



611 Online Advertising, Contests, & Sweepstakes

Linda Daniel-Seal

Corporate Counsel - Advertising/Marketing
The Home Depot, Inc.

George J. Straschnov

Vice President & General Counsel
Bisk Education

Faculty Biographies

Linda Daniel-Seal

Linda Daniel-Seal is corporate counsel for The Home Depot in Atlanta. Her responsibilities include providing legal advice on advertising, marketing, loyalty programs, sponsorships, promotions, and, e-commerce matters within the Home Depot family of companies. Additionally, Ms. Daniel-Seal's duties include reviewing and drafting various types of agreements, including, but not limited to sponsorship, promotion, licensing, services, gift card, agency, internet, and marketing agreements. Ms. Daniel-Seal is also responsible for addressing claims and/or complaints made by competitors, consumers, governmental agencies, and the Better Business Bureau.

Prior to joining The Home Depot, Ms. Daniel-Seal was senior corporate attorney at Office Depot in Delray Beach, Florida. While at Office Depot Ms. Daniel-Seal was responsible for reviewing various types of agreements including agency, sponsorship, purchasing, global sourcing, merchandising, environmental, services, licensing, and other miscellaneous agreements as well as reviewing advertising copy, sweepstakes, contests, loyalty programs, and internet websites for trademark clearance and privacy and regulatory compliance.

Ms. Daniel-Seal received a B.S. from Oakwood College and her J.D. from Nova Southeastern University, Shepard Broad Law Center.

George J. Straschnov

George J. Straschnov II is vice president and general counsel for Bisk Education in Tampa, Florida. Through its university alliance, Bisk partners with established, accredited universities to offer their undergraduate and graduate degrees, executive certificates, and continuing education programs online. He is an active member of the management team, with responsibility for general legal oversight of the company's operations including Internet marketing compliance, business development, information technology applications contracting, and litigation.

Prior to joining Bisk, Mr. Straschnov's was with the Sarasota, Florida, County Attorney's Office, practiced commercial litigation, and was president of an Internet startup.

He is a member ACC's Technology Law and E-commerce Committee, the Florida Bar, and the ABA's science and technology section.

Mr. Straschnov received a B.A. from Colgate University, an M.A. from Georgetown University, and is a graduate of Valparaiso University School of Law.

Association of Corporate Counsel
October 2006

ONLINE ADVERTISING, CONTESTS AND SWEEPSTAKES

So your marketing department wants to promote your products online, including holding a contest or sweepstakes. As legal counsel for your company, everyone is looking to you to ensure that the promotion goes off without a hitch, but your obligation is to ensure that the promotion is conducted legally and the company is protected. The following presents an overview of the legal requirements applicable to online advertising in the U.S. with an emphasis on the regulations involved with running a prize promotion, and including joint promotions with a vendor or affiliate, advertising the promotion in non-internet based media, and generally protecting your brand when advertising online.

By

Linda D. Daniel-Seal (Corporate Counsel, The Home Depot)

and

George Straschnov (Vice President, General Counsel, Bisk Education)

The information contained below is a summary of various laws with respect to conducting online promotions. It is not intended to be an exhaustive resource for such promotions. No representations or warranties are made as to the completeness or accuracy of the below information. We advise you to consult all applicable laws and an attorney prior to conducting an online promotion.

enforce these regulations include the Federal Trade Commission ("FTC"), the Federal Communications Commission ("FCC"), the United States Postal Services ("USPS"), and the United States Department of Justice. Some of these regulations are as follows:

A. Illegal Lottery or Legal Promotion

1. Illegal Lottery – Lotteries are illegal in all 50 states (with the exception of state sanctioned lotteries) and under federal law. Lotteries are generally defined as a promotion in which all three of the following elements are present:
 - a. Prize – anything of value to a winner (e.g. coupons, gift cards and vacation packages)
 - b. Chance – random process used to select a promotion winner (e.g. random drawing or seeded winning game pieces)
 - c. Consideration – Consideration can be monetary or non-monetary. Entering a promotion through the purchase of a product or services is monetary consideration (several states specifically define consideration as monetary consideration). Entering a promotion through the use of a substantial amount of its time or effort or an action that results in a commercial benefit to the sponsor can be deemed non-monetary consideration.
2. Legal Promotion – Removing one of the above three elements from a promotion can transform an illegal lottery into a legal promotion.
 - a. Sweepstakes – In a sweepstakes the winner is selected by chance. A sweepstakes may or may not include consideration. Conducting a sweepstakes that conditions entry upon the purchase of a product or service is illegal **unless** the sweepstakes sponsor also provides a free alternative method of entry.
 - b. Contest – In a contest the winner is selected based upon the winner's bona fide skill. Typically contests are legal because they lack the element of chance. When structuring a contest the following should be considered:
 - i. Chance may not affect the value of the prize or the selection of the winner in a contest promotion that includes the element of change
 - ii. The skill required must be clearly set forth in the official rules and must be used to select the winner
 - iii. Entrants must possess and exercise the bona fide skill specified in the contest rules
 - iv. The skill required must not be too hard or too easy
 - v. Qualified judges must apply objective criteria when judging contest entries
 - vi. Ties must be broken based upon skill and not chance.

B. Federal and State Lottery/Promotion Laws

1. Various federal laws have prohibitions regarding lotteries and requirements with respect to legally conducting a promotion. The entities that promulgate and/or

- a. The Deceptive Mail Prevention and Enforcement Act (39 U.S.C. § 3001, et. seq.) was enacted to stop deceptive sweepstakes mailings. The U.S. Postal Inspection Service is responsible for investigating cases of fraud where the U.S. Mail is used as part of the scheme. The Act:
 - i. Applies only to sweepstakes or contests mailed directly to a named individual and advertisements within product packaging that contain sweepstakes entry materials.

Exemption: Advertisements appearing in newspapers or magazines are exempt from the above requirements if the newspaper or magazine is not mailed to a specifically named person or does not include an opportunity to make a payment or order a product/service

- ii. Requires prominent disclosure of "No Purchase Necessary. A Purchase will not increase your chances of winning" at least 3 times in mailings advertising sweepstakes.
- iii. Requires disclosure of sponsor's name and address, an opt-out provision that includes either a toll-free number or an address, and estimated odds of winning each prize in mailings. Opt – out requests must be honored within 60 days
- iv. Prohibits making certain statements/representations including: representing that a winner has won unless the personal has actually won the advertised prize, representing that the promotion is connected with or approved by the Federal Government (use of official governmental seals on the mailing or reference to any federal program, agency, or statute, unless true, is prohibited), or mailing fake checks that don't clearly state that they are non-negotiable and have no cash value is prohibited
- v. Prohibits offering an advantage to entrants making a purchase over entrants not making a purchase
- vi. Prohibits requiring a purchase or payment as a condition to enter a sweepstakes
- vii. Penalties for violating a cease and desist order issued by The Postal Services range from \$50,000 to \$2,000,000.

ONLINE PROMOTION NOTE: Sponsors must comply with this Act when conducting an online sweepstakes or a contest that will be advertised in direct mail materials. When conducting an online contest that will be promoted through the mail, each mailing must disclose the following additional information:

- percentage of entrants who may solve correctly the skill contest;
- number of rounds, whether subsequent rounds will increase in difficulty, fee to enter each round and the maximum fee to enter all rounds;
- identity of the judges and the method used in judging;
- date the winner is selected, and
- quantity and estimated value of each prize.

- b. Unlawful Internet Gambling Funding Prohibition Act (18 U.S.C. § 1084) - The act applies to those who "engaged in the business of betting or wagering and knowingly use a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest."
- c. Controlling the Assault of Non-Solicited Pornography and Marketing Act also known as the CAN-SPAM Act of 2000 (15 U.S.C. 7701-7713 and 16 CFR Part 316). The Act:
- a) Prohibits fraudulent and/or deceptive subject lines, return addresses, etc.
 - b) Prohibits sending emails to email addresses harvested from websites
 - c) Prohibits sexually oriented emails without clear identifiers
 - d) Requires an easy and working unsubscribe system for recipients to opt-out of receiving your email
 - e) Requires a postal mailing address within an email message
 - f) Failure to prevent spammers from promoting your products and/or services subjects you to prosecution
 - g) Provides for criminal and civil penalties
 - h) Permits claims by the FTC, State Attorneys General, and Internet Service Providers and permits enforcement by the US Department of Justice

ONLINE PROMOTION NOTE: When conducting an online contest or sweepstakes and sending emails regarding the same, sponsors must comply with CAN-SPAM. When promotion participants receive an incentive (e.g. additional sweepstakes entry) to "refer-a-friend" the resulting email is subject to CAN-SPAM requirements.

- d. Children's Online Privacy Protection Act of 1998 ("COPPA") 15 U.S.C. §§ 6501-6506, P.L. No. 105-277, 112 Stat. 2681-728 and 64 Fed. Reg. 212. The Act:
- a) A website operator must comply with COOPA when it either (a) operates a commercial website or online service that is directed to children 13 and collects personal information or (b) operates a website or online service

directed to a general audience and has actual knowledge that personal information is being collected from children 13 and under.

- b) In general, parental consent is required before collecting, using or disclosing personal information from children 13 and under. This includes the child's name, home address, email address or hobbies.
- c) Additional requirements can be found at <http://www.coppa.org> and www.ftc.gov/kidzprivacy

TAX NOTE: (IRS Reg. 1.6041 1(d))

The IRS requires promotion sponsors to report on Form 1099 the name, address and social security number of each winner of a prize valued at \$600 or more.

2. State Regulations – All states have adopted gambling statutes. Most states define an illegal lottery as a promotion in which the elements of prize, chance and consideration are all present. Many statutes also specify restrictions on conducting sweepstakes and contests. These statutes are enforced by state attorney generals and local agencies. The following represents a few notable statutes that require registration prior to the commencement of a promotion. Copies of the registration forms are attached.
 - a. Arizona – Intellectual skill contests requiring a purchase to enter must be registered with the Attorney General's Office.
 - b. Florida – Consumer game promotions valued in excess of \$5,000 must be bonded and registered with the Department of Agriculture in compliance with Florida Statute 849.094. Registration must be at least 7 days prior to the commencement of the promotion.
 - c. New York – Chance promotions valued in excess of \$5,000 must be bonded and registered with the New York Department of State in accordance with Section 396e of the New York General Business Law. Skill contests are not required to be registered. Registration must occur at least 30 days prior to the commencement of the promotion.
 - d. Rhode Island – Chance promotions valued in excess of \$500 and conducted by a retail establishment "in order to promote its retail business" must be registered with the Secretary of State in compliance with Rhode Island Title 11, Chapter 50 of the Rhode Island General Laws.

ONLINE PROMOTION NOTE When conducting an online promotion sponsors should specify the valid jurisdiction for the promotion. Jurisdictions for online promotions should include the country as well as the state, province, etc.

