



Lottery Ticket Centre Policy Handbook

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Lottery Ticket Centre Policy Handbook

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SECTION: 1. GENERAL INFORMATION

1.1 INTRODUCTION

(Deleted Nov 2021)

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SECTION: 1. GENERAL INFORMATION

1.2 LEGISLATION

- 1.2.1 The retailer is responsible to keep this handbook updated when amendments are received. The handbook may be accessed on AGLC's website at aglc.ca. *(Amended Nov 2021)*
- 1.2.2 The Alberta Government is a shareholder in the Interprovincial Lottery Corporation (ILC), a corporation incorporated to conduct lotteries on behalf of Her Majesty the Queen in the right of all provinces for which the Western Canada Lottery Corporation (WCLC) is the regional marketing organization.
- 1.2.3 AGLC markets lottery schemes jointly with the WCLC in Alberta and enters into agreements to sell, advertise or distribute gaming products through a province wide network of retailer locations.
(Amended Nov 2021)

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SECTION: 1. GENERAL INFORMATION**1.3 DEFINITIONS**

- 1.3.1 “AGLC” means the Alberta Gaming, Liquor and Cannabis Commission.
- 1.3.2 “Authorized signatory” means a person authorized to sign legal documentation on behalf of the retailer.
- 1.3.3 “Community” refers to:
- a) a municipality as defined under the *Municipal Government Act* meaning:
 - i) a city, town, village, hamlet, summer village, municipal district or specialized municipality; *(Amended Aug 2019)*
 - ii) a town under the *Parks Towns Act* ; or
 - iii) a municipality formed by special Act; or
 - b) a Métis Settlement established under the *Métis Settlement Act* (Alberta); or
 - c) an Indian reserve as determined by the Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) located within the Province of Alberta. *(Amended Aug 2019); (Amended Nov 2021)*
- 1.3.4 “Corporate retailer” refers to a retailer operating multiple locations under a single legal entity as designated by AGLC. *(Amended Nov 2021)*
- 1.3.5 “Game break” refers to the time period between draw based and sports lottery ticket games that sales for the game are disabled. This is usually a five minute period after the closing of the present game (i.e., Lotto 6/49, Lotto Max, Extra, etc.). *(Amended Nov 2021)*
- 1.3.6 *(Deleted Nov 2021)*
- 1.3.7 “Legal entity” refers to a corporation, partnership or sole proprietorship whose existence is recognized by the law and registered in the province of Alberta.
- 1.3.8 “Lottery ticket terminal” means any mechanical, electrical or other device, contrivance or machine used by the WCLC and AGLC to manage, conduct and operate a lottery.
- 1.3.9 “Market zone” means the territory served by a retailer as determined by AGLC.

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SECTION: 1. GENERAL INFORMATION

- 1.3.10 “Minor” means a person under the age of 18 years.
- 1.3.11 “Net sales” means gross sales less buybacks and cancellations. *(Added Nov 2021)*
- 1.3.12 “Instant lottery tickets” means all lottery tickets not generated by the lottery ticket terminal and that are approved by the WCLC. *(Amended Nov 2021)*
- 1.3.13 “Draw based and sports lottery tickets” means tickets approved by the WCLC and AGLC and issued by a lottery ticket terminal, the selection of which is recorded on the WCLC central computer or computers operated by the WCLC for such purpose. *(Amended Nov 2021)*
- 1.3.14 “Profitability network” means retailers whose locations have, or are predicted to have, annual lottery ticket sales that contribute to the profit targets of AGLC. *(Added Nov 2021)*
- 1.3.15 “Relocation” means the permanent physical relocation of the lottery ticket terminal requiring electrical or communication re-wiring to a new location within the same premises. *(Added Nov 2021)*
- 1.3.16 “Retailer” means any individual person, corporation or partnership authorized by AGLC and the WCLC to sell draw based, sports and instant lottery tickets to the public or, is authorized by the WCLC to assist in the operation of a lottery pursuant to a Retailer Agreement. *(Amended Nov 2021)*
- 1.3.17 “Retailer Agreement” means Lottery Ticket Centre Retailer Agreement between the retailer, AGLC and the WCLC.
- 1.3.18 “Temporary relocation” means the temporary relocation of the lottery ticket terminal to allow for physical improvements to the premises (i.e., painting, carpet laying or construction). *(Added Nov 2021)*
- 1.3.19 “Trial network” means a network for applicants not eligible for the profitability network. *(Added Nov 2021)*
- 1.3.20 “Waitlist” refers to a list of eligible applicants who have completed a Lottery Ticket Retailer Application and are waiting for the availability of a ticket terminal to be installed in their business.
- 1.3.21 “WCLC” means the Western Canada Lottery Corporation.

