

THIS AGREEMENT entered into as of the 3rd day of June 1985,

BETWEEN THE GOVERNMENT OF CANADA,
AND THE GOVERNMENT OF ALBERTA,
THE GOVERNMENT OF BRITISH COLUMBIA,
THE GOVERNMENT OF MANITOBA,
THE GOVERNMENT OF NEW BRUNSWICK,
THE GOVERNMENT OF NEWFOUNDLAND,
THE GOVERNMENT OF NOVA SCOTIA,
THE GOVERNMENT OF ONTARIO,
THE GOVERNMENT OF PRINCE EDWARD ISLAND,
THE GOVERNMENT OF QUEBEC AND
THE GOVERNMENT OF SASKATCHEWAN

(hereinafter collectively referred to as the "Provinces")

WITNESSETH THAT, in consideration of the mutual covenants herein set forth, the parties hereto agree as follows:

The Government of Canada undertakes

- 1. no restriction
→ Indians
→ the provinces
- conflict of interest*
- 1.1 to refrain from re-entering the field of gaming and betting (except to the extent of its present role under section 188 of the Criminal Code with respect to horse races) and to ensure that the rights of the Provinces in that field are not reduced or restricted;
 - 1.2 to introduce amendments to the Criminal Code in substance in accordance with the a draft attached hereto as Schedule A, which amendments shall be subject to consultation with the Provincial Ministers responsible for the administration of Justice, and to use its best efforts to ensure that approved amendments are proclaimed in force as soon as possible; and in any event, no later than December 31, 1985.
 - 1.3 to use its best efforts to ensure that Bill C-2 (An Act respecting the winding up of the Canadian Sports Pool Corporation and Loto Canada Inc.) is assented to and proclaimed in force not later than September 30, 1985 and that Loto Canada Inc. is wound up not later than October 31, 1985; and
 - 1.4 to cause the Attorney General of Canada, within two weeks of execution of this Agreement, to desist without costs from its appeal to the Supreme Court of Canada from the Québec Court of Appeal judgment in the case of the Attorney General of Canada vs Lotto-Québec.

This is the case which needs to be studied around

Legal opinion

2. The Provinces undertake

- 2.1 subject to article 4, to pay to the Government of Canada the aggregate amount of \$100,000,000 in three equal yearly installments, on or before December 31 in each of the years 1985, 1986 and 1987;
- 2.2 subject to article 4, to continue their indexed payments under paragraph 3 of the Agreement evidenced by a letter dated August 23, 1979 signed by the Government of Canada and the Provinces (the "1979 Agreement"); and

7. this Agreement shall be binding on Her Majesty in Right of Canada and of each of the Provinces and on Her assignees, agents, mandataries, representatives, servants and employees. The parties acknowledge that the subject matter of this Agreement is a commercial matter, and they undertake not to invoke any Crown Prerogative or immunity in any dispute, including any court proceedings, arising from this Agreement.

8. This Agreement may only be amended or terminated by the unanimous consent of the Provinces and the Government of Canada.

Each of the parties hereto has signed this Agreement by its duly authorized Minister(s), on the understanding that this agreement shall be valid and binding only when signed by all parties.

DATED June 3, 1985

HER MAJESTY THE QUEEN IN RIGHT OF CANADA

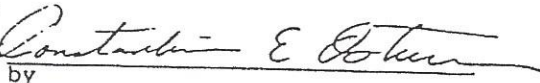


by

June 6, 1985

DATED Approved as a binding Intergovernmental Agreement for the Province of Alberta
A/Minister of Federal and Intergovernmental Affairs

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ALBERTA



by

DATED June 3, 1985

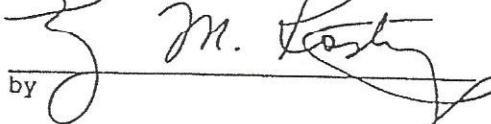
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA



by

DATED June 3, 1985

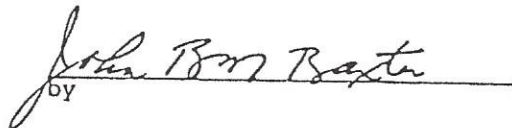
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA



by

DATED June 3, 1985

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NEW BRUNSWICK



by

DATED June 3, 1985

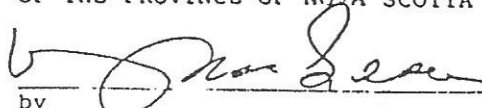
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NEWFOUNDLAND



by

DATED June 3, 1985

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA



by

SCHEDULE A

DRAFT AMENDMENTS TO CRIMINAL CODE

1. Section 188.1 of the Criminal Code is repealed.
2. Section 190 of the Criminal Code is repealed and the following substituted therefore:
 190. (1) Notwithstanding any of the provisions of this Part relating to gaming and betting, it is lawful
 - (a) for the government of a province, either alone or in conjunction with the government of another province, to conduct and manage a lottery scheme in that province, or in that and such other province, in accordance with any law enacted by the legislature of that province;
 - (b) for a charitable or religious organization, under the authority of licence issued by the Lieutenant Governor in Council of a province or by such other person or authority in the province as may be specified by the Lieutenant Governor in Council thereof, to conduct and manage a lottery scheme in that province if
 - (i) the proceeds from the lottery scheme are used for a charitable or religious object or purpose, and
 - (ii) in the case of a lottery scheme conducted by the charitable or religious organization at a bazaar,
 - (A) the amount or value of each prize awarded does not exceed one hundred dollars, and
 - (B) the money or other valuable consideration paid to secure a chance to win a prize does not exceed fifty cents;
 - (c) for an agricultural fair or exhibition or an operator of a concession leased by an agricultural fair or exhibition board, under the authority of a licence issued by the Lieutenant Governor in Council of a province or by such other person or authority in the province as may be specified by the Lieutenant Governor in Council thereof, to conduct and manage a lottery scheme in that province;
 - (d) for any person, under the authority of a licence issued by the Lieutenant Governor in Council of a province or by such other person or authority in the province as may be specified by the Lieutenant Governor in Council thereof, to conduct and manage a lottery scheme at a public place of amusement in that province if
 - (i) the amount or value of each prize awarded does not exceed one hundred dollars, and
 - (ii) the money or other valuable consideration paid to secure a chance to win a prize does not exceed fifty cents;

(4) In this section "lottery scheme" means a game or any proposal, scheme, plan, means, device, contrivance or operation described in any of paragraphs 189(1)(a) to (g) and includes any of the above activities which involves betting, other than:

(a) a dice game, three-card monte, punch board or coin table,

(b) bookmaking, pool selling and the making or recording of bets, including bets made through the agency of a pool or pari-mutuel system, on any race or fight, or on a single sport event or athletic contest, and

(c) for the purposes of paragraphs (1)(b) to (f) a game or proposal, scheme, plan, device, contrivance or operation described in any of paragraphs 189(1)(a) to (g) which is operated on or through any computer, video device or machine.

(5) Nothing in this section shall be construed as authorizing the making or recording of bets on horse races through the agency of a pari-mutuel system other than in accordance with section 188."

190 (5) clarifying... for greater certainty.

"in the form" section, New York & other states.