



INTERNET, SOCIAL & RESPONSIBLE GAMBLING



MGC Internet Gaming Forum

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About NCPG

- The national advocate for programs and services to assist problem gamblers and their families.
- NEUTRAL on legalized gambling.
- Founded in 1972.
- Chapters in 36 of 50 states, including MA.
- Work with government, gaming industry, regulators, legislators, media & community.

Why Care About Technology?...

- Obliterates traditional gambling definitions, regulations and practices.
- Allows manipulation of every aspect of any game.
- Evolves on a daily basis, far outstripping regulation and RG.
- Results in gambling that may be both more risky and more responsible.

What's Now?

- Racing
- Lottery
- Casino
- Social
- Fantasy
- Sweepstakes



OPENING AN ACCOUNT ANSWERS

Can anyone be a TVG subscriber?

To open a TVG wagering account, you must be at least 21 years old and reside in a state where wagering services are available.

Where are wagering services available?

Wagering services are currently offered in Arkansas, California, Colorado, Florida, Idaho, Illinois, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Montana, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Tennessee, Virginia, Washington, West Virginia and Wyoming.

*Residents of Massachusetts may not be able to place wagers on racing from certain racetracks.

Rolling Out the Red Carpet for You!



If you play the Massachusetts State Lottery, you deserve something special. And we've got the perfect thing:

The Massachusetts Lottery RED CARPET VIP CLUB

It's an internet site everyone can join to learn more about playing all Massachusetts State Lottery Games. And best of all — it's **FREE!**

What Do You Get?

E-Mail Subscriptions

Request drawing results and jackpot information to be sent to your e-mail account.

Lottery News

Get Lottery news e-mails about the latest games, promotions, events, winners, etc.

Member Polls

Share your opinions and see what other members think on a variety of Lottery topics.

Second Chance Internet Entry

Continue to enjoy the convenience of online second chance drawings.

Internet Gaming

- Internet gambling has the lowest participation rates of any form of gambling, **regardless of the legality of internet gambling in the jurisdiction.**
- Internet gamblers are extremely likely to also gamble in multiple “traditional” forums, so internet gambling may mainly be an adjunct for existing gamblers.

But...

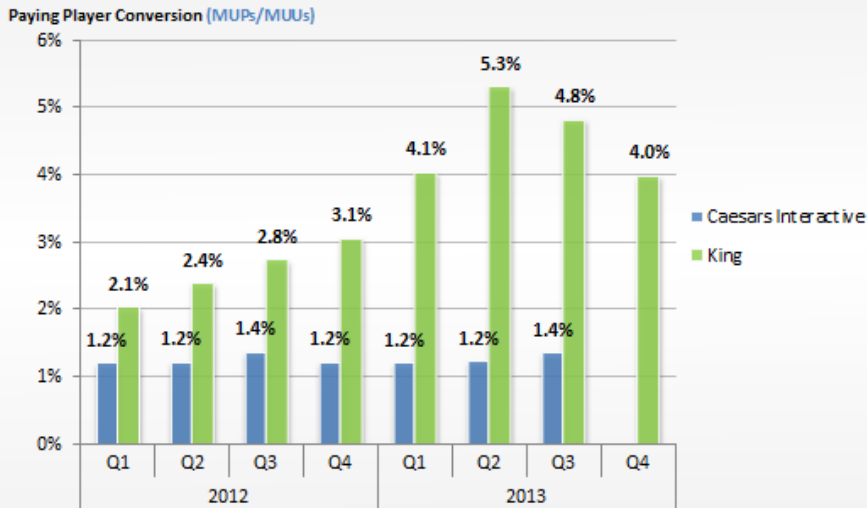
- Relatively high rates of gambling problems among those who gamble online.
 - Problem gamblers may be attracted to internet gambling.
 - Non-problem gamblers may develop problems online due to high speed of play, social isolation, use of credit/non-cash payment methods and 24-hour availability.

Social Gaming

- Video & social gaming correlated with gambling.
- Early onset of gambling correlated with PG.
- Some SG features associated with addiction.
- Recreational gamblers may not converge, but PGs might?
- If SG have normal population prevalence of PG = 2-3 million among worldwide monthly players.
- Unclear oversight & no standards.
- Sector evolving at light speed.

