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ITEMS TO NOTE
WHEN COMPLETING THE INSTANT BINGO
FUNDRAISING CONTRACT FOR THE 2014 BINGO APPLICATION

Required to be kept on-hand – for the bingo year 2014 forward, renewal applicants are *not required* to submit the contract with the application; **however, you are required to have a contract in place and it is required to be kept on-hand.** Initial applicants are required to submit the contract as part of the application.

Effective Date listed in paragraph 1 on page 1 - the beginning and ending dates must account for **all** of the days you are licensed to conduct bingo. For renewal applicants, this means the beginning date should be on or before January 1, 2014. For initial applicants, the initial date should be the first day you're eligible to conduct bingo. Please know that this contract can span multiple years if you intend to contract with the same organization in future years.

Identification of Charitable Distributions (Section C, (24)(a)(i)) **AND** (Section C, (24)(b)(ii)) – both sections need to be completed. Even if your organization does not foresee exceeding the $250,000 in Net Profit the 50% distribution area **needs** to be completed.

Section H – Notices – this section must be completed in its entirety

Statement of Truth (page 10) – **ALL** individuals listed on Attachment C must complete this page of the contract.

Initial Applicants – Please note that failure to file a contract which is NOT complete and accurate will result in an updated contract being required AND a delay in licensing your organization.

INSTANT BINGO FUNDRAISING CONTRACT WITH VETERAN'S, FRATERNAL, OR SPORTING ORGANIZATIONS

This Instant Bingo Fundraising Contract is entered into between _____ (Veteran's/Fraternal/Sporting Organization, hereinafter referred to as "Fundraiser") and _____ (hereinafter referred to as "Charity") and is effective the _____ day of _____, 2_____ through the _____ day of _____, 2_____ unless terminated by either party in accordance with Section E.

Fundraiser desires to conduct instant bingo at

_____
(Name Location is known by, if any)

_____
(Street Address of Location) (County)

_____
(City, State and Zip Code of Location)

(hereinafter referred to as "Location") which is owned or leased by Fundraiser which serves as Fundraiser's post or auxiliary unit of a national veteran's association or as Fundraiser's branch, lodge or chapter of a national or state fraternal organization, or as Fundraiser's own premises if Fundraiser is a sporting organization.

The purpose of this Contract is to allow Fundraiser to raise money for Charity, so that Charity may use said funds for the charitable purposes of Charity in accordance with Chapter 2915 of the Ohio Revised Code.

A. Representations and Warranties.

(1) Charity represents and warrants that it is a public charity described in subsection 509(a)(1), 509(a)(2), or 509(a)(3) of the Internal Revenue Code (not a private foundation) and is either a governmental unit or an organization that maintains its principal place of business in Ohio, that is exempt from federal income taxation under subsection 501(a) and described in subsection 501(c)(3) of the Internal Revenue Code. Charity further represents and warrants that it is in good standing in accordance with any rules promulgated by the Office of the Attorney General pursuant to Section 2915.08(J) of the Ohio Revised Code.

(2) Fundraiser desires to raise money for Charity through the conduct of instant bingo at the Location. Fundraiser warrants and represents that neither it nor any of its officers, agents or employees who will assist in conducting instant bingo have been convicted of any gambling offense or felony in any jurisdiction. Fundraiser further represents and warrants that no distributors that have been licensed pursuant to

Section 2915.081 of the Ohio Revised Code have any direct or indirect ownership interest in the premises that constitute the Location.

(3) Fundraiser is a veteran's, fraternal, or sporting organization as defined in Sections 2915.01(J), (L), or (YY) of the Ohio Revised Code (hereinafter referred to as a "veteran's, fraternal, or sporting organization") that intends to conduct instant bingo pursuant to Sections 2915.101 and 2915.13 of the Ohio Revised Code. Fundraiser warrants and represents that it is eligible to conduct instant bingo and meets the definitions set forth in Section 2915.01(J), Section 2915.01(L), or Section 2915.01(YY) of the Ohio Revised Code.

