

Please Carefully Review Retailer Contract Before Signing

Please read each provision in the Retailer Contract carefully because this document creates a binding relationship with the South Carolina Education Lottery (SCEL). Each year SCEL suspends and/or revokes licenses because one or more provisions in the Contract have been violated. The failure to read and understand the Contract you sign on behalf of your company **does not** excuse the violation. Although all provisions are important, there are several provisions SCEL would like to bring to your attention.

1. Change in Ownership

There has been some confusion as to when a Retailer must notify SCEL, particularly when there is a change in the company's business structure.

Any time

- a) an owner of your business is added,**
- b) or deleted,**
- c) the business is sold, or**
- d) you simply change tax identification numbers,**

you must notify SCEL's Licensing Division within ten (10) business days of these changes (803-737-2091). Do not wait until it is time to submit a renewal application.

For clarification regarding when you must notify SCEL, refer to Section IV, paragraph 4, page 8, of the Retailer Contract.

2. Gaming Devices

In 2014, more than thirty retail outlets were suspended after SCEL became aware of illegal gaming device(s) in the licensed location(s). It is the SCEL Retailer's responsibility to ensure the legality of any amusement devices in their retail outlet. **By signing the Retailer Contract, the Retailer agrees to an automatic, non-appealable six-month suspension if a magistrate determines an illegal device was present in your retail outlet.** Section I, paragraph 2, page 1, of the Retailer Contract contains the provisions regarding illegal amusement/gaming devices.

3. Validating Prizes

SCEL Retailers must pay all claims up to and including \$500 and cannot purchase or otherwise pay a person any sum of money in exchange for a ticket with a prize in excess of \$500. **No matter the circumstances, "buying" a ticket from a customer and then attempting to claim a prize (either by you or a person acting on your behalf) will result in the revocation of your SCEL License(s) and may result in criminal charges.** Section II, paragraph 5, beginning on page 3, of the Retailer Contract provides detail information regarding SCEL's validation procedures.