



Gaming Policy and Enforcement Branch

GUIDELINES and CONDITIONS

Applying for a Class D Gaming Event Licence

FEBRUARY 2012

Know your limit, play within it.

For Help: 1-888-795-6111 or
www.bcreponsiblegambling.ca

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FEBRUARY 2012 AMENDMENTS

REDUCED REQUIREMENTS

Sections: Various	<ul style="list-style-type: none"> • SPECIAL NOTE: Under a pilot project ending February 28, 2013, sales periods for percentage draws, including 50/50 draws, may be as long as six months. Prior to the pilot project, ticket sales and the awarding of prizes were required to take place in one day. Specific details provided below.
Section 3.1	<ul style="list-style-type: none"> • The ticket selling period for percentage-based raffles may be longer than one day.
Section 5.2	<ul style="list-style-type: none"> • Licensees must submit an online Gaming Event Revenue Report within 90 days of the expiry of their gaming event licence. The previous requirement was within 60 days.

CLARIFICATION

Section 2.4	<ul style="list-style-type: none"> • If a winning ticket bears a minor’s name, the prize will be lawfully delivered on behalf of the minor to the minor’s parent, legal guardian or trustee.
Section 3	<ul style="list-style-type: none"> • Reporting known or suspected criminal activity: requirements clarified.

DECEMBER 2010 AMENDMENTS**REDUCED REQUIREMENT**

Section 1.5	<ul style="list-style-type: none">As a result of amendments in 2010 to the Liquor Control and Licensing Act, groups or organizations are permitted to conduct some Class D gaming events in an establishment licensed to serve or sell liquor. Some restrictions may apply. For details see Section 1.5.
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MAY 2010 AMENDMENTS**CLARIFICATION**

Section 3.1	<ul style="list-style-type: none">Gross revenue from sales is limited to \$5,000 per licence <i>and</i> \$10,000 <i>within a 12-month period.</i>
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ADDED REQUIREMENT

Section 5.1	<ul style="list-style-type: none">If you raise gaming funds only through a Class D licence, keep all records for the gaming event, including the receipt and disbursement of gaming funds and a copy of the licence for the following periods after the licence expiry date, for <i>two years</i>.
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1. Introduction

1.1 What is a Class D Gaming Event Licence?

Under Canada's Criminal Code and British Columbia's Gaming Control Act, a group or organization must be licensed by the Gaming Policy and Enforcement Branch (GPEB) to operate a gaming event in British Columbia. GPEB regulates gaming and ensures its integrity, lawful conduct and management.

Your group or organization may be eligible to operate small-scale gaming events including ticket raffles and bingos, under a Class D gaming event licence. These events raise funds to benefit a community and/or third party within British Columbia, or an eligible general purpose of your group or organization that provides direct benefit to a third party or the broader community.

As examples, you may hold a Class D licensed gaming event to raise funds:

- For community purposes, such as the development of public bike paths and walkways;
- To help an individual or family facing an exceptionally unfortunate circumstance, such as the recent loss of their home and/or belongings; or
- To support the general functioning of your group or organization, such as the purchase or repair of furniture or equipment needed to run your programs.

Under a Class D gaming event licence, eligible groups and organizations are limited to:

- Raising up to \$10,000 in gross revenue in a 12 month period;
- Up to \$5,000 gross revenue per licence;
- Individual prize values not exceeding \$500; and
- A \$2 maximum charge for each chance to win a prize.

1.2 What types of groups and organizations are eligible for a Class D gaming event licence?

Your group or organization must have at least three members who will take responsibility for your licensed gaming event. One member must be the contact person for GPEB.

Your group or organization does not need a formal structure, such as a board of directors, and doesn't need to be a registered charity in order to hold a D licence. However, you will need to ensure that you meet all requirements set out in these Guidelines and Conditions, and in the Standard Procedures for Class D Ticket Raffles and Independent Bingos.

As a Class D licence applicant, your group or organization will need to show how the net proceeds (funds raised) from your planned gaming event will benefit a community and/or third party, or an eligible general purpose of your group or organization.

Some groups and organizations are not eligible for a gaming licence, including those with:

- Objectives, programs or expenditures that do not conform to all laws, regulations and general public policies of the Province of British Columbia.
- Programs that promote racial or ethnic superiority, religious intolerance, persecution or social change through unlawful action.
- Political parties and lobby groups.