CANADIAN CONTEST NOTE: Canadian Regulations (Canadian Criminal Code Sections 197-206) The Code is divided into three parts with respect to Gaming in general, games of pure chance, mixed skill and chance, and pure skill. Lotteries and games of pure chance are illegal. By adding a skill element to the promotion it will generally be protected from scrutiny under this section because it is then converted into a game of mixed skill and chance, provided, however that the winner is required to answer a skill question as a

condition to being awarded a prize. Skill Testing Question – Sponsors typically require entrants to answer a mathematical skill-testing question before being awarded any prize. Entrants should answer the question unaided. If entrants use an aide, such as calculator or questions other regarding the answer, the Code may be contravened. Alternative Method of Entry – Free entries should have an equal chance of winning as a paid entry. Quebec – Contests conducted in Quebec are subject to Quebec's registration requirements. See attached registration information

C. Conducting an Online Contest or Sweepstakes.

Companies generally conduct online sweepstakes and contests for the purpose of building its mailing and emailing database. These databases are valuable to companies as they assist companies in their target marketing initiatives. In deciding whether to conduct a sweepstakes or a contest companies should consider the following:

1. Differentiating Between Games of Chance and Skill Contests

- a. Sweepstakes are games of chance
 - i. Since an illegal lottery is a promotion including the elements of prize, chance and consideration, consideration is the only element that can be eliminated in order to conduct a legal sweepstakes
 - ii. Since requiring the purchase of a product or service as a condition to entering a sweepstakes is prohibited, a free alternative method of entry must be provided.
- b. Contests are games of skill
 - i. Since contest winners are selected on the basis of a bona fide skill the element of chance must be eliminated
 - ii. Generally, contest sponsors may require a purchase as a prerequisite to entering a contest. However, a few states prohibit this practice and several require specific disclosures. The states that either entirely or partially prohibit this practice include:
 - a) Arizona
 - b) Colorado
 - c) Connecticut
 - d) Illinois
 - e) Iowa
 - f) Maryland
 - g) Vermont
 - iii. States requiring specific disclosures in general include:
 - a) Arkansas
 - b) California
 - c) Colorado
 - d) Connecticut
 - e) Kansas

- f) Minnesota
- g) New Mexico
- h) North Dakota
- i) Oregon
- j) Utah
- k) Wisconsin
- l) Wyoming

c. Consideration in Online Promotions

- i. Disclosure of Proprietary Information may be deemed consideration in states that do not limit consideration solely to monetary consideration if the entrant is required to disclose such information in order to participate in the sweepstakes
- ii. Requiring the use of specialized software in order to enter a sweepstakes may be seen as consideration if such software is not available for fee.
- iii. Requiring entrants to use loyalty points may be considered consideration

d. Alternate Means of Entry ("AMOE") Considerations in Online Promotions

- i. In sweepstakes where consideration is present marketers must offer an AMOE to eliminate the consideration element.
- ii. The AMOE must be on equal footing as entries connected to a purchase of a product or service.
- iii. Entries online and through the AMOE must be on equal footing (i.e. entrants must be given the same number of opportunities to enter the sweepstakes)
- iv. The AMOE must be clearly and conspicuously disclosed in all advertisements for sweepstakes.
- v. The odds of winning should be the same whether the participant enters online or by mail.
- vi. The AMOE must be universally available. An online AMOE may not satisfy this element as it requires the entrant to have internet access.

e. Official and Abbreviated Rules / Acceptance of Rules Prior to Promotion Entry.

- i. To avoid conducting an internet promotion that may be illegal in any particular jurisdiction, specifically state the applicable jurisdiction.
- ii. All games of chance require official rules.
- iii. Official Rules are a contract between the sweepstakes sponsor and the sweepstakes entrant and cannot be changed once the promotion is advertised and has commenced.

- iv. Entrants must have access to the official rules prior to entering the promotion.
 - v. Recommendation: Entrants must click to accept official rules prior to being able to enter the promotion.
 - vi. A form of abbreviated rules are required each time a sweepstakes is advertised.
- f. Privacy Disclosures, Collection of PII and Ownership Rights
- i. Post policy online on the website advertising the promotion
 - ii. Information collected from entrants must conform to the sponsor's posted privacy policy
 - iii. Sponsor should ensure that entrants are required to accept the terms and conditions of the posted privacy policy prior to entering the promotion
 - iv. Special Concern: Promotions conducted for children 13 and under requires adherence to the above referenced COPPA requirements.

D. Advertising and Promotion of Online Contests and Sweepstakes

1. Internet Advertising Options – The increasing sophistication and creativity of online delivery and tracking technologies has resulted in a greater variety of Internet advertising opportunities. Companies are compelled to use third party resources and network advertising options to promote their marketing activities, in addition to expanding in-house media buying into new areas. The risk associated with advertising online has also increased, as various methodologies have come under legal scrutiny. Authorities like the FTC commonly view the initiator of the advertising as bearing responsibility for third party vendor bad acts. This is based on the theory that it is the big advertisers who are providing the funds that support the spammers, hackers and spyware engineers, regardless of the advertiser's actual level of control over or knowledge concerning the vendors' practices, or the existence of contractual terms that shift liability. Legislation such as CAN-SPAM supports this approach, laying the ultimate responsibility for bad e-mail behavior at the feet (and pocketbook) of the advertiser initiating the e-mail blast. That makes life interesting for the practitioner besieged by Marketing with custom online advertising terms and conditions. Since we can't just always say "No," here are some tips and issues to watch out for:
 - a. Network and Affiliate Promotion:
 - i. The basic rule is caveat emptor: know who the vendor is, and know who is in their affiliate network. Unfortunately, chances are good your vendor won't tell you who will be promoting your brand, possibly because they don't know themselves. You have to decide what your tolerance is for such risk. Earlier this year, the FTC required the Direct Marketing Association to produce guidelines for online network and affiliate advertisers, which the DMA published in June. (See the DMA Guidelines attached).

- ii. In every advertising agreement, always include strong indemnification language that expressly includes all third party affiliates. Also, insist on applicable insurance minimums, on the assumption that assets may be thin down the line. Fight hard to revise those ubiquitous, insufficient liability limitations where your risk is significantly greater than your payment to the vendor.
- iii. Hire dedicated in-house staff to police vendor activity and enforce terms and conditions. Set brand guidelines and enforce these strictly – there are lots of marketing gurus out there who think they can build a better page if they just tweak your logo or message a bit. Include strict adjacencies language in all agreements, but assume these will be intentionally or inadvertently ignored down the line. The following excerpt from an April 4, 2006 *Wall Street Journal* article is instructive:

"Last month, Verizon Communications was surprised to find one of its Internet ads on a MySpace.com page with photos of scantily clad women. Walt Disney Co. was unaware that its ad was next to an article about male sexual performance on About.com. Jobs Web site Monster.com didn't realize its spot was on a site that appeared to be offering unauthorized downloads of copyrighted music and videos. Once found out, all three yanked their ads. Most big companies have strict rules to prevent their ads from appearing alongside sexual, political, illegal or hateful materials on television and in newspapers and magazines. But these days, the free-wheeling content on the Internet is sorely testing those restrictions because of the way many ads for small sites are sold through middlemen that don't always carefully monitor where the ads are posted."

b. Paid Search

- i. Buying competitors' trademarks as keywords continues to be a hot topic in the search world. Google has permitted the practice since April of 2004. They avoid the likelihood of confusion (Google believes) by prohibiting the actual display ad text linked to the keyword from including the competitor's mark. While Google fended off a high-profile Geico lawsuit filed in 2004, they continue to defend the issue; CNG Financial recently sued them in Ohio, and a French court ruled against the practice in 2005. Yahoo allows the practice so long as the ad is linked to a landing page containing legitimate competitor comparisons, but they are fighting legal battles over this as well. MSN draws a bright line and prohibits the practice. Google's keyword insertion tool automatically inserts the searched keyword as the text ad headline – this can cause inadvertent infringement if it is not disabled for competitor trademark keyword buys. Google's policy is located at www.google.com/adwords/learningcenter/text/19466.html, while Yahoo's policy can be found at searchmarketing.yahoo.com/legal/trademarks.php.
- ii. When using third party vendors, make sure to contractually control their keyword buys and ad reads. In addition to competitor trademarks, don't let them buy words that would lead to organic (free) discovery for you. (An alternate school of thought is to keep out competitors by letting friendly vendors buy up all the paid search for your brand, since each buyer is limited to only one listing; let Marketing decide what makes sense

and then set the policy.) The engines also provide tools to protect your brand. Also, make sure your third party vendors are not buying key words or writing text ads that damage or sully your brand – the tight space limitations can force some bizarre twists on standard marketing text. Also, control third party landing pages as you would any branded creative.

- iii. Click Fraud is another hot topic. Various studies place click fraud at 15% - 30% of all search activity, a number the search engines strongly deny. Even so, Google this year agreed to a \$90 million class action settlement, while a settlement letter from plaintiff Checkmate Solutions in a Florida class action against Yahoo/Overture arrived in the mail in August. Search spending reached \$4.2 billion in 2005, according to JupiterResearch. Advertising contract terms should provide for third party vendor search activity limitations including click fraud. A click fraud group, formed by IAB and all the major search players, was announced in August. Their purpose is to draft guidelines to supposedly limit click fraud, so keep watch for those later this year. Sample Search advertising terms are attached.
- c. E-mail:
- i. The federal CAN-SPAM legislation is briefed above. The FTC, states attorney's general and ISPs are charged with enforcing the rules, and they are not just going after big spammers. For example, this year in May Kodak paid the FTC a fine of \$26,331 (representing the gross proceeds derived from the actual mailing) for 2 million e-mails sent by an outside affiliate that did not contain a valid opt out mechanism.
 - ii. Carefully selecting third party advertising vendors and their affiliates is particularly important if they do e-mail advertising. The safe approach is to refuse any services unless you clearly know the players and they have established good practices, solid references and ample assets. As noted above, CAN-SPAM makes the initiator (end buyer) of the e-mail send liable, regardless of their knowledge concerning the third party vendor. Some recent cases have shown that courts are hesitant to enforce the strict standard: Kennedy Western hired a variety of e-mail firms who blatantly violated the law. They prevailed against ISP Hypertouch's suit pursuant to CAN-SPAM at summary judgment because the California court found Kennedy Western lacked requisite scienter (KW had an anti-spam clause in their marketing agreement and claimed ignorance). However, had Hypertouch been able to present better evidence of knowledge on KW's part, that clearly would have changed the outcome. At a minimum, you should have specific language in your advertising agreement requiring compliance with CAN-SAPAM, and insist Marketing do minimal due diligence when selecting vendors or lists.
 - iii. One of the biggest challenges with third party vendors and advertising networks is policing the opt-out requirement. Where the primary purpose of any e-mail is the promotion of your products or services, you must ensure that they don't send messages to addresses of recipients who have opted out of getting messages from you. This typically requires providing them with a suppression file, which they must bounce against their list prior to sending. Enforcing the suppression file's consistent and legitimate use is critical. Moreover, the statute requires you to honor opt out

requests within 10 days, so vendors must be prohibited from sending messages more than 10 days after they receive your suppression file. Likewise, getting vendors to provide you timely with any opt-outs to your creative that they receive directly is also important, but can be very difficult to enforce. Sample e-mail advertising terms are attached.

- d. Adware/Spyware
 - i. While the big spyware leaders like WhenU and Claria are purportedly working to change their spots, in its quarterly report released last August Webroot researchers found that 89 percent of consumer PCs were infected with an average of 30 pieces of spyware. The FTC wrapped a spyware lawsuit this year in May against Smartbot.net for \$4 million; InterMix settled with Elliot Spitzer for \$7.5 million for illicitly installing adware last year. Spitzer moved on to Direct Revenue last April for allegedly bundling pop-up ad technology with free games. The lesson here once again is: know who you are dealing with. While you may not hire a spyware company directly, it is entirely possible when you use a network or your vendor uses affiliates that someone down line is directly or indirectly using spyware to run ads. Even if your company is not found liable, the negative publicity can be bad enough.
 - ii. There are no federal laws currently prohibiting spyware – authorities are using fraud and deceptive practices theories to bring actions. However, several pieces of proposed federal spyware legislation made it out of the House in late 2005, including a well-publicized version proposed by Mary Bono. While there is no final action in the Senate yet, it is important to include anti-spyware language in all online advertising agreements. The sample advertising terms attached are designed to address the common provisions of the proposed statutes.

PROMOTION NOTE: URL PURCHASES Some advertisers like to use custom URLs that reflect the brand of the buyer to host forms and information pages. Whether the URL is a third level domain or an entirely new domain, Companies should closely control this practice as they would any branded activity by a third party. If the vendor wants to use a new domain, either purchase the new domain yourself and license it back to the vendor, or strictly control the vendor's purchase, including terms of ownership and use after termination of the advertising agreement.

