

Ministerial Diploma No. 1/2009

SPECIFIC REGULATION ON THE POPULAR LOTTERY

Decree-Law no. 6/2009, of 15th January, which established the Regulation on Gambling sets out and lays down detailed rules for gambling activities to be integrated into the legal economy and to develop social and fiscal harmony within this economy, thus replacing the impunity and uncontrolled development of marginal activities which have resulted in an atmosphere of public condemnation and insecurity, besides the illegal outflow of foreign currency.

Furthermore, it sets out that the Popular Lottery should contribute to increasing employment and creating value for the development of society by financing objectives of a social and sports nature. And in its respective introduction it lays down the principle that the Popular Lottery, be it through tickets, coupons or cards, pursues mainly social objectives, this being the reason why, albeit of a recreational nature, it follows a specific social regime.

It is this regime that is established by way of the present diploma.

Thus:

The Government lays down, through the Ministry of Tourism, Trade and Industry, pursuant to Decree-Law no. 6/2009, of 15th of January which established the Regulation on Gambling, that the following diploma be published:

Article 1 Object

The present Specific Rules set out the rules for participation in the game known as the Popular Lottery, which consists of draws of organised numbers undertaken by the concessionaire, under the terms of the law.

Article 2 Popular Lottery

1. The Popular Lottery shall be operated by way of numbered tickets issued for the purpose

of participating in draws of numbers, which are known as “draws or drawings”.

2. For the purposes of this Regulation:

a) “Agent” shall be understood as any distributor or retailer contractually authorised by the concessionaire to distribute or collect Popular Lottery tickets and undertake any other acts related to these activities, in its capacity as representative of the bettors, and to proceed to send the numbers of the tickets sold to the operator;

b) “Cancelled ticket” shall be understood as a Popular Lottery ticket considered as not valid for the purpose of participating in the game and draw, under the terms of this Regulation.

c) “Damaged ticket” shall be understood as any Popular Lottery ticket which has been torn into two or more parts or which is partially damaged, rendering it impossible or difficult to check all the information printed on it;

d) “Popular Lottery Ticket” shall be understood as the paper stock issued in conformity with the rules laid out in this Regulation;

e) “Winning ticket” shall be understood as any Popular Lottery ticket, whose number is entitled to a prize resulting from the corresponding draw of numbers;

f) “Edition” or “Contest” of the Popular Lottery shall be understood as each full series of operations and formalities related to the game of the Popular Lottery to be complied with by the operator, including all operations concerning the preparation and launch of the game, sale of tickets and participation of players in the game, registration and control of tickets sold and unsold, calculation of results from the drawing of numbers entitled to prizes and their announcement, as well as the payment of the prizes won and transfer of the amount of abandoned prizes;

g) “Operator” shall be understood as the entity legally authorised to run the Popular Lottery;

h) “The Bettor” shall be understood as any

person who acquires one or more Popular Lottery tickets, in accordance with the rules of this Regulation;

i) “Special or Commemorative Popular Lottery” shall be understood as a Popular Lottery in which the operator effected to celebrate a certain date or event, in accordance with the rules of this regulation;

j) “Ticket Number” shall be understood as the numbering on the Popular Lottery ticket represented by a code and digits printed clearly and in a completely legible manner on the front of each ticket and which constitutes the number with which the bettor endeavours to win a prize in the Popular Lottery;

k) “Prize Plan” shall be understood as the structure which constitutes the types and values of the prizes established and to be distributed to the bettors whose tickets have won a prize resulting from the drawing of numbers entitled to prizes;

l) “Prize” shall be understood as the amount to be paid to the bettor who is in possession of any ticket whose number was drawn, in accordance with this Regulation;

m) “Endorsement Symbol or Stamp” shall be understood as the symbol or stamp printed on the Popular Lottery ticket for the purpose of certifying the authenticity of the ticket by the corresponding operator or agent.

Article 3 Tickets

1. The Popular Lottery tickets are issued under the form of rigorously identical books or blocks with carbonless copy paper, the original being left with the bettor and the copy with the Agent of the concessionaire, hereinafter referred to as “the Agent”.

2. The Popular Lottery tickets are sequentially numbered until the highest number of the tickets issued and have the same aspect as that contained in Annex 1.

3. In addition to the issues of regular, and

special or commemorative tickets, there may be extraordinary issues of tickets, to be authorised by the Minister vis-à-vis the capital that is intended to be obtained, the quantity of numbers to be issued, the price and the values of the prizes to be awarded.