1.3 What kinds of gaming events are authorized under a Class D licence?

If eligible, you may operate ticket raffles and bingos within the limits set for Class D licences:

- Ticket Raffles – various, including, for example:
 - meat draws and 50/50 draws;
 - regular ticket raffles;
 - event pools, such as sports pools, cow pie bingo or New Year's baby;
 - token raffles, such as rubber duck race, golf ball race or golf ball drop;

- calendar raffles;
- player drafts; and
- annual licences (a series of similar events over 12 months).
- Independent Bingos – one or more scheduled bingo events within a 12 month licence period.
- For more information on these games, please see the Standard Procedures for Class D Ticket Raffles and Independent Bingo at: www.gaming.gov.bc.ca/licences/docs/procedures-d-licence.pdf

1.4 When and where can we hold our Class D gaming event?

Your Class D licence application must show the location, date and time of the event(s), as well as ticket and prize details.

For bingo events, GPEB will determine that your planned location is appropriate before you are issued a gaming licence.

For licensed ticket raffles, all purchasers must be given the opportunity to attend each prize draw, free of charge.

Detailed information on managing these events is found in the Class D Standard Procedures.

1.5 Can Class D gaming events be held in establishments where liquor is served or sold?

Yes. As a result of amendments in 2010 to the Liquor Control and Licensing Act, groups or organizations are permitted to conduct some Class D gaming events in an establishment licensed to serve or sell liquor.

The table below is a guide. To confirm liquor licence details in your particular case, contact the Liquor Licensing and Control Branch at:
Phone (toll free): 1-866-209-2111 or Email: lclb.lclb@gov.bc.ca

Class D gambling events permitted in liquor-licensed establishments

LCLB Liquor Licenses		Games Permitted
Liquor Primary	Age-restricted: 19 years and over (e.g.: bars and pubs).	Ticket raffles and independent bingos.
	Where minors are allowed in licensed areas (e.g.: recreation centre lounges).	Ticket raffles.
Food Primary	Establishments that have no age restriction (e.g.: restaurants).	Ticket raffles.
Special occasion liquor-licensed events	Age-restricted events: 19 years and over.	Ticket raffles and independent bingos.
	Where minors are allowed in licensed area.	Ticket raffles.

2. Applying for a Gaming Event Licence

2.1 How does my organization or group apply for a gaming event licence?


In order to apply, you must use the online Class D licence application system by logging on to any computer equipped with Internet access. Paper-based applications will not be accepted. As well, a Government Agent at any BC Access Centre can assist you in completing the online application.

To apply, you'll be required to submit a:

- Completed online application form for a Class D Gaming Event Licence; and
- A non-refundable \$10 processing fee, payable by credit card only over a secure Ministry of Finance payment system.

Information you'll be required to put on your application includes:

- The full name and address of your group or organization and its general purpose;
- The event location, date and time;
- Type of gaming event (raffle, bingo) and the amount of tickets/sales pricing and prize details; and
- How the net proceeds (funds) will be used to benefit the community, a specified third party, or the group or organization.

The Class D application form has an online help feature  that will guide you to complete the required information.

For each of the three representatives taking responsibility for your licence, you'll need to give the following details on your application: name and address, telephone, fax and email address. You'll also need to identify which representative will be the contact person.

2.2 How long will it take to process our Class D licence application?

GPEB needs up to three business days to process a complete application for a Class D licence, from the date your application and processing fee have been received. GPEB will contact you, usually via email, if more information is needed to process your application. Applications are processed in payment received date order.

2.3 Can the Gaming Policy and Enforcement Branch refuse to issue a gaming event licence, or suspend or cancel a licence?

Yes. GPEB may refuse to issue a gaming event licence or may cancel, suspend for a period of time, impose new conditions on, or vary existing conditions of a licence. GPEB may also issue a warning to a licensee or impose an administrative fine.

Gaming event licence applications may not be approved where an applicant has had a previous licence suspended or cancelled by GPEB.

2.4 What about minors at Class D gaming events?

Minors are generally prohibited from engaging in any gaming event, including Class D gaming events. Minors are not permitted to buy or sell Class D raffle tickets and must not be present at a licensed bingo event. Ticket purchasers must be 19 years of age or older. If a winning ticket bears a minor's name, the prize will be lawfully delivered on behalf of the minor to the minor's parent, legal guardian or trustee.

3. Conditions for Class D Gaming Event Licences

Your group or organization must:

- Conduct the gaming event in accordance with the Standard Procedures for Class D Ticket Raffles and Independent Bingos, including advertising and marketing standards, with gaming activities restricted to the type authorized on the licence.
- Disburse the gaming event net proceeds (funds raised) in accordance with the licence approved by GPEB, and be accountable for gaming funds.
- Comply with Canada's Criminal Code, the BC Gaming Control Act and Regulation, all other laws and bylaws, relevant conditions, standards, policies, procedures and orders of GPEB.

