

# **1. LOTTERIES, TRADE LOTTERIES and COMMUNITY GAMING**

## **Part 1 - General Provisions**

### **1. Prohibited Prizes**

(1) No lotteries or gaming conducted under the Act shall promote or have as prizes, prohibited goods or services which include:

- (a) Tobacco products
- (b) Firearms, antique firearms and ammunition
- (c) Dangerous articles and prohibited weapons
- (d) Any goods or services the sale of which would be an offence in Antigua and Barbuda.

### **2. Liquor as a Prize**

- (1) Tickets or entries in a lottery offering liquor prizes cannot be sold by or to a person under 18.
- (2) A person under 18 cannot give or collect a liquor prize.

## **Part 2 - Commercial Lotteries**

### **3. Approval of Licence Application**

- (1) For the purposes of Chapters 4 and 10 of the Act, there is a presumption in favour of the Authority requiring an applicant to be able to demonstrate adequate compliance with the World Lottery Association's Security Compliance Standard, as amended from time to time.
- (2) For the avoidance of doubt, the Authority may permit deviation from that Standard, having regard to the nature of the lottery, and the adequacy of alternative controls.

### **4. Approval of computer system**

- (1) If required by the Authority, a commercial lottery licensee or an appointed subsidiary must not use, or cause or permit to be used—
  - (a) any instrument; or
  - (b) any computer hardware or software; or
  - (c) any other equipment—

in connection with a commercial lottery unless the instrument, hardware, software or other equipment has been approved by the Authority.

(2) If the Authority has proceeded under clause (1), a commercial lottery licensee or an appointed subsidiary must not make, or cause or permit to be made, any change in any instrument, hardware, software or other equipment approved by the Authority under clause (1) unless the change has been approved by the Authority.

(3) The Authority may make an approval under this Regulation subject to any conditions that it thinks fit.

(4) The Authority may, for just and reasonable cause, withdraw an approval given under this Regulation by instrument given to the commercial lottery licensee or the appointed subsidiary, as the case requires.

## **5. Lottery rules**

(1) A commercial lottery licensee must make rules for or with respect to the conduct of each commercial lottery product authorised by the commercial lottery licence.

(2) A commercial lottery licensee or an appointed subsidiary must not conduct a commercial lottery unless—

(a) lottery rules for the commercial lottery are in force; and

(b) the commercial lottery is conducted in accordance with those rules.

Penalty for failure to comply with Section 5 (2) is a maximum fine of EC\$10,000 for each occurrence

(3) Without limiting subclause (1), lottery rules may make provision for any of the following matters—

(a) the handling of applications to enter a commercial lottery;

(b) the recording of entries in a commercial lottery;

(c) the determination of the entitlement (if any) of a player to a prize in a commercial lottery;

(d) the payment of prizes in, or the refund of money paid to enter, a commercial lottery.

(4) As soon as practicable after making lottery rules, a commercial lottery licensee must give a copy of them to the Authority.

(5) Lottery rules for a commercial lottery, as in force when an entry to the commercial lottery is accepted, form part of the contract between the licensee and the player.

Penalty for failure to comply with Section 5 (3, 4 &5) carry a maximum fine of up to EC\$10,000 for each occurrence

## **6. Publication and inspection of lottery rules**

(1) A commercial lottery licensee or other person who accepts entries in a commercial

lottery must—

- (a) make available a complete copy of the lottery rules for the commercial lottery for inspection by any person free of charge on request; and
- (b) at each place or point at which those entries are accepted, display a notice stating that the lottery rules are available for inspection.

Penalty for failure to comply with Section 5 (3, 4 &5) carry a maximum fine of up to EC\$10,000 for each occurrence

## **7. Disallowance of lottery rules**

(1) The Authority may disallow lottery rules in whole or part at any time by giving written notice to the commercial lottery licensee, if—

(a) the Authority is satisfied that the rules are—

- (i) unfair to players; or
- (ii) unreasonable; or
- (iii) contrary to the public interest; or
- (iv) would result in the commercial lottery being of a different character from the commercial lottery authorised to be conducted by the licence.

