

The fees are not refundable.

6.1. The duties payable for the issue of a class A lottery scheme licence are \$15 per lottery scheme. In the case of an application for a licence made on behalf of a group of organizations, the duties are payable by each organization that is part of the group.

6.2. The duties payable for the issue of a class B lottery scheme licence are

(1) for a drawing, subject to section 7, a payable duty representing 0.9% of the total selling price of the tickets estimated by the applicant;

(2) for an instant lottery, a payable duty representing 0.9% of the total selling price of the instant lottery cards;

(3) for a charity casino, a payable duty of \$50 per day;

(4) for a wheel of fortune, a payable duty of \$50 per day.

Despite subparagraph 1 of the first paragraph, for a progressive drawing, a payable duty representing 0.9% of the total selling price of the tickets must be sent to the Régie des alcools, des courses et des jeux every quarter as of the first drawing.

6.3. The duties provided for in section 6.2 are payable when an instant lottery, a charity casino or a wheel of fortune is added to a licence.”

7. Section 7 is amended

(1) by replacing “a licence to conduct and manage drawings” by “a class B licence to conduct and manage a drawing”;

(2) by striking out “of profit” after “statement”;

(3) by striking out “, or be sent not later than 60 days after the date of expiry of the licence” at the end.

8. Section 8 is replaced by the following:

“The duties payable for the issue of an electronic schemes supplier licence are \$225.”

9. Section 9 is replaced by the following:

“9. The board will reimburse the duties paid under sections 6.1 to 6.3 or section 8 where it refuses to grant an application for a licence or an application to add a lottery

scheme, or revokes the licence before the sale of tickets or instant lottery cards or the date that the charity casino or the wheel of fortune is to be held.”

10. Section 11 is amended in the first paragraph

(1) by inserting “examination” before “fees”;

(2) by replacing “6” by “6.2”.

11. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

106520

Draft Regulation

Act respecting lotteries, publicity contests and amusement machines (chapter L-6)

Lottery schemes — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation to amend the Lottery Scheme Rules, appearing below, may be approved by the Government on the expiry of 45 days following this publication.

The draft Regulation amends the Lottery Scheme Rules (chapter L-6, r. 12.1) in particular to establish the conditions for obtaining a lottery licence for a public place of amusement and the standards and restrictions relating to the use of that licence. The draft Regulation also establishes the conditions for obtaining and the standards for using a licence issued further to an application for a licence for a group of organizations. In addition, the draft Regulation proposes amendments to simplify the form and content of the reports that licence holders must submit.

Further information on the draft Regulation may be obtained by contacting Andrée-Anne Garceau, Secretary and Interim Director, Direction du secrétariat général, du soutien à la gouvernance et des communications, Régie des alcools, des courses et des jeux, 200, chemin Sainte Foy, 4^e étage, Québec (Québec) G1R 4X6; telephone: 418 528-7225, extension 23251; fax: 418 646-5204; email: andree-anne.garceau@racj.gouv.qc.ca.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to Andrée-Anne Garceau, Secretary and Interim Director, Direction du secrétariat général, du soutien à la gouvernance et des communications, Régie des alcools, des courses et des jeux, at the above contact information.

FRANÇOIS BONNARDEL
Minister of Public Security

Regulation to amend the Lottery Scheme Rules

Act respecting lotteries, publicity contests and amusement machines
(chapter L-6, s. 20, 1st par., subpars. *c*, *i*, *l* and *m*, and 2nd par.)

1. The Lottery Scheme Rules (chapter L-6, r. 12.1) are amended by replacing section 1 by the following:

“**1.** The definitions set out in the Lottery Scheme Regulation (chapter L-6, r. 11.1) apply to this Regulation.”

2. The heading of Title II is amended by adding “AND CONDITIONS FOR OBTAINING A LICENCE” at the end.

3. Section 2 is amended

(1) by replacing “An organization, a board of a fair or exhibition or an operator” in the first paragraph by “An organization, a non-profit legal person, a board of a fair or exhibition or an operator”;

(2) by replacing the second paragraph by the following:

“In the case of a natural person, they must be of full age and a Canadian citizen; if the natural person is not a Canadian citizen, they must reside in Québec as a permanent resident.”