- 2. Alternate Broadcast Media – Online sweepstakes or contests are often advertised on television, radio and print as well as online. Each venue requires specific abbreviated rules. Sample abbreviated rules for various other media are attached.
- 3. Joint Promotions: See Joint Promotions form agreement attached.

SAMPLE U.S. ONLINE SWEEPSTAKES RULES AND ENTRY FORM

_____ Sweepstakes ("Sweepstakes")
OFFICIAL RULES

NO PURCHASE OF ANY KIND IS NECESSARY TO ENTER OR WIN. MAKING A PURCHASE WILL NOT INCREASE YOUR CHANCES OF WINNING. VOID WHERE PROHIBITED BY LAW.

WHO MAY ENTER: THIS SWEEPSTAKES IS OPEN TO LEGAL RESIDENTS OF THE 50 UNITED STATES AND THE DISTRICT OF COLUMBIA WHO ARE 18 YEARS OF AGE OR OLDER WITH INTERNET ACCESS AT THE TIME OF ENTRY. ONLY ENTRANTS LOGGING ONTO THE INTERNET FROM WITHIN THE 50 UNITED STATES AND THE DISTRICT OF COLUMBIA ARE ELIGIBLE TO ENTER THE SWEEPSTAKES. YOU MAY NOT PARTICIPATE IF YOU ARE NOT A LEGAL U.S. RESIDENT AND PHYSICALLY LOCATED WITHIN THE U.S. AT THE TIME OF ENTRY. The following persons are not eligible to enter the Sweepstakes: (a) employees of _____ ("Sponsor"), its affiliates, subsidiaries, officers or employees; (b) officers, employees or agents of any organizations directly involved with this Sweepstakes, including any co-sponsor of the Sweepstakes; (c) immediate family members and persons living in the same household as the persons identified in (a) and (b) above. Void where prohibited or restricted by law.

HOW TO ENTER: Complete the electronic entry form between [add entry dates], and no later than [add time] ("Sweepstakes Period"). EST on Sponsor's website located at [add website name]. For purposes of these Sweepstakes, "receipt" of an internet entry occurs when Sponsor's servers record the entry information resulting from the entrant clicking the "Submit Entry" button. Automated entries (including but not limited to entries submitted using any robot, script, macro, or other automated service) are not permitted and will be disqualified. You may also send in a mail-in entry to [add address] during the Sweepstakes Period. Fill out a 3x5 post card with your name, address (including zip code), home and work telephone numbers (including area codes), and mail postage paid to the address above. All mailed entries must be postmarked by [add date] and received by [add date]. All entries become the property of Sponsor and will not be returned. All winners must meet the eligibility requirements set forth in these rules in order to qualify for the prize. **Limit one entry per person.** Sponsor is not responsible for lost, late, misdirected, incomplete or illegible entries. Sponsor is not responsible for any failure of the website during the Sweepstakes Period, including any telephone problems or technical malfunction of any computer on-line systems, servers, access providers, computer equipment, software, failure of any e-mail or entry to be received on account of traffic congestion on the internet or at the website, or any combination thereof including any injury or damage to an entrant's or any other person's computer related to or resulting from downloading any material related to the Sweepstakes, all of which may affect a person's ability to participate in the Sweepstakes.

ODDS OF WINNING: Based upon the estimated number of entries to be received, the odds of winning are 1 in [enter number]. The actual odds of winning will depend upon the actual number of entries received for this sweepstakes.

RANDOM DRAWING: There will be [add number] of winners. Winners will be selected in random drawings on [Add Date] from among all eligible entries received. Winners will be notified by mail. Decisions of judges are final.

PRIZES: [Enter name and number of prizes and values]

Only the prizes specified above will be awarded. Prizes are non-transferable, with no cash redemption or equivalent. All federal, state and local income taxes, insurance, licensing, registration and title fees connected to the prize are the sole responsibility of the winners. All federal, state and local laws and regulations apply. Sponsor shall only be responsible for awarding the number of prizes as stated in these rules. Sponsor expressly disclaims any responsibility or liability for injury or loss to any person or property relating to the delivery and/or subsequent use of prizes awarded. Sponsor makes no representation or warranties concerning the appearance, safety or performance of any prizes awarded.

CLAIMING PRIZE: All properly claimed prizes will be awarded. As a condition of winning the prizes, the winners must complete, sign and return an affidavit of eligibility and liability and publicity release, where permitted by law, and any other applicable forms required by a taxing authority within ten (10) days of receipt of written prize notification or prizes will be forfeited and an alternate winner selected. Further, by accepting the prize, the winner consents to Sponsor's use of their name, photograph and/or likeness, address, voice, and statements made by or attributed to them, in perpetuity, in any and all media now known or hereafter developed

SAMPLE U.S. ONLINE SWEEPSTAKES RULES AND ENTRY FORM

(including, without limitation, print, broadcast and Internet), for all legitimate business purposes including advertising and promotional activities without additional compensation, unless prohibited by law.

If any correspondence of the sweepstakes judge or any prize is returned as undeliverable, the corresponding prize will be forfeited and will be awarded to an alternate winner. Should a winner make any false statement(s) in any document referenced above, the winner will be required to promptly return to Sponsor his/her prize. Any unclaimed prizes will be awarded in a random drawing to be held as necessary. In the event there is a dispute of the entrant's identity, the prize will be awarded to the established email account associated with the entry.

In case of dispute as to the identity of any online entrant, entry will be declared made by the authorized account holder of the email address submitted at time of entry. As used in this Sweepstakes, "Authorized Account Holder" is defined as the natural person who is assigned an email address by an internet access provider, online service provider, or other organization (e.g., business, educational, institution, etc.) responsible for assigning email addresses or the domain associated with the submitted email address. Any potential winner may be requested to provide Sponsor with proof that such winner is the authorized account holder of the email address associated with the winning entry.

PRIVACY: Sponsor will be collecting personal data about entrants in accordance with its privacy policy. Please review the Sponsor's privacy policy at www.xxx.privacypolicy.com. By participating in the Sweepstakes, you hereby agree to Sponsor's collection and usage of your personal information and acknowledge that you have read and accepted Sponsor's privacy policy.

LIMITATION OF LIABILITY: By participating in this Sweepstakes, entrants agree to release, hold harmless, and agree not to institute any claim against Sponsor and all co-sponsors of the Sweepstakes and each of their respective parent companies, affiliates, subsidiaries, and their respective officers, directors, employees, agents, and representatives (collectively, "Released Parties") from any and all liability whatsoever for any injuries, losses or damages of any kind arising from or in connection with, either directly or indirectly, 1) the awarding, acceptance, receipt, possession, use and/or misuse of any prize awarded herein; and/or 2) participation in the Sweepstakes or any prize related activities, including but not limited to traveling to or from any prize related activity. Upon delivery of the prize to the winner, Sponsor will be deemed to have awarded the prize to the winner with winner assuming full responsibility for the prize.

Released Parties are not responsible for technical, hardware, software, telephone or other communications malfunctions, errors or failures of any kind, lost or unavailable network connections, website, Internet, or ISP availability, unauthorized human intervention, traffic congestion, incomplete or inaccurate capture of entry information (regardless of cause) or failed, incomplete, garbled, jumbled or delayed computer transmissions which may limit one's ability to enter the Sweepstakes, including any injury or damage to your or any other person's computer relating to or resulting from participating in this Sweepstakes or downloading any materials in this Sweepstakes.

Under no circumstances will entrants be permitted to obtain awards for, and entrants hereby waive all rights to claim, punitive, incidental or consequential damages, or any other damages, including attorneys' fees, and entrants further waive all rights to have damages multiplied or increased.

MISCELLANEOUS CONDITIONS: If, for any reason, the Sweepstakes is not capable of running as planned, including infection by computer virus, bugs, tampering, unauthorized intervention, fraud, technical failures, or any other causes beyond the control of the sponsor, Sponsor reserves the right at its sole discretion to cancel, terminate, modify or suspend the Sweepstakes and select winners from among all eligible entries prior to the cancellation. Persons found tampering with or abusing any aspect of this Sweepstakes, or whom Sponsor believes to be causing malfunction, error, disruption or damage will be disqualified. Sponsor reserves the right to correct any typographical, printing, computer programming or operator errors.

CHOICE OF LAW: All issues and questions concerning the construction, validity, interpretation and enforceability of these Official Rules, or the rights and obligations of entrants and Sponsor in connection with this Sweepstakes, shall be governed by, and construed in accordance with, the substantive laws of the State of _____, without regard to _____ conflict of law principles.

SAMPLE U.S. ONLINE SWEEPSTAKES RULES AND ENTRY FORM

SWEEPSTAKES RULES: These Official Rules will be posted on Sponsor's website at www.XXXX.com during the Sweepstakes Period. Copies of the Official Rules may also be obtained by writing to: _____.

WINNERS LIST: To obtain a winners list by mail, send a self-addressed stamped envelope to: _____. Requests must be received by _____.

SPONSOR: The Sponsor of this Sweepstakes is _____. **ADMINISTRATOR:** The administrator of this Sweepstakes _____.

SAMPLE ENTRY FORM

* These are required fields.

Please read the official Sweepstake Rules before entering.
Please read the Privacy Policy before entering.

Email*

First Name*

Last Name*

Address*

City*

State*

ZIP Code*

Home Phone*

YES, I would like to receive product and promotion information from _____

I am 18 years of age or older.*

I agree to the terms of the Sweepstakes Rules.*

I have read and agree to the terms of the Privacy Policy.*

**STATE OF ARIZONA
OFFICE OF THE ATTORNEY GENERAL
SPECIAL INVESTIGATIONS SECTION**

AMUSEMENT GAMBLING AND RAFFLE REGISTRATION FORM

Before any person conducts an amusement gambling intellectual contest, or event, pursuant to Arizona Revised Statute § 13-3301., paragraph 1, subdivision (d), item (III), and Arizona Revised Statute § 13-3311, such person shall register with the Attorney General's Office, 1275 West Washington Street, Phoenix, Arizona 85007.

Note: Notwithstanding this registration, under no circumstances may you represent to anyone, directly or indirectly, that the Arizona Attorney General or any subdivision of the State of Arizona has reviewed, authorized, or approved your proposed activity.

Name: _____
(Last) (First) (Middle)

Title: _____

Address: _____
& Phone: _____ () _____
(Street) (City) (State) (Zip) (Phone)

Date of Birth: _____

Organization: _____
(Name)

Org. Address & Phone: _____ () _____
(Street) (City) (State) (Zip) (Phone)

(If P.O. Box, please give physical address also)

Type of Organization: _____

Name and Description of the Event: _____

Duration of the event: _____

Date(s) prizes to be awarded: _____

Name and description of the prizes to be awarded: _____

Purchase price of prizes to be awarded: _____

Minimum dollar amount of all prizes to be awarded: \$ _____

AMUSEMENT GAMBLING AND RAFFLE REGISTRATION FORM

Supply a copy of or set forth all rules governing the contest or event, including the rules applicable in case of a tie:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

The statutory agent or person authorized to accept service of process in Arizona for the person conducting the contest or event:

Name & Title: _____
(Name) (Title)

Address: _____
 & Phone: _____
(Street) (City) (State) (Zip) (Phone)

<p>If the event is a raffle:</p> <p>1. Is the organization tax exempt pursuant to A.R.S. § 43-1201, paragraphs 1, 2, 4-7, 10, or 11? _____</p> <p>If yes, please provide supporting documentation.</p> <p>2. Has the organization been in continuous existence in Arizona for at least the last 5 years? _____</p>

AMUSEMENT GAMBLING AND RAFFLE REGISTRATION FORM

Within ten days following the award of all prizes in connection with an amusement gambling intellectual contest, or event, the person conducting the contest or event shall file with the Attorney General's Office the names and addresses of all persons who have won prizes in connection with the contest or event.

