



**COMMONWEALTH OF PUERTO RICO
DEPARTMENT OF CONSUMER AFFAIRS
SECRETARY'S OFFICE**

SWEEPSTAKES REGULATIONS

Approved on October 27, 2009

DEPARTAMENTO DE ESTADO
CERTIFICACIONES Y
REGLAMENTOS
09 OCT 27 PM 3:11

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SWEEPSTAKE REGULATIONS

RULE 1: LEGAL AUTHORITY

These Regulations are promulgated in reliance on the powers granted to the Secretary of the Department of Consumer Affairs by Act Number 5 of April 23, 1973; Act Number 148 of July 1, 1968; Act Number 97 of June 19, 1953; Act Number 228 of May 12, 1942 and Act Number 170 of August 12, 1988, as amended.

RULE 2: GENERAL PURPOSES

These Regulations establish consumer protection rules governing commercial promotion by means of sweepstakes. The purpose thereof is for every participant to receive the necessary information regarding the procedure, terms and conditions of the sweepstakes and the proper award of the prizes.

The Department of Consumer Affairs promulgates these Regulations intended to establish guidelines and acknowledge rights and obligations regarding the promotion of sweepstakes in Puerto Rico. Owing to the wide variety of sweepstakes that may be carried out, by means of these Regulations, the Department establishes the minimum levels of disclosure, dissemination and publication. It also establishes procedures to modify or change the rules, terms and conditions and prizes of the sweepstakes, as well as the grounds for cancellation or suspension of the sweepstakes.

RULE 3: SCOPE AND APPLICATION

These Regulations apply to any person who advertises, makes, promotes, holds, organizes or otherwise entrusts the holding of sweepstakes to promote companies, institutions, products, goods, services or any other purpose of commercial gain.

They do not apply to activities limited to intellectual, or sports competitions or games where some kind of talent, skill capability, qualification or other special attribute is displayed which is the predominant determining element for the selection of the winner. They likewise do not apply to not for profit institutions, associations or political parties.

RULE 4: INTERPRETATION

These regulations shall be liberally construed in favor of the consumer.

In case of discrepancies between the original text in Spanish and its translation into English, the Spanish text will prevail.

RULE 5: DEFINITIONS

The words and phrases used in these Regulations shall be interpreted according to the context in which they are used and shall have the meaning accepted by common usage.

Where applicable, the meanings given to terms defined herein shall be equally applicable to both present and future, the masculine and feminine and the singular and plural forms of such terms.

As used herein, the following terms shall have the following meanings:

- 1. Entrant** – an individual participating in a sweepstakes organized to grant prizes.
- 2. Sweepstakes** – an activity whereby an offer is made to more than one person,

of the opportunity or expectation that one or more, but not all of them will receive one or more prizes, with chance being the predominant element in the selection of the winner.

Any sweepstakes where participants are required to pay Consideration will be considered an illegal lottery pursuant to Section 15 of the Act No. 10 of May 24, 1989, as amended, unless the promoter provides at least one alternative way of participating without having to pay such Consideration.

3. Consideration- provision of a monetary payment that financially benefits the promoter or a person related to the promoter. It does not include the requirement by the promoter that participants provide self-addressed and stamped envelopes, visit a commercial establishment or any other place, pay standard text messaging charges that do not financially benefit the promoter, or pay any other charges or fees to unrelated third parties for the use of any other technology as a means to participate in a Sweepstakes. All alternative methods of entry must be disclosed in the full rules of the Sweepstakes.

4. Department – the Department of Consumer Affairs.

5. Day – a natural day, unless otherwise specified.

6. Participating establishment – a commercial outlet where business transactions are made directly with consumers, or where some direct financial gain may be derived from the visit of consumers, or where the full Sweepstakes Rules and entry therein may be obtained during the effective period of the Sweepstakes.

7. Facsimile – any written document that reasonably refers to the entry in, product or company sponsoring the sweepstakes, and includes paper manuscripts,

drawings and similar reproductions. It does not include mechanical reproductions such as photocopies, mimeographed copies or computer printouts, among others.

8. Alternate Winner – the entrant to whom the prize offered by the promoter will be awarded in the event that the original winner is disqualified.

9. Instant Win Game – modality of sweepstakes whereby the consumer can become a winner immediately, or could receive prizes through the mere possession of one or more entries.

10. Media – includes television, radio, movies, the postal service, newspapers, magazines, flyers, loose leaves, signage or any other media designed to inform the public of the existence of a sweepstakes.

11. Offer – the prizes and the terms and conditions under which they will be granted.

12. Entry – the method, form or manner of participating in a sweepstakes. It includes coupons, tickets, labels, facsimiles, product parts or any other form or method of participating.

13. Person – individuals or legal entities.

14. Prize – any item of personal or real property, merchandise, service, item, object, product, advantage, benefit or compensation having an actual value obtained by the winner.

15. Available prizes means -

a) For an Instant Win Game – “available prizes” means those prizes that have yet to be won.

b) For a sweepstakes that involves a random drawing – “available prizes” means those prizes that are available to be won by the drawing. See Rule 6

(C)(13) for process of disposing of unclaimed prizes in a random drawing.

