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WISCONSIN LOTTERY  
NONPROFIT ORGANIZATION RETAILER CONTRACT  
TERMS AND CONDITIONS

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CITY OF MANITOWOC  
900 QUAY ST  
MANITOWOC, WI 54220

205868

WHEREAS, the Wisconsin Lottery has been designated as the legal authority to conduct and manage the Wisconsin lottery games; and

WHEREAS, the Wisconsin Lottery has adopted an administrative rule providing for a higher rate of compensation for nonprofit organizations selling lottery pull tab tickets under a contract and Certificate of Authority; and

WHEREAS, the nonprofit organization designated on the label above has applied for a nonprofit organization retailer contract and has certified that it is a nonprofit organization within the meaning of s. 565.10 (14), Wis. Stats.; and

WHEREAS, in consideration of the mutual covenants and agreements set forth below the sufficiency of which is hereby acknowledged, the Wisconsin Lottery and the nonprofit organization designated on the label above ("Nonprofit Organization Retailer") agree as follows:

A. DEFINITIONS

(1) "Location" means one or more places in the state of Wisconsin at which a retailer has listed with the Lottery to sell pull tab tickets at any time.

(2) "Lottery" means the Wisconsin Lottery, the Lottery Administrator and its designees.

(3) "Permanent primary location" means for this contract, a mailing address of the nonprofit retailer where the Lottery can reach the organization for issues pertaining to this contract. The nonprofit retailer may sell tickets at this address, but is not required to do so.

(4) "Pull tab ticket" means a ticket issued by the Wisconsin Lottery which is made of laminated paper partially perforated to permit strips to be torn from one side to reveal play symbols beneath from which it can be immediately determined whether the ticket is a winner. The words "break-open ticket" have the same meaning in this contract.

B. TERMS AND CONDITIONS

(1) CONTRACT PERIOD AND SALES AUTHORIZATION. This contract shall remain in effect for at least three years and shall expire on the date shown on the Certificate of Authority. The Lottery may renew the contract. However, the nonprofit organization retailer does not have a substantial interest in, or a vested or equitable right to a contract renewal.

(2) CONTRACT NOT ASSIGNABLE OR TRANSFERABLE. This contract may not be assigned or transferred from one organization or location to another. The contract applies to all pre-approved locations identified on the location list contained within this contract.

(a) A nonprofit retailer may request that additional locations be amended to the contract. The application for an amendment must be approved by the lottery at least 15 calendar days before the nonprofit organization begins selling pull-tab tickets at the new location.

(3) NONPROFIT ORGANIZATION RETAILER IS NOT AN EMPLOYEE OR AGENT OF THE STATE. The nonprofit organization retailer is not an employee or agent of the State of Wisconsin, and is not entitled to any right, privilege, or benefit which would accrue to an employee or agent of the State of Wisconsin.

(4) INDEMNIFICATION. The nonprofit organization retailer shall indemnify and hold harmless the State of Wisconsin, the Wisconsin Lottery and the employees and agents from and against all claims, suits, or action arising from any willful or negligent act or omission of the retailer or its agents while performing under the terms of this contract.

(5) COMPLIANCE WITH STATE LAW AND RULES. During the term of this contract, the nonprofit organization retailer shall comply with ch. 565, Stats., the Lottery's administrative rules, and any other applicable state law and administrative rules.

(6) CERTIFICATE OF AUTHORITY. The Certificate of Authority is not assignable and not transferable and must be conspicuously displayed at every location where there are sales authorized by the contract. The Certificate displayed at a location must be the Certificate that applies to the current contract. A retailer may not use a Certificate that is out-dated or belongs to another contract.

(7) NOTIFICATION OF CHANGES IN THE NONPROFIT ORGANIZATION RETAILER'S APPLICATION.

(a) The nonprofit organization retailer shall notify the administrator, in writing within 15 calendar days of every change of its organizational structure, including but not limited to changes from unincorporated to incorporated status.

(b) The nonprofit organization retailer shall notify the administrator, in writing at least 30 calendar days in advance of any change in the nonprofit organization retailer's official mailing address.

(c) The nonprofit organization retailer shall notify the administrator, in writing within 15 calendar days if the retailer, or any of the retailer's officers or directors, as described under s. 565.10 (3), Stats., has been convicted or pleaded guilty or no contest to a felony, a gambling related offense, or fraud or misrepresentation in any connection.

(8) SALE OF LOTTERY PULL TAB TICKETS. The nonprofit organization retailer:

(a) Shall accept only cash for pull tab lottery tickets.

(b) May not intentionally sell a pull tab ticket to persons under 18 years of age.

(c) May not exchange pull tab tickets with any other person or organization, including other lottery retailers.