You are also required to post your gaming event licence in public view at a bingo event, or in the case of a ticket raffle, ensure the licence is available.

A gaming event licence may not be transferred, assigned, lent or borrowed.

Section 86(2) of the Gaming Control Act (GCA) requires all licensees to notify GPEB's Investigations and Regional Operations division without delay regarding any conduct, activity or incident that may be considered contrary to the Criminal Code of Canada, the Gaming Control Act or Gaming Control Regulations, or that may affect the integrity of gaming.

3.1 What rules or limits apply?

Class D gaming event licences have limits on ticket prices, prizes and expenses, and how much gross revenue can be raised. Licensees must be aware of these restrictions when applying for these events.

Ticket Prices:

- Ticket prices cannot exceed \$2 for a single ticket.
- Discounted ticket prices (for example, 3 tickets for \$5) may be offered, but again, no single opportunity to win a prize can exceed the \$2 limit.

Prizes:

- Maximum value per prize is \$500 (at fair market value), which may be cash, merchandise or services.
- Total value of all purchased raffle prizes cannot be more than 50 per cent of the estimated gross revenues (total sales) of the gaming event.
- Raffle prizes (other than percentage draws) must be secured and available for awarding before applying for a Class D gaming licence.
- Liquor, prohibited or restricted firearms as defined in the Firearms Act (Canada), and live animals cannot be offered as prizes.
- Prize costs are deducted from gross revenue, but are not considered an event expense.
- Prizes and winnings from ticket raffles must be distributed to players at the earliest possible date after the ticket draw.
- For bingos and single-day raffles (for example, meat draws) the draw must take place and the prize awarded at that day's gaming event.

Expenses:

- Your group or organization may pay expenses directly related to the conduct and management of a licensed gaming event.
- Expenses cannot exceed 25 per cent of the actual gross revenue.

- Examples of permitted expenses are advertising, licence fee, printing, and volunteer out-of-pocket expenses related to the event.
- Prizes are not included in the expense calculation.
- Receipts must be kept for each expense as part of your gaming event records.

Gross Revenue (Total Sales):

- Gross revenue from sales is limited to \$5,000 per licence and \$10,000 within a 12-month period.
- Gross revenue can only be used for prize costs and legitimate event-related expenses.

4. Use of Proceeds

4.1 How can we spend the net proceeds of our Class D licence? Are there restrictions?

Your Class D licence allows your group or organization to spend net gaming proceeds for community or third party benefit, or to assist the general purpose of your group or organization, for purposes specified and approved by GPEB at the time of licensing.

Net proceeds are the value of total gross sales *minus* actual cost of prizes *minus* total expenses you incur in operating your gaming event.

Before applying, you need to know that gaming proceeds cannot be used for the following:

- Personal gain;
- Travel that is social, or to attend Annual General Meetings, board meetings, retreats and conferences;
- Out-of-province or out-of-country aid, unless to a cause authorized by GPEB;
- Past debt, loan or interest payments;
- Sustaining or endowment funds;
- Professional development of staff; and
- Subsidizing the procurement of a contract or for subsidizing services for which the organization is contracted and/or funded.

You must spend the net proceeds of your gaming event within 12 months of earning them. If your group or organization cannot meet this timeline, or can't pay out the proceeds to the specified beneficiary, you may write to GPEB to ask to keep the funds for a longer time, to redirect the funds, or to request a one-time donation to an eligible BC organization.

5. Financial Accountability

5.1 What records are we required to keep in relation to our Class D gaming event?

As a licensee, your group or organization will be responsible for the financial management and accountability of your event.

You must:

- Keep all records for the gaming event, including the receipt and disbursement of gaming funds and a copy of the licence for the following periods after the licence expiry date:
 - two years, if you raise gaming funds only through a Class D licence;
 - five years, if you also receive revenue from any other licensed gaming or gaming grants.
- Maintain records that clearly show the amount and purpose of each financial transaction.

The representatives named on your licence application are responsible for meeting these and all other conditions of the licence.

You won't need to establish a separate bank account for your Class D gaming event. However, if your group or organization receives other gaming revenue and already has a gaming account, you must use that account for all financial transactions related to your gaming event.

A chequing account must be used to disburse the funds raised from your gaming event. One representative taking responsibility for the licence should be given this financial responsibility, and all cheques must be signed by that person.

