

AGENT AGREEMENT FOR SALE OF LOTTERY TICKETS

THIS AGREEMENT, made in duplicate, this _____ day of _____, 20 ____ by and between the Bureau of Alcoholic Beverages & Lottery Operations (hereinafter referred to as the "Lottery"), and _____ (hereinafter referred to as the "Agent").

WHEREAS, the Bureau of Alcoholic Beverages & Lottery Operations has been authorized by the Maine Legislature to operate lottery games and to license agents to sell tickets for said lottery games; and

WHEREAS, the Agent desires to be licensed as an agent to sell tickets on behalf of the Maine State Lottery.

NOW, THEREFORE, the Lottery and the Agent, in consideration of their respective promises and covenants as described below, hereby agree as follows:

I. PROMISES OF THE AGENT.

A. In general (applicable to all agents – instant and online).

- (1) The Agent agrees to provide services to the Maine State Lottery for the sale of lottery tickets on behalf of the Lottery to the general public in accordance with instructions from the Lottery as may be amended from time to time. The Agent agrees that their performance as an agent of the Lottery shall be held to the standard of the reasonable and prudent businessperson. The Agent agrees that he/she shall prominently post point of sale and other promotional materials supplied by the Lottery and will attend such training sessions as the Lottery shall deem necessary to ensure that the Agent and their employees are properly trained in Lottery procedures, sales techniques, information regarding new games, the operation of the computer terminal for the sale of on-line lottery tickets, or any other training which the Lottery may deem appropriate from time to time.
- (2) The Agent agrees that he/she is to be financially responsible to the Lottery for all revenue derived from the sale of lottery tickets and that the Agent is to promptly pay, as required, all sums due and owing to the Lottery minus any commissions that may be due and owing to the Agent. Specifically, the Agent agrees that he/she shall have on deposit in a timely fashion and as instructed by the Lottery, sufficient funds for electronic transfer to the Lottery to cover all funds due and owing to the Lottery from the sale of lottery tickets. The Agent agrees and understands that the money collected from the sale of lottery tickets belongs to the State of Maine and that all sums due to the Lottery, minus any appropriate commissions, shall be deposited to the Agent's bank account(s) that he/she have designated as their Electronic Funds Transfer account(s) prior to the scheduled date of the Electronic Funds Transfer sweep.
- (3) The Agent agrees and understands that he/she is responsible to the Lottery for any theft or loss of funds due to the Lottery from the Agent. The Agent further agrees to be liable for any and all tickets stolen from the Agent.
- (4) The Instant Ticket Agent agrees to be bound by the terms of the Maine State Lottery law (8 M.R.S.A. ss 371 et seq.), and any rules of the Maine State Lottery Commission.

- (5) The On-Line Ticket Agent agrees to be bound by the terms of the Maine State Lottery law (8 M.R.S.A ss 371 et seq.), the Tri-State Lotto Compact (8 M.R.S.A ss 401 et seq.), and any rules of the Maine State Lottery Commission and the Tri-State Lotto Commission.
- (6) The Agent agrees to notify the Lottery at least fifteen (15) business days in advance of the Agent's intent to sell and/or cease operations of his business either temporarily or permanently.
- (7) The Agent agrees and understands that a lottery Agent's license is NOT transferable in the event of change of ownership of the business. The transfer requires the approval of the Lottery and the Lottery is under no obligation to assign or transfer the license or any on-line terminal to a new owner. The Lottery reserves the right to remove the on-line terminal upon change of ownership.
- (8) The Agent agrees that no sale or transfer of the Agent's business may be completed unless the agent or the prospective new owner settles the Agent's account with the Lottery.
- (9) The Agent agrees that, in the event the Agent has any outstanding, delinquent debts with the Lottery, the Lottery has the right to withhold from any Lottery winnings to which the Agent may be entitled sufficient funds to satisfy such delinquent debts.
- (10) The Agent agrees that, in the event the Lottery refers the Agent's account to a collection agency or commence litigation against the Agent to recover any delinquent balance due to the Lottery, the Agent shall be liable to the Lottery for reasonable costs and attorney fees incurred in such collection or litigation.
- (11) The Agent agrees that all unpaid balances due to the Lottery are subject to a service charge of 1% per month or 12% annual percentage rate.
- (12) It is understood and agreed that the individuals signing the Agreement are accepting personal responsibility for and are personally guaranteeing payment of all debts owed to the Lottery by the Agent.
- (13) The Agent agrees that the Agent's right to sell Lottery tickets on behalf of the Lottery may be suspended or terminated by the Lottery for any violation of any of the provisions of the Agreement.
- (14) The Agent agrees to comply with all applicable Federal and State laws, rules and regulations governing non-discrimination on the basis of race, color, religion, national origin, age, or sex and to comply with all applicable laws and regulations involving prevailing wages.
- (15) Agents licensed for instant tickets only may pay up to \$599.00 but are required to pay up to \$100.00 prize amounts regardless of where such instant tickets were purchased. The Agent agrees to have sufficient funds available (cash or check) for such claims. The Agent further agrees to have available Lottery claim forms for instant game claims.