(d) May not sell any pull tab ticket at a price different than the price authorized by the Wisconsin lottery, condition the sale of a ticket upon the purchase of any other item or service, or impose any restriction upon the sale of a ticket unless specifically authorized by the administrator.

(e) May not play the lottery games by using any method other than random, fair chance, or by any method contrary to the principle that every ticket has an equal and random chance of winning.

(f) Shall explain the game rules to potential ticket customers when requested.

(9) SALES AT UNAUTHORIZED LOCATIONS. The nonprofit organization retailer may not sell tickets purchased from the Lottery under this contract at locations that are not specified in this contract.

(10) RESPONSIBILITY FOR TICKETS. (a) The nonprofit organization retailer shall be responsible for the condition and security of lottery tickets received. If the nonprofit organization retailer's lottery tickets are lost, stolen, mutilated, damaged, unaccountable or otherwise unsalable, retailer shall be solely responsible for those tickets. The Lottery may not reimburse retailer for such losses.

(b) The nonprofit organization retailer shall report by telephone immediately any stolen tickets to the administrator of Lottery security in Madison, Wisconsin.

(11) PAYMENT FOR PULL TAB TICKETS. (a) The nonprofit organization retailer shall elect one of two payment options in its contract:

1. Payment by check or money order upon delivery of the tickets to the retailer; or

2. Payment through an electronic funds transfer account that shall be debited once a week by the Lottery for tickets received the previous week.

(b) All tickets received by the nonprofit organization shall be deemed to have been purchased by nonprofit organization retailer.

(c) Unsold tickets cannot be returned for credit. The retailer may only return tickets that are in full, unopened, sealed boxes, and approval must be granted by the Lottery prior to the nonprofit retailer.

(d) The Lottery may assess the nonprofit organization retailer a surcharge for each dishonored nonprofit organization retailer's electronic funds transfer or check.

(12) PRIZE REDEMPTION. The nonprofit organization retailer shall redeem all prizes from pull tab tickets purchased from that retailer on the day of sale and at the place of sale.

(13) RIGHT TO APPEAL SUSPENSION OR TERMINATION. In the event the Lottery suspends or terminates the nonprofit organization retailer's contract, the retailer is entitled to an appeal in accordance with the provisions set forth under the Wisconsin Administrative Code, Tax 61.10.

(14) SUSPENSION OR TERMINATION PROCEDURE. The nonprofit organization retailer, upon notice of suspension or termination, shall immediately stop selling tickets. Within 2 weeks of the suspension or termination, the retailer shall make payment on any money owed the Lottery and surrender all unsold tickets and all state owned Lottery property.

(15) GROUNDS FOR SUSPENSION OR TERMINATION. The Nonprofit Organization Retailer's contract may be suspended or terminated without prior notice by the Lottery for any one of the following reasons:

- (a) Retailer failed to meet any of the qualifications for being a retailer under s. 565.10, Stats., or under the Lottery's administrative rules.
- (b) Retailer violated a provision under ch. 565, Stats., or any rule promulgated by the Lottery.
- (c) Retailer sold pull tab tickets at locations not authorized by the contract.
- (d) Retailer intentionally sold a pull tab ticket to a person under 18 years of age.
- (e) Retailer endangered the security of the lottery games or Lottery.
- (f) Retailer engaged in fraud, deceit, misrepresentation, or other conduct prejudicial to public confidence in the lottery games or Lottery.
- (g) Retailer failed to remit money owed to the Lottery.
- (h) Retailer engaged in telecommunication or printed advertising that in the Lottery Director's determination was false, deceptive or misleading; or
- (i) Retailer failed to follow instructions and procedures for the conduct of any particular lottery game.

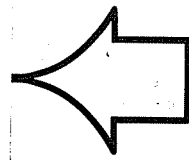
**C. AUTHORITY TO EXECUTE THIS CONTRACT AND BIND NONPROFIT ORGANIZATION.**

The individual who signs below and executes this contract warrants and represents to the Lottery that he or she has full right, power and authority to execute this contract on behalf of the nonprofit organization and to fully bind the nonprofit organization to this contract.

\* \_\_\_\_\_  
Print Name of Individual Signing Below  
Justin M. Nickels, Mayor

\* \_\_\_\_\_  
Signature of Individual Authorized to  
Bind Nonprofit Organization  
Jennifer Hudon, City Clerk

\* \_\_\_\_\_  
Date



**WISCONSIN LOTTERY  
RETAILER CONTRACT TERMS AND CONDITIONS  
APPENDIX A**

CITY OF MANITOWOC  
900 QUAY ST  
MANITOWOC, WI 54220

RETAILER ID 205868  
Pulltab Only - Non Profit