For each amusement gambling, intellectual contest, or event held, the person conducting the event shall file with the Attorney General's Office a sworn statement under oath that no increment has been added to the established purchase price for the product in connection with the gambling event.

I certify that the information provided herein is true and correct to the best of my knowledge.

 Registrant Signature

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____.

 Notary Signature

Notary Public Commission Expires: _____

AMUSEMENT GAMBLING AND RAFFLE REGISTRATION FORM

WINNERS LIST FORM

Within ten days following the award of all prizes in connection with an amusement gambling, intellectual contest, or event, the person conducting the contest or event shall file with the Attorney General's Office the names and addresses of all persons who have won prizes in connection with the contest or event.

Name of contest: _____ Date of contest: _____

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____
- 7. _____
- 8. _____
- 9. _____
- 10. _____

For each amusement gambling, intellectual contest, or event held, the person conducting the event shall file with the Attorney General's Office a sworn statement under oath that no increment has been added to the established purchase price for the product in connection with the gambling event.

I certify that the information provided herein is true and correct to the best of my knowledge.

Registrant Signature

SUBSCRIBED AND SWORN to before me this _____ day of _____, 20____.

Notary Signature

Notary Public Commission Expires: _____

Revised 12/10/98

**FLORIDA DEPARTMENT OF
AGRICULTURE & CONSUMER SERVICES**

Division of Consumer Services



**CHARLES H. BRONSON
COMMISSIONER**

GAME PROMOTIONS FILING PACKET
s. 849.094, Florida Statutes



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

CHARLES H. BRONSON
COMMISSIONER

GAME PROMOTION FILING PACKET

Table of Contents

Checklist
 Filing Application
 Statement of Trust Account
 Surety Bond
 Request for Waiver Affidavit.....
 Winners List Sample Form

DACS 10951
Rev. 10/02



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

CHARLES H. BRONSON
COMMISSIONER

GAME PROMOTION CHECKLIST

Enclosed is a copy of Section 849.094, Florida Statutes, and a filing packet containing the necessary forms for completing a Game Promotions filing. These forms may be duplicated as needed.

Florida law requires that you file your Game Promotion with this office at least seven (7) days prior to its commencement. However, it is recommended that you submit your application and associated documents as soon as possible so that we may assist you in resolving any potential problems before the promotion's intended commencement date.

Completed To Be Done:

1. Complete the Filing Application form; page 1 of your application packet.
2. If your financial security is a trust account, execute the Statement of Trust Account form; page 2 of your application packet. If a trust account is not being submitted, skip to item 3.
3. If your financial security is a surety bond, execute the Surety Bond form; page 3 of your application packet. The bond will be returned 6 months after the Department receives a certified list of the names and addresses of all persons who have won prizes which have a value of more than \$25, and the dates when the prizes were won. If a surety bond is not being submitted, skip to item 4.
4. If you wish to submit a waiver, execute the Affidavit of Request for Waiver; page 4 of your application packet. For a waiver request to be considered, operators must meet the eligibility criteria on page II. If a waiver request is not being submitted, skip to item 5.
5. Review the Rules and Regulations for the Game Promotion; verify that they are complete and in compliance with s. 849.094, F.S. Remember, Rules and Regulations must be filed seven days prior to commencement and may not be modified thereafter.
6. Submit the filing fee in the form of a check or money order made payable to the Florida Department of Agriculture and Consumer Services in the amount of \$100. The filing fee is non-refundable.
7. Attach the following to the Filing Application:
 - (a) Filing fee of \$100
 - (b) Original financial security
 - (c) Rules and Regulations
8. Review the entire application packet for accuracy and completeness.
9. Mail application and attachments to: Florida Department of Agriculture & Consumer Services
Post Office Box 6700
Tallahassee, Florida 32314-6700

Mail overnight packages to: Florida Department of Agriculture & Consumer Services
407 S. Calhoun St., First Floor
Attention: Finance and Accounting
Tallahassee, Florida 32399-0800.

DACS 10951
Rev. 10/02



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

FILING APPLICATION

CHARLES H. BRONSON
COMMISSIONER

Section 849.094, Florida Statutes
Phone 850-488-2221; Fax 850-410-3804

Make check payable and remit application to:
Florida Department of Agriculture & Consumer Services
Post Office Box 6700
Tallahassee, Florida 32314-6700

Note: All documents and attachments submitted with this statement are subject to public review pursuant to Chapter 119, F.S. Filing Applications will not be considered complete until all required information and documents are received and reviewed by the Department of Agriculture and Consumer Services. It is recommended that you submit your application and appropriate documents as soon as possible so that we may assist you in resolving potential problems prior the promotion's intended commencement date.

PLEASE TYPE OR PRINT

Name of Promotion: _____

Full Legal Name of Operator / Sponsor: _____ FEIN #: _____
(If no FEIN, show SS #, s 119.092, FS)

Address of Operator: _____
Street - City - State - Zip Code

Telephone No.: _____ E-Mail Address: _____

Name & Title of Operator's Contact: _____

Address of Operator's Contact: _____
Street - City - State - Zip Code

Telephone No.: _____ E-Mail Address: _____

Promotion Dates: _____
Beginning Ending Drawing

Every operator of a game promotion with the total announced value of the prizes offered is greater than \$5,000 shall establish a trust account, obtain a surety bond, or submit a waiver. Please provide information below for the document submitted. Complete and submit the appropriate form. See attachments.

Surety Bond:	Number	\$ Amount	Request for Waiver of Surety or Trust Account
Trust Account:	Number	\$ Amount	

As required by s. 849.094, F.S., please provide the number and description of all prizes included in the Game Promotion: _____

Number of Entry Forms to be Made Available: _____ Combined Value of Prizes Offered: _____

Geographic Area Covered: _____

PROVIDE INFORMATION BELOW IF FILING APPLICATION WILL BE SUBMITTED BY SOMEONE OTHER THAN THE OPERATOR.

Full Name of Company (Promoter/Administrator) Submitting Forms: _____

FEIN #: _____ Relationship to Operator: _____
(If no FEIN, show SS #, s 119.092, FS)

Name & Title of Contact Person: _____

Address of Contact : _____
Street - City - State - Zip Code

I hereby certify that to the best of my knowledge this application is true and correct.

Signature of Operator or Operator's Representative _____ Title _____

Printed Name of Operator or Operator's Representative _____ Date _____

Org. Code: 42100611000 EO: A2
Object Code: 001119 \$100.00



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

STATEMENT OF TRUST ACCOUNT

CHARLES H. BRONSON
COMMISSIONER

Section 849.094(4), Florida Statutes
Phone 850-488-2221; Fax 850-410-3804

DATE: _____
Month / Day / Year

This certificate evidences that on the _____ day of _____, 20____, a trust account, number _____ was opened by _____ Full Legal Name of Operator _____ at this bank, _____ Name of Financial Institution _____ located at _____ Address of Financial Institution (Street - City - State - Zip Code) _____ Phone# Including Area Code _____ for the Game Promotion entitled _____ commencing _____ Month / Day / Year _____

This certificate evidences an account balance in the amount of \$_____. Pursuant to s. 849.094, F.S., funds cannot be withdrawn from this account without the written authorization of the Department of Agriculture and Consumer Services.

Any false statement made on this form is a misdemeanor of the second degree and is punishable as provided in ss. 775.082 and 775.083, F.S.

Name of Financial Institution _____ Signature of Financial Institution Official _____

Date _____ Title of Signing Official _____



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

SURETY BOND

CHARLES H. BRONSON
COMMISSIONER

Section 849.094(4), Florida Statutes
Phone 850-488-2221; Fax 850-410-3804

Promotion name: _____ Bond #: _____

KNOW ALL MEN BY THESE PRESENT that we _____
Principal's (Operator) Full Legal Name

as Principal (hereinafter referred to as Principal), and _____
Bond Provider (Surety)

whose address is _____
Bond Provider's Address (Street - City - State - Zip Code) Phone # Including Area Code

as Surety (hereinafter referred to as Surety), are held firmly bound unto the State of Florida, Department of Agriculture and Consumer Services, (hereinafter referred to as Oblige) the sum of \$ _____
for the use and benefit of any person who is injured by the fraud, misrepresentation, financial failure, or violation of any provision of s. 849.094, F.S., the Game Promotions Statute. NOW THEREFORE, the condition of this obligation is such that if the Principal/Operator shall well and truly perform and fulfill all of its undertakings and obligations, offered in such game, contest or other promotion or advertising scheme or plan as provided in the laws of the State of Florida, then this obligation shall be null and void, otherwise it shall remain in full force and effect.

This bond is effective this _____ day of _____, 20____.

In witness hereof, the Principal and Surety have executed this instrument on the _____ day of _____, 20____.

PRINCIPAL

Witness' Signature Principal's Full Legal Name (Business Name) (Seal)

Witness' Signature Signature of Principal's Representative

Title of Principal's Representative

SURETY

Witness' Signature Surety Name

Witness' Signature Signature of Surety's Representative (Seal)

Title of Surety's Representative

FLORIDA RESIDENT AGENT FOR SURETY

Business Name of Local Agent Name of Contact for Local Agent

Signature of Local Agent Telephone # of Contact

Telephone # of Local Agent Address of Contact (Street, City, State, Zip Code)

Local Agent Address (Street, City, State, Zip Code)



Florida Department of Agriculture and Consumer Services
Division of Consumer Services

**AFFIDAVIT OF REQUEST FOR WAIVER
OF TRUST ACCOUNT OR SURETY BOND**

CHARLES H. BRONSON
COMMISSIONER

Section 849.094(4), Florida Statutes
Phone 850-488-2221; Fax 850-410-3804

STATE OF _____ COUNTY OF _____

Before me, the undersigned authority, personally appeared _____
Name of Operator's Representative

who being duly sworn, deposes and says : I am an officer of principal, to wit: the _____
Title

of _____
Full Legal Name of Operator

To the best of my knowledge, the said operator has conducted game promotions in the State of Florida for not less than five (5) consecutive years, and has not had any civil, criminal or administrative action instituted against said operator by the State of Florida or any agency of the State for any violation of s. 849.094, F.S., within said five-year period.

FURTHER AFFIANT SAYETH NOT.

Waiver of the filing provisions of s. 849.094(4)(b), F.S., is hereby requested for the game promotion entitled:

which commences _____ and ends _____
Month / Day / Year Month / Day / Year

Signature of Operator's Representative Print Name of Operator's Representative

Representative's address: _____
Street - City - State - Zip Code

The foregoing instrument was acknowledged before me this _____ day of _____, 20____

by _____
Name of Operator's Representative

Notary Public Signature

(SEAL)

Print, Type or Stamp Name of Notary

Personally Known Produced Identification Type of Identification _____

STATE OF NEW YORK · DEPARTMENT OF STATE

Games of Chance Surety Bond

BOND NUMBER

KNOW ALL MEN BY THESE PRESENTS, that _____, (Name of Corporation), a corporation duly authorized and existing under the laws of the state of _____ and having its principal place of business at _____, as principal, and _____, (Name of Surety), as surety are held firmly bound to the people of the State of New York in the sum of \$ _____ pursuant to Section 369-e of the General Business Law; that the principal binds itself, its successors and assigns and the surety binds itself, its heirs, executors and administrators and assigns.

THE CONDITION OF THIS OBLIGATION IS SUCH THAT:

WHEREAS, the principal has filed with the Secretary of State of the State of New York to engage in a game, contest, promotion, advertising scheme or plan pursuant to Section 369-e of the General Business Law; NOW, THEREFORE, if the principal performs and fulfills all of the undertakings and obligations as offered in such game, contest, promotion, advertising scheme or plan as provided in Section 369-e of the General Business Law, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

IN WITNESS WHEREOF, the principal and the surety have signed this instrument on the day and year indicated below.