B. Additional Provisions Applicable to On-line Agents

- (1) An Agent who is authorized to sell tickets for on-line lottery games through a computer terminal (hereinafter referred to as "On-line Agent"), agrees to have the computer terminal available for the sale of on-line tickets during all hours and days that the Agent's business is open. The On-line Agent's business location and hours are described in Appendix A which is on file with the Lottery and is incorporated into this Agreement by reference.
- (2) The On-line Agent agrees that the computer terminal shall be located indoors within the Agent's premises on a site and location approved by the Lottery or its designee. Any move of the terminal must be approved by the Lottery or its designee. If a terminal telephone connection must be moved, the Agent agrees to pay all charges associated with the move. The On-line Agent agrees that the installation, maintenance, and operation of the computer terminal shall be subject to the "Lottery Sales Center Specifications," a copy of which the Agent hereby acknowledges receiving.
- (3) The On-Line Agent agrees to pay all electrical utility charges in connection with the operation of the terminal; to exercise due diligence in the operation of the terminal; to immediately notify the Lottery and/or the on-line game vendor of any phone line or terminal malfunction, such as the issuance of a non-valid ticket, the inability to cancel a ticket or the non-issuance of a ticket; to be responsible for the physical security of the terminal; to replace ribbons and ticket stock and clear paper jams as required in the terminal; to perform no mechanical or electrical maintenance on the terminal.
- (4) The On-Line Agent agrees and understands that the Lottery reserves the right to remove the computer terminal from the Agent's location if the Agent fails to meet the minimum sales volume requirements set by the Lottery Commission, which currently are an average of \$315.00 per week over a period of 12 consecutive weeks or for any violation of the provisions of this Agreement. The On-Line Agent, upon demand by the Lottery or its designee, shall allow free access to the Agent's premises for purposes of removal of the terminal during normal business hours.
- (5) The On-Line Agent agrees to provide full claims services for instant and on-line game tickets regardless of where such tickets were purchased. The On-Line Agent further agrees to have available funds to instantly pay (either by cash or check) all instant and on-line lottery claims up to and including \$599.00, but not to exceed \$599.00, for each ticket claimed; to have available claim forms so players can file a claim form with the Lottery for all valid claims over \$599.00 for each ticket claimed and; to inquire of winning numbers and post time prominently as soon as possible following the drawing of the winning numbers.
- (6) The On-Line Agent agrees to maintain a minimum of 1/3 of the Lottery's available instant games.

III. AGENT LIABILITY

The term "Agent" as used in this agreement also includes the natural person, in his/her individual capacity, who has signed this agreement on behalf of a corporation, limited partnership, partnership or any other entity. In affixing his/her signatures to this agreement on behalf of any entity, the said natural person agrees to be personally bound by the provisions of this agreement and agrees to be held personally liable for any breach.

IV DURATION OF AGREEMENT AND TERMINATION

This Agreement shall take effect immediately upon approval by the Lottery and shall continue until terminated. Either party may terminate this Agreement by providing fourteen (14) days written notice of such termination to the other.

NAME OF BUSINESS _____

Corporate Signature

Owner Signature

Witness Signature

Print Name

Print Name

Date

Date

APPROVED BY THE MAINE STATE LOTTERY:

Director

Signed this _____ day of _____ 20 _____.

Approved as to Form by the Department of the Attorney General.

Approved and Adopted by the Maine State Lottery Commission on 3/21/90.