes servers and databases.

Raffle Sales Unit (RSU) means a fixed base or mobile device, which communicates with the backend system to facilitate the sale of Raffle Tickets.

(1) CONDUCT OF THE RAFFLE

- 1.1 The Licensee shall ensure that the Electronic Raffle System is provided, installed, configured, maintained, repaired, and operated in a way that ensures the integrity, safety and security of the system, and in accordance with the Registrar's approval.
- 1.2 The Licensee shall have procedures in place to ensure game integrity, security and audit capability for times

when there are technical difficulties.

a) The licensee shall ensure that procedures are current and reflect good practices for security, issues management and resolution.

1.3 Procedures shall be established and documented for IT operations and incident management, including managing, monitoring and responding to security and integrity events.

Requirement – At a minimum

a) Proactive monitoring and detection of errors in the ERS and related components shall be in place.

1.4 Player information (which must be owned by the Licensee) shall be securely protected.

Requirements – At a minimum:

a) Data collection and protection requirements for player personal information shall meet those set out in applicable legislation; and

b) Player information shall only be used for the Licensee's business unless there is prior approval from the players.

1.5 The Licensee shall ensure that all authorized AGCO staff are granted access to Electronic Raffle Assets where the Raffle is being conducted, upon request.

1.6 The Licensee shall have access to accurate floor plans of any venue being used to conduct a Raffle, to be made available to AGCO upon request. Floor plans must show areas containing Electronic Raffle Assets, cash counting room and the event office.

1.7 The Licensee shall ensure that appropriate safeguards are in place to

protect Electronic Raffle Personnel and Electronic Raffle Assets.

a) Electronic Raffle Assets shall be appropriately secured at all times.

b) Where Raffle Sales Units are used, the Licensee shall maintain a list of the users assigned to each RSU.

1.8 The Licensee shall ensure that Electronic Raffle Assets are in good working order, and not compromised or altered in any way that would affect the integrity of the Raffle.

(2) INCIDENT MANAGEMENT AND REPORTING

2.1 The Licensee shall report incidents related to the raffle to AGCO in accordance with the Notification Matrix.

a) The Licensee shall have an escalation procedure to respond to incidents.

2.2 In the event of an Electronic Raffle System failure, the Licensee must have procedures in place to ensure that raffle sales data can be retrieved.

2.3 If a Raffle Sales Unit is lost, stolen or destroyed or for any other reason has offline transactions that have not been committed to the server, the Licensee must have policies and procedures in place to maintain the integrity of the draw.

2.4 The Licensee must have policies and procedures in place to address technical difficulties arising during a Raffle that affect its integrity.

2.5 The Licensee shall ensure that all tickets purchased have been distributed, and properly recorded in the

Electronic Raffle System before the draw may proceed.

- 2.6 Where a draw has been postponed due to technical difficulties, the Licensee shall announce the winner at the first available opportunity.
- 2.7 The Licensee must have policies and procedures in place to address power interruptions, emergency situations, or other incidents that could impact the integrity of the Raffle.
- 2.8 The Licensee shall have policies and procedures in place to monitor and address any unusual or suspicious activity in relation to the Raffle.
- 2.9 The Licensee must have policies and procedures in place to investigate cash shortages and to take action as appropriate.
- 2.10 The Licensee shall have a customer service/complaint process to address concerns/inquiries related to the raffle.

(3) STAFFING

- 3.1 The Licensee shall ensure that all Electronic Raffle Personnel have appropriate training related to their roles and responsibilities to ensure the Raffle is conducted and managed in accordance with the Licence.
- 3.2 Payments by a Licensee to ticket sellers must meet the following:
 - a) Any payment to a seller must be paid out of a general account.
 - b) Payment to a seller may not be on the basis of commission, and may not be based on the number of tickets sold.

(4) TICKET SALES

- 4.1 The Licensee shall ensure that the sale of Raffle Tickets is not permitted to individuals who are intoxicated.
- 4.2 The Licensee shall not permit the sale of raffle tickets outside of the area(s) set out and approved in the Licence application.
- 4.3 The Licensee shall ensure that all Raffle Sales Units used for in-person sales are operated by a representative of the charity. The Licensee shall not permit the use of any unsupervised Raffle Sales Units.
- 4.4 The Licensee shall ensure that raffle ticket sales shall open and close as set out in the Licence application and approved on the Licence.
 - a) For draws which combine in-person and online electronic raffle sales all activities related to the raffle up to and including the selection of the winning Raffle Number must be concluded before sales for the next draw can begin at the same venue(s).
- 4.5 The Licensee shall have procedures in place to ensure that all valid raffle tickets are included in the draw, and to ensure that no invalid, incomplete or ineligible tickets are included in the draw.
- 4.6 All electronic raffle transactions must be auditable.
- 4.7 Licensees shall ensure that only ticket numbers eligible to be included shall be available to be selected in the draw.
- 4.8 The Licensee shall ensure that void tickets and sales reports that include

voids and cancelled ticket numbers must be readily available and auditable.