Date: _____ (Name of Principal)

By: _____

Title: _____

Date: _____ (Surety)

STATE OF _____
COUNTY OF _____ s.s.:

On this _____ day of _____, 19____, before me personally came the above named individual, to me known and who, being duly sworn by me, did depose and say that (he)(she) resides at _____; and that (he)(she) is the _____ of the corporation described in and that executed the foregoing instrument.

(Notary Public)

STATE OF _____
COUNTY OF _____ s.s.:

On this _____ day of _____, 19____, before me personally came _____, residing at _____, to me known and known to be the same person described in and that executed the foregoing instrument and who acknowledged to me that (he)(she) executed the same.

(Notary Public)

NYS DEPARTMENT OF STATE
MISCELLANEOUS RECORDS UNIT
41 STATE STREET
ALBANY, NY 12231

Games of Chance Registration

(In connection with Sale of Commodities)

PLEASE READ REVERSE CAREFULLY, BEFORE FILING THIS STATEMENT.

Send this completed form and all necessary attachments to the above address along with a **nonrefundable \$100 filing fee**. Please make your check payable to NYS Department of State.

Attach: — Certificate of Deposit or prize monies in a trust account **OR** Surety Bond for total prize amount; and
— Rules and Regulations pertaining to the promotion, advertising scheme or plan.

1. NAME AND ADDRESS OF PERSON, FIRM OR CORPORATION PROPOSING TO ENGAGE IN THE GAME, CONTEST OR PROMOTION _____ _____ _____		3. DESCRIPTION OF GAME, CONTEST OR PROMOTION (if not provided by your rules and regulations) _____ _____ _____	
2. GEOGRAPHIC AREA IN NEW YORK STATE COVERED BY PROMOTION (List by county, if not statewide) _____ _____		4. TIME PERIOD COVERED BY CONTEST BEGINNING: _____ ENDING: _____	
5. NUMBER OF ENTRY BLANKS TO BE MADE AVAILABLE IN NEW YORK STATE _____		6. PROPORTIONATE OPPORTUNITY OF WINNING PRIZES	
6. NUMBER OF PRIZE WINNING CHANCES INCLUDED IN PLAN IN NEW YORK STATE _____		Level of Prize	Proportionate Opportunity
7. RETAIL VALUE OF PRIZES TO BE MADE AVAILABLE IN NEW YORK STATE _____		_____	_____
8. NAME OF PERSON SUBMITTING FORM		RELATIONSHIP TO FIRM	
ADDRESS _____ _____		_____ _____	
Signature X		Date	

REMINDER: Filing fee and specified documentation must accompany this registration statement.

Filing Fee: \$150.00

Registration No. _____



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
100 North Main Street
Providence, Rhode Island 02903-1335

STATEMENT WITH REFERENCE TO GAMES OF CHANCE

Name of Game of Chance

Pursuant to the provisions of Section 11-50-1 of the General Laws, 1956, as amended, the undersigned files the following statement of its proposal to engage in a game, contest, or other promotion or advertising scheme or plan whereby a retail establishment offers the opportunity to receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business, where the total announced value of the prizes offered to the general public is in excess of five hundred dollars (\$500.00).

- 1. Name of person, firm or corporation filing this statement:
2. Address: (street) (city or town) (state) (zip code)
3. Minimum number of participating objects to be made available:
4. Minimum number of prize-winning objects included in promotion or advertising scheme or plan:
5. Proportionate opportunity of winning prizes:
6. Minimum value of prizes to be made available:
7. Attach a copy of the rules and regulations pertaining to the promotion or advertising scheme or plan, including the period of time and geographic area to be covered by the contest.

The undersigned certifies that the information contained in this statement is true and accurate.

Name of person, firm or corporation filing this statement:

Date: _____

By: _____

Name of Contact Person: _____

Mailing Address: _____

Form No. 659
Revised: 05/00

State of Rhode Island and Providence Plantations

Office of the Secretary of State
100 North Main Street
Providence, Rhode Island 03903-1335

GAMES OF CHANCE

Pursuant to Title 11, Chapter 50 of the Rhode Island General Laws, 1956, Reenactment of 1994

§ 11-50-1 Filing requirement. - Any person, firm, or corporation proposing to engage in any game, contest, or other promotion or advertising scheme or plan whereby a retail establishment offers the opportunity to receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business, where the total announced value of the prizes offered to the general public is in excess of five hundred dollars (\$500), shall file with the secretary of state upon a form that he or she shall provide, a statement setting forth: the minimum number of participating objects to be made available; the minimum number of prize winning objects that will be included in such promotion or advertising scheme or plan; the proportionate opportunity of winning prizes; the minimum value of prizes to be made available; and the rules and regulations pertaining to the promotion or advertising scheme or plan which shall include the period of time and the geographic area to be covered by the contest. There shall be a filing fee of one hundred and fifty dollars (\$150) when the statement is filed. Failure to file a statement shall be a misdemeanor.

§ 11-50-2 Posting of available prizes - Rules and winners. - Every person, firm or corporation engaging in any promotion or advertising game or contest of the type set forth in § 11-50-1 shall cause to be posted in a conspicuous and prominent location in every retail establishment offering the opportunity to participate in the game or contest the minimum number and value of prizes available to be won over a stated period of time and slated geographic area, and the rules and regulations pertaining to the promotion or advertising scheme or plan and the names and addresses of prize winners. Failure to cause this posting shall be a misdemeanor.

§ 11-50-3 Records. - Every person, firm, or corporation engaging in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall maintain for six (6) months following the completion of the promotion or advertising scheme or plan adequate records to enable such person, firm, or corporation to report to the secretary of state, upon his or her request, the name and address of each winner of every prize having a value of more than twenty-five dollars (\$25.00), the description of the prize won by each person, and the date when the prize was delivered to each person. Failure to file such information with the secretary of state upon his or her request within six (6) months shall be a misdemeanor.

§ 11-50-4 Manipulation of games. - Every person, firm, or corporation who manipulates or rigs any promotion or advertising scheme or plan of the type set forth in § 11-50-1 so that gifts, prizes, or gratuities are dispersed to predetermined individuals or retail establishments shall be guilty of a misdemeanor, provided, that this section shall not prevent distribution of gifts, prizes, or gratuities of equal value to retail establishments.

§ 11-50-5 Failure to distribute prizes. - Every person, firm, or corporation who engages in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 and who fails to distribute the offered gifts, prizes, or gratuities to designated winners shall be guilty of a misdemeanor.

§ 11-50-6 Deceptive advertising practices. - Every person, firm, or corporation who prints, publishes, or circulates literature or advertising material, used in connection with any promotion or advertising scheme or plan of the type set forth in § 11-50-1, which is false, deceptive, or misleading, shall be guilty of a misdemeanor.

§ 11-50-7 Dealer Coercion. - Every person, firm, or corporation who coerces a retail dealer to participate in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall be guilty of a misdemeanor. Such coercion includes, but is not limited to, circumstances in which a course of business conduct extending over a period of one year or longer between a supplier and a dealer is materially changed for no legitimate business reason, coincident with a failure or refusal of the dealer to participate in an above-mentioned promotion or advertising scheme or plan.

§ 11-50-8 Injunction. - Whenever the attorney general has reason to believe that any promotion or advertising scheme or plan of the type set forth in § 11-50-1 is being operated in violation of this chapter, he or she may bring an action in the Superior Court, in the name and on behalf of the people of the state to enjoin the continued operation of such promotion or advertising scheme or plan.

Section 11-50-1 of the General Laws, 1956, as amended, sets forth the filing requirements for this law. Pursuant to Section 11-50-8 of the General Laws, 1956, as amended, the Rhode Island Attorney General is responsible for the enforcement of this chapter. If you have any questions concerning whether you are required to file under this chapter, you should consult an attorney and/or the Attorney General's Office.

Filing Fee: \$150.00

Registration No. _____



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Office of the Secretary of State
100 North Main Street
Providence, Rhode Island 02903-1335

**STATEMENT WITH REFERENCE TO
GAMES OF CHANCE**

Name of Game of Chance

Pursuant to the provisions of Section 11-50-1 of the General Laws, 1956, as amended, the undersigned files the following statement of its proposal to engage in a game, contest, or other promotion or advertising scheme or plan whereby a retail establishment offers the opportunity to receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business, where the total announced value of the prizes offered to the general public is in excess of five hundred dollars (\$500.00).

1. Name of person, firm or corporation filing this statement: _____

2. Address: _____
(street) (city or town) (state) (zip code)
3. Minimum number of participating objects to be made available: _____
4. Minimum number of prize-winning objects included in promotion or advertising scheme or plan: _____
5. Proportionate opportunity of winning prizes: _____
6. Minimum value of prizes to be made available: _____
7. Attach a copy of the rules and regulations pertaining to the promotion or advertising scheme or plan, including the period of time and geographic area to be covered by the contest.

The undersigned certifies that the information contained in this statement is true and accurate.

Name of person, firm or corporation filing this statement: _____

Date: _____

By: _____

Name of Contact Person: _____

Mailing Address: _____

Form No. 659
Revised: 05/00

State of Rhode Island and Providence Plantations

Office of the Secretary of State
100 North Main Street
Providence, Rhode Island 03903-1335

GAMES OF CHANCE

Pursuant to Title 11, Chapter 50 of the Rhode Island General Laws, 1956, Reenactment of 1994

§ 11-50-1 Filing requirement. - Any person, firm, or corporation proposing to engage in any game, contest, or other promotion or advertising scheme or plan whereby a retail establishment offers the opportunity to receive gifts, prizes, or gratuities, as determined by chance, in order to promote its retail business, where the total announced value of the prizes offered to the general public is in excess of five hundred dollars (\$500), shall file with the secretary of state upon a form that he or she shall provide, a statement setting forth: the minimum number of participating objects to be made available; the minimum number of prize winning objects that will be included in such promotion or advertising scheme or plan; the proportionate opportunity of winning prizes; the minimum value of prizes to be made available; and the rules and regulations pertaining to the promotion or advertising scheme or plan which shall include the period of time and the geographic area to be covered by the contest. There shall be a filing fee of one hundred and fifty dollars (\$150) when the statement is filed. Failure to file a statement shall be a misdemeanor.

§ 11-50-2 Posting of available prizes – Rules and winners. – Every person, firm or corporation engaging in any promotion or advertising game or contest of the type set forth in § 11-50-1 shall cause to be posted in a conspicuous and prominent location in every retail establishment offering the opportunity to participate in the game or contest the minimum number and value of prizes available to be won over a stated period of time and slated geographic area, and the rules and regulations pertaining to the promotion or advertising scheme or plan and the names and addresses of prize winners. Failure to cause this posting shall be a misdemeanor.

§ 11-50-3 Records. – Every person, firm, or corporation engaging in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall maintain for six (6) months following the completion of the promotion or advertising scheme or plan adequate records to enable such person, firm, or corporation to report to the secretary of state, upon his or her request, the name and address of each winner of every prize having a value of more than twenty-five dollars (\$25.00), the description of the prize won by each person, and the date when the prize was delivered to each person. Failure to file such information with the secretary of state upon his or her request within six (6) months shall be a misdemeanor.

§ 11-50-4 Manipulation of games. – Every person, firm, or corporation who manipulates or rigs any promotion or advertising scheme or plan of the type set forth in § 11-50-1 so that gifts, prizes, or gratuities are dispersed to predetermined individuals or retail establishments shall be guilty of a misdemeanor, provided, that this section shall not prevent distribution of gifts, prizes, or gratuities of equal value to retail establishments.

§ 11-50-5 Failure to distribute prizes. - Every person, firm, or corporation who engages in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 and who fails to distribute the offered gifts, prizes, or gratuities to designated winners shall be guilty of a misdemeanor.

§ 11-50-6 Deceptive advertising practices. – Every person, firm, or corporation who prints, publishes, or circulates literature or advertising material, used in connection with any promotion or advertising scheme or plan of the type set forth in § 11-50-1, which is false, deceptive, or misleading, shall be guilty of a misdemeanor.