B. <u>Obligations of Charity</u>.

(1) Charity will comply with the requirements of Chapter 2915 of the Ohio Revised Code, and any rules adopted by the Office of the Attorney General pursuant to said Chapter.

(2) Charity will comply with the requirements of Chapter 1716 of the Ohio Revised Code (relating to registration and requirements for charitable solicitations), and any rules adopted by the Office of the Attorney General pursuant to said Chapter.

(3) Charity will comply with the requirements of Section 109.23 *et seq*. of the Ohio Revised Code (relating to registration and requirements for charitable trusts), and any rules adopted by the Office of the Attorney General pursuant to said Sections.

(4) Charity will cooperate with Fundraiser in providing any information necessary for Fundraiser to obtain a license to conduct instant bingo at the Location from the Office of the Attorney General. Charity understands that submitting any false information relating to the issuance of a license to conduct instant bingo to the Office of the Attorney General is a criminal offense.

(5) Charity will not allow any person whom it knows or should know has been convicted of a felony or gambling offense in any jurisdiction to be a bingo game operator in the conduct of instant bingo.

(6) Charity will not pay, or allow any auxiliary unit or society of Charity to pay, any compensation to a bingo game operator for conducting instant bingo, or for preparing, selling, or serving food or beverages at the site of an instant bingo game.

(7) Charity will not pay fees to any person for any services performed in relation to the conduct of an instant bingo game.

(8) Charity will not pay fees to any person who provides refreshments to the participants in an instant bingo game.

(9) Charity will not allow instant bingo tickets or cards to be sold to bingo game operators who are performing work or labor at any premises, including the Location, where instant bingo is being conducted. In the event that Fundraiser holds a

D permit as described in division (B) of Section 4301.03 of the Ohio Revised Code for the Location, Charity will not allow instant bingo tickets or cards to be sold to any employees of Fundraiser who are working at a premises at which instant bingo tickets or cards are sold.

(10) Charity will assist Fundraiser in maintaining the records required under Section 2915.10 of the Ohio Revised Code for at least three years from the date on which the instant bingo game is conducted. If any records are accumulated at Charity's place(s) of business other than those related to the recipients of the net profit of instant bingo, Charity will compile the required records and promptly transmit those records to Fundraiser.

C. <u>Obligations of Fundraiser</u>.

(1) Fundraiser will comply with the requirements of Chapter 2915 of the Ohio Revised Code, and any rules adopted by the Office of the Attorney General pursuant to said Chapter.

(2) Fundraiser will comply with the requirements of Chapter 1716 of the Ohio Revised Code (relating to registration and requirements for charitable solicitations), and any rules adopted by the Office of the Attorney General pursuant to said Chapter.

(3) Fundraiser will obtain a license to conduct instant bingo at the Location from the Office of the Attorney General. Fundraiser understands that submitting any false information to the Office of the Attorney General relating to the issuance of a charitable bingo license is a criminal offense.

(4) Fundraiser will display its bingo license, and the serial number of each deal of instant bingo tickets or cards to be sold, conspicuously at the Location.

(5) Fundraiser will not conduct instant bingo on any day, at any time, or at any premises not specified on its license issued for the Location pursuant to Section 2915.08 of the Ohio Revised Code.

(6) Fundraiser will not conduct instant bingo during the hours of any Traditional Bingo games that may be licensed at the same location, unless Fundraiser has obtained a valid Type II Bingo License for such Traditional Bingo sessions. Any revenues generated from instant bingo conducted at a Traditional Bingo session are subject to the provisions of Section 2915.101 of the Revised Code, but will not be subject to the terms of this Contract.

(7) Fundraiser will limit the sale of instant bingo to twelve (12) hours per day for up to seven days per week, and will limit the sale of instant bingo to its own premises and to its own members and invited guests. No portion of the compensation paid to employees who sell instant bingo tickets or cards, or who prepare, sell, or serve food or beverages at the site of the instant bingo game will be paid out of any receipts of bingo.