(2) The disallowance of lottery rules takes effect on the day specified in the notice of disallowance, being a day that is at least 3 days after the notice is given to the licensee.

## **8. Supervision of commercial lottery draws by Authority's representative**

(1) If required by the Authority, a commercial lottery licensee or other person must not determine a commercial lottery by draw unless a person nominated by the Authority supervises the draw.

(2) Despite clause (1), a commercial lottery licensee or other person may determine a commercial lottery by draw without the supervision of a person nominated by the Authority if the draw—

- (a) is determined by a random number generator; and
- (b) is conducted in accordance with procedures approved by the Authority.

(3) The Authority may approve procedures for the conduct of a commercial lottery to be determined by a random number generator.

(4) In this Regulation, *random number generator* means an instrument, hardware, software or other equipment approved by the Authority that is designed to be used to select random numbers and—

- (a) is used by a commercial lottery licensee to determine the results of a draw of a commercial lottery; and

(b) is not used by a commercial lottery licensee to draw numbered balls or other things; and

(c) is not an electronic device that enables a commercial lottery to be determined in connection with an external event.

#### **9. Licensee to record entries**

(1) A commercial lottery licensee must ensure that an accurate record is made (whether by the issue of a ticket or otherwise) of each entry in a commercial lottery conducted under the licensee's licence.

(2) The record must include—

(a) an identifying number, or other form of identification, of the entry; and

(b) the amount paid to enter the lottery; and

(c) the amount (if any) of commission paid or payable to an agent of the licensee in respect of the entry, determined in accordance with the licence conditions.

(3) The licensee must ensure that the record of entry, or a copy of it, is given or made available to the player on request.

#### **10. Licensee not to act as credit provider**

A commercial lottery licensee must not provide credit to a player.

Penalty for failure to comply with Section 10 carries a maximum fine of up to EC\$5,000 for the first offence and for a second or subsequent offence, A maximum fine of up to EC\$25,000.00.

#### **11. Non-monetary prizes**

If a commercial lottery licensee offers a non-monetary prize in a commercial lottery the licensee must also offer a monetary prize of equivalent value as an alternative to the non-monetary prize.

#### **12. Publicity concerning prizewinners**

(1) A commercial lottery licensee or an appointed subsidiary must not publish, or cause to be published, the identity of a person who claims a prize in a commercial lottery if the person has requested anonymity.

(2) A player may request anonymity in the manner set out in the licence conditions or the lottery rules.

(3) A person may at any time revoke a request for anonymity.

(4) This Regulation does not prevent a commercial lottery licensee or an appointed subsidiary from publishing, or causing to be published, the venue or geographic location at which a prizewinning entry was made and the amount of a prize won.

### **13. Conduct of the Lottery**

- (1) The lottery must be drawn on the day, time and place specified in the rules.
- (2) Every ticket or entry in a lottery must have a fair and equal chance of winning the major prize in the lottery.
- (3) The participants in a lottery cannot be required to be present at the drawing of a lottery in order to win a prize.
- (4) The designated selling price must be consistently applied to all tickets or entries sold. All tickets or entries (other than bonus tickets or entries) shall be sold at the advertised value.
- (5) Bonus tickets or entries are tickets or entries which can be offered free of charge to purchasers of a certain number of tickets. The number of bonus tickets or entries are to be included in the total number of tickets or entries available. Details of the bonus offer must be adequately publicised and must apply throughout the whole period during which tickets or entries are on sale.
- (6) Participants must be adequately informed the details of—
  - (a) how prizes may be claimed, and
  - (b) how the prize winners will be notified and of the way in which the results will be publicised.
- (7) If participants are not able to determine whether they have won a prize, the operator must use its best endeavours to inform each prize winner within two days after the result of the lottery is decided.
- (8) Where a money prize exceeds EC\$5,000.00, the organiser must pay to the prizewinner the amount as exceeds EC\$5,000.00 by means of a crossed cheque payable to the prizewinner, or if the prizewinner so requests, by means of electronic transfer of funds to an account nominated by the prizewinner.
- (9) If a prize has conditions attached, full details of the conditions must be provided. Without limiting the effect of this clause,
  - (a) travel prizes must include details of the number of persons entitled to use the prize, destination details, additional components such as accommodation and air fares, the maximum prize value, any restrictions on availability such as off-peak periods and applicable expiry periods;
  - (b) house and/or land prizes must include details of conveyancing and transfer costs, land tax, and any other costs;
  - (c) motor vehicle prizes must include details of make and model of vehicle, accessories, registration, on-road costs, and any other costs;
  - (d) mobile phone prizes must include details of any costs and mobile phone plan which must be undertaken by winner.

