



Break Open Ticket Licence Terms and Conditions

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Guidance for Applicable T&C Sections Based on Ticket Types

For ticket types and additional information on your specific ticket type, please see the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#).

- Sections 1 – 4 of this document are **General Terms and Conditions** which are applicable to all Break Open Ticket types.
- Sections 5 and 6 of this document are the **Terms (in addition to Sections 1- 4) that are specific only to Break Open Ticket types under Section A of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#)**
- Sections 7 and 8 of this document are the **Terms (in addition to Sections 1-4) that are specific only to Break Open Ticket types under Section B of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#)**.

Definitions

Bingo Event ticket game means a break open ticket game in which a winner is determined by matching a bingo ball symbol or symbols on a break open ticket with a specified number or numbers drawn during the course of a licensed Bingo Event conducted and managed in accordance with the terms and conditions. Bingo Event tickets are not bingo paper.

Box means each separately sealed box of break open tickets within a deal or sub-deal, as shipped by the supplier.

Break open ticket means a device which is made of cardboard and which has one (1) or more perforated cover window tabs behind which are winning and non-winning numbers or symbols that must be revealed by the tearing off of the cover tab. Seal cards and Bingo Event tickets are types of break open ticket.

Break open ticket dispenser means an electrical or mechanical device used to dispense break open tickets.

Break open ticket lottery means a lottery where consideration is given for a chance to win instant prizes or prizes determined by a subsequent event, by revealing a specified arrangement of numbers or symbols on a break open ticket and includes prizes carried over to a future deal or sub-deal.

Break open ticket style means the combination of approved graphics and prize structure used for break open tickets. There may be multiple styles within a break open ticket type.

Break open ticket type means a break open ticket characterized by the number of tickets per deal, the price per ticket and the total value of prizes per deal.

Charitable gaming site means a gaming site where a charitable organization conducts and manages a lottery scheme under the authority of a licence issued by a municipality or by the Registrar.

Dab means to mark bingo paper or break open tickets so that the underlying numbers or symbols are transparent to runners and can be verified. The ink used to dab bingo paper or break open tickets must be permanent except where reusable hardboard, laminated paper or plastic bingo cards are used.

Deal means each separate game or series of break open tickets with the same serial number.

Gaming-Related Supplier means a person who manufactures, provides, installs, tests, maintains or repairs gaming equipment or who provides consulting or similar services directly related to the playing of a lottery scheme or the operation of a gaming site and who is registered under the *Gaming Control Act, 1992*.

Gaming site means premises or an electronic channel maintained for the purpose of playing or operating a lottery scheme.

Revenue Split Model means the method by which revenue from the sale of break open ticket types approved by the Registrar after January 2022 is allocated between the licensee and registered suppliers. See Section B of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#) for further information on the ticket types that are eligible to use this expense model.

Operator means a person who operates a gaming site.

Progressive Bingo Event ticket game means a Bingo Event ticket game with a progressive element where prizes that are not won during one game are added to the prizes on a future deal or sub-deal.

Progressive Seal Card game means a Seal Card game with a progressive element where prizes that are not won during one game are added to the prizes on a future deal or sub-deal.

Provincial break open ticket (PBOT) licence means a licence issued to an organization with a demonstrated provincial mandate authorizing the sale of break open tickets in all municipalities across the province.

Seal card means a break open ticket posted at the place of sale named in the licence that is used to determine the winner of a secondary prize by opening a window or windows to reveal a number or symbol that matches a ticket held by the winning player.

Seal Card game means a break open ticket game featuring tickets that grant certain players a chance at a prize or prizes to be determined by the removal of a window from a seal card to reveal specified winning numbers or symbols.

Seller means someone who is permitted to sell break open tickets on behalf of a licensed charitable or religious organization. A Seller can be registered to sell break open tickets at one or more locations.

Sub-deal means a portion of a deal of seal card game tickets or bingo event tickets. Each sub-deal in a deal must have the same serial number but be distinguished by a letter of the alphabet or additional numbers at the beginning or end of the serial number or form number.

(1) Hall Charities Associations

The following applies to all licences to conduct and manage a break open ticket lottery outside pooling bingo halls that are not subject to the *Terms and Conditions for Charitable Gaming Events*:

(1) Hall Charities Associations

1.1 Licensees selling break open tickets in conjunction with bingo events that do not fall under the *Charitable Gaming Event Terms and Conditions* must do so only as a member organization of a Hall Charities Association.

1.2 The Hall Charities Association is responsible for:

- a. administering and supervising all activities related to conduct and management of the sale of break open tickets;
- b. completing and filing the required financial report on the results of the event;
- c. keeping all required records and administering the designated lottery trust account;
- d. ensuring that proceeds raised are distributed on a pro rata basis to all member organizations of the Hall Charities Association.