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SECTION: 1. GENERAL INFORMATION

1.4 CONTACTS

1.4.1 Written communication may be addressed to AGLC at :

Alberta Gaming, Liquor and Cannabis Commission

Gaming & Cannabis Division

50 Corriveau Avenue

St. Albert, Alberta

T8N 3T5

Fax: (780) 447-8910

aglc.ca

1.4.2 Retailers needing assistance with technical issues related to the lottery ticket terminal should call the Retail Spot:

Retail Spot

1-800-665-0133 (toll free)

For all other lottery services, call AGLC Hotline at:

AGLC HOTLINE

1-800-561-4415 (toll free)

1.4.3 Customers may redeem winning tickets for prizes greater than \$100 in person at: *(Amended July 2018)(Amended Nov 2021)*

Prize Payout Office

Alberta Gaming, Liquor and Cannabis Commission

Main Floor, 50 Corriveau Avenue

St. Albert, Alberta, T8N 3T5

1-800-272-8876 Ext. 8616

1.4.4 Customers may redeem winning tickets for prizes of \$100.01 up to \$9,999.99, in person at: *(Amended July 2018) (Amended Nov 2021)*

Prize Payout Office

Alberta Gaming, Liquor and Cannabis Commission

Deerfoot Atrium South

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310, 6715 - 8 Street NE

Calgary, AB T2E 7H7

1-403-663-8301

- 1.4.5 Customers disputing prizes or requiring a decision on a lost, stolen or destroyed ticket should mail their request to:

Western Canada Lottery Corporation

Prize Payout

10th Floor, 125 Garry Street

Winnipeg, MB R3C 4J1

- 1.4.6 To report gaming irregularities call: 1-800-742-7818

- 1.4.7 WCLC corporate communications: 1-800-665-3313

- 1.4.8 For assistance or information on problem gambling, call Alberta Health Services: 1-866-332-2322 *(Amended Aug 2019)*

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SECTION: 1. GENERAL INFORMATION

1.5 ELIGIBILITY GUIDELINES

- 1.5.1 Applicants must meet all retailer application requirements to qualify for a Retailer Agreement (See Section 3.1).
- 1.5.2 Retailers must operate within the terms and conditions outlined in the Retailer Agreement and this handbook.
- 1.5.3 Where there is a conflict in the terms and conditions between the Retailer Agreement and this handbook, the Retailer Agreement takes precedence.
- 1.5.4 Each lottery ticket centre retail location is evaluated by AGLC on a continual basis to determine its potential to fulfill the goals and objectives of AGLC.

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SECTION: 2. RETAIL NETWORKS

2.1 RETAIL NETWORKS

2.1.1 AGLC's network of retailers is divided into two categories: *(Amended Nov 2021)*

- a) profitability network; and
- b) trial network.

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SECTION: 2. RETAIL NETWORKS

2.2 LOTTERY TICKET AND EQUIPMENT ALLOCATION

2.2.1 Revenue from the lottery ticket centre retail networks is maximized by allocating lottery ticket terminals to qualified retail locations as determined by AGLC's ongoing assessment of retailer performance.
(Amended Nov 2021)

2.2.2 When the demand for lottery ticket terminals in either network exceeds the supply of lottery ticket terminals, applicants may be placed on a waitlist.

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SECTION: 2. RETAIL NETWORKS

2.3 PROFITABILITY NETWORK

2.3.1 The profitability network is for retailers whose locations have, or are predicted to have, annual lottery ticket sales that contribute to the profit targets of AGLC.

2.3.2 AGLC will evaluate each location to determine sales potential.

2.3.3 *(Deleted Nov 2021)*

2.3.4 Retailers that fail to meet the sales potential may have their Retailer Agreement terminated by AGLC. *(Amended Nov 2021)*

2.3.5 Applicants without the sales potential required to operate in the profitability network are offered the opportunity to apply for placement in the trial network (see Section 2.4).

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2.4 TRIAL NETWORK

2.4.1 The trial network is for applicants not eligible for the profitability network. It provides applicants the opportunity to prove sales potential through a 13 - week trial period as a retailer before they are transferred to the profitability network. *(Amended Nov 2021)*

2.4.2 Trial network retailers must achieve sales targets as determined by AGLC over a the 13 - week trial period. *(Amended Nov 2021)*

2.4.3 *(Deleted Nov 2021)*

2.4.4 If a lottery ticket terminal is not available at the time the applicant requests a trial network application package, the applicant may be placed on a waitlist. *(Amended Nov 2021)*

2.4.5 Only one trial network retailer may be active in each market zone at any given time.

2.4.6 *(Deleted Nov 2021)*

2.4.7 *(Deleted Nov 2021)*

2.4.8 Trial network retailers not meeting the sales target at the end of the 13 - week trial period will have their Retailer Agreement terminated and may be liable to reimburse AGLC any difference between the installation/fixed costs and the recovered net revenue during the trial period:

- a) installation costs are variable and include:
 - i) ticket terminal, printer, customer display unit (CDU), ticket checker, and installation costs;
 - ii) signs and fixture installation costs; and
 - iii) telecommunications costs.
- b) fixed costs include:
 - i) ticket terminal, printer, CDU, ticket checker, signs, and fixture depreciation; and
 - ii) administration and maintenance costs.

