RENTAL AGREEMENT

OFFICE OF ATTORNEY GENERAL
LICENSING SECTION
SFN 9413 (Rev. 08-2019)

License Number (Office Use Only)

Site Owner (Lessor)		Site Name		Site Phone Number
Site Address	City	State	Zip Code	County
Organization (Lessee)	Rental Period **to**			Monthly Rent Amount

1. Is Bingo going to be conducted at this site?		☐ No ☐ Yes	
1a. If "Yes" to number 1 above, is Bingo the **primary** game conducted? If "Yes," enter the monthly rent amount to be paid. Then answer questions 2 - 7 but do not enter any rent amounts.		☐ No ☐ Yes	$
2 Is Twenty-One conducted at this site?			
· Number of Tables with wagers **up to** $5 _____	X Rent per Table $_____	☐ No ☐ Yes	$
Number of Tables with wagers **over** $5 _____	X Rent per Table $ _____		$
3. Is Paddlewheels conducted at this site? Number of Tables _____	X Rent per Table $ _____	☐ No ☐ Yes	$
4. Is Pull Tabs involving either a jar bar, standard, or electronic dispensing device conducted at this site?		☐ No ☐ Yes	$
Please check: ☐ Jar Bar ☐ Standard Dispensing Device			
☐ Electronic Dispensing Device Number of Electronic Devices _____			$
Total Monthly Rent			$

5. If the only gaming activity to be conducted at this site is a raffle drawing, please check here. ☐

TERMS OF RENTAL AGREEMENT:

This RENTAL AGREEMENT is between the Owner (LESSOR) and Organization (LESSEE) that will be leasing the site to conduct games of chance.

The LESSOR agrees that no game will be directly operated as part of the lessor's business.

The LESSOR agrees that the (lessor), (lessor's) spouse, (lessor's) common household members, (management), (management's) spouse, or an employee of the lessor who is in a position to approve or deny a lease may not conduct games at any of the organization's sites and, except for officers and board of directors members who did not approve the lease, may not play games at that site. However, a bar employee may redeem a winning pull tab, pay a prize board cash prize, and award a prize board merchandise prize involving a dispensing device and sell raffle tickets or sports pool chances on a board on behalf of an organization.

The LESSOR agrees that the lessor's on call or temporary or permanent employee will not, directly or indirectly, conduct games at the site as an employee of the lessee on the same day the employee is working in the area of the bar where alcoholic beverages are dispensed or consumed.

If the LESSEE provides the Lessor with a temporary loan of funds for redeeming pull tabs or prize boards, or both, involving a dispensing device, **the Lessor agrees to repay the entire loan immediately when the lessee discontinues using the device at the site.**

The LESSOR agrees not to interfere with or attempt to influence the lessee's selection of games, determination of prizes, including a bingo jackpot prize, or disbursement of net proceeds.

The LESSOR agrees not to loan money to, provide gaming equipment to, or count drop box cash for the lessee.

The LESSOR agrees any advertising by the lessor that includes charitable gaming must include the charitable gaming organization's name.

At the LESSOR'S option, the lessee agrees that this rental agreement may be automatically terminated if the lessee's gaming license is suspended at this site for more than fourteen days or revoked.

Signature of Lessor	Title	Date
Signature of Lessee	Title	Date

(over)

North Dakota Century Code § 53-06.1-11 (Gross Proceeds - Allowable expenses – Rent limits)

4. For a site where bingo is conducted:

   a. If bingo is the primary game, the monthly rent must be reasonable.

   b. If bingo is not the primary game, but is conducted with twenty-one, paddlewheels, or pull tabs, no additional rent is allowed.

5. For a site where bingo is not the primary game:

   a. If twenty-one or paddlewheels is conducted, the monthly rent may not exceed two hundred dollars multiplied by the necessary number of tables based on criteria prescribed by the gaming rule. For each twenty-one table with a wager greater than five dollars, an additional amount up to one hundred dollars may be added to the monthly rent. If pull tabs is also conducted involving only a jar bar, the monthly rent for pull tabs may not exceed an additional one hundred seventy-five dollars. If pull tabs is conducted involving only a dispensing device, or a jar bar and dispensing device, the monthly rent for pull tabs may not exceed an additional three hundred twenty-five dollars.

   b. If twenty-one and paddlewheels are not conducted but pull tabs is conducted involving either a jar bar or dispensing device, the monthly rent may not exceed four hundred dollars.

   c. If pull tabs is conducted using one or more electronic pull tab devices, the monthly rent may not exceed an additional one hundred dollars per machine for the first five machines in the same venue. Fore each additional machine in the same venue beyond five, the monthly rent may not exceed an additional fifty dollars per machine.

North Dakota Administrative Code § 99-01.3-02-06 (Rental agreement)

3. Rent must be a fixed dollar amount per month.

   a. A participatory or graduated rate arrangement based on gross proceeds or adjusted gross proceeds is prohibited.

   b. If bingo is the primary game or if a site is leased by an organization that has the alcoholic beverage license for that site, the monthly rent must be reasonable. Factors include time usage, floor space, local prevailing rates, and available sites and services. An organization may pay seasonal expenses, such as snow removal, air-conditioning and heating, to a vendor.

   c. If bingo is not the primary game, the maximum monthly rent must be according to subsection 5 of North Dakota Century code section 53-06.1-11.

      Special considerations are:

      (1) If two or more organizations conduct twenty-one or paddlewheels, or both, involving a table and pull tabs for less than a month at a temporary site which is a public or private premise, or if two or more organizations are issued site authorizations to conduct games at a site on different days of the week, the maximum monthly rent, in the aggregate, may not exceed the limit set by subsection 5 of the North Dakota Century Code section 53-06.1-11; and

      (2) If a raffle, calcutta, sports pool, or poker is conducted with twenty-one, paddlewheels, or pull tabs, no additional rent is allowed.

   d. Except for applying subsection 3 or 4 of section 99-01.3-03-04, and additional rent paid to a lessor for simulcast racing, an organization or employee may not pay any additional rent or expense, from any source, or for any other purpose, including office or storage space, snow removal, maintenance or cleaning fees, equipment, furnishings, entertainment, or utilities. Except for a leased site at which bingo is the primary game conducted, an organization may not pay for any capital or leasehold improvements or remodeling.

***** 4. If there is a change in the monthly rent or any other material change to a rental agreement, the agreement must be amended and a copy received by the attorney general **before** its effective date.

North Dakota Administrative Code § 99-01.3-03-04 (Restrictions and requirements)

20. If an organization conducts twenty-one, it may pay monthly rent for more than one table provided that each additional table is used at least thirteen times a quarter. This level of activity is based on a site's historical experience, or seasonal activity, for each of the previous four quarters, regardless of which organization conducted twenty-one at the site. For a new site or a site that has been completely remodeled in appearance and function, the level of activity must be reviewed and reestablished after the first full quarter. If an additional table is used at least thirteen times in at least one but not all of the previous four quarters, the allowable monthly rent for that table must be prorated over all the active months of the licensing year. For example, if a second table was used at least thirteen times in only two of the previous four quarters, the additional monthly rent for the second table would be a maximum of two hundred dollars per month (or three hundred dollars per month if a wager greater than five dollars is accepted on the table) multiplied by six months (totaling one thousand two hundred dollars) and prorated to one hundred dollars per month for the licensing year.