(8) Fundraiser will purchase all instant bingo supplies only from distributors that have been duly licensed by the Office of the Attorney General in accordance with Section 2915.081 of the Ohio Revised Code, or that have met the requirements of 124 H.B. 512, Section 4, as amended by 125 H.B. 95.

(9) Fundraiser will not permit any distributor from which it purchases instant bingo supplies to donate, give, loan, lease, or otherwise provide any bingo supplies or equipment to Fundraiser conditioned on or in consideration for an exclusive right to provide bingo supplies to Fundraiser.

(10) Fundraiser will not pay any kickback, bribe, or undocumented rebate, directly or indirectly, overtly or covertly, in cash or in kind, to any distributor or manufacturer of bingo supplies, in return for receiving bingo supplies.

(11) Fundraiser will not sell or provide any instant bingo ticket or card for a price different from the price printed on it by the manufacturer on either the instant bingo ticket or card or on the game flare.

(12) Fundraiser will not sell any instant bingo tickets to a person under eighteen years of age.

(13) Fundraiser will not allow any person under the age of eighteen to work as a bingo game operator, including preparing, selling, or serving food and beverages at the Location during licensed hours.

(14) Fundraiser will not allow any person whom it knows or should know has been convicted of a felony or gambling offense in any jurisdiction to be a bingo game operator in the conduct of instant bingo.

(15) Fundraiser will not allow instant bingo tickets or cards to be sold to bingo game operators who are performing work or labor at the Location. In the event that Fundraiser holds a D permit as described in division (B) of Section 4301.03 of the Ohio Revised Code for the Location, Fundraiser will not allow instant bingo tickets or cards to be sold to any employees of Fundraiser who are working at a premises at which instant bingo tickets or cards are sold.

(16) Fundraiser will not pay fees to any person for any services performed in relation to the conduct of an instant bingo game, except that Fundraiser may pay fees for services specifically authorized by Sections 2915.09(A)(1), (A)(2), (A)(3) and 2915.101 of the Ohio Revised Code.

(17) Fundraiser agrees that all agents, board members, officers or employees who perform work or labor at the Location will be advised of the terms of this Contract. Obtaining the signatures of such persons on copies of this Contract together with the written date on which said signature is affixed, and transmitting a true and authentic copy of such signed, dated copies to Charity prior to the commencement of any such work or labor by said agents, board members, officers or employees will satisfy the requirements of this paragraph.

(18) Fundraiser will, once it opens a deal of instant bingo tickets or cards, continue to sell the tickets or cards in that deal until the tickets or cards with the top two highest tiers of prizes in that deal are sold. Fundraiser will not sell or provide any instant bingo ticket or card for a price different from the price printed on it by the manufacturer. Fundraiser will keep all unsold instant bingo tickets for at least three years.

(19) Fundraiser will not purchase, lease or use any slot machine.

(20) Fundraiser will maintain the records required under section 2915.10 of the Ohio Revised Code for at least three years from the date on which the bingo is conducted, as follows:

(a) An itemized list of the gross receipts of each game of instant bingo by serial number;

(b) An itemized list of all expenses, other than prizes, that are incurred in conducting instant bingo, the name of each person to whom the expenses are paid, and a receipt for all of the expenses;

(c) A list of the total prizes awarded during each instant bingo game by serial number, and the name, address and social security number of all persons who are winners of prizes of six hundred dollars or more in value;

(d) An itemized list of the recipients of the net profit of instant bingo, including the name and address of each recipient to whom the money is distributed, and if Fundraiser uses the net profit of instant bingo for any charitable or other purpose set forth in division (V) of Section 2915.01, division (D) of Section 2915.02, or Section 2915.101 of the Ohio Revised Code, a list of each purpose and an itemized list of each expenditure for each purpose; and

(e) An itemized list of all expenses incurred at each game of instant bingo conducted by Fundraiser at the Location in the sale of food and beverages by Fundraiser or by an auxiliary unit or society of Fundraiser, the name of each person to whom the expenses are paid, and a receipt for all of the expenses.