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SECTION: 2. RETAIL NETWORKS

2.5 SINGLE LOCATION COMMUNITY NETWORK

(Deleted Nov 2021)

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SECTION: 2. RETAIL NETWORKS

2.6 PERFORMANCE STANDARDS

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SECTION: 2. RETAIL NETWORKS
2.7 COMPENSATION
SCHEDULE 1:

Base Compensation	
Sales Commissions	5% of net sales*
Redemptions	2% of encashment
Additional Compensation	
Additional Compensation – Level 1 Sales between \$54,000-\$99,999	Additional 0.5%
Additional Compensation – Level 2 Sales between \$100,000-\$249,999	Additional 1.5%
Additional Compensation – Level 3 Sales between \$250,000-\$499,999	Additional 2.5%
Additional Compensation – Level 4 Sales between \$500,000-Up	Additional 3.0%

Note: Net sales is gross sales less buybacks and cancellations.

BASE COMPENSATION

- 2.7.1 In accordance with Schedule 1, AGLC will pay retailers a commission or bonus for the sale of gaming products. *(Amended Nov 2021)*
- 2.7.2 No other remuneration will be paid to retailers with respect to services supplied except such amounts earned by way of commission paid on redemptions (that is prize money paid out by the retailer).
- 2.7.3 AGLC will determine the commission and redemption percentage paid to retailers. *(Amended Nov 2021)*
- 2.7.4 Retailers who have their Retailer Agreement terminated must collect compensation amounts due to them. Once all outstanding monies to AGLC are paid, a cheque will be issued for any credit left owing to the retailer. *(Amended Nov 2021)*

SECTION: 2. RETAIL NETWORKS
ADDITIONAL COMPENSATION

2.7.5 Lottery ticket centres must achieve minimum annual sales of \$54,000 to qualify for the additional compensation program.

2.7.6 Additional compensation is calculated and paid twice a year. *(Amended Nov 2021)*

2.7.7 Additional compensation payments are paid as an invoice credit to retailers. *(Amended Nov 2021)*

2.7.8 Terminated retailers are paid by cheque. Cheques for less than \$10 will not be processed.

2.7.9 Additional compensation is based on a tiered schedule and provided upon achieving specific sales levels. Examples of additional compensation are as follows: *(Amended Nov 2021)*

a) \$75,000 Total Sales:

5.0 per cent base compensation -	\$ 3,750
0.5 per cent additional compensation -	<u>\$ 105</u>
Total Compensation -	\$ 3,855

b) \$250,000 Total Sales:

5.0 per cent base compensation -	\$ 12,500
0.5 per cent additional compensation -	\$ 230
1.5 per cent additional compensation -	<u>\$ 2,250</u>
Total Compensation -	\$ 14,980

c) \$600,000 Total Sales:

5.0 per cent base compensation -	\$ 30,000
0.5 per cent additional compensation -	\$ 230
1.5 per cent additional compensation -	\$ 2,250
2.5 per cent additional compensation -	\$ 6,250
3.0 per cent additional compensation -	<u>\$ 3,000</u>
Total Compensation -	\$ 41,730

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SECTION: 2. RETAIL NETWORKS

2.8 TRAINING

2.8.1 Prior to activation of the lottery ticket terminal a minimum of one staff member involved in handling lottery products at each retail site must: *(Amended Nov 2017)*

- a) complete AGLC's online LottoLearn Advanced Ticket Terminal Training Course and Certification for the operation of the lottery ticket terminal; or
- b) provide information regarding previous in-person lottery ticket training certification (taken within five years prior to the date of activation) to AGLC.

2.8.2 Retailers must have trained staff available when the retail location is open for business. *(Amended Nov 2017)*

2.8.3 Retailers must ensure employees responsible for operating the lottery ticket terminal are trained. Training must include operation of the terminal, selling, cancelling tickets, validation of tickets, accounting/reconciliation, and weekly settlement. *(Amended Nov 2017)*

2.8.4 *(Deleted Nov 2021)*

2.8.5 *(Deleted Nov 2021)*

2.8.6 *(Deleted Nov 2021)*

2.8.7 *(Deleted Nov 2021)*

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SECTION: 2. RETAIL NETWORKS

2.9 WAITLIST MANAGEMENT

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SECTION: 2. RETAIL NETWORKS

2.10 SITE REQUIREMENTS

2.10.1 The retailer must confirm with AGLC that the retail site has the following: *(Amended Nov 2021)*

- a) suitable location and sufficient counter space for the ticket terminal, printer, ticket checker, CDU, and merchandisers;
- b) suitable location and sufficient floor space for a lottery table (e.g., interactive play table);
- c) suitable interior location to accommodate the electronic jackpot sign;

Electrical Requirements

- d) separate circuit from the fuse box that is within 1.5 metres of the lottery ticket terminal location;
- e) 110 volt Double Duplex “U” isolated ground outlet at the demarcation point of the network interface device (where the telecommunications cable enters the building) for power to the communications facility; and
- f) a telephone on site is in close proximity to the lottery ticket terminal to allow a person to simultaneously receive technical support and tend to the lottery ticket terminal.