- 4.9 The Licensee shall ensure that ticket numbers are not pre-printed in advance of a request for purchase.
- 4.10 The Licensee shall have procedures in place to log sales activity.
- 4.11 The Licensee shall ensure that all sales activity is reconciled prior to the draw taking place.
- 4.12 When selling on the premises of another business, the sale of Raffle Tickets must be conducted at separate and distinct points of sale operated solely by the charity.

(5) PRIZES

- 5.1 The Licensee shall ensure that all Raffle outcomes are clearly explained and displayed to the players, during and after the event.
- 5.2 If the prize amount is estimated, the Licensee shall ensure that players are told that it is estimated. Except when technical difficulties prevent it from occurring. Estimated prizes must always be publicized through display or announcement.
- 5.3 For raffles with guaranteed prizes, the Licensee shall ensure that the value of the prize is disclosed.
- 5.4 Prizes awarded such as gift cards, must not be subject to service charges or maintenance fees that are deducted from the balance of the prize.
- 5.5 The Licensee shall ensure that the

amount of the prize and winning number are publicized once sales are tabulated and the draw has occurred.

a) For raffles where at least some tickets are sold in-person, wherever possible, the announcement of the prize and the winning number shall occur during the event at which raffle tickets were sold in-person.

5.6 When prizes have been seeded with donated cash or merchandise, the Licensee shall include the value of the seeded amount in the estimated prize displayed.

5.7 In the event of any error in displaying or announcing the winning number or prize amount, the Licensee shall ensure that the erroneous information is immediately removed from display and not reposted until corrected.

a) Where sales take place in-person, if that event is still in progress, the Licensee shall make all reasonable efforts to ensure notification.

b) The Licensee shall ensure that all other communications are corrected as applicable to ensure they are current and accurate.

5.8 Under a 50/50 electronic raffle, a licensee may include a reasonable number of fixed prize draw(s), e.g. early bird or consolation draw, provided that:

a) 50% of ticket sales must go to the winner of the main prize draw.

b) Any fixed prizes are paid from the charity's half of the tickets sales or from donations.

c) Rules of play must be clear, so players understand how the draws will work.

(6) ADVERTISING AND RESPONSIBLE GAMBLING

6.1 The Licensee shall ensure that advertising and marketing materials shall not:

- a) be designed to appeal primarily to minors;
- b) appear on displays in primarily youth-oriented locations;
- c) use individuals who are, or appear to be minors, to promote gambling; however, if the intent of the marketing campaign is to identify minors as a benefactor of the licensee's programs, such advertising is permitted;
- d) imply that chances of winning increase
 - i. the longer one plays; or
 - ii. the more one spends.

6.2 The Licensee shall ensure that advertising and marketing materials and communications shall not be misleading.

At a minimum, materials and communications shall not:

- a) imply that playing a lottery scheme is required for social acceptance, personal success, financial success or resolving economic, social or personal problems;
- b) contain endorsements by well-known personalities that suggest

that playing lottery schemes have contributed to their success;

c) encourage play as a means of recovering past gambling or other financial losses;

d) present winning as the most probable outcome, or misrepresent a person's chances of winning a prize; or

e) suggest that skill can influence the outcome.

6.3 The Licensee shall ensure that advertising and marketing materials contain a responsible gambling message. At a minimum, the ConnexOntario Help Line phone number and website must be included on the Ticket, on any other material that is distributed to the players, and on the Licensee's website if there is information available about the Raffle.

6.4 The Licensee shall ensure that all applicable Electronic Raffle Personnel have the knowledge to direct players to the ConnexOntario Help Line and website.

6.5 The Licensee may accept sponsorships as long as it is still clear to the public that the Raffle is charitable and is conducted and managed by the Licensee. Sponsorship revenue shall not be deposited into the lottery trust account.