

## TERMS AND CONDITIONS

### Commercial Gaming

# VLT Siteholder

Licensees are responsible to comply with all terms and conditions specific to the type of licence held and any terms and conditions specific to the site.

## 1.0 Definitions

**“Act”** means The Liquor, Gaming and Cannabis Control Act and includes regulations made under the Act.

**“advertisement”** means anything prepared by or on behalf of a regulated person that is intended to promote liquor sales, cannabis sales or participation in a lottery.

**“executive director”** means the executive director of the Liquor, Gaming and Cannabis Authority of Manitoba.

**“inspector”** means:

- a) an inspector appointed or designated under section 119 or 120 of the Act; and
- b) a member of a police service.

**“LGCA”** means the Liquor, Gaming and Cannabis Authority of Manitoba.

**“licensee”** means a person, business entity or association of persons holding a licence issued by the LGCA; in these terms and conditions it means the holder of a retail liquor licence.

**“lottery scheme”** means a lottery scheme with the meaning of the *Criminal Code* (Canada).

**“MLLC”** means the Manitoba Liquor and Lotteries Corporation.

**“participate”** means to:

- a) pay an amount, directly or indirectly, to secure a chance to win a reward in a lottery scheme;
- b) purchase or accept a lot, card or ticket used in a lottery scheme; or
- c) redeem or attempt to redeem a lot, card or ticket for a reward in a lottery scheme

**“person”** includes an organization, association, group or partnership, corporation or any other business model.

**“principal”** means:

- a) in the case of a corporation, the officers and directors of the corporation;
- b) in the case of a partnership, all partners;
- c) in the case of a limited partnership, the individual general partner or the officers and directors of a corporate general partner or the partners of a partnership general partner; and
- d) in the case of an association of persons or any other organization, the persons who direct the affairs of the association or organization.

**“site”** means the premises on which MLLC has placed video lottery terminals.

**“siteholder”** means a person who owns premises in which MLLC places video lottery terminals.

**“siteholder agreement”** means an agreement entered into by MLLC and a siteholder under which one or more video lottery terminals are placed in the premises owned or occupied by the other party and managed by the other party as agent for MLLC.

**“video lottery gaming” (VLT gaming)** means a lottery scheme, as defined in the *Criminal Code* (Canada), that involves the use of a video lottery terminal.

**“video lottery terminal” (VLT)** means a slot machine that is placed in the premises of a siteholder pursuant to a siteholder agreement, as provided for in section 44 of *The Liquor and Lotteries Corporation Act*.



## 2.0 General

### 2.1

A VLT siteholder licence authorizes the licensee to have VLTs in a MLLC approved site.

### 2.2

A separate VLT siteholder licence is required for each location where VLT gaming is carried out.

### 2.3

The licensee must ensure that the VLTs are operated in accordance with the Act.

### 2.4

No proprietary rights accrue with a licence.

### 2.5

A siteholder licence will be suspended or terminated immediately if the licensee's siteholder agreement is suspended or terminated.

### 2.6

Every advertisement prepared by or on behalf of a licensee must comply with the Canadian Code of Advertising Standards established by Advertising Standards Canada.

### 2.7

The executive director may, at any time, add, vary, repeal or substitute terms and conditions of a licence.

### 2.8

All required information must be submitted as directed by the LGCA.

## 3.0 Operations

### 3.1

The licensee is responsible for the conduct of all employees involved in the operation of VLTs in the site.

### 3.2

When a licensee requires identification to verify proof of age, the licensee must require the person produce one of the following types of valid identification that belong to the person:

- a) a passport;
- b) a driver's licence;

- c) an identification card issued by Manitoba Public Insurance;
- d) a Secure Certificate of Indian Status issued by the Government of Canada;
- e) a NEXUS card;
- f) a Canadian Armed Forces identification card;
- g) a possession and acquisition licence issued under the *Firearms Act* (Canada);
- h) a Manitoba Métis Federation citizenship card;
- i) two pieces of government-issued identification, with at least one piece of identification containing a photograph of the person.

### 3.3

If the person refuses or is unable to produce the required identification, the licensee must refuse to permit the person to play VLTs or enter the area where VLTs are situated.

### 3.4

The licensee may not have any VLT or related equipment unless it is owned and authorized by the MLLC.

### 3.5

The licensee shall not move any VLT from the location of installation.

### 3.6

The licensee shall not manipulate, nor permit anyone else to manipulate a VLT or related equipment in an effort to influence the outcome of a game.

### 3.7

The licensee shall not activate, nor permit anyone else to activate a VLT by fraudulent means.

### 3.8

The licensee shall not modify a VLT or related equipment.

### 3.9

The licensee shall not grant credit, cash cheques, provide advances on credit cards or give cash through the use of a debit card, to enable a person to play a VLT.

### 3.10

The licensee must ensure minors do not participate in VLT gaming.



### 3.11

The licensee shall not promote or participate in unsanctioned gaming.

### 3.12

The licensee must continue to comply with any terms and conditions under which the VLT licence was issued unless otherwise authorized by the LGCA.