2.10.2 An AGLC technician will inspect the site to confirm power and wiring requirements are met.

2.10.3 Retailers must contact AGLC if they wish to relocate the lottery ticket terminal after the initial installation (see Sections 5.12 and 5.13).

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SECTION: 3. APPLICATIONS

3.1 APPLICATION REQUIREMENTS

3.1.1 All applicants must complete and submit the following application requirements: *(Amended Nov 2021)*

- a) Lottery Ticket Centre Retailer Application;
- b) Certificate of Insurance;
- c) financial security – in the form of a successful credit evaluation by AGLC, cash deposit or irrevocable letter of credit in an amount determined by AGLC; *(Amended Jun 2019)*
- d) Pre-Authorized Debit (PAD) Agreement for Business; *(Amended Aug 2019)*
- e) Bank Account Verification Letter issued by the bank or a void cheque; *(Amended Aug 2019)*
- f) Landlord Authorization;
- g) Lottery Ticket Center Retailer Agreement; *(Amended Aug 2019)*
- h) Records Check; and
- i) Ticket Terminal Training Certification.

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SECTION: 3. APPLICATIONS

3.2 APPLICATION CATEGORIES

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SECTION: 3. APPLICATIONS**3.3 LOCATIONS WITHOUT AN EXISTING LOTTERY TICKET TERMINAL**

3.3.1 Applicants interested in applying for a lottery ticket terminal at a location where there is not an existing lottery ticket terminal are to contact AGLC's hotline (see Subsection 1.4.2) or go to aglc.ca. *(Amended Aug 2019)*

3.3.2 AGLC will evaluate the application and notify the applicant as to whether they qualify for the trial or profitability network. *(Amended Nov 2021)*

3.3.3 Applicants that qualify for the profitability network will receive a terminal as soon as one becomes available. *(Amended Nov 2021)*

3.3.4 An application form must be completed and signed by an authorized signatory of the applicant.

3.3.5 Applicant corporations and partnerships must be legal entities registered to operate in the province of Alberta.

3.3.6 The person or persons forming a sole proprietorship or partnership must be Canadian citizen(s) or be authorized to work in Canada in order to be party to the Retailer Agreement.

3.3.7 For corporate retailers, the initial application is kept in the corporate retailer's master file and is referenced for all future applications.

Certificate of Insurance

3.3.8 All retailers are required to maintain adequate insurance as outlined in the Retailer Agreement; and proof of insurance must be provided in the form of an AGLC Certificate of Insurance completed by the retailer's insurance company or broker.

3.3.9 *(Deleted Nov 2021)*

3.3.10 *(Deleted Nov 2021)*

3.3.11 *(Deleted Nov 2021)*

3.3.12 Comprehensive or commercial general liability insurance is recommended in an amount not less than \$2,000,000 inclusive per occurrence against bodily injury and property damage including loss of use thereof. Such insurance is recommended to include blanket contractual liability, personal injury, and employees as additional insured. *(Amended Aug 2019)*

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SECTION: 3. APPLICATIONS

3.3.13 Corporate retailers may provide insurance for franchisees that hold Retailer Agreements. A “blanket” Certificate of Insurance can also be used on the condition the legal entity of each franchisee is an additional insured on the corporate policy. A schedule of retail locations to which the policy coverage applies must also be provided and updated as requested by AGLC.

3.3.14 *(Deleted Nov 2021)*

3.3.15 *(Deleted Nov 2021)*

3.3.16 *(Deleted Nov 2021)*

Financial Security

3.3.17 A retailer that is a sole or registered proprietorship or partnership is not eligible for a credit evaluation unless it has operated for more than 24 months and established operations under a trade name. *(Amended Nov 2021)*

3.3.18 *(Deleted Nov 2021)*

3.3.19 Retailers are eligible for a credit evaluation only if it has operated for more than 24 months.

3.3.20 The retailer must provide two current consecutive years of financial statements prepared by a third party CPA (CA, CMA or CGA). *(Amended Aug 2019)*

3.3.21 *(Deleted Nov 2021)*

3.3.22 *(Deleted Nov 2021)*

3.3.23 *(Deleted Nov 2021)*

3.3.24 *(Deleted Jun 2019)*

3.3.25 The cash deposit or irrevocable letter of credit will be an amount determined by AGLC and will not be less than \$7000. *(Amended Jun 2019); (Amended Nov 2021)*

3.3.26 If a retailer chooses to provide a cash deposit, the retailer must complete and submit a Deposit Agreement form to AGLC. The retailer may request another credit evaluation when the new fiscal year financial statements become available. *(Amended Jun 2019);(Amended Nov 2021)*

3.3.27 The application requirements for a trial network installation are the same as for a new installation. Applicants are not eligible for a credit evaluation and must provide a cash deposit or irrevocable letter of credit. *(Amended Nov 2021)*

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3.3.28 *(Deleted Nov 2021)*

Pre-Authorized Debit (PAD) Agreement

3.3.29 An authorized signatory must complete and submit the Pre-Authorized Debit (PAD) Agreement for Business form and the Bank Account Verification Letter. *(Amended Aug 2019)*