5.2 My group or organization raises less than \$10,000. What are the financial reporting requirements?

Your group or organization will need to submit an online Gaming Event Revenue Report within 90 days of the expiry of your gaming event licence.

This report must be completed for each gaming licence. GPEB will not issue another licence until your group or organization has filed a Gaming Event Revenue Report for each previous Class D licence.

5.3 What if my group or organization raises more than the \$10,000? What are the reporting requirements?

Under the Class D licence program, the maximum total projected sales cannot exceed \$10,000 in a 12 month period. Once your group or organization has reached this limit, you may not receive further Class D licences until the 12 month period has ended.

If your organization is eligible, you may apply for a Class A or Class B licence in order to hold additional gaming events.

GPEB tracks revenues that groups or organizations earn from licensed gaming events in a 12 month period, using a combination of estimated total projected gross revenue on the application form(s), and actual gross sales, which replace these estimates once the Class D Gaming Event Revenue Report is submitted.

Groups or organizations must follow different reporting and accountability requirements depending on the level of gross revenues raised from licensed gaming and gaming grants in a 12-month period:

For licensed gaming:

- Up to \$20,000 – Your group or organization must report their use of funds by completing and filing a Gaming Event Revenue Report.
- More than \$20,000 – If you raise more than \$20,000 from a combination of Class B and Class D gaming event licences, your group or organization must follow the financial accountability of Class A licensees.

For grants and licensed gaming:

- Any organization that receives a gaming grant must follow the financial accountability for grant funding. Organizations that also obtain Class A, B, C or D gaming licences must ensure the funds from these events flow through their established gaming account, and are fully accounted for in their financial reporting.

NOTE: All licensees are subject to review and audit of their records, and must ensure the General Manager, Gaming Policy and Enforcement Branch, has reasonable access to all records and to the premises where the gaming event is held. Copying or removing records from the premises may take place at the General Manager's discretion.

6. Reconsideration of Decisions

Decisions regarding eligibility for a gaming event licence may be subject to reconsideration by the Executive Director of Licensing and Grants Division.

To have its application reconsidered, an organization must submit a written request to the Executive Director, Licensing and Grants Division, within 30 days of notification of the decision, stating reasons for the reconsideration and providing clarifying information that may support its request. New information may be considered at the discretion of the Executive Director.

The Executive Director will conduct a thorough review to ensure the procedures, rules and conditions were applied fairly and properly, and will either vary or uphold the original decision. The written decision of the Executive Director will be sent to the affected organization or individual within 30 days of receiving a written request for reconsideration.

A reconsideration decision may be further reviewed. This involves an Administrative Review Hearing, where an independent Review Board (adjudicated by one or more persons) hears evidence and provides a written recommendation to the General Manager, Gaming Policy and Enforcement Branch. The General Manager will uphold or overturn the original decision.

The recommendation of the Review Board and the final decision of the General Manager will be mailed or delivered to all parties to the Review Hearing within 60 days.

For more information about the Internal Review process, please refer to www.gaming.gov.bc.ca/legislation-policies/docs/internal-review-procedures.pdf.

Contact Information

<p>Head Office</p> <p>Mailing address:</p> <p>Gaming Policy and Enforcement Branch PO Box 9310 Stn Prov Govt Victoria BC V8W 9N1</p> <p>Location (for courier deliveries or visiting in person):</p> <p>3rd Floor, 910 Government Street Victoria BC V8W 1X3 Telephone: 250 387-5311 Facsimile: 250 356-8149 E-mail: Gaming.Branch@gov.bc.ca Web: www.gaming.gov.bc.ca</p>	<p>Lower Mainland Regional Office</p> <p>Gaming Policy and Enforcement Branch 220 - 4370 Dominion Street Burnaby BC V5G 4L7</p> <p>Telephone: 604 660-0245 Facsimile: 604 660-0267</p>
<p>Interior Regional Office</p> <p>Gaming Policy and Enforcement Branch 200 – 1517 Water Street Kelowna BC V1Y 1J8</p> <p>Telephone: 250 861-7363 Facsimile: 250 861-7362</p>	<p>Northern Regional Office</p> <p>Gaming Policy and Enforcement Branch 211, 1577 – 7th Avenue Prince George BC V2L 3P5</p> <p>Telephone: 250 612-4122 Facsimile: 250 612-4130</p>

Other Key Contacts

Audit and Compliance Division (Lower Mainland)	604 660-0245
Investigations Division (Lower Mainland)	604 660-0245
Licensing and Grants Division (Victoria)	250 387-5311
Registration and Certification Division (Victoria)	250 356-0663