§ 11-50-7 Dealer Coercion. – Every person, firm, or corporation who coerces a retail dealer to participate in any promotion or advertising scheme or plan of the type set forth in § 11-50-1 shall be guilty of a misdemeanor. Such coercion includes, but is not limited to, circumstances in which a course of business conduct extending over a period of one year or longer between a supplier and a dealer is materially changed for no legitimate business reason, coincident with a failure or refusal of the dealer to participate in an above-mentioned promotion or advertising scheme or plan.








§ 11-50-8 Injunction. – Whenever the attorney general has reason to believe that any promotion or advertising scheme or plan of the type set forth in § 11-50-1 is being operated in violation of this chapter, he or she may bring an action in the Superior Court, in the name and on behalf of the people of the state to enjoin the continued operation of such promotion or advertising scheme or plan.

Section 11-50-1 of the General Laws, 1956, as amended, sets forth the filing requirements for this law. Pursuant to Section 11-50-8 of the General Laws, 1956, as amended, the Rhode Island Attorney General is responsible for the enforcement of this chapter. If you have any questions concerning whether you are required to file under this chapter, you should consult an attorney and/or the Attorney General's Office.





Publicity Contest Notice

-  General Information
-  Rules Respecting Publicity Contests
-  Excerpts from the *Act respecting lotteries, publicity contests and amusement machines*
-  *Publicity Contest Notice Form*
-  Important Notice
-  List of Documents to Include With Notice
-  List of Documents to be Kept At All Times

IMPORTANT NOTICE

Caveat regarding the Criminal Code provisions or any other legislative provision on publicity contests

The person for whom a publicity contest is carried on identified on the Publicity Contest Notice is hereby warned that the Régie does not issue publicity contest licenses. Please consult your legal counsel to determine the legality of the contest described on this notice.

LIST OF DOCUMENTS TO INCLUDE WITH THIS NOTICE

The following documents must be attached to the Publicity Contest Notice:

- cheque made out to the *Régie des alcools, des courses et des jeux*
- text of contest rules (see Regulations, s. 5)
- text of the advertising for the contest (see Regulations, s. 6)

DOCUMENTS TO BE KEPT AT ALL TIMES

The following documents must be kept at all times and submitted to the Régie upon request:

- Copy of the power of attorney
- Proof of juridical personality

General Information

Every natural or legal person for whom a publicity contest is carried on is subject to the *Act respecting lotteries, publicity contests and amusement machines* (R.S.Q. c. L-6) and to publicity contest regulations thereunder (R.R.Q. L-6, r. 3 1). Sections of the *Act* which apply specifically to publicity contests as well as the complete version of the publicity contest regulations are reproduced in this document.

A Notes on the Publicity Contest Notice Form

1 State in Section 1 the exact name and address of the legal or natural person for whom a publicity contest is carried on. If the contest is carried on for several legal persons, join a list stating their names and addresses.

2 In Section 2, state the contest's name, launch date, participation deadline, winner selection deadline and the complete address of the location where the prizes will be awarded.

The date a contest is publicly launched may be different from the date a contest begins.

Under section 11 of the Rules, a contest is publicly launched from the moment an advertising of the contest has been publicly broadcast for the first time.

3 State the total value of the prizes offered and fees payable in Section 3.

Under section 61 of the *Act*, the value of a prize is that which is advertised in the advertising of the contest.

If fees are not paid before the prescribed deadlines, either thirty (30) or five (5) days, as the case may be (see s. 59 of the *Act*), they shall bear interest at the rates prescribed in section 91 of said *Act*.

4 The person authorised to sign the publicity contest notice or any other document required by the Régie must check the appropriate box and fill in his or her surname, given name, address and telephone number in Section 4.

5 The authorized person must sign and date the publicity contest notice in Section 5.

B An Act respecting lotteries, publicity contests and amusement machines

Before undertaking any procedures, make sure your contest is a publicity contest under subparagraph b), section 1 of the *Act*.

The total value of the prizes offered must **exceed \$100** before a person for whom a publicity contest is carried on has to notify the Régie and pay applicable fees (s. 58).

The Régie must be notified within thirty (30) days if the total value of the prizes offered exceeds \$1,000, or five (5) days in any other

case. **This period begins before the publicity contest is publicly launched.** Some contests may be launched before participation forms are available; in that case, the day the advertising for the contest was broadcast is deemed the launch date (s. 59a).

C Publicity Contest Rules

Contest rules must be submitted the day the contest is publicly launched, at the latest. However, advertising for a publicity contest where the total value of the prizes offered exceeds \$1,000 must be submitted at least ten (10) days before the publicity contest is publicly launched. Please note that some exceptions apply for radio and television broadcasts (s. 2 and 3).

Winners must be selected and prizes awarded at the place and on the date and time stipulated in the Rules.

Where a facsimile is accepted as a participation form, the contest rules must specify whether hand-drawn and mechanically reproduced facsimiles are accepted.

Where applicable, clearly state the minimum age required to enter the contest (s. 5).

Advertising for the contest must comply with contest rules and not be misleading. Because inaccuracies may lead to litigation, a detailed description of all prizes offered is very important, especially when offering prizes such as trips, cars or immovables (s. 6).

The following elements are offered as **suggestions only**, but you might want to include them in your prize description to help avoid legal disputes:

- For trips:
- retail value;
 - is the trip transferable to another person;
 - can the winner choose between the trip and its cash equivalent;
 - name of airline;
 - destination;
 - number of people included;
 - length of trip;
 - does the trip have to be taken within a certain period and is there a deadline;
 - details on lodging, meals, taxes, transfers, insurance, etc.

For vehicles:

- retail value;
- can the winner choose between the vehicle and its cash equivalent;
- complete description of the vehicle;
- are sales tax and registration fees included.

For immovables:

- retail value;
- can the winner choose between the immovable and its cash equivalent;
- are the lot, foundation, and earthworks included;
- is sewage connection included;
- are taxes included;
- is insurance included;
- does the prize include furniture, household and electrical home appliances.

For swimming pools:

- retail value;
- are installation costs included and, if so, is there a deadline;
- is delivery included;
- are accessories and hookups included.

Security amounts and terms are fixed by the Régie. However, the Régie must demand a security in the event that a condition described in section 8 should arise.

Securities may be posted by a bank, an insurance company, a *caisse populaire* or a trust company (s. 9).

The most common complaint lodged with the Régie is when a contest is changed after it has been publicly launched. Contests cannot be changed without the Régie's authorization, which is only granted in cases of force majeure, acts of God or if the Régie deems that the change will have no adverse affect on the public (s. 10).

In addition to providing the information required in the report that must be submitted

within sixty (60) days of the winner selection date, the person for whom a publicity contest is carried on must also declare to the Régie whether all prizes have been given away (s. 15).

All documents, participation forms and other vouchers must be kept 120 days following the winner selection date (s. 16).

D Violations

Under sections 121 and 123 of the *Act*, any person who infringes a provision of this *Act* and its regulations is guilty of an indictable offence. Therefore, failure to meet deadlines prescribed therein constitutes a violation.

Examples of deadlines to be met:

- the thirty (30) or five (5) day deadline, as applicable, before the contest is publicly launched, to submit the *Publicity Contest Notice Form* and pay fees;
- the ten (10) or five (5) day deadline, as applicable, to submit the advertising for the contest to the Régie;
- the sixty (60) day deadline following the winner selection date to submit a written report to the Régie.

Any person for whom a publicity contest is carried on must also ensure that the contest complies with the provisions of the *Criminal Code* and any other applicable law.



PUBLICITY CONTEST NOTICE

L.R.Q., c. L-6, a. 58

Please Print

1 Identification of the legal or natural person for whom a publicity contest is carried on

(Include additional pages if there is more than one legal person)

Name:	RACJ File No., if known:	20 -
Mailing address:		
City:		
Province:	Postal code:	
Name of person in charge of principal place of business in Québec:	Duty:	
Telephone No.: () - - Ext.: Fax No.: () - -		

2 Contest description

Contest name:	Launch date:	Year	Month	Day
Participation deadline:	Year	Month	Day	Time
Winner selection date:	Year	Month	Day	Time
Winner selection place:				
Address, street:				
City:	Postal code:			

3 Fees payable (see Act, c. IV, s. 58, 61 and 62)

Participation forms can be obtained (see section 62 c) of the Act) only in Québec: elsewhere:

Prizes are offered to:

a) contestants from Québec exclusively:	Prize value: \$	x 10% =	\$
b) a group of contestants from Canada exclusively, when that group includes contestants from Québec:	Prize value: \$	x 3% =	\$
c) any other group of contestants, including contestants from Québec:	Prize value: \$	x 0.5% =	\$
Total value of the prizes:	\$	Total duties:	\$

4 Identification of person authorized to sign this notice and any other document required by the Régie

I am:

Sole owner or an employee of the person identified in Section 1 - Identification of the legal or natural person

Mandatory acting for and on behalf of the person identified in Section 1 - Identification of the legal or natural person

Authorized person's surname and given name:	Duty:
Legal person's name:	
Legal person's address:	
City:	Postal code:
Telephone No.: () - - Fax No.: () - -	

5 Authorized person's statement (identified in Section 4)

I declare that the information provided herein and which appears on the documents annexed hereto is true and complete. I also acknowledge having read the important notice printed on the back of this form.

Signature _____ Date: Year Month Day

Over →



La modération a bien meilleur goût.

Malentendants : Québec : (418) 528-7666 ailleurs au Québec : 1 877 663-8172

560, boul. Charest Est, Québec (Québec) G1K 3J3, Téléphone : (418) 643-7667 ou 1 800 363-0320 Télécopie : (418) 643-5971 racj.quebec@racj.gouv.qc.ca

1, rue Notre-Dame Est, bureau 9.01, Montréal (Québec) H2Y 1B6 Téléphone : (514) 873-3577 ou 1 800 363-0320 Télécopie : (514) 873-5861 racj.monreal@racj.gouv.qc.ca

Rules Respecting Publicity Contests (R.R.Q., c. L-6, s. 19 and 20)

- These Rules do not apply to publicity contests where the total value of the prizes offered does not exceed 2 000 \$, with the exception of sections 5 and 6 that apply to all publicity contests in which the total value of the prizes exceeds 100 \$.
- A person for whom a publicity contest is carried on shall file with the Régie des alcools, des courses et des jeux:
 - the prescribed form in accordance with section 59 of the Act respecting lotteries, publicity contests and amusement machines (R.S.Q., c. L-6) within the prescribed timeframe;
 - the text of the rules of the publicity contest 10 days before the date on which it is publicized;
 - where a contest is carried on for more than one person, the name and address of each person, or where applicable, the name and address of their agent.
- A person for whom a publicity contest is carried on shall, 10 days prior to the date that the contest is publicized to the public in the case of a publicity contest in which the total prize value exceeds 2 000 \$, file with the board the text of any advertisement used in the publicity contest.

Notwithstanding the first paragraph, where the contest is carried on by or in cooperation with a broadcaster required under the Broadcasting Act (Revised Statutes of Canada, 1985, chapter B-9) to keep taped recordings of all advertising broadcast by him, a person for whom a publicity contest is carried on shall file the text referred to in the first paragraph with the board not later than 5 days following the date on which the contest is publicly launched.
- Documents filed with the board with respect to a publicity contest become the property of the Régie.
- The rules of a publicity contest must be accessible to the public and must include as a minimum:
 - the conditions for entering the contest;
 - the places where the public must deposit or send the contest entry forms;
 - the deadline for entering the contest;
 - a description of the method of awarding the prizes;
 - the number and a detailed description of the prizes offered and the value of each prize;
 - the place, date and precise time the prizewinner will be named;
 - the place, date and deadline for claiming prizes, or where applicable, whether the prizes will be delivered to the winner;
 - the information that the winners will be selected by a jury, where applicable;
 - the information that as a minimum the persons specified in section 12 must be excluded in all cases;
 - the following text: «Any litigation respecting the conduct or organization of a publicity contest may be submitted to the Régie des alcools, des courses et des jeux for a ruling. Any litigation respecting the awarding of a prize may be submitted to the Régie only for the purpose of helping the parties reach a settlement»;
 - the nature of the skill-testing requirement that a winner has to satisfy in order to claim his prize.
- The person for whom the publicity contest is carried on shall ensure that the advertising for the contest does not imply that any person:
 - has won a given prize;
 - may enter a contest for the purposes of receiving a prize or being able to win a prize, when in fact all participants receive a prize.