4. The tickets shall obligatorily include the following items on their front:

a) The “Popular Lottery” modality;

b) Identification of the Agent, with name and number;

c) Number of sequential series;

d) The date the ticket is filled out and submitted to the Agent and authorised by the bettor;

e) The date of the draw;

f) The signatures and seal or stamp of the authorised Agent;

g) Space with 5 columns and 10 transversal lines, the first 4 columns being for the bettor to fill in the numbers of any 4 digits he/she so desires and the fifth column is to write in the total number of combinations of bets;

h) The total price or cost of the bets of the corresponding tickets shall be in US dollars.

Article 4 Ticket Issue and Prize Plans

1. The concessionaire shall be responsible for each modality of the Popular Lottery to be established on a quarterly basis:

a) The number of draws for each regular, and special or commemorative modality;

b) The ticket issue plan with the number of tickets to be issued for each draw;

c) The prize plan with the quantity to be awarded from the total number of tickets issued and their corresponding values;

2. The plans referred to in paragraph 1 above

shall include the following information;

- a) Name of the Popular Lottery modality;
- b) Date, time and place of the draw;
- c) Number of tickets issued and corresponding series, should there be any;
- d) Price of sale to the public;
- e) Quantity, unit value and overall value of the prizes to be awarded.

3. The Popular Lottery ticket issue and prize plans shall be signed by the maximum representative of the concessionaire and shall be published in the Official Journal, through the Ministry responsible for tourism.

4. The place the draw takes place may be altered by joint deliberation of the concessionaire and the General Inspector of Gaming (GIG), being previously published by the media.

Article 5 Sale of Tickets

The tickets shall be distributed free of charge to the public by the Agent or directly by the Concessionaire, in sufficient and reasonable number.

Article 6 Placing the Popular Lottery on the market

The tickets shall be made available to the Agents and the public at least 5 days before the draw takes place.

Article 7 Delivery and collection of the copies of the tickets sold

1. The copies of the tickets sold shall be delivered by the respective Agents up to 5 p.m. on the day prior to that of the draw or drawing in boxes supplied by the concessionaire to the Head Offices of such concessionaire.

2. Immediately after the closing hour for the

delivery or at least up to 5 hours before the draw, the boxes shall be deposited and stored in a specific room, the door of which shall be locked with two locks, one belonging to the concessionaire and the other to the General Inspectorate of Gaming, each key being kept in the possession of the corresponding authorities.

3. Should there be windows in the room mentioned in paragraph 2 above, they must be equipped with iron bars in order to prevent people or animals entering and equipped to the satisfaction of the GIG.

4. The aforementioned room shall only be reopened after the draw has taken place by both the concessionaire and the GIG for the verification of the tickets.

Article 8 Return of unsold tickets

Unsold tickets should be returned together with the copies and under the conditions as set out in the article above, albeit in boxes of a different colour.

Article 9 Price of simple and multiple bets

1. The cost of each bet on each number of 4 digits shall be one US dollar.

2. For each multiplication of the bet, the bettor shall pay an added cost equal to that of the first bet.

3. The number of times that the bettor bets on the number formed by the group of 4 digits shall be inserted in the fifth column and shall be inserted in the corresponding line.

4. The bettor shall be free to place as many multiple bets as he/she so wishes.

Article 10 Price of fractional bets

1. This modality allows the bettor, for the price of a US dollar, to insert 2, 3 or 4 numbers of 4 digits but, should he/she hits some of them, they shall only win a half, a third or a

quarter of the prize, respectively.

2. In this type of bets, an indication should be clearly inserted in the fifth column advising which and how many numbers are covered.

Article 11

Rules for the drawing of the numbers

1. The draw of the Popular Lottery shall be carried out in the following manner:

a) The tickets to be drawn shall be numbered with four digits by the bettor;

b) The draw of the digits which make up the number drawn shall be done by way of four balls which shall, from the left to the right, correspond to the order of thousands, hundreds, tens and units successively;

c) 40 homogeneous balls, of the same material, volume and weight, numbered from 0 to 9, corresponding to 4 balls with the same number shall be introduced into the metal tombola wheel certified by the GIG;

d) Once all the numbered balls have been introduced into the tombola wheel, they shall be activated by means of electronic or manual controls, depending on the equipment used, to start the balls rolling;

e) At a given time, a ball shall fall out of the only exit in the tombola wheel;

f) The winning number shall be the result of the juxtaposition, in decimal order, from the left to the right, of the digits inscribed on the four balls which have fallen out of the wheel;

g) The drawing of each number shall only be completed when the respective ball has completely come out of the wheel and not before;

h) The operator of the tombola wheel must show the extracted ball to the public and announce the corresponding number out loud.