1.3 Break open tickets must not be sold during any bingos conducted by organizations which are not member organizations of the Hall Charities Association that administers break open ticket sales.

(2) Staffing

The following applies to all licences to conduct and manage a break open ticket lottery outside pooling bingo halls that are not subject to the *Terms and Conditions for Charitable Gaming Events*:

(2) Staffing

2.1 The licensee must designate at least one (1) bona fide, active member to be in charge of and responsible for the conduct and management of the break open ticket lottery, on behalf of the licensee. In the case of a Hall Charities Association, a minimum of two (2) bona fide

members must be designated. The designated member(s) must not be related or associated with the registered Supplier(s), or an employee thereof.

2.2 Where the break open tickets are being sold in conjunction with bingo events at a bingo hall registered under the *Gaming Control Act, 1992*, the licensee has the option of:

- a. using bona fide members of the licensee to administer the entire event, including ordering and selling the break open tickets on behalf of the licensee, or;
- b. using the services and employees of the bingo hall Operator to assist in the conduct of the break open ticket lottery.

(3) Ticket requirements

The following applies to all licences to conduct and manage a break open ticket lottery outside pooling bingo halls that are not subject to the *Terms and Conditions for Charitable Gaming Events*:

(3) Ticket requirements

3.1 The licensee must ensure that there is a process for tracking tickets via the ticket serial number. (Updated February 2023)

3.2 A single break open ticket may feature a winning combination of numbers or symbols entitling the holder to an instant cash prize, a merchandise prize, a coupon that may be redeemed for a prize, a coupon entitling the holder to a merchandise discount or a chance to win a prize determined by a subsequent event or any combination of these prizes.

3.3 Break open tickets may include a logo or other brand identifier promoting a sponsor, provided that the break open tickets continue to be clearly identifiable as a charitable gaming product, in accordance with the Registrar's policies.

(4) Ticket sales

The following applies to all licences to conduct and manage a break open ticket lottery outside pooling bingo halls that are not subject to the *Terms and Conditions for Charitable Gaming Events*:

(4) Ticket sales

4.1

- a. A licensee may sell break open tickets from any location on the premises indicated on the licence, provided this is a separate location from and without access to patrons of gaming events being conducted by other licensees on the premises, except in a bingo hall.
- b. Where the licensee sells break open tickets from more than one container, the licensee must establish procedures to track the sale of break open tickets which must be approved by the licensing authority.
- c. Bingo Event ticket games and Progressive Bingo Event ticket games may only be played in conjunction with licensed bingo events conducted in registered bingo halls or premises exempt from registration.
- d. Seal Card games and Progressive Seal Card games may only be played in premises where a licensed bingo event is being held or in premises used by the members of a service club where the club is licensed to sell break open tickets.

4.2

- a. Except for Seal Card Game tickets, Progressive Seal Card Game tickets, Bingo Event tickets and Progressive Bingo Event tickets, the licensee must sell break open tickets only from a transparent container or break open ticket dispenser which is large enough to hold at least one (1) full box of break open tickets.
- b. The licensee may lease or rent break open ticket dispensers for use in the conduct of the break open ticket lottery, provided the dispensers comply with the requirements and standards for the devices, are approved by the Registrar and are manufactured and supplied by registered Gaming-Related Suppliers.

4.3

- a. The licensee must ensure that only one break open ticket type is placed in each break open ticket container or compartment of a break open ticket dispenser.
- b. The licensee must ensure that only one break open ticket style is placed in each break open ticket container or compartment of a break open ticket dispenser.
- c. The licensee must ensure that tickets from one deal or sub-deal of Bingo Event tickets or Seal Card Game tickets are not mixed with any other deal or sub-deal of tickets in a single compartment of a transparent container or break open ticket dispenser.
- d. Only one deal or sub-deal of Bingo Event tickets or Seal Card Game tickets may be in play at one time unless additional deals or sub-deals can be identified either by a different colour or ticket graphics.
- e. The transparent container(s) and/or break open ticket dispenser(s) must be kept in view of the purchasers at all times.

4.4 The licensee must ensure that ticket purchasers do not remove tickets from a transparent container and ticket purchasers do not operate a break open ticket dispenser.