4. The following is inserted after section 2:

“**2.1.** A person designated to act as the representative of a person who applies for a lottery scheme licence must be a member, director, employee or volunteer for the applicant and have the necessary knowledge on the conduct and management of the lottery scheme to answer the board.”

5. Section 3 is amended

(1) by replacing “sa” in the portion before paragraph 1 in the French text by “la”;

(2) by replacing “, of its registration or of a” in paragraph 4 by “or of any other”;

(3) by replacing paragraphs 5 and 6 by the following:

“(5) a document proving the charitable or religious purposes pursued by the organization; and

(6) a detailed description of the charitable or religious purposes for which the application is made and the proposed use of the profit, which must be compatible with the purposes pursued by the organization.”

6. The following is inserted after section 3:

“**3.1.** Where an application for a licence is made on behalf of a group of organizations, the umbrella organization must provide the board with the following information and documents:

(1) the umbrella organization’s name, address, telephone number and email address;

(2) a copy of the resolution that designates the natural person acting as representative for the umbrella organization for the licence application, as well as the representative’s name, address, telephone number, email address and date of birth;

(3) the umbrella organization’s Québec business number assigned under the Act respecting the legal publicity of enterprises (chapter P-44.1) or, failing that, a copy of its letters patent, of its certificate of constitution or of any other document attesting to its existence;

(4) an attestation that the umbrella organization has the authorizations required to make an application on behalf of the organizations that are part of the group;

(5) the name, address, telephone number and email address of each organization that is part of the group, as well as the name, telephone number, email address and date of birth of each organization’s representative;

(6) a document proving the charitable or religious purposes pursued by the umbrella organization, as well as an attestation that all the organizations that are part of the group pursue similar charitable or religious purposes; and

(7) a detailed description of the charitable or religious purposes for which the application is made and the proposed use of the profit, which must be compatible with the purposes pursued by the organizations that are part of the group.

Where the board grants such an application, the licence is issued in the name of the umbrella organization and is valid, subject to the conditions prescribed, for each organization that is part of the group.”

7. Section 4 is amended

(1) in the first paragraph

(a) by replacing “sa” in the portion before subparagraph 1 in the French text by “la”;

(b) by replacing “, of its registration or of a” in subparagraph 4 by “or of any other”;

(c) by replacing “a declaration” in subparagraph 6 by “an attestation”;

(2) by replacing the third paragraph by the following:

“Where the operator of a concession leased from the board of a fair or exhibition is a natural person, the operator must provide his or her date of birth, as well as the information and documents referred to in subparagraphs 1, 5 and 6 the first paragraph.”

8. The following is inserted after section 4:

4.1. When applying for a licence to conduct and manage a lottery at a public place of amusement, a natural person or a non-profit legal person must provide the board with the following information and documents, if applicable:

(1) the person’s name, address, telephone number, email address and date of birth;

(2) a copy of the resolution that designates the natural person acting as representative for the licence application;

(3) the representative’s name, address, telephone number, email address and date of birth;

(4) the person’s Québec business number assigned under the Act respecting the legal publicity of enterprises (chapter P-44.1) or, failing that, a copy of its letters patent, of its certificate of constitution or of any other document attesting to its existence; and

(5) the name and address of the place of public amusement where each lottery scheme will be conducted and managed.

4.2. The applicant for a class A lottery scheme licence must, in addition to the information and documents required by sections 3 and 4, depending on the category of persons to which the applicant belongs, provide the Board with the following information:

(1) a list of the lottery schemes; and

(2) the type of drawing, if applicable.”

9. Section 5 is amended

(1) in the first paragraph

(a) by replacing the portion before subparagraph 1 by the following: “The applicant for a class B lottery scheme licence to conduct and manage a drawing must, in addition to the information and documents required by sections 3 and 4, depending on the category of persons to which the applicant belongs, provide the Board, for each drawing, with the following information:”;

(b) by replacing “profit” wherever it appears by “revenues”;

(c) by replacing “profit and costs” in subparagraph 7 by “gross revenues and expenses”;

(2) by replacing the second paragraph by the following:

“Where an electronic scheme from a supplier is used in order to conduct and manage a drawing, the application must also include the name of the supplier and the name and proposed use of the electronic scheme, and be accompanied with a copy of the contract entered into with the supplier.”;

(3) by replacing “S’il” in the portion before subparagraph 1 of the third paragraph in the French text by “Lorsque le demandeur”.