Fundraiser will maintain the records identified in this Paragraph (C)(20) at its principal place of business in Ohio or at its headquarters in Ohio and will notify the Office of the Attorney General of the location at which those records are kept.

(21) Fundraiser will deposit the gross profit from each instant bingo game conducted at the Location into a checking account (hereinafter the “Game Account”) devoted exclusively to Fundraiser’s bingo as defined in Section 2915.01(O)(2) of the Ohio Revised Code. Fundraiser will make all payments, or transfers to Fundraiser’s general account pursuant to Ohio Administrative Code Section 109:1-4-11, for allowable expenses incurred in conducting the instant bingo at the Location and payments to

charitable recipients only by checks drawn on or electronic funds transfers from the Game Account.

(22) Fundraiser will conduct and record an inventory of all of its bingo supplies as of the first day of November of each year that this Contract is in effect.

(23) Fundraiser will distribute the proceeds from instant bingo conducted pursuant to this Contract in accordance with the requirements of Section 2915.101(A) of the Ohio Revised Code.

(24) Fundraiser will distribute the proceeds from the conduct of instant bingo at the Location, after deduction only the amounts actually expended for the payment of prize awards and ordinary, necessary, and reasonable amounts expended for the purchase of instant bingo supplies, as follows:

(a) For the first two hundred fifty thousand dollars or less of net profit from the proceeds of the sale of instant bingo generated during the bingo reporting year:

(i) At least twenty-five per cent shall be distributed to Charity or to another organization defined in Section 2915.01(V)(1) of the Ohio Revised Code or a department or agency of the federal government, the state, or any political subdivision. In the event that the parties agree that Fundraiser may distribute proceeds to another organization defined in Section 2915.01(V)(1) of the Ohio Revised Code or to a department or agency of the federal government, the state, or any political subdivision, said distributions will be made to Charity and/or the following entities in accordance with the following percentages:

_____	_____
Charity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution

☐ (If checked, Additional Organizations/Government Entities and the Percentage Distribution to each are identified on a separate list attached hereto.)

Total Distributions by Percentage _____
(must total at least Twenty-five Percent).

(ii) No more than seventy-five per cent for its expenses in conducting the instant bingo at the Location.

(b) For any net profit from the proceeds of the sale of instant bingo of more than two hundred fifty thousand dollars generated in a bingo reporting year:

(i) No more than forty-five percent for its expenses in conducting the instant bingo at the Location.

(ii) A minimum of fifty percent to Charity or to another organization defined in Section 2915.01(V)(1) of the Ohio Revised Code or to a department or agency of the federal government, the state, or any political subdivision. In the event that the parties agree that Fundraiser may distribute proceeds to another organization defined in Section 2915.01(V)(1) of the Ohio Revised Code or to a department or agency of the federal government, the state, or any political subdivision, said distributions will be made to Charity and/or the following entities in accordance with the following percentages:

_____	_____
Charity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution
_____	_____
Name of Other Organization/Government Entity	Percentage Distribution

☐ (If checked, Additional Organizations/Government Entities and the Percentage Distribution to each are identified on a separate list attached hereto.)

Total Distributions by Percentage _____
(must total at least Fifty Percent).

(iii) No more than five percent for its own charitable purposes or to a community action agency. In the event Fundraiser does not distribute the full five percent for its own charitable purposes or to a community action agency, it shall distribute the balance of the five percent to an organization described in division (Z)(1) of section 2915.01 of the Revised Code.

D. <u>Acknowledgements of the Parties</u>.

(1) Charity acknowledges that, if it is a Charitable Instant Bingo Organization as defined in Section 2915.01(SS) of the Ohio Revised Code, it is under an obligation to promptly report to the Office of the Attorney General any conduct by Fundraiser or its agents, board members, officers or employees that violates Chapter 2915 of the Ohio Revised Code.