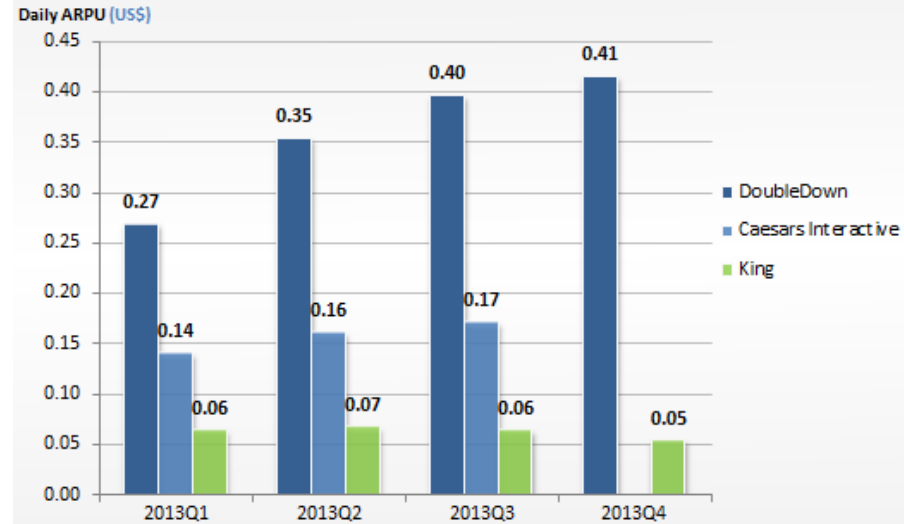
Free Is More Lucrative Than Pay

CIE vs King: Paying Player Conversion Rate



Source: Company data, GamblingData estimates

Social Gambling Operators vs King: Daily ARPU (US\$)



Source: Company data, GamblingData estimates

Caesar's grosses \$125 per paying player per month

Whale Tales

“A whale is a whale,” Barden said. “We had one player that **spent \$13,000 over 3 months on one of our free-to-play games**”



SG Fail: Delaware Lottery

Age

The Services are intended for those 21 years of age. Without diminishing the foregoing, to access or participate in the Services, you must be a natural person, at least 13 years old, and if you are under the age of 18 you declare that you have the consent of a legal guardian. At our sole discretion, we may require proof that you meet this condition in connection with use of the Services. Failure to comply with this condition will result in the closing of your account and the loss of all Virtual Currency or Virtual Goods acquired through your use of the Services.

Access; User Names and Passwords

You may login to use the Services by using your Facebook account. By using your Facebook account to login to the Services, you affirmatively consent to our sharing of your actions and data with Facebook. You must be at least 13 years of age and have a valid, active Facebook account to use and access the Services. You are responsible for maintaining the confidentiality of any password you may use to access the Services, and agree not to transfer your password or user login information ("User Name"), or lend or otherwise transfer your use of or access to the Services, to any third party. You are fully responsible for all interaction with the Services that occurs in connection with your password or User Name. You agree to immediately notify us of any unauthorized use of your password or User Name or any other

Challenging Assumptions

- Regulation will “kill” social gaming.
 - Has greatly benefited many industries, especially gaming.
- Monetary prizes are an essential component of gambling addiction.
 - For addicts, its not about the money.
- We’re not responsible.
 - Responsible gambling is good customer service, builds public support, mitigates individual harms and ensures sustainability.

RG Response

- Internet Responsible Gambling April 2012.
- GRADE Social Gaming Consumer Protection March 2013.
- Review of DE, NJ & NV Internet Responsible Gambling Regulations February 2014.

www.ncpgambling.org/irgstandards

IRG Standards

NCPG developed first-ever US standards in April 2012.

- Policy
- Training
- Informed Decision Making
- Assisting Players
- Self Exclusion
- Advertising
- Game & Site Features
- Research

Social Gaming GRADE

- Gambling-Like Monetized Games
- Responsible Gaming/Consumer Protection
- Age Controls
- Data Driven Research
- Education Of Players

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