(10) In the event a non-monetary prize in a commercial lottery conducted by a licence holder is not collected within three (3) months after notification of the entitlement for collection, the licence holder may dispose of the prize by public auction or tender or in some other manner approved by the Authority, and shall pay the received amount to the Authority which shall treat it as an unclaimed prize.

#### **14. Conduct of Scratch Card and No Draw Lotteries**

(1) Scratch card or no-draw lotteries must be conducted fairly, and under procedures that ensure that all tickets and cards are secure, are distributed on a purely random basis, and are not capable of manipulation.

(2) The tickets or cards of each lottery must be numbered consecutively.

(3) Each series of tickets or cards must be distinguished from each other series by a unique series number or symbol.

(4) The tickets and cards must be produced so that the symbol or symbols that may confer a prize cannot be detected without removing the opaque material that covers them.

(5) The operator must take suitable measures to ensure that there is adequate control over the issue of tickets or cards to selling agents, the receipt of money, and the retention and recording of unsold tickets or cards.

(6) A participant is not to be deprived of an entitlement to a prize merely because of a flaw in the production of the tickets or cards, even though the pool of prizes or money set aside for the purchase of prizes has been exhausted or is insufficient to provide the relevant prize.

(7) The cost of supplying additional prizes under clause (6) is to be met by the organisers of the lottery,

#### **15. Records for Scratch Card and No-Draw Lotteries**

(1) Records for scratch card and no-draw lotteries must be kept of:

(a) the total amount of money received;

(b) the total value of the prizes;

(c) the total number of no-draw lottery tickets or cards produced or acquired for the lottery, including their serial numbers and unique series number or symbol;

(d) the total number of no-draw lottery tickets or cards distributed and the total number sold, including their serial numbers and unique series number or symbol;

(e) the name and address of each agent to whom no-draw lottery tickets or cards have been distributed, together with the number of tickets or cards issued to the agent, including their serial numbers and unique series number or symbol;

(f) the names and addresses of all prizewinners, where prizes are of a value requiring the identification of prizewinners) together with details of their prizes; and

(g) the number of tickets remaining unsold, including their serial numbers and unique series number or symbol.

### **Part 3 - Trade Lotteries**

#### **16. Terms and Conditions**

(1) The terms and conditions of a trade lottery must include:

- (a) how to enter
- (b) conditions of entry
- (c) start and closing dates
- (d) when and where the lottery will be drawn (date, time and location)
- (e) details and values of all prizes
- (f) how winners will be notified
- (g) details of newspaper, journal or website in which winner's names will be announced, if applicable
- (h) details of any additional purpose that the personal information collected from participants will be used for.

(2) If the lottery is being conducted with 'scratch and win' cards the following also needs to be included in the terms and conditions:

- (a) the maximum number of tickets being issued
- (b) the total number of prizes and their individual value
- (c) that printing errors and other quality control matters will not be used as a reason for refusing payment of prizes.