The person shall ensure that the advertising states the number of and describes the prizes offered in the contest and their respective value, that it mentions that only one prize is offered or that it specifies the smallest and largest value of the prizes.

The person shall also ensure that the advertising states how and where the public may obtain the text of the contest rule. Where participation in a publicity contest requires the purchase of a good or service, the person shall ensure that the advertising states the nature of the skill-testing requirement that a winner must satisfy in order to claim his prize.
- Where the system used for awarding prizes does not allow the winners' names to be known, the contest entry form or the advertisement must specify the place in Québec and the period when the winning numbers may be found out or where a list of them may be obtained.
- A person for whom a publicity contest is carried on shall furnish security to the board where:
 - he has no head office or place of business in Québec declared in accordance with the laws of Québec;
 - he has been convicted of an offence against the Act or these Rules in that year precede the date of the launching of the publicity contest;
 - the value of a prize offered to Québec residents is more than 5 000 \$;
 - the total value of prizes offered to residents of Québec is 20 000 \$ or more.
- Security may be furnished:
 - by filing a letter of security that complies with the form prescribed by the board; or
 - by depositing a sum of money with the board or in a trust account in a financial institution.
- Where a publicity contest is cancelled or changes are made thereto after the prescribed form referred to in section 59 of the Act has been filed with the board, the person for whom the publicity contest is carried on must immediately notify the board thereof in writing.

Notwithstanding the foregoing, the person may not cancel or make any change in a publicity contest from the time it is publicly launched unless the board so authorizes on the basis of proof of fortuitous event or of irresistible force, or where the board is of the opinion that the public will not be adversely affected.
- A publicity contest is publicly launched when an advertisement of the contest is released to the public for the first time, regardless of the media used.
- A person for whom a publicity contest is carried on, his employee, representative or agent, a member of the jury and the persons with whom they are domiciled may not enter the contest.
- The means used for awarding prizes in a publicity contest must give each contestant an equal chance of winning a prize.
- A person for whom a publicity contest is carried on shall, within 30 days following the date of the naming of the prizewinner, inform the winner of the procedure to follow in order to claim his prize.
- A person for whom a publicity contest is carried on shall, within 60 days following the date on which a prizewinner is named, file a written report with the board that specifies:
 - whether all the prizes offered have been delivered;
 - the name and address of each winner of a prize valued at 100 \$ or more;
 - the prize won by the participant and the date on which the prize was delivered;
 - the name and address of any winner who has not claimed his prize, the prize won by him, the reason his prize has not been delivered to him and the measures taken in an attempt to deliver the prize to him, whatever the value of the prize;
 - the prizes that have not been awarded or delivered, their description and the reason why each prize has not been awarded or delivered.
- A person, for whom a publicity contest is carried on shall keep, for 120 days following the date on which a winner is named, all entry forms, documents and other vouchers enabling the board to verify whether the contest has been properly carried on. The board may, however, change that period:
 - where the vouchers have already been verified;
 - where the file includes documents proving that the contest has been properly carried on;
 - where the file contains documents demonstrating the necessity of conducting an inquiry and it was not possible to conduct the inquiry within the timeframe set out in the first paragraph.
- Omitted.
- Omitted.

RACJ-003-ang (09/12)

Excerpts from the Act Respecting Lotteries, publicity contests and Amusement Machines

(L.R.Q., c. L-6)

CHAPTER I - DEFINITIONS

1. In this Act, and in the regulations and rules hereunder, unless the context indicates otherwise:
- (b) «publicity contest» means a contest, a lottery scheme, a game, a plan or an operation which results in the awarding of a prize, carried on for the object of promoting the commercial interests of the person for whom it is carried on;
 - (f) «person» means an individual, a corporation, a partnership, an association, a testamentary heir or executor, a sequestrator, a trustee in bankruptcy, a liquidator, a trustee or an administrator;
 - (h) «prescribed», in the case of a form or of information to be provided on a form, means prescribed by the Régie and, in other cases, prescribed by regulation of the Government;
 - (i) «Régie» means the Régie des alcools, des courses et des jeux, established under the Act respecting the Régie des alcools, des courses et des jeux (chapter R-6.1.);
 - (j) «rule» means a rule adopted by the Régie by virtue of this Act;

CHAPTER II

REGULATORY POWERS OF THE RÉGIE

20. Except with respect to video lotteries and State casinos, the Régie may make rules respecting:
- (k) the advertising relating to activities governed by this Act;
- Subject to the same restriction, it may also make any other rule relating to the organization, management, conduct and operation of publicity contests and lottery schemes and to the operation of amusement machines.

CHAPTER IV

DUTIES ON PUBLICITY CONTESTS

58. A person for whom a publicity contest is carried on in which the total value of the prizes offered exceeds \$100 must pay to that Régie, at the same time as he sends the form provided for in section 59, the following duties:
- (a) 10% of the value of a prize offered to contestants from Québec, exclusively;
 - (b) 3% of the value of a prize offered to a group of contestants from Canada, exclusively, when that group includes contestants from Québec;
 - (c) 0.5% of the value of a prize offered to any other group of contestants including contestants from Québec.
59. The person contemplated in section 58 must, in addition,
- (a) not less than thirty days before the publicity contest is launched, in the case of a contest in which the total value of the prizes offered exceeds \$1 000, or five days in any other case, notify the Régie that it is being held by sending in the prescribed form duly completed;
 - (b) file any relevant information or document that the Régie may require; and
 - (c) comply with all the conditions relating to the publicity contest provided for by the rules.
60. The Régie may, in the cases provided for by the rules, require from a person for whom a publicity contest is carried on, security in the amount fixed by the Régie, taking into account the value of the prizes offered to Québec contestants in this contest.
61. For the purposes of section 58, the value of a prize is that which is advertised in the advertising of the contest; if it is not, it is equal to the total amount that would be charged to a person wishing to obtain, on the Québec market, goods or services identical or similar to that prize.
62. For the purposes of section 58, a prize is offered to contestants from Québec exclusively when, inter alia,
- (a) the rules or the advertising of a publicity contest clearly indicate that that prize is offered only to a contestant from Québec, that the contest is carried on only in Québec or that it is only for persons residing in Québec;
 - (b) the participation form for a publicity contest may be obtained only in Québec; or
 - (c) the main part of the commercial interests of the person for whom a publicity contest is carried on are in Québec, even if the advertising of that contest is broadcasted outside Québec.
63. This chapter does not apply to a publicity contest carried on to promote the commercial interests of a regional periodical from outside Québec or a radio station or television station from outside Québec, even if that periodical is distributed in Québec or that station broadcasts into Québec.

CHAPTER V

ENFORCEMENT

67. The Régie may require that a person holding a licence or for whom a publicity contest is carried on file with it, in the form and at the time determined by the Régie, a report of his activities, together with all the information required.

68. A member of the personnel of the Régie authorized by the president and, at the request of the Régie, any member of a police force authorized for such purposes by the Minister or any member of the Sûreté, du Québec may, for an audit or examination, enter at any reasonable time any place in which registers and books must be kept under this Act, the regulations or the rules or any place where activities for which a licence is prescribed or registration is required under this Act, the regulations or the rules are carried on.

A person acting pursuant to the first paragraph may audit or examine the registers, books, accounts, vouchers, letters, telegrams or other documents, and the property, apparatus, equipment, processes or material the audit or examination of which may, in his opinion, help him in determining if this Act, the regulations and the rules are being complied with;

- (b) compel a person found on the premises to give him reasonable assistance in his audit or examination and, for that purpose, to accompany him on the premises;
- (c) if, during an audit or examination, he believes, on reasonable grounds, that an offence against this Act, the regulations or the rules has been or is about to be committed, seize and remove anything mentioned in paragraph (a) that may be used as evidence of the commission of that offence and, where required, immediately put an end, on the conditions he fixes, to the activity with which that offence is connected.

69. Where the Régie, under this Act, terminates a lottery scheme or a publicity contest, it may
- (a) seize the amounts of money collected from the public, the prizes to be awarded and the other property relating to the conduct of that lottery scheme or publicity contest;
 - (b) require the payment of the security required under this Act or confiscate the amount deposited as security;
 - (c) proceed with a drawing of lots to determine as many winners as that scheme or contest provided for;
 - (d) award the prizes seized to the winners; and,
 - (e) out of the amounts of money seized and the amount of security paid or confiscated, after deducting the expenses incurred by the Régie to carry out the preceding measures,
 - (i) award to each winner who was not able to receive a prize mentioned in paragraph (d) a prize in money equivalent in value to the prize that should have been awarded to him under that scheme or contest or, if the funds are insufficient, proportionate to the value of that prize; and
 - (ii) if, in the case of a lottery scheme, any funds remain, pay the expenses incurred to organize and conduct it, up to the percentage of the amounts collected from the public permitted by the rules, and, if there is any remainder, remit it to the individual or agency to whom the licence for that scheme was issued or, at the discretion of the Régie, to a charitable or religious body; or
 - (iii) in the case of a publicity contest, if any funds remain, remit them to the person for whom the contest was carried on, or his representative.

70. The Régie may, by a demand that it transmits by registered or certified mail or by personal service, require from the holder of a licence or from a person for whom a publicity contest is carried on, within such reasonable time as it may fix, the filing by registered or certified mail of information, books, letters, accounts, invoices, financial statements or other documents.

The person to whom that demand is made must, within the fixed time, comply with the demand whether or not he has already filed information or documents of such a kind.

71. The Régie or any person authorized by the Régie or the Minister may inquire into any matter within the scope of this Act, the rules or regulations thereunder or the by-laws relating to the lottery schemes of State casinos or video lotteries adopted under section 13 of the Act respecting the Société des loteries du Québec (chapter S-13.1).

72. A member of the staff of the Régie or a person designated by the Régie, and a peace officer if such member or the staff or person calls to his assistance may make a search in accordance with the Code of Penal Procedure (chapter C-25.1).

CHAPTER VII

PENAL PROVISIONS

121. Any person who, in the matter of lotteries, publicity contests, amusement machines or video lottery machines, infringes a provision of this Act, of the regulations or of the rules or refuses to comply with an order given under this Act, the regulations or the rules is guilty of an offence and liable to a fine of not less than \$50 nor more than \$7 000 in the case of a natural person, and not less than \$75 nor more than \$70 000 in the case of a legal person.
- However, in the case of an offence under section 52.1, 52.2 or 52.3, the fine shall not be less than \$300 and not more than \$30 000; in the case of a second offence, the fine shall not be less than \$1 500 and not more than \$75 000; and for any subsequent offence, the fine shall not be less than \$5 000 and not more than \$100 000.
123. Any person who prescribes or authorizes the commission of an offence, consents thereto or acquiesces in its commission, is a party to the offence and is liable to the same penalty as that prescribed for the person who committed the offence, whether or not the latter has been prosecuted or found guilty.

