

**AGREEMENT MADE BETWEEN A SOCIETY AND A LICENSED PROMOTER  
PURSUANT TO AN APPLICATION FOR CLASS 3 OPERATOR'S LICENCE**

In accordance with Regulations 4 & 5 of the Gambling (Licensed Promoters) Regulations 2005 (the "Regulations"),

..... (the "*Society*") and  
..... (the "*Licensed Promoter*")

hereby agree that the following terms apply in regard to the \_\_\_\_\_ (the "gambling activity") which is the subject of a Class 3 Operator's Licence for which the Society is applying and to which this agreement expressly refers.

- 1) The fee that the Licensed Promoter shall be paid for promoting the gambling activity on behalf of the Society is the lesser of:
  - (a) The amount applied to authorised purposes from the gambling activity promoted; or
  - (b) 10% of the gross proceeds (including goods and services tax) from actual ticket sales for the gambling activity
  
- 2) That the maximum amount that the Licensed Promoter shall be entitled to deduct from the trust account maintained in terms of section 211 of the Act or receive from the Society in respect of expenses involved in conducting the class 3 activity to which this Agreement relates, (excluding cost of prizes and the Licensed Promoter's fee), is .....% of the gross proceeds (inclusive of GST) from actual ticket sales of the activity **provided always that**, in respect of the expenses to which this provision relates, the Licensed Promoter will use every endeavour to minimise the costs associated with the gambling activity for the express purpose of maximising the net proceeds of the gambling activity for the benefit of the Society.
  
- 3) The items of expenditure to be met from this amount are;
  - (a)..... (b).....
  - (c)..... (d).....
  - (e)..... (f).....
  - (g)..... (h).....
  - (i)..... (j).....
  
- 4) This agreement is conditional upon the licence, to which this agreement relates, being granted to the Society to conduct the class 3 gambling activity.

Signed: ..... Date .../.../.....  
 Officer authorised to act on behalf of society

Full Name: .....

Address: .....

Phone: ( ..... )..... Fax: ( ..... ) .....

Signed: ..... Date .../.../.....  
 Licensed promoter or officer authorised to act on his behalf

Full Name: .....

Address: .....

Phone: ( ..... )..... Fax: ( ..... ) .....

**EXPLANATORY NOTE ON REGULATION 4 & 5 OF THE GAMBLING (LICENSED PROMOTERS) REGULATIONS 2005**

**This note is not part of the Regulations but is intended to indicate its general effect.**

1. The maximum amount by way of expenses involved in conducting class 3 gambling activity (ie an instant game, prize competition or lottery) (“the activity”) that a promoter may deduct or receive must be mutually agreed by the promoter and the client society applying for the licence to hold the activity.
2. A client society may meet any additional expenses resulting from any unforeseen change of circumstances beyond the control of the promoter. The society cannot be compelled to make any such payment.
3. The fee to be paid to a promoter must be agreed before the society applies for the licence to hold the activity, but in any case not more than the lesser of
  - the amount applied to authorised purposes from the activity promoted; or
  - 10% of the gross proceeds (including goods and services tax) from actual ticket sales for the activity
4. A licensed promoter must not be associated directly or indirectly with the provision of ancillary services or prizes in a promotion, unless those services or prizes are provided free of charge. (s 203(2)(b) Gambling Act)

It is an offence for a society or promoter to pay or offer to pay or deduct or receive any sum by way of expenses or fees in excess of the maximums provided for above.