### **Part 4 - Community Lottery or Game**

#### **17. Terms and Conditions**

(1) The terms and conditions of a lottery, raffle, bingo or other form of gaming must include:

- (a) how to enter
- (b) conditions of entry
- (c) start and closing dates or times

- (d) if applicable, when and where the lottery will be drawn (date, time and location)
  - (e) details and values of all prizes
  - (f) how winners will be notified
  - (g) if applicable, details of newspaper, journal or website in which winner's names will be announced,
  - (h) details of any purpose that the proceeds of the will be used for.
- (2) If the terms and conditions of the lottery do not include reasonable provisions for unclaimed prizes, they must be retained for three months after the draw, and the operator must comply with the directions of the Authority.

## **18. Prizes**

- (1) The prizes must be valued at their retail value, regardless of whether they were purchased at a discount or retail price or donated. If the prize is an antique or a piece of artwork, craftwork, collectible bric-a-brac or is secondhand, the value of the prize is the reasonable estimate of the likely retail price of the item.
- (2) If a prize has conditions attached, full details of the conditions must be provided. Without limiting the effect of this clause,
- (a) travel prizes must include details of the number of persons entitled to use the prize, destination details, additional components such as accommodation and air fares, the maximum prize value, any restrictions on availability such as off-peak periods and applicable expiry periods;
  - (b) house and/or land prizes must include details of conveyancing and transfer costs, land tax, and any other costs;
  - (c) motor vehicle prizes must include details of make and model of vehicle, accessories, registration, on-road costs, and any other costs;
  - (d) mobile phone prizes must include details of any costs and mobile phone plan which must be undertaken by winner; and
  - (e) whether the prize is redeemable for cash.
- (3) In the event a non-monetary prize in an authorized game conducted by an organisation is not collected within three (3) months after notification of the place at which it may be collected, the organisation may dispose of the prize by public auction or tender or in some other manner approved by the Authority, and shall deal with the received amount in the manner directed by the Authority.
- (4) If a prize has been paid to the Authority as an unpaid prize under clause (3), and is not claimed within five (5) years after the end of the lottery, raffle or other form of gaming in which the prize was won, the entitlement to the prize is extinguished and the prize is forfeited to the Authority. The Authority shall disburse any such forfeited prizes



at its discretion.

### **19. Records of Lottery or Raffle**

(1) The organisation conducting a lottery or raffle must keep a record of:-

(a) the number of ticket books issued for sale

(b) the names and addresses of the persons to whom tickets were issued for sale, the number of tickets sold and the number of tickets returned unsold or lost

(c) all monies received from the sale of tickets in the lottery must be paid into the operator's bank account

(d) accurate records of all income and expenditure relating to the lottery must be maintained.

(2) Any tickets not returned to the organisation are considered to be lost tickets. Unsold tickets must be kept for a period of one year and be available for audit or inspection.

### **20. Records and Financial Statements**

(1) The accounts and records relating to the lottery and any unsold tickets in the lottery must be kept for a period of at least one year from the day on which the lottery concludes.

(2) These accounts, records or tickets must be available for inspection by the Authority, on request, at any time during that period.

(3) The organisation must take reasonable steps to ensure that the operator keeps records in relation to the lottery that are sufficient to enable an auditor to carry out a proper audit of the lottery.

### **21. Submission of Financial Statement**

If required by the Authority, a financial statement outlining the outcome of the lottery must be submitted to the Authority within three months of the draw date.

### **22. Amendment of Terms and Conditions**

(1) The terms and conditions of any lottery cannot be amended or varied without the prior approval of the Authority.

(2) A written request to amend a lottery's terms and conditions must be forwarded to the Authority together with reasons why the amendment or variation is required.

### **23. Cancellation of Lottery**

- (1) A lottery cannot be cancelled without the prior approval of the Authority.
- (2) If the organisation considers a lottery to be financially unviable and wishes to cancel the lottery, the application must set out the reasons why the lottery should be cancelled, the date ticket sales are to cease, the method to be used to advise ticket holders, the arrangements for reimbursement of cost of tickets to ticket buyers, and how the public will be advised of the cancellation.
- (3) If the gross proceeds from a lottery are insufficient to meet the cost of prizes in the lottery, the organisation must make up the deficiency from its other funds and must notify the Authority in writing as soon as it becomes apparent that such a deficiency will arise.