
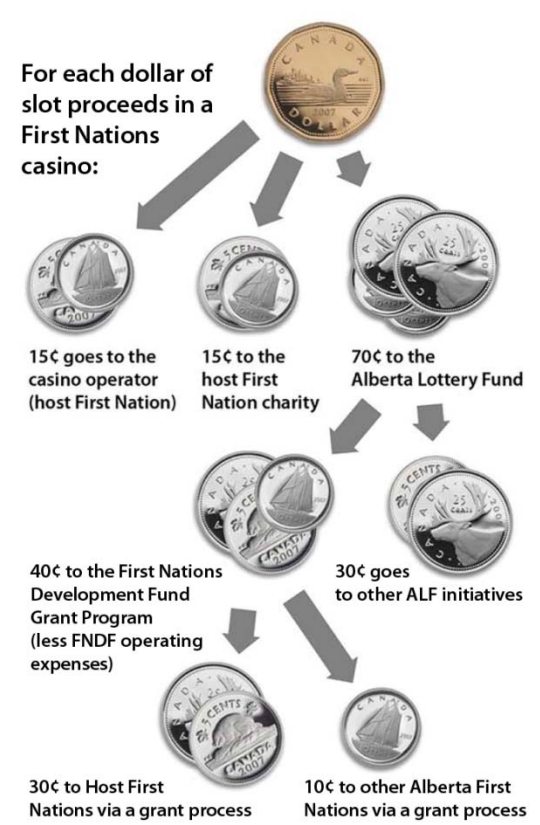


# Charitable Gaming Policies and Allocation of Casino Proceeds

(Charitable Gaming Proceeds come from the funds remaining after prizes are paid to players)

	<b>Traditional Casinos</b>	<b>First Nations on-reserve Casinos</b>
<b>Casino Revenue Distribution (after prizes paid to players)</b>	<p><b>Table games:</b> Licensed charities initially receive all proceeds from table games. From this, they pay casino facility operators a fixed fee for service, ranging from 50% of proceeds (in major casinos) to 75% (in minor casinos). Government receives no revenue from table games.</p>	<p><b>Table games:</b> Same.</p>
	<p><b>Slot machines:</b></p> <ul style="list-style-type: none"> <li>• 15% - Operator</li> <li>• 15% - Charity</li> <li>• 70% - Alberta Lottery Fund (less AGLC operating expenses per <i>Gaming and Liquor Act</i>).</li> </ul> <div style="text-align: center;"> <p><b>For each dollar of slot proceeds in a traditional casino:</b></p>  <p>15¢ goes to the casino operator      15¢ to the event host charity      70¢ to the Alberta Lottery Fund (less AGLC operating expenses per <i>Gaming and Liquor Act</i> 26 (2) d,e,f.)</p> </div>	<p><b>Slot machines:</b> Same percentages but First Nations proceeds cover First Nations Development Fund (FNDF) operating expenses, not AGLC.</p> <div style="text-align: center;"> <p><b>For each dollar of slot proceeds in a First Nations casino:</b></p>  <p>15¢ goes to the casino operator (host First Nation)      15¢ to the host First Nation charity      70¢ to the Alberta Lottery Fund</p> <p>40¢ to the First Nations Development Fund Grant Program (less FNDF operating expenses)      30¢ goes to other ALF initiatives</p> <p>30¢ to Host First Nations via a grant process      10¢ to other Alberta First Nations via a grant process</p> </div>
<b>Alberta Lottery Fund Allocations (70%)</b>	<p>Approximately 70% of proceeds from slot machines in traditional casinos go to the Alberta Lottery Fund.</p>	<p><b>Alberta Lottery Fund allocation (70%) from slot machines in First Nations casinos is split:</b></p> <ul style="list-style-type: none"> <li>• 40% to the FNDF Grant Program.</li> <li>• 30% to other Alberta Lottery Fund initiatives.</li> </ul> <p style="text-align: right;"><i>Continued...</i></p>

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<p><i>...Continued</i></p> <p><b>Alberta Lottery Fund Allocations (70%)</b></p>		<p>The 40% First Nations Development Fund (FNDF) portion is allocated via a grant process:</p> <ul style="list-style-type: none"> <li>• 30% to the <i>host</i> First Nation</li> <li>• 10% to <i>other</i> First Nations across Alberta</li> </ul> <p>FNDF grants may be allocated for economic, social and community development projects.</p>
<b>Charitable Involvement</b>	<p>Casino facilities rely on approximately 180 charities to operate year-round. Charitable and religious organizations must meet requirements to obtain a casino event licence.</p> <p>In traditional casinos, table game operations are supported by charity volunteers.</p>	<p>The Host First Nation must operate one host charity year-round, which must meet eligibility requirements for casino event licences.</p> <p>Host First Nation charities may employ charity workers to support table games, and may pay these staff with gaming proceeds.</p>
<b>Use of Proceeds</b>	<p>The charity's use of proceeds from traditional casino events follows provincial gaming regulations and policies. Prior approval and detailed reporting of expenditures are required.</p>	<p>Overall, policies on the use of proceeds by Alberta's First Nations are largely the same as those for traditional charities.</p> <p>However, in recognition of unique First Nations community needs, First Nations policies allow for the investment of charitable proceeds in areas such as on-reserve housing and addictions treatment.</p>
<b>Accountability</b>	<p>The AGLC reviews (and reserves the right to audit) the use of charitable gaming proceeds.</p>	<p>Same.</p>
<b>Integrity and Security</b>	<p>Must comply with <b>AGLC Casino Terms &amp; Conditions and Operating Guidelines</b>. The Casino Facility Licensee (operator) and the Casino Event Licensee (charity) must be separate entities.</p>	<p>Same.</p>
<b>Location</b>	<p>Facility Licensee chooses an optimal location convenient to players.</p>	<p>First Nations casinos must be located on reserve land that existed or eligible adjacent land in process as of January 1, 2001. Membership Referendums and federal land designation are required.</p>
<b>Community Support</b>	<p>Expressed through a municipal council. The process may conclude if the council does not support the casino development in the community.</p>	<p>Expressed through a First Nations Band Council. The process may conclude if the council does not support the casino development in the community.</p>