



THE CORPORATION OF THE TOWN OF COBOURG

BY-LAW NUMBER 006 -2014

A BY-LAW FOR LICENSING AND REGULATING OF LOTTERIES IN THE CORPORATION OF THE TOWN OF COBOURG

WHEREAS pursuant to the *Criminal Code of Canada*, R.S.C., 1985, c. C-46, section 207 sets out provisions governing the authority of the province to issue a licence that contains such terms and conditions relating to the management and conduct of lottery schemes to which the licence relates as the said authority may prescribe; and

WHEREAS The Lieutenant Governor in Council of Ontario by Order in Council 1413/08, empowers municipalities to issue lottery licenses authorizing charitable or religious organizations to conduct and manage lottery schemes for charitable or religious purposes of a direct benefit to the residents of the municipality.

NOW THEREFORE the Municipal Council of the Corporation of the Town of Cobourg enacts as follows:

DEFINITIONS

1. In this By-Law:

- (a) **"Bazaar"** means a one (1) day event where any combination of the following lotteries may be conducted in conjunction with the sale of goods for charity:
 - i. A raffle not exceeding \$500 in prizes;
 - ii. A bingo not exceeding \$500 in prizes;
 - iii. A maximum three (3) wheels of fortune with a maximum \$2.00 bet.
- (b) **"Bingo"** means a game of chance where players are awarded a prize or prizes for being the first to complete a specific arrangement of numbers on bingo paper, based on numbers selected at random.
- (c) **"Break Open Ticket"** (also known as a Nevada) means a device made of cardboard, which has one or more perforated cover window tabs concealing winning and losing numbers or symbols which are revealed by tearing off the cover tab.
- (d) **"Charitable object or purpose"** means any object or purpose for:
 - i. The relief of poverty;
 - ii. Education;
 - iii. The advancement of religion; and
 - iv. Other charitable purpose beneficial to the community.
- (e) **"Charitable Organization"** means an organization based within the boundaries of the corporation of the Town of Cobourg, which is created primarily for a charitable object or purpose, is operated not for profit, and includes religious organizations.
- (f) **"Clerk"** means the Municipal Clerk for the Corporation of the Town of Cobourg.

- (g) "**Licence**" means a licence issued to an eligible organization under the *Criminal Code* (Canada) by or under the authority of the Lieutenant Governor in Council, to conduct or manage a lottery scheme.
- (h) "**Lottery Event**" means a single occasion at which a lottery scheme is conducted.
- (i) "**Lottery Licensing Officer**" means the Clerk or any other person who may from time to time be authorized or delegated the authority to issue licences.
- (j) "**Lottery Scheme**" means any scheme which has the following three components: a prize; payment of a fee; and a chance to win.
- (k) "**Media Bingo**" means a bingo event that is conducted on or through media such as radio or newspaper.
- (l) "**Person**" means an individual, corporation, organization, association or partnership.
- (m) "**Raffle**" means a lottery scheme where tickets are sold for a chance to win a prize at a draw.
- (n) "**Registrar**" means the Registrar of Alcohol and Gaming Commission.
- (o) "**Town**" means the Corporation of the Town of Cobourg.

ISSUANCE OF LOTTERY LICENCES TO LOTTERY LICENCE SCHEMES

- 2. Qualified charitable or religious organizations conducting and managing lottery schemes for a charitable purpose may be issued lottery licence by the Clerk and/or Lottery Licensing Officer for the following legitimate lottery schemes, where it is deemed to be in the best interest of the inhabitants of the Town:
 - (a) Bingo Events with prize boards where the values of prize(s) awarded are up to \$5,500;
 - (b) Break Open Ticket lottery events where the charitable organization is within the geographical boundaries of the Town, and are not to be sold in conjunction with another gaming event;
 - (c) Bazaar lottery event which includes:
 - i. Wheels of fortune with no more than a minimum bet of \$2.00;
 - ii. Raffle lottery not exceeding \$500.00; and
 - iii. Bingo events not exceeding \$500.00.
 - (d) Raffle lotteries for total prizes of \$50,000 and under; and
 - (e) Media bingo lottery event with prizes up to \$5,500.00.

ADMINISTRATION

3. Administration of this by-law shall be the responsibility of the Clerk and/or Lottery Licensing Officer who is hereby authorized to issue lottery licences to charitable or religious organizations in accordance with the provisions of this by-law.

