



Service Nova Scotia
Alcohol and Gaming Division

POLICY: GAMING LICENSES & PERMITS- CONFIRMATION OF PRIZE VALUE

Approval Date: June 17, 2014 Version Control: 2.0

Last Revision: N/A

Approved By: John R. MacDonald, Executive Director

I. OBJECTIVE

This policy is intended to ensure that the value of a prize associated with a ticket lottery meets the value that is being represented in the lottery scheme and is available upon draw.

II. DEFINITIONS

- **House** – includes houses, cottages, condominiums, or any other structure designed for occupancy.
- **Vehicle** – includes any motor vehicle (cars, trucks, motorcycles, etc.), boats, ATV's, snowmobiles, etc.
- **Weapon** – includes firearms and knives, excluding any prohibited weapons prizes outlined in this policy.
- **Handmade** – includes paintings, sculptures, drawings, jewelry, sheds, or any other object subject to aesthetic criteria.
- **Pre-made** – includes any prize that has been made before the sale of lottery tickets.
- **Appraisal** – a dollar value estimate, completed by an individual or organization, recognized or granted authority to do so, or otherwise approved by the Alcohol and Gaming Division.

III. POLICY

- Only the prize(s) as described in the application shall be awarded; the value of the prize(s) shall include any duty, taxes and other related costs and shall be free of any hidden costs or liens.
- The licensee may, if approved by the Alcohol and Gaming Division, hold the winner responsible for certain registration, license, and insurance costs, provided that such conditions are fully disclosed on the tickets.

- Only new, handmade, and unused merchandise provided from a reputable vendor/supplier may be offered as prizes. Proof of purchase may be requested to ensure these requirements are met.
- If the total prize value offered exceeds \$5,000, a financial guarantee stating that the applicant has sufficient funds to cover the prize value being offered is required. The Alcohol and Gaming Division reserves the right to require financial guarantee from applicants for any lesser amount, as deemed necessary.
- Appraisals are to be conducted at the cost of the applicant. The Alcohol and Gaming Division reserves the right to question, affirm or reject the validity of any appraisal, as deemed necessary.
- Any conditions of prizes or eligibility to win prizes must be fully disclosed to ticket purchasers by licensees.
- **Prohibited prizes** include alcoholic beverages and live animals.
- **House lotteries** will be considered only where the prize to be awarded is a new house. A real estate appraisal is required to be conducted by an individual/organization authorized to do so by the Nova Scotia Real Estate Appraisers Association. The Alcohol and Gaming Division also requires:
 - The house must be situated in the Province of Nova Scotia and building approvals must be submitted.
 - Proof of title/deed and insurance must be submitted with the application.
 - Tickets shall only be sold to persons 19 years of age or over.
 - An accepted Offer to Purchase/Agreement of Purchase and Sale for the property to be raffled including any conditions agreed to by the builder. All agreements are to be approved by the Nova Scotia Real Estate Commission.
 - If the house is being ‘donated’, a legal document is required showing the terms of the donation.
 - Indication as to whether the house has been constructed and if the organization has access to it for the purpose of selling tickets. In the event that the house has not been completed, the closing date must be indicated. The builder’s addendum or appendix with a complete description of the home and all items included must also be disclosed.
 - If concerns arise regarding validity of “new construction”, confirmation that the home has never been occupied may be requested.
 - Information outlining who is to be responsible for any other fees incurred by the lottery prize. The licensee organization must award the prizes free of any hidden costs.
- **Vehicle lotteries** will be considered only where the prize to be awarded is a new, unused vehicle, unless the vehicle is a certified Antique Vehicle. The Alcohol and Gaming Division also requires:

- New motor vehicles must be provided by a registered dealer in Nova Scotia, holding a valid Motor Vehicle Dealer’s License. If the vehicle is an antique a certificate from a reputable appraiser (listing the appraised value of the vehicle and identifying it as an antique) must be provided.
 - Prizes details must include dealer description of the type, model, and options of the vehicle to be awarded and the total market retail value of the vehicle including tax, freight, duty and any other applicable costs.
 - Antique Vehicles: Statement as to the safety and drivability of the automobile must be provided. An attestation to the originality, running order and safety may be provided by the secretary of a recognized antique club or through the presentation of a Certificate of Mechanical Fitness.
- **Weapons Lottery** will be considered only where the prize to be awarded is non-restricted (as per the Criminal Code of Canada) and may be reasonably used for hunting and sporting purposes. The Alcohol and Gaming Division also requires:
 - In order to lawfully take possession of a firearm or similar item where licensing and registration is required, including a shotgun or rifle, the individual must be the holder of a valid Nova Scotia Possession and Acquisition License and take receipt of the item from a recognized retailer/selling agent.
 - Any firearms considered for prize giveaway must be purchased or donated through a registered firearms dealer in the province of Nova Scotia.
 - Any knife in which the blade can be opened automatically by a button, a spring loaded mechanism; or the use of gravity or centrifugal force is prohibited as a prize.
 - Antique firearms are permitted as prizes granted they are appraised by a reputable individual or organization, with recognized or granted authority to do so.
 - **Handmade items** will be considered as a prize. The Alcohol and Gaming Division requires:
 - The prize is to be made available for viewing by the public while tickets are being sold.

IV. REFERENCES

- *Nova Scotia Ticket Lottery Regulations*
- **Nova Scotia ticket Lottery Guidelines**
- **Nova Scotia Registry of Motor Vehicles: Antique License Plates**

V. INQUIRIES

Jamus C. Dorey
Manager, Non-Permanent Licensing
Alcohol and Gaming Division
PO Box 545
Dartmouth, Nova Scotia

Phone: (902)424-6160 or (877)565-0556
Fax : (902)424-6313
Email: agdlicense@gov.ns.ca
Author: Jamus C. Dorey

Date: June 17, 2014

John MacDonald, Executive Director