4.5

- a. The licensee must ensure that the transparent container or break open ticket dispenser is at least half ($\frac{1}{2}$) full of tickets at all times. However, if the licensee chooses to collapse the deal the transparent container or break open ticket dispenser may be less than half ($\frac{1}{2}$) full of tickets in accordance with the Registrar's policies. This provision does not apply to Seal Card Game tickets, Progressive Seal Card Game tickets, Bingo Event tickets and Progressive Bingo Event tickets.
- b. At the end of the reporting period, the licensee must reconcile cash and any unsold tickets or unredeemed seal cards. The licensee must keep reconciled tickets and seal cards and destroy them in accordance with the Registrar's policies.
- c. Notwithstanding 4.5(b), the licensee may carry over partially sold deals of break open tickets from one licence period to the next, in accordance with the Registrar's policies.
- d. Licensees may not carry over any unopened deals of break open tickets from one licence period to the next.

4.6 The licensee must ensure that all instant win prizes are awarded at the place of purchase. (Requirements to open on premises removed February 2023)

Guidance: While the licensee has flexibility to determine how this outcome is met, an example of how this could be accomplished is by prominently displaying a sign stating these requirements, at the location where the tickets are being sold.

4.7 The licensee must ensure that all winning tickets are defaced at the time of prize redemption by punching a hole through the winning window.

4.8 The licensee must ensure that the number of unsold, winning break open tickets remaining in the transparent container or break open ticket dispenser is not posted and the number of winning break open tickets left in play is not promoted in any manner.

SEAL CARD GAMES

4.9

- a. The seal card must be prominently displayed in the location named in the licence.
- b. The licensee must not put a deal or sub-deal of Seal Card Game tickets out for sale unless there is a reasonable expectation that it will sell out during the course of a lottery event or, where sold at a service club while no bingo event is being played, unless there is a reasonable expectation that it will sell out within one operating day.
- c. The licensee must not put a deal or sub-deal of Progressive Seal Card Game tickets out for sale unless there is a reasonable expectation that it will sell out during the course of a lottery event or, where sold at a service club while no bingo event is being played, unless there is a reasonable expectation that it will sell out within one operating day.
- d. Where the licensee has an option between more than one seal card window representing different prizes to be awarded, prior to the start of ticket sales the licensee must select one option, and ensure that the option selected is prominently displayed in the location named in the licence and announced in a manner audible to all players present prior to commencing the sale of that deal of Seal Card Game tickets.
- e. The licensee must prominently post at the place of sale and announce in a manner audible to all players present, prior to commencing the sale of the Seal Card Game or Progressive Seal Card Game, a requirement that each player who has won a chance at a seal card prize or progressive seal card prize must provide contact information to the licensee if that player will not be present when the seal card window is removed.
- f. Where a player who has won a chance at a Seal Card Game prize or Progressive Seal Card Game prize will not be present when the seal card window is removed the licensee must record the player's contact information. The licensee must not require a player to post personal information at the place of sale.
- g. An applicant for a Seal Card or Progressive Seal Card Game licence must file with the licensing authority procedures to be followed when the winner of a Seal Card or Progressive Seal Card Game prize cannot immediately be found. The licensee must also ensure that such procedures are prominently displayed at the location named in the licence.
- h. If any winner of a Seal Card or Progressive Seal Card Game prize cannot be located within 30 days of the seal card window being opened, the licensee must forward a discrepancy report to the licensing authority, setting out their attempts at contacting the winner and including a recommendation for the disposition of the prize. The licensing authority must determine how the prize will be disposed of and may require the licensee to donate the prize to another eligible charitable organization.
- i. As soon as the entire deal or sub-deal of Seal Card or Progressive Seal Card Game tickets has been sold, the licensee must announce that the seal will be removed and must remove the seal card window(s) to reveal the Seal Card Game prize(s).

- j. If no one wins the Progressive Seal Card Game prize, the licensee must ensure that the prize from that game is carried forward to the next deal of Progressive Seal Card Game tickets as approved by the licence.
- k. If a deal or sub-deal of seal card game tickets is not completely sold during the course of a lottery event, the licensee must forward a written explanation to the Registrar together with its lottery event report showing the number of tickets sold, the prizes awarded and the reason why the deal or sub-deal was not sold out.
- l. If a deal or sub-deal of Progressive Seal Card Game tickets is not completely sold during the course of a lottery event, the licensee must forward a written explanation to the Registrar together with its lottery event report showing the number of tickets sold, the prizes awarded, the reason why the deal was not sold out and confirmation that any prizes not awarded were moved to the next deal to be awarded in accordance with the Registrar's policies.
- m. The seal card window must be removed in the presence of at least two representatives of the licensee, one of whom must be the designated member in charge. The representatives of the licensee must deface the seal card by signing and dating it.
- n. The licensee must ensure that seal cards are retained and destroyed in accordance with the Registrar's policies.