(2) Fundraiser acknowledges that, if Charity is a Charitable Instant Bingo Organization as defined in Section 2915.01(SS) of the Ohio Revised Code, Charity is under an obligation to promptly report to the Office of the Attorney General any conduct by Fundraiser or its agents, board members, officers or employees that violates Chapter 2915 of the Ohio Revised Code.

(3) Fundraiser understands and acknowledges that in performing the instant bingo activities contemplated by this Contract, it and its agents, board members, officers and employees who perform such activities will be acting as agents of Charity and will hold fiduciary responsibilities to Charity and its charitable beneficiaries and purposes.

E. <u>Termination</u>.

(1) Either party may voluntarily terminate this contract upon 30 days prior notice for any reason whatsoever. Either party may immediately terminate this contract if the other party has breached any provisions of this contract. The following events shall be deemed to be a breach of the obligations hereunder provided, however, said list shall not be deemed to be all inclusive:

(a) Any failure by the other party to timely perform its obligations hereunder;

(b) The other party shall cease doing business, file for protection under any state or federal bankruptcy or similar laws, make an assignment for the benefit of its creditors, or a receiver, trustee, liquidator or conservator has been appointed over that party.

(2) In the event of any early termination of this Contract, Fundraiser shall promptly notify the Attorney General that the Contract has been terminated.

F. <u>Miscellaneous</u>.

This document constitutes the entire agreement between the parties. Neither party may modify or amend the terms of this contract. Neither this Contract nor any rights, duties or obligations described herein shall be assigned by either party hereto. This Contract shall be construed under and in accordance with the laws of the State of Ohio.

G. <u>Duration</u>.

This contract is effective for the period indicated above, after execution by all signatories hereto, and shall continue in effect for the duration of the period indicated above unless terminated by either party.

H. <u>Notices</u>.

Any notice required to be given under this contract shall either be hand delivered or sent by United States certified mail, return receipt requested, postage prepaid, addressed to a party at its address below or such other address as said party shall designate in writing sent in accordance with this paragraph.

IN WITNESS WHEREOF, the parties have executed this Instant Bingo Fundraising Contract to become effective as of the day and year first written above.

_____	_____
Name of Charity	Name of Fundraiser
By:_____	By: _____
(Signature)	(Signature)
_____	_____
Typed Name of Signatory	Typed Name of Signatory
_____	_____
Title of Signatory	Title of Signatory
_____	_____
_____	_____
_____	_____
Address of Charity	Address of Fundraiser
_____	_____
Tax I.D. #	Tax I.D. #
Dated:_____, 2_____	Dated:_____, 2_____

STATEMENT OF TRUTH

The following Employee of Fundraiser acknowledges that he or she has entered into the Instant Bingo Fundraising Contract between _____ (Fundraiser) and _____ (Charity) on _____. The Employee acknowledges that he or she has read and reviewed the terms of the Contract, and that he or she understands those terms.

Specifically, the undersigned acknowledges that he or she understands and has read Sections 2915.07 through 2915.13 of the Ohio Revised Code. The Employee agrees to comply with all provisions of Chapter 2915 of the Ohio Revised Code and the Contract between Fundraiser and Charity.

The Employee acknowledges that a violation of Section 2915.09 of the Ohio Revised Code constitutes illegally conducting a bingo game, and that a violation of Section 2915.091 of the Ohio Revised Code constitutes illegally conducting instant bingo. The Employee acknowledges that the potential criminal offenses range from a minor misdemeanor, punishable by a maximum fine of $100, to a felony in the fourth degree, punishable by incarceration of six to eighteen months and a maximum fine of $5000.

The Employee acknowledges that in addition to potential criminal penalties, a violation of Chapter 2915 may also result in administrative and/or civil penalties.

_____	_____	_____
Signature of Agent/Employee	Typed Name	Date
_____	_____	_____
Signature of Employer (Fundraiser)	Typed Name	Date
_____	_____	_____
Signature of Witness	Typed Name	Date