

Saver's Sweepstakes® Compliance Bites: Entries, Drawings & Prizes



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Balance increases = entries

- ▶ Saver's Sweepstakes account deposits can be made in any amount, at any time, by any party to the account.
- ▶ Every month-over-month balance increase of \$25 earns one entry.
 - 1 entry for statewide monthly, quarterly, and annual drawings, and
 - 1 entry for credit union's members-only drawing (if any).
- ▶ Each primary account holder's entries capped at 6 per month/18 per quarter/72 per year, regardless how high balance increases.
 - Helps keep things fair.



Conduct of prize drawings

- ▶ Credit union must upload Saver's Sweepstakes data to TruLync by 3rd business day of each month.
 - Before upload, credit union must verify accuracy of data and account holder eligibility.
- ▶ TruLync picks winning account holder randomly on 15th of month for prior month/quarter/year.
- ▶ A primary account holder can win only once per drawing.
 - Could win >1 prize category (monthly, quarterly, annual) within same year.
 - Could win statewide drawing and credit union members-only drawing at same time.



The “prize pool” \$\$\$\$

- ▶ Participating credit unions each contribute to the statewide prize pool, based on their asset sizes.
 - All contributions are paid out as prizes.
 - League earns no money on Saver's Sweepstakes.
- ▶ Numbers & amounts of prizes depend on how many credit unions participate & contribute.
- ▶ Current prize pool estimates can be found in the Saver's Sweepstakes Resource Center, at www.theleague.coop



Distribution of cash prizes

- ▶ TruLync notifies credit unions that winner report available to them on its secure website.
- ▶ League transfers prize money to credit union.
- ▶ Credit union notifies its winner(s) (by phone, email, or US mail) and pays out prize money.
 - Credit union responsible for verifying winner's eligibility.
- ▶ Prize goes only to primary account holder.
 - Can be paid by cash, credit union check, or deposit to his/her share account.
 - Credit union cannot direct deposit prize money to Saver's Sweepstakes account.
 - If minor wins, prize paid to him/her, not parents.
- ▶ Credit union responsible for tax reporting.



Credit unions can “enhance” prizes

- ▶ Credit unions can opt to “enhance” the statewide prizes that its members win.
 - E.g., “We’ll double your winnings.”
 - Credit union has to pay that extra prize amount.
 - Credit union is responsible for rules, restrictions, and promotions of its enhanced prizes.
- ▶ Credit union must distinguish statewide prizes from its enhancements in any ads, announcements, press releases, etc.
 - Otherwise, unfair to credit unions that don’t enhance prizes.



Members-only drawings

- ▶ Credit union can have drawings just for its members.
 - Policy should address it, including how often & prize amount(s).
- ▶ Can be done monthly, quarterly, and/or annually.
- ▶ Must notify League in advance to start.
 - “Members-Only Drawing Election Form” in Resource Center.
- ▶ TruLync draws winners along w/ statewide drawings.
- ▶ Monthly prizes must be of equal value.
 - Credit union can set amount & choose number of winners.
 - Same for quarterly prizes.
 - Just one winner for annual/grand prize drawing.
- ▶ Credit union must distinguish statewide prizes from members-only prizes in ads, announcements, etc.



Do not deny entries

- ▶ If a member has earned entries, do not deny Saver's Sweepstakes entries on open account for any reason.
 - E.g., even if member has caused a loss.
 - Credit union may be able to close account, though.
 - See The League's *ii Release No. 0183* on denial of services & closing accounts.



Need compliance information?

For any compliance or legal information,
call our compliance hotline
800-242-0833 (option 1)

-or-

Email our compliance mailbox
compliance@theleague.coop

- and -

Check out The League's *ii Release No. 0184* for more
than 100 compliance FAQs on Saver's Sweepstakes