BINGO EVENT TICKET GAMES

4.10

- a. Bingo Event tickets and Progressive Bingo Event tickets may only be sold in conjunction with licensed Bingo Events and must be played and completed within one Bingo Event.
- b. The Bingo Event ticket and Progressive Bingo Event ticket game poster must be prominently displayed at the location named in the licence.
- c. Once all Bingo Event tickets and Progressive Bingo Event tickets have been sold, the licensee must inform the bingo caller, and the bingo caller must announce which licensed bingo game will determine the winner(s) of the Bingo Event ticket game and Progressive Bingo Event ticket game prize(s).
- d. The licensee must prominently post at the place of sale and announce in a manner audible to the players present, prior to commencing the sale of the Bingo Event ticket game and the Progressive Bingo Event ticket game, the requirement that each player who has won a chance at a Bingo Event ticket prize or a Progressive Bingo Event ticket prize must provide contact information to the licensee if that player will not be present when the ticket winning prize is awarded for the Bingo Event ticket prize or the Progressive Bingo Event ticket prize is determined. Copies of a notice setting out this requirement must be made available to players.
- e. The licensee must record a player's contact information where the player who has won a chance at a Bingo Event ticket prize or a Progressive Bingo Event ticket prize that is won by matching one number or symbol will not be present when the prize is awarded. The licensee must not require a player to post personal information at the place of sale.
- f. An applicant for a Bingo Event ticket game licence or a Progressive Bingo Event ticket game licence must file with the licensing authority procedures to be followed when the winner of a Bingo Event ticket prize cannot immediately be found. The licensee must also ensure that such procedures are prominently displayed at the location named in the licence.

- g. If the winner of the Bingo Event ticket or Progressive Bingo Event ticket prize cannot be located within thirty (30) days of the event, the licensee must forward a discrepancy report to the licensing authority, which must set out their attempts at contacting the winner and include a recommendation for the disposition of the prize. The licensing authority will determine how the prize will be disposed of and may require the licensee to donate the prize to another eligible charitable organization.
- h. If a deal or sub-deal of Bingo Event tickets or Progressive Bingo Event tickets is not completely sold during the course of a Bingo Event, the licensee must forward a written explanation to the licensing authority within 30 days showing the number of tickets sold, the prizes awarded and the reason why the deal was not sold out.

(5) Conduct and management of the event

These terms (in addition to Sections 1- 4) are specific only to Break Open Ticket types under Section A of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#)

(5) Conduct and management of the event

5.1 The licensee must only sell break open tickets that are approved by the Registrar.

5.2 The licensee must provide the registered Gaming-Related Supplier that supplies equipment or manufactures the break open tickets approved by the Registrar with a true copy of the licence issued when ordering or purchasing tickets.

5.3 The licensee is responsible for ensuring the payment of all prizes.

5.4 The licensee must ensure that break open tickets are kept secure.

5.5 Where the licensee sells break open tickets through a registered Seller:

- a. The licensee must enter into a written contract with the registered Seller of the break open tickets outlining the duration and terms under which the break open ticket Seller will sell break open tickets on behalf of the licensee from that location. This contract may be terminated by either party by written notice no later than 90 calendar days prior to the expiry date of the licence, to be effective upon the expiry of the licence, or forthwith if the licence or the break open ticket Seller's registration is revoked or suspended.
- b. Upon termination of the contract, the licensee or the registered Gaming-Related Supplier as its agent must reconcile all unsold tickets and proceeds. The licensee must keep reconciled tickets for 90 calendar days after the report is filed with the licensing authority and then destroy them in accordance with the Registrar's policies.

(6) Proceeds and expenses

These terms (in addition to Sections 1- 4) are specific only to Break Open Ticket types under Section A of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#)

(6) Proceeds and expenses

6.1 Expenses must be reasonable in nature, directly related to the conduct and management of the break open ticket lottery and in accordance with the Registrar's policies.