16. Promoter – the businessman, agent or representative who announces, makes, favors, holds, organizes, carries out or otherwise promotes or entrusts the holding of sweepstakes directly or represented by a third party.

17. Initial Publication or Dissemination – the date on which the full Sweepstakes Rules are first published, disseminated, distributed, circulated, submitted, displayed, exhibited or otherwise disseminated in Puerto Rico.

18. Sweepstakes Rules – the full set of terms, conditions and factors that define the operation of a sweepstakes.

19. Secretary – the Secretary of the Department.

20. Draw – sweepstakes system where the consumer must send, submit or deposit entries which may be selected to determine the winner or winners by a random drawing.

21. Reasonable Period – a period not to exceed three (3) months.

22. Abbreviated Rules – a disclosure of the material terms and conditions of the sweepstakes, which at a minimum contain (1) the end date; (2) eligibility requirements for entry; (3) the name of the promoter; (4) a statement that no purchase is necessary to enter or play the game; and (5) disclosure of where the Sweepstakes Rules can be obtained.

RULE 6: INFORMATION TO BE DISCLOSED OR PUBLISHED

A. The Sweepstakes Rules shall be disclosed or published in at least one of the following manners:

1. By means of publication or dissemination, in a font size no smaller than (6)

point, in at least one general circulation newspaper or magazine in the area covered by the sweepstakes at the outset thereof, and once every thirty (30) days following initial publication or dissemination, during the sweepstakes period. Any initial publication or disclosure shall include the full version of the rules; subsequent publications may be condensed and shall include the information set forth in Rule 6 (C), the form, postal or physical address of the places accessible to the public or the e-mail address thereof, or of the promoter's office or of the participating establishments where the complete rules and entry free of charge may be obtained during the sweepstakes period.

2. By means of the dissemination or publication by radio or TV broadcast in the covered area at the outset of the sweepstakes and once every thirty (30) days thereafter during the sweepstakes period. Radio and TV broadcasts shall be made in prime time for the station or TV channel selected by the promoter. Any initial dissemination or publication shall contain the full version of the rules; subsequent disseminations or publications may be condensed and shall include the information set forth in Rule 6 (C), the form, postal or physical address of the places accessible to the public or the e-mail address thereof, or of the promoter's office or of the participating establishments where the complete rules and entries may be obtained free of charge during the sweepstakes period.

Every promoter will be required to keep a copy of the broadcasts wherein he disseminated the Sweepstakes Rules as part of the file required in Rule 13 of these Regulations and to have the written rules available in a sign, printed in a size no smaller than 18" x 24" in a font size no smaller than (14) point, or individual copies or loose leaves in a font size of not less than ten (10) point at all

broadcasting facilities or at its offices available to the public during business hours. If no individual copies or loose leaves with the rules are available, the sign shall specify the postal, physical or e-mail address where an individual copy of the rules and free entry may be requested during the sweepstakes period.

3. By means of signs with the complete certified rules in a size no smaller than 18" x 24", in a font size of not less than fourteen (14) point, or individual copies and loose leaves in a font of not less than ten (10) point at all participating commercial establishments during business hours, or other locations at which entrants can participate in the Sweepstakes, which shall be placed in a place visible to the public. Should the full version of the rules not be available in individual copies or loose leaves, the sign shall specify the postal, physical or e-mail address where an individual copy of the complete rules and free entry may be requested during the entire duration of the sweepstakes.

4. By means of publication of the complete text of the rules on the same package for those sweepstakes promoted only on the packaging of a product, provided they are legible, and further provided that Abbreviated Rules may be used instead of full rules..

5. When the sweepstakes is announced by mail only, the Sweepstakes mailing shall comply with The Deceptive Mail Prevention and Enforcement Act (39 U.S.C. § 3001, et seq. (Public Law 106-168).

6. By means of publication on a freely accessible website.

B. As long as the promoter discloses the Sweepstakes Rules through one of the above methods, the promoter may advertise a sweepstakes without the Sweepstakes Rules provided that in such advertisement the promoter discloses the Abbreviated Rules.

C. The Sweepstakes Rules shall include the following information:

1. Date of beginning and end of the sweepstakes.
2. Eligibility requirements, including age, geographical area and any other special condition for participation. In the absence of specification, it shall be deemed that there are no special requirements or conditions for participation.
3. Form or manner of participating.
4. Prizes to be offered. Any visual representation of a prize shall show the actual features of the offered prize. This obligation shall not be evaded by including the phrase "Not like the illustration" or a similar phrase.
5. Way of selecting the winners, including the manner in which alternate winners will be selected.
6. A statement that no purchase or consideration is required to participate and receive the prize.
7. Participating products and how or where entries may be obtained.
8. The name, physical address, and e-mail or website address of the promoter or the entity responsible for the sweepstakes.
9. When and where the prizes will be available.
10. Whether the prizes are non-transferable.
11. Clearly and prominently any condition, requirement, essential and necessary standard or information that entrants must be aware of.
12. The Sweepstakes Rules shall be published, announced and disseminated in the same language as is used in any advertisement for the Sweepstakes. For example, if