

Fact sheet

Card jackpot games

This fact sheet outlines the applicable requirements and best practice of card jackpot games.

What is a card jackpot game?

A card jackpot game usually involves a pack of 52 playing cards plus a joker laying face-down on a board. Qualifying participants are provided the opportunity to turn over one of the cards for the chance to win the prize. If the joker card is not drawn, the prize jackpots and the draw is repeated on another occasion.

Card jackpot games are known by many names including “Jokers Wild” and “Wild Card”.

There are variations on this theme involving the use of different devices and methods (e.g. keys) of determining the winner.

Unlawful card jackpot games

Card jackpot games are unlawful if conducted on the basis that players pay to enter. They are also unlawful where players pay to enter a raffle, the winner of which is allowed to turn over one of the cards for the chance to win a prize. If the joker card is not drawn, the prize jackpots and the draw is repeated on another occasion. Such games are unlawful under the *Lotteries and Art Unions Act 1901*, the *Unlawful Gambling Act 1998*, the *Liquor Act 1932*, and the *Registered Clubs Act 1976*.

Operators, licensees and management are warned that they will be prosecuted if they conduct the unlawful game or allow it to take place.

Lawfully conducting card jackpot games

The *Lotteries and Art Unions Act 1901* authorises the lawful conduct of free-entry card jackpot games as a trade promotion lottery under section 4B.

Besides the requirement to be free-entry, a permit is required to be obtained from us and there must be compliance with the permit conditions. Apply using the ‘Trade promotion lottery – application form’ found at fairtrading.nsw.gov.au.

The following information is in addition to information contained in the Trade promotion lottery fact sheet. Refer to the ‘Trade promotion lotteries’ fact sheet at fairtrading.nsw.gov.au.

Terms and conditions of entry

Terms and conditions of entry into the card jackpot game must be developed and published and must always be displayed at the place where the proposed card jackpot game is to be conducted (for example, on a notice board or similar type of display). The terms and conditions of entry must contain particulars similar to the standard terms and conditions of entry. You can find a template for entry terms and conditions in the ‘Card jackpot game and other similar games’ guidelines at fairtrading.nsw.gov.au.

You can use the provided template (labelled A), or you can create your own document as long as the content is similar.

Please ensure you include a copy of the terms and conditions of entry when you lodge your completed application.

Please note that the terms and conditions of entry cannot be altered or amended unless prior written approval is given by us.

Entry into the card jackpot game trade promotion may be gained by patrons making a bar purchase, purchasing a meal, entering the hotel, playing a gaming machine, or other methods. These methods may require the patron to satisfy certain and reasonable entry requirements.

In addition to one or more of these methods, entry may be obtained by a patron purchasing a ticket in a raffle that is to be conducted for the purpose of raising funds for the benefit of a certain not-for-profit organisation that has authorised its conduct.

Subject to satisfying the entry requirement, a patron will receive a ticket in the trade promotion lottery. The raffle ticket butt or number cannot be reused in the trade promotion lottery – a separate ticket must be used in the trade promotion.

How should the draw be conducted?

The draw must be undertaken in a place at which the public may attend and in accordance with the information provided to patrons. The winning name or number of the successful entrant must be audibly and clearly announced so that all patrons who have a ticket in the draw have the opportunity of hearing the announcement. If the successful entrant fails to present himself or herself within a minimum of 4 minutes of the announcement, a further draw can take place and the process continue until a successful entrant presents himself or herself.

The successful entrant will have the opportunity to select from a deck of cards which are turned face down on a board. The prize is won if the successful entrant selects the joker card. If the joker is not selected the prize jackpots to the following week/ draw. If the joker is not selected the person authorised to conduct the trade promotion will turn over the joker in the presence of patrons attending the draw.

When a prize is carried over from the previous draw, the draw is to be from the previous draw's total number of cards with the previous draw's non-winning card removed. Non-winning game cards cannot be

placed back on the game board. The position of the cards on the game board will be reshuffled. The joker must always be part of the set of cards on the game board.

On the final date (the date shown on the authorising permit) of the trade promotion, the prize must be won. A draw must be conducted of entrants continuously until a successful entrant selects the joker and the prize awarded. This should be noted in the terms and conditions.

The terms and conditions of entry including the start-up prize amount and how the prize jackpots must be conspicuously displayed. The board containing the game cards must be always secured (a locked cupboard, behind a screen) and under the custody of a responsible person.

Fundraising raffles in conjunction with card jackpot games

Free-entry card jackpot games may be linked to participants having to purchase a ticket in a fundraising raffle for a not-for-profit organisation. It should be noted that no part of the proceeds from the sale of tickets in the raffle may be used or applied to the provision of prizes or otherwise in the card jackpot game.

Where entry into the proposed game is linked to the purchase of a ticket in a fundraising raffle, additional terms and conditions of entry into the raffle must be developed, published and displayed. You can find a template for raffle terms and conditions in the 'Card jackpot game and other similar games' guidelines at fairtrading.nsw.gov.au.

You can use the provided template (labelled B), or you can create your own document as long as the content is similar. Please ensure you include a copy of the raffle terms and conditions of entry when you lodge your completed application.

Please note that there must be at least one other means of entry not linked to the fundraising raffle.

If the card jackpot game is to be conducted with a fundraising raffle, the application for a permit to

conduct the card jackpot game trade promotion lottery must also be accompanied by a Declaration. You can find a template, labelled C, for a Declaration in the 'Card jackpot game and other similar games' guidelines at fairtrading.nsw.gov.au. The Declaration acknowledges that none of the proceeds of the raffle will be given or distributed, directly or indirectly, to the trade or business.

If a fundraising raffle is conducted in conjunction with the trade promotion lottery, the provisions of the law relating to the conduct of raffles must be complied with. These include that the winner does not need to be present at the draw in order to win the prize, the prize winner must receive the prize he or she has won and prizes cannot jackpot from week to week. In addition, there are prize restrictions:

- ▲ a liquor prize is restricted to not more than 20 litres
- ▲ a money prize is restricted to not more than \$25,000
- ▲ the total value of prizes is restricted to not more than \$25,000
- ▲ no prize can be a prohibited prize (tobacco, firearm, ammunition, a weapon, or cosmetic surgery).

Proper accounts and records in accordance with the Act must be maintained to account for ticket sales, gross income, expenses, and profit relating to the raffle. All raffle ticket-butts or corresponding computer-generated documents must be retained for at least three months after the date of the draw. The gross proceeds must be banked into the account of the benefiting organisation as soon as practicable, preferably within two business days.

Only reasonable and proper expenses (in addition to prizes) can be deducted from the gross proceeds of the raffle. No commission or remuneration for services can be payable to any person or organisation. The net proceeds to the benefiting not-for-profit organisation must be at least 40% of the gross proceeds. For more information refer to the 'Raffles' fact sheet at fairtrading.nsw.gov.au.

For further information

This guide is designed to provide accurate and authoritative information in regard to the subject matter covered, and with the understanding that NSW Fair Trading, part of NSW Department of Finance, Services and Innovation, is not passing legal opinion or other professional advice. If you require a more detailed understanding of the legislation, it is recommended that you contact a specialist adviser.

The law governing the conduct of this lottery or game of chance is the *Lotteries and Art Unions Act 1901* and the *Lotteries and Art Unions Regulation 2014*. Online access to the legislation is available at legislation.nsw.gov.au