2. In the draw of the consolation prizes, within each group of consolation prizes

repeated sequences shall be cancelled and followed by a new draw.

3. The concessionaire shall have at least two sets of homogeneous numbered balls, made of identical material and with the same volume and weight available and in perfect condition for each draw mechanism which he uses, one of which shall be used in each Popular Lottery draw.

4. The sets of balls, notably their weight, shall be checked on a regular basis by the jury of the draws.

5. The draws of the winning numbers shall take place in the Popular Lottery draw room on the day and time set out in the ticket issue and prize plans, under the terms of article 4, without prejudice to that set out in the following paragraph.

6. The Board of Directors of the concessionaire may decide that the draws of the Popular Lottery shall take place outside the draw room at a place it will indicate and which shall be notified 3 working days prior to the day it should take place at the GIG.

7. The operations concerning the draw shall take place as a public act and shall be chaired by the Lottery draw jury under the terms of the following article.

Article 12

Number of draws

Each draw shall consist of twenty-three (23) draws of prizes, in accordance with the following sequence:

a) First prize;

b) Second prize;

c) Third prize;

d) 10 consolation prizes (draw A) of 100 US dollars each;

e) 10 consolation prizes (draw B) of 50 US dollars each;

Article 13

Procedures for the jury of the Lottery draws

1. The jury of the draws shall consist of the General Inspector of Gaming, by a representative of the Board of Directors of the concessionaire and by a third person invited by agreement of the two aforementioned members.
2. Minutes shall be taken of the acts of the draws and shall be signed by the members of the jury and by the person who takes them down.
3. The minutes shall mention, in particular, all the numbers drawn and corresponding prizes, the facts and complaints on which the jury has deliberated and the corresponding decisions.
4. In the event it is impossible to undertake any lottery draws, they shall be postponed by the jury, which will explain its decision in the respective minutes, obligatorily including the new date, time and place of the new draw which shall be announced by notice posted at the points of sale and disclosed to the public at large through the media.
5. The official list of winning numbers from each draw, which shall also be signed by the jury of the lottery draws, shall be distributed and publicised through the media and any other means considered suitable.
6. The official list of winning numbers shall include all the prizes.
7. In the event of a dispute between the jury members, such dispute shall be taken down in the minutes and decided upon by the Minister responsible.

Article 14

Winning numbers – prizes

1. The prizes shall be of two types, corresponding to 2 draws:
 - a) *Main prizes*, those which hit the four digits drawn in the respective draws for the 1st, 2nd

and 3rd prizes;

b) *Consolation prizes*, those which hit the 4 digits of the respective draw in which are drawn 10 (ten) series of numbers of 4 digits for draw A and another 10 (ten) series of numbers of 4 digits for draw B.

2. The main prizes shall be awarded to the bettors in the following manner:

a) 1st Prize - to the bettors who hit the 4 numbers drawn, i.e. all the numbers which they inscribed, in the respective order of thousands, hundreds, tens and units;

b) 2nd Prize – to the bettors who hit upon the 4 numbers drawn, i.e. all the numbers which they inscribed, in the respective order of thousands, hundreds, tens and units;

c) 3rd Prize – to the bettors who hit upon the 4 numbers drawn, i.e. all the numbers which they inscribed, in the respective order of thousands, hundreds, tens and units;

3. Under the terms set out in article 12, the value of the consolation prizes shall be set at US dollars 100 (one hundred United States dollars) for Draw A and at US dollars 50 (fifty United States dollars) for Draw B, except when different values are approved by the Minister responsible, at the request of the concessionaire and on a case by case basis.

Article 15

Distribution of revenues for prizes

1. The part of the revenues set aside for the prizes, the calculation of the social contribution, tax and other costs are set out in Decree-Law no. 6/2009 of 15th January.

2. The social contribution (SC) percentage shall be of 15% of the total number of tickets sold, once the part set aside for payment of each prize has been discounted, this being subject to the payment of the tax of 10% on gambling prizes.

3. From the amount corresponding to the gross revenue directly resulting from the sale

of the tickets, the percentage reserved for the payment of each prize shall be of 40%, subject to 10% tax.

4. The amount of the SC shall be calculated based on the following form, the basis being \$100 of tickets sold:

a) Of the \$40 reserved for prizes, the tax on gambling shall be discounted: $\$40 \times 10\% = \4 to be withheld, the winners receiving the amount of \$36;

b) Of the \$100 resulting from the sale of the cards, \$40 from the part reserved for prizes shall be discounted, which already includes the tax: $\$100 - 40\% = \60 ;

c) On the \$60 dollars obtained, 15% shall be applied, resulting in \$9 of SC for every \$100 of cards sold.