10. Section 6 is amended

(1) by replacing the portion before paragraph 1 by the following: “The applicant for a class B lottery scheme licence to conduct and manage an instant lottery must, in addition to the information and documents required by sections 3 and 4, depending on the category of persons to which the applicant belongs, provide the Board, for each instant lottery, with the following information:”;

(2) by replacing “s’il y a lieu” in paragraph 2 in the French text by “le cas échéant”;

(3) by replacing “profit and costs” in paragraph 7 by “gross revenues and expenses”.

11. Section 7 is amended

(1) by replacing the portion before paragraph 1 by the following: “The applicant for a class B lottery scheme licence to conduct and manage a charity casino must, in addition to the information and documents required by section 3, provide the Board, for each charity casino, with the following information:”;

(2) by striking out paragraph 7;

(3) by replacing “profit and costs” in paragraph 9 by “gross revenues and expenses”.

12. Section 8 is amended by replacing the portion before paragraph 1 by the following: “The applicant for a class B lottery scheme licence to conduct and manage a wheel of fortune must, in addition to the information and documents required by section 4, provide the Board, for each wheel of fortune, with the following information:”.

13. Section 9 is revoked.

14. Section 10 is replaced by the following:

“**10.** An application for a lottery scheme licence may be made by more than one applicant in order to jointly conduct and manage a lottery scheme and share the resulting profit. The application must be signed by each applicant.

Each applicant must meet the conditions for obtaining the licence and provide the documents and information referred to in section 3, 4 or 4.1, as applicable.

The licence is issued in the name of each of the applicants.

10.1. An application for a lottery scheme licence or any application to add a new lottery scheme must be filed with the board at least 30 days before the sale of tickets or instant lottery cards, or the date that the charity casino, the wheel of fortune or the lottery at a public place of amusement is to be held.

10.2. The board may issue a new class A lottery scheme licence only if more than 12 months have elapsed from the date on which the applicant, except an umbrella organization, was issued a class A lottery scheme licence.

In addition, the board may issue a new licence to conduct and manage a lottery at a public place of amusement only if more than 12 months have elapsed from the date on which the applicant was issued a licence to conduct and manage such a lottery.”.

15. Section 11 is amended by replacing the portion before paragraph 1 by “The board may refuse to issue a licence if an applicant or one of the applicant’s officers, directors, employees or volunteers working on the lottery scheme has been found guilty of”.

16. The following is inserted after section 11:

“**11.1.** Where an application for a licence is made on behalf of a group of organizations, the board may refuse to let an organization be part of the group, for a reason provided for in section 11 of these Rules or section 50 of the Act respecting lotteries, publicity contests and amusement machines (chapter L-6).”.

17. Section 14 is replaced by the following:

“**14.** Except with the prior authorization of the board, no modification may be made to a lottery scheme and no lottery scheme may be added during the term of the licence.

The board, on the conditions it determines, may authorize the modification of a lottery scheme or modify a licence. In case of a refusal, the board may also cancel or revoke the licence.”.

18. Section 17 is amended by replacing the portion before subparagraph 1 of the first paragraph by “The board may refuse to issue a licence if an applicant or one of the applicant’s officers, directors or employees who has access to the electronic schemes has been found guilty of”.

19. Sections 19 and 20 are revoked.

20. The following is inserted after section 20:

“**20.1.** A class A lottery scheme licence authorizes the holder to conduct and manage a drawing, an instant lottery, a charity casino or a wheel of fortune, on the following conditions:

(1) the gross annual revenues from the conduct and management of the lottery schemes may not exceed \$20,000; and

(2) no electronic scheme may be used to conduct and manage a lottery scheme.

Where the licence is issued for the benefit of a group of organizations, the gross annual revenues provided for in subparagraph 1 of the first paragraph applies to each organization that is part of the group.

