

## FIXED LINKED BINGO GAME (SATELLITE BINGO) CONDITIONS

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Fixed Linked bingo means a bingo game played simultaneously by participants at different locations in which the locations are linked by a communications system. Before a licensee can participate in the game the following conditions must be met:

1. Any linked bingo game must be approved by the Division. A network management plan must be submitted by the provider for review. The network management plan must include:
  - a. a detailed description of the technology;
  - b. card inventory control and distribution system;
  - c. the method of calling bingo numbers at the “host facility”, and transmitting them to each participating hall;
  - d. description of the game;
  - e. description of card sales and reporting;
  - f. details of the prize;
  - g. job details of personnel involved in the conduct and administration of the game;
  - h. the procedure to verify winning cards;
  - i. linked game rules of play;
  - j. draft of financial and inventory control forms;
  - k. process of transferring revenue to the network;
  - l. procedure to pay winner(s);
  - m. the distribution of net profits;
  - n. network ownership;
  - o. network security; and
  - p. method for continuation of the game in the event of loss of communication system(s).
2. The game must be made available to all bingo licensees who have an average event attendance of 60 patrons. On initial startup the game must be available, on the first day of operation, to all licensees who have signed agreements with the provider. After the first day of operation the game must be made available to licensees wishing to participate within 60 days after an agreement is signed.
3. The game provider must broadcast the game from a location that has been inspected and approved by officials of the Division.
4. An Audited Financial Statement, in a form prescribed by the Division, and management letter, of the Network’s activities shall be submitted, by the provider to the Division within 120 days of the fiscal year end of the provider. Licence fees in the amount of 1% of all prize payouts must accompany the statement.

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5. One linked bingo game will be allowed per bingo event.
6. The total prize payout must be 50% of sales.
7. The minimum return to the licensee is 25% of sales. The licensee can only pay for expenses that are approved by the Division, from the 25% return. Approved expenses would include:
  - a. cost of television monitors and a fax machine for the game;
  - b. licence fees relating to the game;
  - c. telephone and or cable connection costs.
8. The linked game shall be played in conjunction with a complete bingo program.
9. The linked game main prize and any consolation prize(s) shall not be accumulated over more than one event. An accumulating prize pool must be approved by the Division. In the case where a prize pool is set at a fixed amount, the provider is responsible for the shortfall in the prize pool but can recover the shortfall from subsequent accumulations.
10. Winners of prizes, excluding consolation prize winners, are required to write their name, address and telephone number on the back of the winning card and sign the back of the winning card.
11. All prizes, excluding consolation prizes, shall be paid by cheque within 48 hours of the awarding of the prize.
12. The game must be played for a full card but odd/even format is permitted. For an odd/even format a sealed card(s) must be used for the linked game. No numbers shall be called or drawn until card sales have ended. Cards shall not be distributed free, discounted or be included as part of a package sale.
13. Bingo umbrella associations or individual groups must enter into a written agreement on the operation of the network, including distribution of profits and costs.
14. Rules of play must be approved by the Division and must be posted in each participating bingo hall. Individual associations or groups cannot change these rules.
15. Inventory and financial control systems must meet the requirements set by the Division.
16. Each Linked Game must be video/audio recorded by the network. Tapes shall be retained for 21 days.
17. The game provider must obtain a bond in the amount of \$100,000 to cover the loss of funds held by the provider to pay licence fees or accumulating prize pots. Proof of bonding must be supplied to the Division before commencement of the game.

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18. A person identified under Section 10. (e) of the *Lotteries Licencing Schemes, 1985 General Rules* shall be given unencumbered access to all records, documents, video tapes and equipment relating to the Linked Game and the Network. They may examine these at their discretion, and may copy or remove them as necessary.
19. Linked Bingo books and records are subject to review by officials of the Division and must be maintained in a manner acceptable to the Division. These will include, but not be limited to:
  - a) books of original entry (including computerized records);
  - b) invoices;
  - c) bank statements and canceled cheques;
  - d) event control and summary sheets;
  - e) inventory control forms;
  - f) income tax and HST tax returns;
  - g) minutes of AGM and Executive meetings;
  - h) external accountant's/auditor's working paper files; and
  - i) annual audited financial statements.
20. Changes to the approved event operating procedures of the linked game, shall be submitted for review and approval of the Division, prior to being implemented.

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