APPLICATION FOR A LICENCE

4. No Lottery scheme shall be held within the Town of Cobourg without a licence.
5. Every Charitable organization wishing to manage and conduct lotteries within the Town shall complete an application in the appropriate form prescribed by the Alcohol and Gaming Commission of Ontario from time to time.
6. No Charitable organization shall be considered for a lottery licence unless:
 - (a) has qualified as a charitable organization or a non-profit organization with charitable purposes or objectives;
 - (b) has produced evidence of being in existence for a minimum of one (1) year carrying out charitable activities prior to the application;
 - (c) it provides details of the charitable or religious purposes to which it wishes to deposit the lottery proceeds, and those uses are permitted uses as set down by the Alcohol and Gaming Commission of Ontario; or
 - (d) it agrees to establish a lottery trust account in accordance with the Alcohol and Gaming Commission of Ontario guidelines.
7. The Clerk and/or Lottery Licensing Officer should not issue a licence to:
 - (a) an event not being conducted in accordance with the requirements of the *Gaming Control Act, 1992* and regulations;
 - (b) lottery events which are prohibited lottery schemes under the *Criminal Code of Canada*;
 - (c) for any lottery events where the lottery scheme does not stay true to the guidelines and regulations set out by the Commission;
 - (d) for a provincial break open ticket lottery event;
 - (e) for a break open ticket lottery event which is managed and conducted in conjunction with another licensed gaming event; or
 - (f) a public place of amusement or the board of a fair or exhibition or the operators of concessions leased by such a board.

RAFFLE LOTTERY LICENCE APPLICATIONS EXCEEDING \$10,000 IN VALUE

8. All raffle lottery licence applications where the total prize value exceeds \$10,000.00 must present a letter of credit as the form of financial guarantee to the Clerk and/or Lottery Licensing Officer. The licensing authority may also request a financial guarantee for a lesser prize amount.

SUSPENSION OR CANCELLATION OF A LOTTERY LICENCE

9. The Clerk and/or Lottery Licensing Officer may at anytime suspend, cancel, or refuse to issue a licence where:
 - (a) there has been a breach of any term or condition;
 - (b) there are reasonable grounds to believe that the applicant or licensee will not conduct and manage the lottery scheme in accordance with the law or with honesty and integrity;
 - (c) in its opinion it is in the public interest to do so; or
 - (d) an applicant or licensee fails to submit financial reports relating to the conduct of the lottery event, which may be or may have been required as a term and condition of a licence.
10. Where the Clerk and/or Lottery Licensing Officer are satisfied that it is in the direct best interest of the Town, they may refuse to issue a lottery licence, on reasonable grounds, and in doing so may take into account such factors as the number of licences issued and the playing locations already in existence.
11. Where the Registrar notifies the Town that a person is not eligible for a licence, no licence shall be issued to that person, and where the person already holds a licence under which a lottery scheme is yet to be held, the Town shall notify the Registrar of the existing licence and the licence may be revoked.

ENFORCEMENT

12. The Clerk and/or Lottery Licensing Officer have the authority to:
 - (a) investigate suspected contraventions of the terms and conditions of the licensed lottery scheme;
 - (b) investigate suspected financial and management improprieties of licensed organizations and persons; and
 - (c) conduct and perform audits of licensed organizations.

PENALTY

- 13. The Clerk has the authority to suspend or revoke a lottery licence at his/her discretion as the licensing authority for the Town of Cobourg.
- 14. Every person who contravenes this by-law is, upon conviction, guilty of an offence and is liable to a fine under the *Provincial Offences Act*, R.S.O, 1990, c. P.33. of not more than \$5,000.00, exclusive of costs.

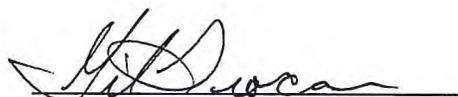
VALIDITY/SEVERABILITY

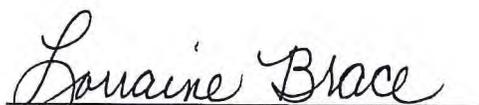
- 15. Should any section or sections of this by-law be declared to be invalid by a court of competent jurisdiction, the same shall not affect the validity of this by-law as a whole or any part thereof, other than the part that was declared to be invalid.

FORCE AND EFFECT

- 16. **THAT** this by-law comes into force and take effect immediately upon passing.

READ a first, second and third time and finally passed in Open Council
this 27th day of January , 2014.


MAYOR


MUNICIPAL CLERK

SCHEDULE "A" TO BY-LAW NO. 006-2014

LOTTERY LICENSING FEES

The following shall be the prescribed lottery licensing fees under this By-Law:

Lottery Scheme:	Licensing Fee
Bingo	3% of Prizes
Media Bingo	3% of Prizes
Break Open Ticket	3% of Prizes
Raffle	3% of Prizes
Bazaar	3% of Prizes/\$10 per Wheel