20.2. Where a licence is issued for the benefit of a group of organizations, the requirements of this Title apply to each organization that is part of the group.”

21. Section 22 is amended by replacing “lottery schemes licence and the rules of participation and operation, and to learn” by “licence and, if applicable, the rules of participation and operation of the lottery scheme, as well as”.

22. Section 24 is amended by inserting “, if applicable” at the end of the second paragraph.

23. Section 25 is amended by inserting “of a class B lottery scheme licence” after “holder” in the portion before paragraph 1.

24. The heading of Chapter II of Title III is revoked.

25. Section 27 is replaced by the following:

“27. The funds collected by an organization holding a class B lottery scheme licence during the conduct and management of a lottery scheme must be the object of book-keeping that is separate from the organization’s general accounting.”.

26. Section 29 is replaced by the following:

“29. Except in the case of a lottery at a public place of amusement and a wheel of fortune, a lottery scheme’s administration expenses must be less than the scheme’s net profit.”.

27. Section 30 is amended by replacing “the profit” by “the gross revenues or the profit”.

28. Section 32 is amended in the first paragraph

(1) by replacing “,” after “administrateur” in the French text by “ou”;

(2) by replacing “profits” by “gross revenues or profit”.

29. The heading of Chapter III of Title III is revoked.

30. Section 33 is amended

(1) by replacing “of gross profit” by “of gross revenues”;

(2) by inserting “, if applicable” at the end.

31. The following is inserted after section 34:

“CHAPTER II LOTTERY AT A PUBLIC PLACE OF AMUSEMENT

34.1. A licence to conduct and manage a lottery at a public place of amusement authorizes the holder to sell simplified tickets that entitle purchasers to take part in a drawing of lots for various prizes, on the following conditions:

(1) the drawing must be conducted and managed at a public place of amusement;

(2) the drawing must be a drawing with a fixed prize or a drawing whose prize is determined based on the percentage of gross revenues;

(3) the tickets must be sold and a winner must be chosen on the same day;

(4) the cost of a ticket may not exceed 2 dollars;

(5) the total value of prizes drawn per day may not exceed \$500;

(6) the gross annual revenues from the sale of draw tickets may not exceed \$5,000;

(7) no electronic scheme may be used to conduct and manage the drawing; and

(8) the drawing may not be conducted or managed for the object of promoting commercial interests.

Simplified tickets must contain a sequential number, which must be retained by the holder for the purpose of choosing the winner.

34.2. To establish and operate a drawing, a licence holder must have the prior authorization of the owner of the public place of amusement or the person responsible for it or, if applicable, the event organizer.

34.3. A winner must be chosen publicly before at least 3 witnesses.

34.4. Each drawing prize whose amount is determined by a percentage of the revenue generated from ticket sales must be announced to the participants before a winner is chosen.

To receive a prize, a participant must show the licence holder that they are at least 18 years of age and present their ticket.

To be valid, a ticket must be intact and must not have been modified, altered, reconstituted or counterfeited in any manner whatsoever.”.

32. The heading of Chapter IV of Title III is replaced by the following:

**“CHAPTER III
DRAWING”.**

33. Section 41 is amended

(1) by replacing “The rules of participation and operation of a drawing” in the portion before paragraph 1 by “The holder must have rules of participation and operation, that”;

(2) by striking out “and the numbers of the first and last tickets” in paragraph 4;

(3) by inserting “if there is more than one prize,” at the beginning of paragraphs 8 and 9;

(4) by replacing “profit” wherever it appears in paragraphs 9 and 10 by “revenues”.

34. Section 45 is amended by replacing “not later than 30 minutes after the winning sequential number has been called” by “within the time prescribed in the rules of participation and operation”.

35. Section 48 is replaced by the following:

“**48.** Only an organization holding a class B lottery scheme licence may use an electronic scheme as part of a drawing.

An electronic scheme may only be used for

- (1) selling tickets;
- (2) choosing a winner; or
- (3) awarding a prize.”.

36. The heading of Chapter V of Title III is replaced by the following:

**“CHAPTER IV
INSTANT LOTTERY”.**

37. Section 64 is amended by replacing “The rules of participation and operation” by “The holder must have rules of participation and operation, that”.