6.2

- a. Licensees selling break open tickets through a registered Seller of break open tickets
 - i. have the option of receiving proceeds from the sale of break open tickets at the time the tickets are delivered for sale to the registered Seller;
 - ii. must deduct any shortages at point of sale from the registered Seller's sales commission.
- b. Licensees selling tickets in conjunction with bingo events
 - i. Licensees may reimburse out-of-pocket expenses for their bona fide members assisting with the sale of break open tickets, from bingo proceeds in accordance with the Registrar's policies.
 - ii. Where the licensee provides bona fide members to sell tickets on behalf of the licensee, and does not use the services and employees of the bingo hall Operator, a maximum fee not exceeding the amount prescribed by the Registrar may be paid to the bingo hall Operator for storage and clean-up costs.
 - iii. Cash shortages incurred as a result of an error on the part of the licensee or a member organization of the Hall Charities Association must be deducted from their share of proceeds. Any shortages incurred as a result of the bingo hall Operator or its employees must be deducted from the fee paid to the bingo hall Operator.
 - iv. Hall Charities Associations may use a maximum of one (1) per cent of the gross receipts to pay for administrative costs associated with the sale of break open tickets. Any such costs must be paid from the proceeds retained by the association. No part of the allowed administrative costs must be paid to the bingo hall Operator or the association officers/directors.
 - v. Hall Charities Associations must periodically disburse the net proceeds derived from the sale of break open tickets to all licensees participating in the lottery. The division of proceeds must be based on the number of bingo events held by each member organization within the bingo hall.

6.3

- a. Sales commissions to registered Sellers of break open tickets and any reimbursement of out-of-pocket expenses to bona fide members assisting with the sale of break open tickets not sold in conjunction with bingo events may be paid from the cash receipts of the break open ticket lottery provided they are supported by a receipt.
- b. The licensee must make timely payment for goods and/or services received from Gaming-Related Suppliers registered under the *Gaming Control Act, 1992*.

(7) Conduct and management of the event

These terms (in addition to Sections 1-4) are specific only to Break Open Ticket types under Section B of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#).

Sections 7 and 8 align with the Registrar's expectations for a standards and outcomes-based approach. The objective of a standards-based approach is to shift the focus from requiring licensees to comply with a specific set of rules or processes, which tend to be prescriptive in nature, towards the broader regulatory outcomes they are expected to achieve. This allows licensees to have the flexibility to determine what works best for their business, while being responsible for the overall conduct and management of the event.

(7) Conduct and management of the event

7.1 Licensees are responsible for the overall conduct and management of the event.

7.2 Licensees may acquire assistance from a Gaming Related Supplier for operational services in relation to the event, which may include:

- a. Finding registered Sellers;
- b. Ordering and paying for the tickets;
- c. Negotiating and paying the Seller's commission;
- d. Reconciling boxes, tickets, sales, and performing calculations on behalf of the licensee; and
- e. Providing reports along with supporting data.

7.3 Licensees are responsible for:

- a. Obtaining and paying for the licence;
- b. Acquiring services of a supplier (if they so choose) who may perform some operational services on behalf of the charity;
- c. Providing input into which retailers sell their break open tickets;
- d. Ensuring that break open tickets are kept secure;
- e. Ensuring that tickets and proceeds are reconciled;
- f. Ensuring the payment of all prizes;
- g. Ensuring that Gaming Related Suppliers and related invoices are paid in a timely manner and according to the Revenue Split Model;
- h. Ensuring that records are maintained, and made available in accordance with the Terms and Conditions and the Registrar's policies and requirements;
- i. Ensuring that net proceeds are used only for the charitable purposes approved on the lottery licence.

(8) Proceeds and expenses

These terms (in addition to Sections 1-4) are specific only to Break Open Ticket types under Section B of the [Schedule of Approved Break Open Ticket Types and Associated Expense Maximums](#).

Sections 7 and 8 align with the Registrar's expectations for a standards and outcomes-based approach. The objective of a standards-based approach is to shift the focus from requiring licensees to comply with a specific set of rules or processes, which tend to be prescriptive in nature, towards the broader regulatory outcomes they are expected to achieve. This allows licensees to have the flexibility to determine what works best for their business, while being responsible for the overall conduct and management of the event.

(8) Proceeds and expenses

8.1 A licensee may sell break open tickets using the expense model for ticket types approved starting in 2022 under the new Revenue Split Model and in accordance with the expense maximums prescribed in the Schedule of Approved Break Open Ticket Types and Associated Expense Maximums. Expenses must be reasonable in nature, directly related to the conduct and management of the break open ticket lottery and in accordance with the Registrar's policies.

8.2 All parties must make timely payment for goods and/or services received in accordance with the Revenue Split Model. This includes Gaming Related Suppliers, charities, manufacturers and Sellers.

8.3 Any cash shortages resulting from error must be deducted from the portion of the net win of the party that made the error. Licensees must ensure that any shortages are reconciled with suppliers.

8.4 Licensees may, but are not required to, pay for the cost of the tickets up front.

8.5 Where Licensees are selling break open tickets in conjunction with bingo events

- a. Licensees' expenses are calculated and paid in accordance with the Revenue Split Model;
- b. Hall Charities Associations must periodically disburse the net proceeds derived from the sale of break open tickets to all licensees participating in the lottery in shares based on the number of bingo events held by each member organization within the bingo hall.