### 3.13

The licensee must ensure that all persons working in the VLT area have successfully completed a social responsibility training course specified by the executive director.

### 3.14

The licensee shall display any material/signage as required by the LGCA in a prominent place where VLTs are located.

### 3.15

The licensee shall advise players of the protocols for prize redemption and prize payouts.

## 4.0 Inspection

### 4.1

For the purposes of determining compliance with the Act, an inspector may at any reasonable time, without a warrant, enter:

- a) any business premises of a licensee; and
- b) any other premises, other than a dwelling where the inspector has reasonable grounds to believe that records or items relevant to the administration or enforcement of the Act are kept.

### 4.2

The licensee or person in charge of the site being inspected or having custody or control of the relevant records or things must:

- a) produce or make available to the inspector all records and things that the inspector requires for the inspection;
- b) provide any assistance or additional information, including personal information that the inspector reasonably requires to perform the inspection; and
- c) answer questions related to the purpose of the inspection that are asked of them by the inspector.

### 4.3

A licensee must not obstruct or hinder or make a false or misleading statement to an inspector who is exercising powers or performing duties under the Act.

## 5.0 Offences and Compliance

### 5.1

It is an offence to contravene a provision of the Act or these terms and conditions.

### 5.2

A licensee must not operate VLTs in contravention of a regulation made under *The Manitoba Liquor and Lotteries Corporation Act*.

### 5.3

A licensee who is the subject of a compliance order must comply with the order.

### 5.4

Unless the compliance order is appealed, a licensee who is ordered to pay an administrative penalty must pay the amount of the penalty to the LGCA within the time specified in the order.

### 5.5

The executive director can suspend or cancel the licence if the licensee fails to comply with an order.

### 5.6

A licensee is guilty of an offence under this Act who:

- a) contravenes a provision of this Act; or
- b) knowingly makes a false statement in an application for or renewal of a licence, permit or approval or in any record, return or report required under this Act.

### 5.7

A licensee who is guilty of an offence is liable on conviction:

- a) in the case of an individual, to a fine of not more than \$100,000, imprisonment for up to one year, or both; and
- b) in the case of a corporation, to a fine of not more than \$500,000.



## 5.8

If a corporation commits an offence under this Act, a director or officer of the corporation who authorized, permitted or acquiesced in the commission of the offence is also guilty of an offence and is liable on conviction to the applicable penalties set out in 5.7(a), whether or not the corporation has been prosecuted or convicted.

## 6.0 Change in Control and Notification Obligations

### 6.1

A transfer or assignment of a licence is not valid without the written consent of the executive director.

### 6.2

A licence ceases to be valid if there is a prescribed change in control of the licensee, unless the executive director approves the proposed change in accordance with the regulations.

### 6.3

Unless approved by the executive director, a licence ceases to be valid if:

- a) the licensee sells, assigns or transfers its assets through which it carries out the activities authorized by the licence;
- b) 10% or more of the shares, or any class of share, of the following are sold, assigned or transferred:
  - (i) a licensee that is a corporation, or
  - (ii) a corporation that effectively controls the business of a corporation that is a licensee;
- c) a person becomes or ceases to be a partner of a licensee that is a partnership;
- d) a person becomes entitled to any of the profits from the licensed activity or becomes liable for any obligations incurred from the licensed activity; or
- e) a person loans or advances or causes to be loaned or advanced money or any thing of value, with or without security, to the licensee.

## 6.4

To seek the executive director's approval of a change described in 6.3, the licensee must, at least 10 days before the proposed change is to occur:

- a) apply to the LGCA in writing; and
- b) provide any information requested by the LGCA.

## 7.0 Consequential Reporting

### 7.1

The licensee must immediately notify the LGCA in writing of:

- a) any change of the licensee's name;
- b) any change of the licensee's permanent address;
- c) any change of the licensee's address for service;
- d) any suspension or cancellation or any licence issued to the licensee by any other jurisdiction;
- e) any charge or conviction of the licensee or any principals of the licensee of any offence under the *Criminal Code* (Canada), or any comparable legislation;
- f) any charge or conviction of the licensee or any principals of the licensee of any offence under the *Competition Act* (Canada), or any comparable legislation;
- g) any disciplinary action or sanctions, including fines, issued to it by MLLC or any other regulatory body;
- h) any circumstances which cause the licensee to consider that an offence has occurred under the Act or under a provision of the *Criminal Code* (Canada) that is relevant to the lottery scheme;
- i) any change in the principals of the licensee, or change to the authorized signatory of the licensee responsible for the siteholder agreement;
- j) the bankruptcy of the licensee, or the filing of any proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), or any comparable legislation, or the appointment of a receiver of the licensee's property.



## 7.2

The licensee shall, as soon as is reasonably practicable, provide the LGCA with any information it possesses that may be material to:

- a) the honesty and integrity of the licensee and its principals; or
- b) ensuring the integrity of the operation of its VLT gaming.

## 7.3

The licensee must notify the LGCA of any matter which the licensee can reasonably assume to be of consequence to the LGCA.

## 7.4

The licensee must provide such further information as required by the LGCA.

Available in alternate formats, upon request.