3.3.30 *(Deleted Nov 2021)*

3.3.31 *(Deleted Nov 2021)*

3.3.32 *(Deleted Nov 2021)*

3.3.33 *(Deleted Nov 2021)*

3.3.34 *(Deleted Nov 2021)*

3.3.35 *(Deleted Aug 2019)*

3.3.36 *(Deleted Nov 2021)*

Records Check

3.3.37 A records check, as prescribed by AGLC, must be submitted by an authorized signatory who signs the Lottery Ticket Centre Retailer Agreement. If the applicant is a: *(Amended Nov 2021)*

- a) sole proprietor – the sole proprietor must submit the records check.
- b) partnership – the partner who will sign the Agreement must submit the records check.
- c) corporation (legal entity) – the Director who will sign the Agreement must submit the record check.

3.3.38 For the purposes of a new installation, applicants must submit a records check prior to the installation of the lottery terminal. *(Amended Nov 2021)*

3.3.39 *(Deleted Nov 2021)*

3.3.40 *(Deleted Nov 2021)*

3.3.41 *(Deleted Aug 2019)*

3.3.42 *(Deleted Aug 2019)*

3.3.43 *(Deleted Aug 2019)*

3.3.44 *(Deleted Nov 2021)*

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SECTION: 3. APPLICATIONS

3.4 TRIAL NETWORK INSTALLATION APPLICATION

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SECTION: 3. APPLICATIONS

3.5 LOCATIONS WITH AN EXISTING LOTTERY TICKET TERMINAL

(Amended Aug 2019)

3.5.1 *(Deleted Nov 2021)*

3.5.2 *(Deleted Nov 2021)*

New Operator of an Existing Location

3.5.3 Retailers must notify AGLC of any change in the structure or control of the legal entity holding the Retailer Agreement.

3.5.4 For uninterrupted lottery ticket centre operations existing retailers must provide AGLC with 30 days written notice of any sale, lease expiry or business dissolution.

3.5.5 *(Deleted Nov 2021)*

3.5.6 Buyer/lessee(s) of an existing location must submit the same requirements as outlined in Section 3.3, New Installation Application, as well as the Buyer and Seller Agreement (Ticket Sellers Lessor Notification Form). *(Amended Aug 2019; Oct 2014) (Amended Nov 2021)*

3.5.7 Seller/lessor(s) must complete and submit the Seller/Lessor Notification form to AGLC prior to the changeover date in order to give AGLC permission to disclose financial information to the buyer/lessee for the purpose of determining an appropriate financial security amount. *(Added Aug 2019)*

3.5.8 AGLC may assist the seller/lessor of an existing location and the buyer/lessee with completing a physical inventory of activated instant tickets and reconciliation of draw based and sports ticket sales to the effective date of termination (change of operator). The seller/lessor and buyer/lessee are responsible for financial transactions resulting in the buyer/lessee being credited for related sales and activations (less commission). *(Amended Aug 2019; Added Oct 2014) (Amended Nov 2021)*

3.5.9 A records check is required for the purposes of a change of operator, a location that already has a terminal, the applicant will have 30 days to submit the records check. If the records check is not received within the 30 day deadline the ticket terminal and all related equipment may be removed and the agreement terminated.

3.5.10 *(Deleted Nov 2021)*

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3.6 AGENT CHANGES

3.6.1 Corporate retail chains that contract agents to operate their retail sites must notify AGLC when the agent at a site changes. Five business days notice is required to ensure no disruption of operation.

3.6.2 *(Deleted Nov 2021)*

3.6.3 *(Deleted Nov 2021)*

3.6.4 *(Deleted Nov 2021)*

3.6.5 *(Deleted Nov 2021)*

3.6.6 *(Deleted Nov 2021)*

3.6.7 *(Deleted Nov 2021)*

3.6.8 *(Deleted Nov 2021)*

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SECTION: 4. ADMINISTRATION

4.1 RETAILER MASTER FILE INFORMATION

4.1.1 To maintain the accuracy and integrity of AGLC's retailer master files, the retailer is required to call the Retail Spot (see Subsection 1.4.2) when there is any change to the following information: *(Amended Nov 2021)*

- a) location name;
- b) company name;
- c) authorized signatory;
- d) management;
- e) controlling interest shareholder(s);
- f) contact information; or
- g) hours of operation.

