

## Best Practices Document Chase the Ace

### Lottery Description:

The original Chase the Ace (CTA) style lottery scheme is an **event-based scheme** whereby there is an opportunity to win a percentage as a prize, by way of a paper **roll ticket draw**, as well as an opportunity to win a chance to select a card in search of a specific jackpot card named in the rules of play. This may include, Chase the Ace, Klub the King, Crown the Queen, etc. Licences are typically issued for 52 weeks in duration and there is a maximum of 52 draws. A maximum of 52 cards are permitted for use on any one licence. A licensee is to notify the Gaming, Liquor and Security Licensing Branch as soon as reasonably possible once a Chase the Ace style jackpot has been awarded as this will cause the expiration of the lottery licence. If your organization plans on applying for a new licence to start a new lottery, please keep the processing times of the licensing authority in mind.

In a typical Chase the Ace style lottery, serialized paper roll tickets are sold over a two to three hour period with a manual ticket draw held at the end of the specified time period later that day. This usually involves the selling of tickets and the holder of the physical ticket is required to be in attendance to claim their prize by way of presenting their ticket. The use of paper stub tickets, which capture name, address and contact information, may be used instead of a roll ticket and is highly encouraged for all Chase the Ace style lotteries. Paper stub tickets permit the licensee to sell tickets over a number of days through the week if approved. **(\*Gaming, Liquor and Security Licensing Branch (GLSL) will consider approving ticket sales throughout a period of time not exceeding one week providing that paper stub tickets are used.)** Stub tickets also allow the ability of the ticket purchaser to designate in writing on the ticket an alternate in the event that they cannot be in attendance at the draw. As an alternative, the organization (licensee) may indicate if attendance is mandatory or not in the Rules of Play.

Tickets for Chase the Ace may only be sold in the province of New Brunswick. If you cannot verify that the ticket purchaser (player of the lottery) is physically in the province at the time of ticket purchase, then they cannot be sold a ticket.

The winning ticket receives a percentage of the ticket sales; usually 20% while 30% is reserved for a building jackpot and the remaining 50% is retained by the licensee. Additionally, the winning ticket holder is granted the opportunity to select a card and, if they select the ace of spades or another predetermined jackpot card, they further win the building jackpot.

If the jackpot card is not chosen, the card selected is removed from the deck, logged and destroyed and the remaining cards in the deck are then resealed and secured by the organization until the next draw night. The sold tickets left after the draw occurs should also be sealed and secured separate and apart from tickets available to be sold for the next draw. This is done in case any irregularities in the draw are noted and an investigation from a charitable gaming Inspector is required. The tickets can be disposed of the day before the next draw.

**Roll Tickets** – Roll tickets are readily available paper serialized tickets requiring no solicitation for contact data from the ticket purchaser; these are **event-based** meaning tickets need to be sold and drawn the same day and the ticket purchaser must be present for this draw to win the prize. This involves rolls of perforated tickets, to be torn into strips, with two identical number sets; one physically given to the purchaser and the other retained by the licensee for draw purposes. Because roll tickets are readily available, these tickets have limited security, a high likelihood of duplication and decrease the chances of determining a winner.

**Stub Tickets** - Stub tickets are uniquely customized paper serialized tickets, prepared in advance, which solicit complete contact data from the ticket purchaser. **Stub tickets are the sole approved option for those draws that are not event-based, meaning tickets are sold over multiple days and the ticket purchaser may not be required to be present at the draw to win the prize.** The organization must submit a copy of the ticket to GLSL for approval with their completed licence application. This ticket type has a portion that is retained by the licensee for the purposes of the draw while a corresponding ticket portion is retained by the ticket purchaser. Because

stub tickets are unique, these tickets have maximum security, limited to no ability for duplication and maximize the chances of determining a winner. ***In an attempt to maximize the integrity of all lottery schemes, the GLSL Branch strongly encourages the use of paper stub tickets for all lottery schemes.***

**Applicant:**

Applicants for a Chase the Ace style charitable lottery licence must apply using the Application for Lottery Registration. Applicants must also meet the criteria to qualify for a charitable lottery licence. The licensee must complete the template provided for the Rules of Play and submit it with their application. A mandatory Rules of Play template will be provided to you by the GLSL Branch to aid your organization in the development of the Rules of Play which will guide the events. The Rules of Play must be posted at all ticket selling locations.

**Exit Plan:**

To ensure the integrity of the lottery scheme, adequate controls will help your organization achieve lottery success and maintain credibility throughout the life cycle of your lottery. That said, lottery schemes, particularly large-scale lottery schemes, often reach a point of saturation. As such, you should consider drafting an exit plan which highlights the details of your plan should this situation arise. Part of this plan can include an option to force draw the target card and award the jackpot prize resulting in the termination of the lottery scheme and licence. All aspects of your exit plan should, if drafted, be submitted to the GLSL. This option, once approved by GLSL, can be exercised at any time the licensee determines it's no longer feasible to continue with the draw.

**Operational Plan - for Jackpots \$150,000 or More:**

- 1) The GLSL requires licensees to contact the GLSL when the jackpot is anticipated to exceed the \$150,000 mark. All Chase the Ace style lotteries with Jackpots \$150,000 must be reported to the GLSL and a Record of Decision issued from GLSL to your organization approving the maximum prize limit to exceed \$150,000.
- 2) Your organization must create and submit a **Lottery Operational Plan** inclusive of the following items:
  - a. **Site Security Plan** – Buildings with large crowds often present public safety risks and concerns. Having a security plan with security personnel will assist you in mitigating these risks and adhering to respective fire regulations, codes, occupancy loads and perhaps even the need for medical services and boosts to the cellular service in the area.
  - b. **Traffic and Parking Management** – With an increased volume of traffic travelling to your venue(s), please consider how you are going to ensure that public safety is maximized for those travelling to your lottery and how you are minimizing incidences once they arrive at the draw venue.
  - c. **Policing/Security Services** – Given the nature of CTA lotteries, as they grow, there are inherent increased risks. Having a police or security presence largely reduces many of these safety risks.
  - d. **Request for Additional Selling Locations** – As CTA lotteries grow, there is often a requirement for additional capacity. Given venues are often pre-booked well in advance, or only seasonal in nature please advise how your organization is addressing overall capacity and acquiring additional selling locations. If you choose to avoid this scenario and sell tickets during the week, you **must** use serialized paper stub tickets that collect the players name and contact information.
  - e. **Ticket and Draw Details** – Now that your CTA lottery has grown, there exists a need to procure stub tickets for the increased security. Keen attention needs to be paid to matters such as serialization to ensure no duplication, increase capacity of the draw drum, transporting of tickets from additional selling locations, increased time to determine a ticket winner and time

for transporting of the winner to the draw venue, etc.

- f. **Cash Management** – CTA lotteries generate large amounts of cash and, as such, may need to consider such solutions such as armed car service, determine temporary holdings and storage locations for cash, etc.
- g. **Communication Strategy** – Communication is a key success factor in any lottery scheme. With multiple selling locations, communications between venues with the main draw location is essential. Please ensure maximum communication between venues, with ticket purchasers and, in remote areas, any cell phone coverage issues. The key is to test your strategy.
- h. **Rules of Play** – Please liaise with your Licensing Officer any time you have questions or a change is required to accommodate capacity and the safety of the public. All requested changes need to be submitted to GLSL Branch for review.