Sample Internet Advertising Agreement Terms and Conditions

A. E-mail Marketing. Where [Media Company], either directly or through affiliates, shall be disseminating [Company] creative materials of any kind to e-mail recipients under any agreement or insertion order, [Media Company] warrants that it and each of its affiliates are compliant with all state and federal legislation governing the dissemination of commercial messages via e-mail. All e-mail messages sent on behalf of [Company] shall contain identification of [Media Company] or its affiliate as the Sender, a valid subject line, and conspicuous notice that [Media Company] or affiliate is disseminating the message on behalf of [Company]. [Company's] name, physical address and unsubscribe HTML link shall be conspicuously placed on all e-mails and tested prior to sending. *(In the alternative, the Media Company can agree to provide your company with a list of all recipients who opted out of receiving your company-specific e-mail using its own opt out function.)*

Where the primary purpose of the e-mail is the promotion of [Company] products or services, [Company] shall provide [Media Company] with a current suppression list containing the e-mail addresses of recipients from whom [Company] has received notice not to send further [Company] commercial e-mail. [Media Company] agrees neither it nor its affiliates will send e-mail containing [Company] creative to any of the recipients named on [Company's] suppression list. [Media Company] agrees it, and its affiliates, will use [Company's] suppression list solely for the purpose of providing services subject to the agreement or insertion order; will not use, share, sell or otherwise appropriate or disseminate the suppression list data other than to an affiliate, whom [Media Company] shall bind by terms consistent with this addendum; and will immediately destroy any copies of the suppression list in its possession after fulfilling the terms of the agreement or insertion order. [Company] updates its suppression list on a continuous basis. [Media Company] agrees, and will require its affiliates, not to utilize a copy of [Company's] suppression list to comply with any agreement or insertion order after the close of business on the Friday of the week during which [Media Company] received the list. An updated suppression list will be made available by [Company] whenever necessary.

B. Spyware. [Company] creative of any kind shall never be displayed using any software or networks, direct or affiliate, that employ spyware. Spyware shall be defined as computer code of any kind, including Adware but not including cookies, which has been downloaded to an end user's computer without adequate prior notice to, and consent of, the end user; which does not provide a simple and effective mechanism for removal at any time; and the purpose of which may include, but shall not be limited to, tracking the end user's browsing activity, obtaining personally identifiable information, interfering with or controlling the end user's computer, logging keystrokes or performing any other fraudulent, illegal or inappropriate activity.

C. Search. Where [Media Company] or its affiliates shall buy paid search advertising, the following keywords: _____ may not be purchased without advance prior written consent. [Media Company] and affiliates shall not purchase competitor trademarks on behalf of [Company]. All search listing creative, including paid sponsorship, paid inclusion or organic search (headlines, text reads, title tags, meta tags), must be provided to [Company] for approval prior to publishing, and must adhere to the following additional criteria: _____. [Media Company] and any affiliates shall not engage in click fraud. Any lead generation advertising that contains references to [Company], in whatever form including search keywords and text, must always link to a landing page or web-based form that clearly and conspicuously contains relevant references (either messaging or additional functional links) to [Company].

D. Domain name purchases. Where [Media Company] or its affiliates propose to purchase a domain name, or use a third level domain, to fulfill its obligations under any insertion order or Agreement, and the domain name contains the actual name or an identifiable reference to [Company], [Media Company] must provide advance written notice. [Company] shall in its sole discretion approve or deny [Media Company]'s use/registration thereof. As an alternative, [Company] may elect to purchase the domain name and allow its use by [Media Company]. Upon termination of the Agreement or insertion order requiring the domain name purchase, [Media Company] shall immediately cease using for any purpose, and not renew, any domain name purchased, and take down and no longer link to any web pages located at any URL using any domain name. This term shall apply to domain names that include misspellings or close variations on any [Company] brands.

E. Cost Per Lead (CPL) Campaigns. Where [Media Company] is providing [Company] with customer data, [Company] shall only pay for qualified leads. A qualified lead is defined as a US-based lead with the following legitimate data: first and last name, e-mail address, physical address, day and evening phone, and _____. To be qualified, a lead must also be delivered to [Company] within three (3) business days of its origination. Unless otherwise agreed, lead information generated using [Company] creative and/or purchased by [Company] shall not be sold or otherwise distributed to, or used for the benefit of, any other third party. The agreement or insertion order shall set forth the reporting terms and conditions. The parties agree to resolve in good faith discrepancies between [Media Company] and [Company] qualified lead counts.

F. Editorial Adjacencies Guidelines: [Company] creative will not be placed on or in conjunction with any website, or included in any form of e-mail distribution, that contain on their face or link to sites that contain or promote sexually explicit or obscene materials; promote violence, hate or discrimination of any type based on race, sex, religion, nationality, disability, sexual orientation, and/or age; constitute or promote illegal activities; and/or are deemed to be offensive in nature, degrading, libelous, profane, or in bad taste.

G. Approval of Media Company Creative. Any graphical or text creative units (banners, pop-ups, e-mails, text reads, forms, landing pages, etc.) created by [Media Company] must be approved in writing by [Company] prior to going live. Solo emails must be sent in advance to [Company] in a test format for approval. Any [Company] creative in use must be re-submitted to [Company] at least every 90 days for approval to ensure brand continuity.



DMA's Internet Marketing Advisory Board (IMAB) Best Practices for Online Advertising Networks and Affiliate Marketing

Online marketers using advertising and affiliate networks should:

1. Obtain assurances that the online advertising and affiliate network is in full compliance with state law, federal law, and the DMA Guidelines for Ethical Business Practice.
2. Perform due diligence on prospective network advertising partners and make sure you are working with reputable firms. Additionally (if possible), obtain a sample list of current advertising clients. Due diligence should also include either 1) asking for a full disclosure of eligible sites, or 2) a review of processes to limit access to unwanted sites or channels. When partnering with an aggregate site online advertising and affiliate networks should provide the marketer with a sampling of sites that are in their network. Due diligence should encompass the entire process from the marketer to the end consumer.
3. Always utilize a written contract/agreement. This will provide you the greatest possible control over your ad placement. This will also be the mechanism by which you devise and enforce formulas and/or guidelines for where and how online ads will be placed.
4. Include specific parameters that must be employed to determine placement of your online ads in written agreements. Altering of offer by an advertising or affiliate network is prohibited. If laws, guidelines or set standards are violated your contract with the violating advertising or affiliate network should be terminated.
5. Develop a system to routinely monitor your ad placements as well as your contract with any online advertising or affiliate network.

June 2006

JOINT PROMOTION AGREEMENT

SAMPLE ABBREVIATED RULES

Abbreviated Rules for Online Banner Advertisements

NO PURCHASE NECESSARY. Dates: _____, To enter, and for Official Rules, Click Here. (must click through to a live link).

Abbreviated Rules for General Online Advertisements

NO PURCHASE NECESSARY. Legal residents of the 50 United States 18 years or older. Dates: _____. To enter and for Official Rules, including odds, and prize descriptions visit http://www._____.com. Void where prohibited.

Abbreviated Rules for TV and Radio

NO PURCHASE NECESSARY. LEGAL RESIDENTS OF THE 50 UNITED STATES 18 AND OLDER. VOID WHERE PROHIBITED. Sweepstakes Dates: _____. See store or [www._____](http://www._____.com) for official rules and complete details. Sponsor: _____(name).

Abbreviated Rules for Print

NO PURCHASE NECESSARY. [A PURCHASE WILL NOT INCREASE YOUR CHANCES OF WINNING. – *Include this sentence when the print advertisement is a direct mail piece*] LEGAL RESIDENTS OF THE 50 UNITED STATES 18 YEARS AND OLDER. VOID WHERE PROHIBITED. Sweepstakes Dates: _____. See store or [www._____](http://www._____.com) for official rules, prize descriptions and odds disclosure. Sponsor: _____(name/address).

Special Note: Direct mail advertisements regarding Sweepstakes and Contest require a special "consumer disclosure". See: The Colorado Consumer Protection Act (Colo. Rev. Stat. 6-1-801 – 6-1-804)

This agreement ("Agreement") between _____ ("_____") and the sponsor listed below ("Sponsor") with respect to the sweepstakes/contest described in **Exhibit A** ("Promotion").

1. Promotion. Sponsor will be responsible for all aspects of administering the Promotion, including, without limitation, (a) creating, delivering, printing on packaging and in advertising materials the Promotion entry form and the official rules, and hosting, if applicable, such entry form and official rules online on the Sponsor web site ("Sponsor Site") in compliance with Sponsor's privacy policy; (b) selecting and notifying the winners; (c) ensuring that the structure of the Promotion and the official rules therefor and related advertising comply with applicable laws; (d) securing releases from entrants and winners, as applicable; (e) maintaining records of entries as required by applicable law; (f) registering and bonding the Promotion, where applicable; and (g) fulfillment of the prize(s) as established in **Exhibit A**, attached hereto and incorporated herein. The Promotion will be conducted as described in this Paragraph 1 and in **Exhibit A** and will be governed by such rules.

2. Entrant Information. If applicable, Sponsor agrees to provide _____ with all consumer information received on the Sponsor Site or from any entry form from any Promotion entrant who has "opted in" to receive other promotions or offers from _____.

3. Representations and Warranties. Each party represents and warrants that (a) this Agreement is its valid and binding obligation enforceable in accordance with its terms; (b) it has the unencumbered right to enter into this Agreement and fulfill its obligations hereunder; (c) it is not and will not become a party to any agreement in conflict with said obligations; (d) it will perform its obligations in material compliance with all applicable laws and regulations; and (e) the materials produced or furnished by it or on its behalf will not infringe any third party rights.

4. Indemnification. Sponsor will defend, indemnify and hold _____ (and its officers, directors, employees and agents, parents and affiliates)(collectively, the "Indemnified party") harmless from and against any and all third party claims, demands, suits, actions or causes of action, liabilities, losses, damages, costs and expenses (including, without limitation, reasonable attorneys fees and court costs), arising out of or in connection with the act, omission or

negligence of Sponsor, its officers, directors, employees, agents or representatives, with respect to the Promotion, breach of this Agreement or any and all claims and action arising out of the requirements of labor, employment insurance, social security and income tax laws applicable to Sponsor and any claims related to death, injury, loss or damage to Sponsor's employees, agents or Promotion participants.

5. Insurance. During the term of this Agreement, Sponsor agrees at its own expense to procure and maintain with an insurance company acceptable _____ the policies of insurance listed in **Exhibit B** of this Agreement.

6. Notices. All notices required hereunder shall be in writing and sent by registered or certified mail or by overnight courier, postage prepaid, to the addresses below or to such other address as either party shall provide by notice given in accordance herewith.

7. Term/Survival/Misc. This Agreement: (a) is effective as of the date executed by Sponsor below and will continue in full force until the parties' obligations hereunder have been fully satisfied; provided, that the representations and warranties and insurance and indemnification obligations will survive termination or expiration hereof; (b) may not be amended except by a writing duly signed by both parties; (c) represents the full understanding of the parties and supersedes any prior or contemporaneous agreement(s) between the parties relating to the subject matter hereof; (d) may not be assigned without the consent of the non-assigning party; (e) shall be binding upon the heirs, executors, administrators, successors and assigns of the parties and (f) is governed by the laws of the State of _____, without regards to its conflict of laws statutes. No consent or waiver hereunder shall be effective unless it is explicit, in writing and executed by the waiving party. Furthermore, no consent or waiver shall extend to or affect any obligations hereunder not expressly waived, or impair any right consequent thereto. The relationship of the parties is that of independent contractors. In the event of a conflict between this Agreement and any exhibit or schedule hereto, this Agreement will control.

By: _____
Its: _____
Date: _____

Address:

Attention:

SPONSOR

By: _____
Its: _____
Date: _____

Address:

Attention:

EXHIBIT A

OFFICIAL RULES

EXHIBIT B

INSURANCE REQUIREMENTS

Sponsor shall, at its expense, obtain and maintain the following insurance policies with insurance companies acceptable to _____ with a Best rating of "A-1X" or better, for such length of time as is necessary to cover any and all claims arising in connection with the Agreement.