4.1.2 *(Deleted Aug 2019)*

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SECTION: 4. ADMINISTRATION

4.2 FINANCIAL OBLIGATIONS

4.2.1 Retailer accounts are invoiced on Wednesdays for the payment of draw based and sports and instant lottery tickets electronically, through the lottery ticket terminal. *(Added Oct 2014) (Amended Nov 2021)*

4.2.2 *(Deleted Nov 2021)*

4.2.3 To satisfy the invoicing/payment process retailers must deposit, in a designated bank account before 12:00 p.m. on Wednesdays, all monies received through the sale of: *(Amended Nov 2021)*

- a) draw based and sports lottery tickets, less winnings paid and commission; and
- b) activated instant lottery tickets, less winnings paid and commission between 8 to 14 days from the date of activation (excluding the date of activation). For example, monies for instant tickets activated on a Tuesday must be deposited within a maximum of 8 days, and monies for instant tickets activated on a Wednesday must be deposited within a maximum of 14 days. *(Added Oct 2014)*

4.2.4 A fee of \$5 per week is charged to each retailer on their weekly invoice to cover administration costs.

4.2.5 Retailers must contact AGLC to change bank accounts.

4.2.6 *(Deleted Nov 2021)*

4.2.7 AGLC will take immediate action to collect outstanding monies owed from retailers due to non-sufficient funds (NSF), up to and including termination of the retailer agreement, and the following will apply:

- a) payment of the NSF must be received within 24 hours of notification in the manner designated by AGLC or the lottery ticket terminal will be disabled;
- b) a cash deposit or irrevocable letter of credit will be required in an amount determined by AGLC. If the retailer chooses to use a cash deposit, it must be held by AGLC for a minimum of 24 months from the date of the NSF. If the retailer chooses to use an irrevocable letter of credit, it must stay in effect for a minimum of 24 months from the date of the NSF; *(Amended Jun 2019) (Amended Nov 2021)*

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SECTION: 4. ADMINISTRATION

- c) all NSF's are subject to a service charge determined by AGLC;
- d) retailers who fail to meet the deposit requirements in Subsection 4.2.3 may have their retailer agreement terminated resulting in the lottery ticket terminal and related equipment being removed; and
- e) retailers who experience no further payment problems after 24 months from the date of their NSF may contact AGLC and request an evaluation of their credit to determine if the need for a cash deposit or an irrevocable letter of credit still exists.

(Amended Jun 2019)

4.2.8 *(Deleted Nov 2021)*

4.2.9 *(Deleted Nov 2021)*

4.2.10 *(Deleted Nov 2021)*

4.2.11 *(Deleted Nov 2021)*

4.2.12 *(Deleted Nov 2021)*

4.2.13 *(Deleted Nov 2021)*

4.2.14 The retailer will be invoiced for any and all direct costs incurred by AGLC for repair and maintenance due to negligence by the retailer.

4.2.15 The retailer is responsible for the cost of any lottery ticket related equipment that is damaged, destroyed, stolen or lost.

4.2.16 *(Deleted Nov 2021)*

4.2.17 The retailer will be invoiced for the cost of replacing or repairing any lottery ticket terminal(s), signs and fixtures damaged, destroyed, stolen or lost while on the premises or in the care of the retailer.

4.2.18 *(Deleted Nov 2021)*

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AUTHORITY: Original signed by
Len Rhodes

SECTION: 4. ADMINISTRATION

4.3 MULTIPLE TERMINAL RETAILERS

4.3.1 AGLC may approve a retailer to operate a maximum of two lottery ticket terminals in any one facility based on the following:

- a) annual ticket sales; and
- b) availability of additional lottery ticket terminals.

DATE ISSUED: October 10, 2014

AUTHORITY:

Original signed by
Susan Green

SECTION: 4. ADMINISTRATION

4.4 COMPLIANCE

4.4.1 *(Deleted Nov 2021)*

4.4.2 Retailers whose lottery ticket terminals are removed for cause are eligible to reapply for a lottery ticket terminal six months from date of termination and will be placed on the waitlist if applicable.

4.4.3 Retailers will be monitored from time to time by AGLC to ensure compliance. Results of any compliance monitoring will be made known to each retailer in writing. See the Progressive Discipline Policy on the AGLC website website at aglc.ca. *(Amended Nov 2021)*

4.4.4 *(Deleted Nov 2021)*

4.4.5 *(Deleted Nov 2021)*

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Len Rhodes

SECTION: 5. OPERATIONS

5.1 LOTTERY TICKET SALES

5.1.1 Retailers must properly display and make available for sale all current authorized WCLC draw based, sports and instant lottery ticket products. *(Amended Nov 2021)*

5.1.2 *(Deleted Nov 2021)*

5.1.3 *(Deleted Nov 2021)*

5.1.4 Retailers must maintain store standards as determined by AGLC, including: merchandisers, tables and signage. *(Amended Nov 2021)*

5.1.5 Retailers must sell all lottery tickets as may be prescribed by AGLC and to provide such services for the sale of all lottery tickets and merchandise as specified by AGLC. *(Amended Nov 2021)*

5.1.6 *(Deleted Nov 2021)*

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Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.2 ORDERING OF TICKETS AND SUPPLIES

5.2.1 Retailers must monitor inventory levels to ensure all lottery ticket products and supplies are available on site, the merchandiser is full, all tickets are current and product is properly displayed. *(Amended Nov 2021)*

5.2.2 *(Deleted Nov 2021)*

5.2.3 AGLC will determine regular inventory levels and call dates for instant product orders. *(Amended Nov 2021)*

5.2.4 Retailers must notify AGLC if they have received instant product that is not issued to them. *(Amended Nov 2021)*

5.2.5 Retailers may contact AGLC to order additional emergency instant product and/or supplies as required. *(Amended Nov 2021)*