4. The amount resulting from the calculation shall be rounded up to the nearest tenth of a cent.

5. Should there be any doubts, the Decree-law which approved the Regulation on Gambling shall be applied.

Article 16

Complaints

1. The public present at the acts of the Popular Lottery draws may make an oral complaint to the jury in relation to any aspect it considers to be of an irregular nature.

2. The jury, having heard the complaint, shall make an immediate and definitive decision and may, should it so decide, request that such decision be drawn up in writing, all of which must be taken down in the corresponding minutes.

3. The decision taken by the jury on the draws or the decisions related to payment of the prizes can be appealed against to the Ministry responsible, such appeal shall also be submitted to the General Inspectorate for Gaming, for prior information and reports.

Article 17

Policing of the location of the draws

1. The location of the draws shall be duly policed by the competent authority, the costs of which being charged to the concessionaire.

2. The agents of this authority shall arrive at the location thirty minutes before the time set for the beginning of such draw and shall withdraw when the chairman of the jury of the draws so decides.

Article 18

Payment of prizes

1. The prizes shall be paid upon presentation of the original ticket, after the draw, at the concessionaire's points of sale, at a time to be set between 8 a.m. and 3 p.m. within a period of 30 days following that of the draw and shall be of the entire responsibility of the concessionaire.

2. The payment of prizes may also be carried out by the Agents, upon confirmation of the official list, who shall bear the risks, or by way of a deposit made into an account indicated to the concessionaire by the holder of the winning ticket.

3. The winners of the main prizes shall obligatorily sign a receipt and identify themselves.

4. The tickets, the printing of which is faulty or which are in a deteriorated condition, shall only be paid, in accordance with the prize plan, upon confirmation of the authenticity of the ticket and the existence of the prize, within a maximum time limit of 15 days.

5. The good condition in which the tickets shall be kept shall be of the entire responsibility of the bettors and, in case of dispute, the jury of the draw shall decide.

Article 19

Identification of the holders of the tickets

1. The identification of the person presenting the winning fractions, of which consists the

corresponding ticket, shall be required when loss, misplacement, theft or robbery has been reported to the concessionaire's services.

2. The objective of the identification is only to provide information to the authorities and may not be used for any other purpose.

Article 20 **Lapsing**

1. The right to the Popular Lottery prizes shall lapse within 30 days after the numbers have been drawn.

2. Unclaimed prizes shall revert to the entity set out in Decree-law no. 6/2009, of 15th of January, which is responsible for managing the social contribution.

Article 21 **Prohibition of sale of tickets**

It shall be forbidden to sell and accept tickets after 5 p.m. of the day prior to the draw of the winning numbers, under penalty of nullity and action taken by the GIG.

Article 22 **Frauds and conflicts**

1. The practice of fraudulent acts with a view to receiving prizes, notably the forging of tickets or their fractions, shall be the object of a police report with a view to criminal proceedings, under the terms of the law.

2. The irregularities committed by bettors, or by agents or mediators of the games of the concessionaire in the exercise of their functions, as well as any damage resulting thereof for them, shall not be imputed to the concessionaire of the popular Lottery, except when there are strong indications of collusion.

3. The Popular Lottery concessionaire and Ministry responsible shall not intervene in cases of disputes between bettors who have acquired tickets or fractions together, notably for the purpose of payment of prizes.

Article 23

Subsidiarity and omitted cases

1. The omitted cases and doubts resulting from the application of this Regulation shall be resolved by the member of the Government responsible. The issue should be submitted to the General Inspectorate for Gaming for prior information and reports.

2. In the event of normative conflict between this Regulation and the diploma which approved the Regulation on Gambling, the latter, which applies subsidiarity, shall prevail.

Article 24 **Conservation of documents**

All documents related to the whole operation of each Popular Lottery draw shall be conserved in archives for a period of 2 years from the date any complaints are resolved or prizes claimed.

Article 25 **Entry into force**

This diploma shall enter into force on the day following its publication in the Official Journal.

Díli, 8th of April, 2009

Minister of Tourism, Trade and Industry

Dr. Gil da Costa A. N. Alves

ANNEX 1 **As referred to in article 3 of the Popular Lottery Regulation**

LOTARIA POPULAR

Data e hora de entrega

1 - Janeiro - 2009	00:00
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N.º de Série
(0000000)

Sorteio N.º (000)

Total \$

Total Apostas

Agência N.º (xxxx)
Distrito