38. The heading of Chapter VI of Title III is replaced by the following:

**“CHAPTER V
CHARITY CASINO”.**

39. The heading of Chapter VII of Title III is replaced by the following:

**“CHAPTER VI
WHEEL OF FORTUNE”.**

40. The heading of Title IV is replaced by the following:

**“TITLE IV
REPORTING”.**

41. The following is inserted before section 75:

“**74.1.** The holder of a licence to conduct and manage a lottery at a public place of amusement must note and keep the following information in a record for each drawing:

- (1) the type of drawing;
- (2) the date and place of the drawing;
- (3) the total value of prizes drawn; and
- (4) the gross revenues from the sale of draw tickets.

The holder must also note and keep, in the same record, the total gross revenues from all the drawings held during the term of the licence.

The holder must keep that information for 2 years after the expiry or revocation of the licence and send it to the board upon request.

74.2. The holder of a class A lottery scheme licence and, in the case of a licence issued for the benefit of a group of organizations, each organization that is part of the group must note and keep the following information in a record for each lottery scheme, except a wheel of fortune:

- (1) the type of lottery scheme and, if applicable, the type of drawing;
- (2) the date on which the lottery scheme is to be conducted;
- (3) the total value of prizes awarded by the lottery scheme;

(4) the gross revenues from the sale of draw tickets, instant lottery cards, admission tickets and additional phoney money from the charity casino or the wheel of fortune bets;

(5) the actual cost of each prize awarded by the lottery scheme;

(6) the lottery scheme's administration expenses;

(7) the profit or loss of the lottery scheme.

The licence holder and, if applicable, each organization that is part of the group must also note and keep, in the same record, the gross revenues and profit from all lottery schemes held during the term of the licence.

That information must be kept for 2 years after the expiry or revocation of the licence and provided to the board upon request."

42. Section 75 is amended

(1) by replacing "licence to conduct and manage a drawing must prepare and keep a statement of gross and net profit" in the first paragraph by "class B licence to conduct and manage a drawing must produce a report of their activities";

(2) by replacing "the date of expiry" in the second paragraph by "the expiry or revocation";

(3) in the third paragraph

(a) by replacing "mentions" in the portion before subparagraph 1 in the French text by "informations";

(b) by replacing subparagraph 4 by the following:

"(4) the gross revenues from the sale of draw tickets;".

43. Section 76 is amended

(1) by replacing "licence to conduct and manage an instant lottery must prepare and keep a statement of gross and net profit" in the first paragraph by "class B licence to conduct and manage an instant lottery must produce a report of their activities";

(2) by replacing "the date of expiry" in the second paragraph by "the expiry or revocation";

(3) in the third paragraph

(a) by replacing "mentions" in the portion before subparagraph 1 in the French text by "informations";

(b) by replacing subparagraph 4 by the following:

"(4) the gross revenues from the sale of instant lottery cards;".

44. Section 77 is amended

(1) by replacing "licence to conduct and manage a charity casino must prepare and keep a statement of gross and net profit" in the first paragraph by "class B licence to conduct and manage a charity casino must produce a report of their activities";

(2) by replacing "the date of expiry" in the second paragraph by "the expiry or revocation";

(3) in the third paragraph

(a) by replacing "mentions" in the portion before subparagraph 1 in the French text by "informations";

(b) by replacing "total proceeds" in subparagraphs 4 and 5 by "gross revenues".

45. The following is inserted after section 77:

"77.1. For the purposes of sections 74.1 to 77 of these Rules, in the case of a licence referred to in section 10, licence holders must keep only one record or produce only one activity report, as applicable."

46. Section 79 is amended by replacing "after the date of expiry" in the second paragraph by "after the expiry".

47. The holder of a lottery scheme licence issued before (*insert the date that occurs one day before the date of coming into force of this Regulation*) whose gross annual revenues from the conduct and management of lottery schemes is \$20,000 or less and who used no electronic scheme to conduct and manage the lottery schemes becomes, as of the date of coming into force of this Regulation, subject to the reporting requirements prescribed in section 74.2 of the Lottery Scheme Rules (L-6, r. 12.1) enacted by section 41 of this Regulation.

48. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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