5.2.6 Retailers must make lottery ticket products available to AGLC upon request. *(Amended Nov 2021)*

5.2.7 AGLC may monitor ticket sales and issue/adjust products as deemed necessary. *(Amended Nov 2021)*

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AUTHORITY: Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.3 TICKET ACTIVATION

5.3.1 Retailers are required to activate all instant tickets before they may be sold. *(Amended Nov 2021)*

5.3.2 *(Deleted Nov 2021)*

DATE ISSUED: November 30, 2021

AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 5. OPERATIONS**5.4 VALIDATION AND REDEMPTION OF TICKETS**

- 5.4.1 Retailers must pay out prize money on winning lottery ticket products with a value up to and including \$100 and have the option to pay out prize money up to and including \$1000. *(Amended July 2018); (Amended Nov 2021)*
- 5.4.2 All lottery tickets (both draw based, sports and instant) must be validated through the lottery ticket terminal before payment can be made and tickets must be paid according to the validation slip instructions. *(Amended Nov 2021)*
- 5.4.3 Retailers must follow procedures for validating and redeeming customer's lottery tickets as detailed in the Validation Quick Reference on the AGLC website at aglc.ca. *(Amended Nov 2021)*
- 5.4.4 Retailers receive two per cent redemption commission on all lottery ticket winnings up to and including \$1000 paid to a customer. *(Amended Nov 2021)*
- 5.4.5 Retailers are prohibited from validating lottery tickets and paying out prize monies to minors (see Section 5.11).
- 5.4.6 Retailers may only validate tickets purchased in the WCLC jurisdiction (AB, SK, MB, YT, NWT & NU). Customers must send tickets from other jurisdictions to the address on the back of the ticket.
- 5.4.7 *(Deleted Nov 2021)*
- 5.4.8 For winning tickets over \$1000, merchandise prizes or "Collect to Win" prizes retailers must: *(Amended Nov 2021)*
- a) ensure that the customer has signed or printed their name and address on the lottery ticket;
 - b) return the winning ticket intact to the customer, with the validation slip; and
 - c) provide the customers with the WCLC number, 1-800-665-3313, for prize claim procedures and locations, if requested.
- 5.4.9 Retailers who cancel a lottery ticket must retain the cancelled ticket on site for a minimum of 30 days.
- 5.4.10 Retailers are not responsible for sending tickets and claim forms in on behalf of customers. This is the customer's responsibility.

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Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

- 5.4.11 All merchandise prizes must be claimed through a Prize Payout Office (see Section 1.4 for address).
- 5.4.12 If there is a prize claim dispute, retailers are advised to:
- a) return the original lottery ticket intact to the customer and the corresponding validation slip;
 - b) ask the customer to fill out a Claim Form;
 - c) instruct the customer to send the claim form and the original ticket to WCLC for review (see Section 1.4 for mailing address);
 - d) not pay any portion of the prize to the customer; and
 - e) if the customer has further questions, advise them to contact WCLC Corporate Communications (see Section 1.4).

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Len Rhodes

SECTION: 5. OPERATIONS

5.5 STOLEN, MISSING OR DESTROYED TICKETS

- 5.5.1 The AGLC assumes no financial responsibility for stolen, missing, or destroyed lottery tickets issued to retailers or customers.
- 5.5.2 Lottery tickets become the property of the retailer or customer at the time of receipt. The retailer/customer is responsible for the security of their respective lottery tickets.
- 5.5.3 All lottery tickets must be validated before payment may be issued. If a ticket cannot be validated, the customer should call the WCLC at 1-800-665-3313. *(Amended Nov 2021)*
- 5.5.4 Only the bearer of a genuine original lottery ticket presented for validation is eligible to receive payment. Customer name must be signed or printed on the back of the ticket.
- 5.5.5 Lottery tickets identified as stolen or destroyed must not be paid as the tickets are not valid in the system. *(Amended Nov 2021)*
- 5.5.6 If a winning ticket is inadvertently destroyed, which prevents a customer from receiving their prize, the customer must contact the Retail Spot for further instructions. *(Amended Nov 2021)*
- 5.5.7 Retailers must report stolen tickets to their local Police Department and AGLC within 24 hours of the theft and provide either a copy or number of the Police Department report.
- 5.5.8 In the event of a fire, retailers must report missing, stolen or destroyed lottery tickets to their local Fire Department and the AGLC within 24 hours of the fire. Retailers must provide a copy of or the number of the Fire Department report. *(Amended Nov 2021)*
- 5.5.9 Retailers must complete a report/affidavit provided by the AGLC. *(Amended Nov 2021)*

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Len Rhodes

SECTION: 5. OPERATIONS

5.6 SPORT SELECT DIRECTIVE

(Deleted Jan 2022)

DATE ISSUED: January 18, 2022

AUTHORITY: Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.7 TICKET RETURN/BUYBACKS

- 5.7.1 Retailers must return out of date and expired lottery tickets to AGLC when requested to do so through buyback and/or chargeback notices.
- 5.7.2 AGLC will advise by written notice when to return out of date and expired lottery tickets.
- 5.7.3 Retailers must ensure that all ticket products are returned to the AGLC before their respective expiry dates.
- 5.7.4 Retailers will receive credit for all returned activated or charged products, provided the products have not expired by the time of processing.
- 5.7.5 AGLC will not provide a credit refund for expired tickets.
- 5.7.6 *(Deleted Nov 2021)*
- 5.7.7 Retailers will be charged for lottery tickets not returned by the specified charge dates.
- 5.7.8 *(Deleted Nov 2021)*
- 5.7.9 AGLC will not cover the cost of insurance for return ticket shipments through a courier.

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Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.8 TICKET EXPIRY

5.8.1 Draw based and sports lottery tickets are valid for one year from each draw date. Tickets cannot be validated until the day after the first draw date indicated on the ticket.

5.8.2 *(Deleted Nov 2021)*

5.8.3 Expiry dates for instant tickets are printed on the back of the tickets.
(Amended Nov 2021)

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Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.9 HOURS OF OPERATION

5.9.1 The retailer must have the lottery ticket terminal and required trained staff available prior to opening for the sale, validation and redemption of all lottery tickets. *(Amended Nov 2021)*

5.9.2 Game breaks occur at a set time when sales for the draw based and sports games have ended. Retailers may process any other draw based and sports game that is not affected by a game break. Game breaks cover a period of approximately five minutes after the end of sales for the specific game. *(Amended Nov 2021)*

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Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.10 SITE MAINTENANCE

5.10.1 Retailers should contact the Retail Spot for required maintenance of the lottery ticket terminal, electronic sign, and/or fixtures (see Section 1.4.2). *(Amended Nov 2021)*

5.10.2 Service charges to repair damaged items or equipment vary depending on the type of service required.

5.10.3 *(Deleted Nov 2021)*

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Len Rhodes

SECTION: 5. OPERATIONS

5.11 MINORS

5.11.1 Retailers must ensure that minors cannot purchase, play or receive prize payment for lottery ticket products under any circumstances.

(Amended Nov 2021)

5.11.2 Retailers must obtain a valid government issued identification and verify proof of age whenever a person who appears to be under 25 years of age attempts to purchase, play or receive prize payment for lottery ticket products. *(Amended Oct. 2015); (Amended Nov 2021)*

5.11.2.1 *(Deleted Nov 2021)*

5.11.3 *(Deleted Nov 2021)*

5.11.4 *(Deleted Nov 2021)*

5.11.5 *(Deleted Nov 2019)*

5.11.6 *(Deleted Nov 2021)*

5.11.7 *(Deleted Nov 2021)*

5.11.8 *(Deleted Nov 2021)*

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AUTHORITY: Original signed by
Len Rhodes

SECTION: 5. OPERATIONS**5.12 RENOVATIONS**

5.12.1 Retailers are required to notify AGLC of any renovations to the retail site named in the Retailer Agreement if the renovations require:

- a) the site to be closed for any amount of time; or
- b) the lottery ticket terminal to be moved.

5.12.2 Retailers may contact AGLC hotline (see Section 1.4.2) to confirm any costs that may be incurred.

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AUTHORITY: _____

Original signed by
Len Rhodes

SECTION: 5. OPERATIONS

5.13 RELOCATION AND TEMPORARY RELOCATION OF LOTTERY TICKET TERMINAL

5.13.1 *(Deleted Nov 2021)*

5.13.2 Retailers must notify AGLC of any need to relocate the lottery ticket terminal to ensure proper measures are taken to prevent damage to the terminal or facilities.

5.13.3 All relocations and temporary relocations requiring the lottery ticket terminal to be moved must meet the following requirements:

- a) move must be performed by an AGLC technician or an authorized agent; and
- b) retailer must provide AGLC with a minimum of 10 business days notice.

5.13.4 The relocation of a lottery ticket terminal to a different retail site is not permitted.

5.13.5 Retailers are responsible for the cost associated with the relocation of the lottery ticket terminal(s) and related equipment.

5.13.6 Retailers may contact AGLC hotline (see Section 1.4.2) for information regarding the costs association with the relocation.

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Len Rhodes

SECTION: 5. OPERATIONS

5.14 SIGNAGE, ADVERTISING AND PRODUCT PROMOTION

- 5.14.1 All advertising and/or promotional materials related to lottery tickets are subject to AGLC review and approval. *(Amended Nov 2021)*
- 5.14.2 Retailers must post mandatory items as determined by AGLC such as age restrictions, point of sale, and beneficiary information. *(Amended Nov 2021)*
- 5.14.3 Any advertising that may be interpreted as inducement to play is not allowed.
- 5.14.4 Failure to post signs as directed by AGLC may result in penalties up to and including the termination of the Retailer Agreement resulting in the removal of the lottery ticket terminal and related equipment.
- 5.14.5 Retailers should contact AGLC (see Subsection 1.4.2) for information and clarification regarding advertising and promotional materials.

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