

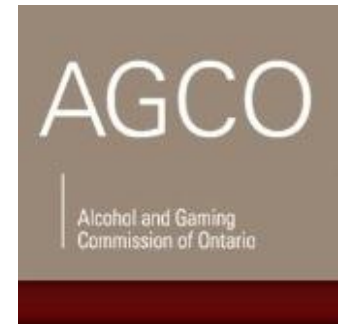
Massachusetts Gaming Commission Internet Forum

March 11, 2014



Introduction and Working History

George Sweny -- Senior Vice President, Internet and Charitable Gaming
Ontario Lottery and Gaming Corporation (OLG)



Regulatory Oversight

Provincial Gaming Agencies in Ontario & British Columbia

- Lottery
- Casinos & Slot Facilities
- Charitable Bingo & eBingo
- Internet Gaming

OLG's Purpose

- a) To enhance the economic development of the Province;
- b) To generate revenues for the Province;
- c) To promote responsible gaming; and
- d) To ensure that anything done for a purpose set out in clause (a), (b) or (c) is also done for the public good and in the best interests of the Province

Ontario Lottery and Gaming Corporation Act, 1999 – 0.1

OLG Overview

LOTTERY



RESORTS (Private Operators)



OLG-OWNED & OPERATED



5 locations



14 locations

NEW BUSINESS

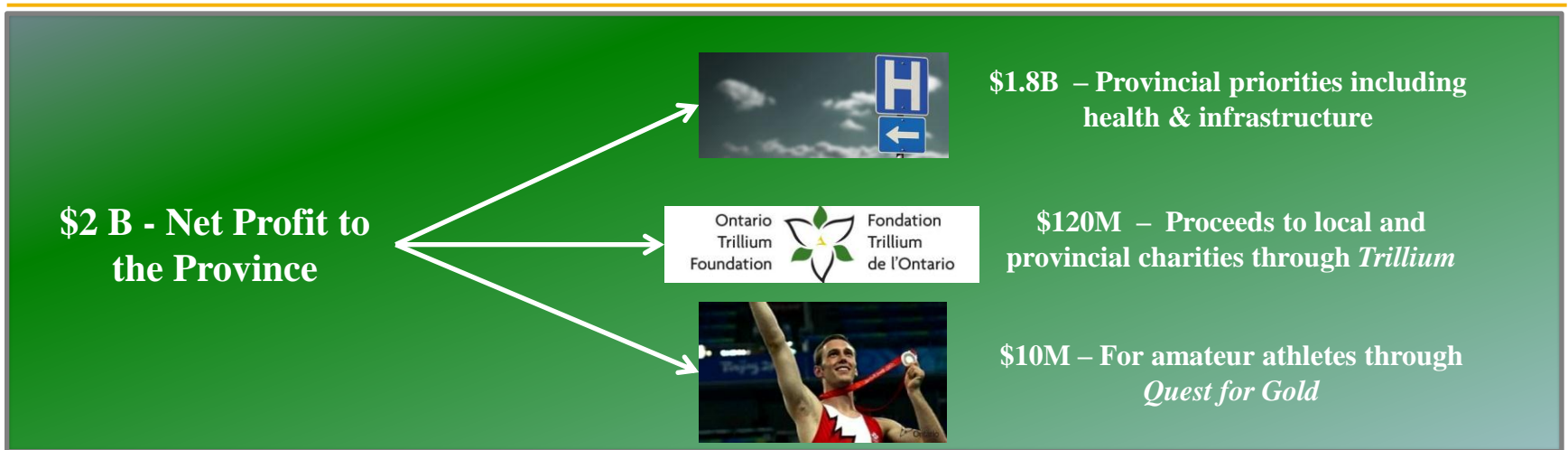
Internet Gaming






Charitable Gaming
Electronic Bingo



Where the Money Goes



~\$100 M – Payments To Municipalities


\$1.8 B – Prizes to Players



\$900 M – Employee Payroll



\$140 M + – Support for Horse Racing



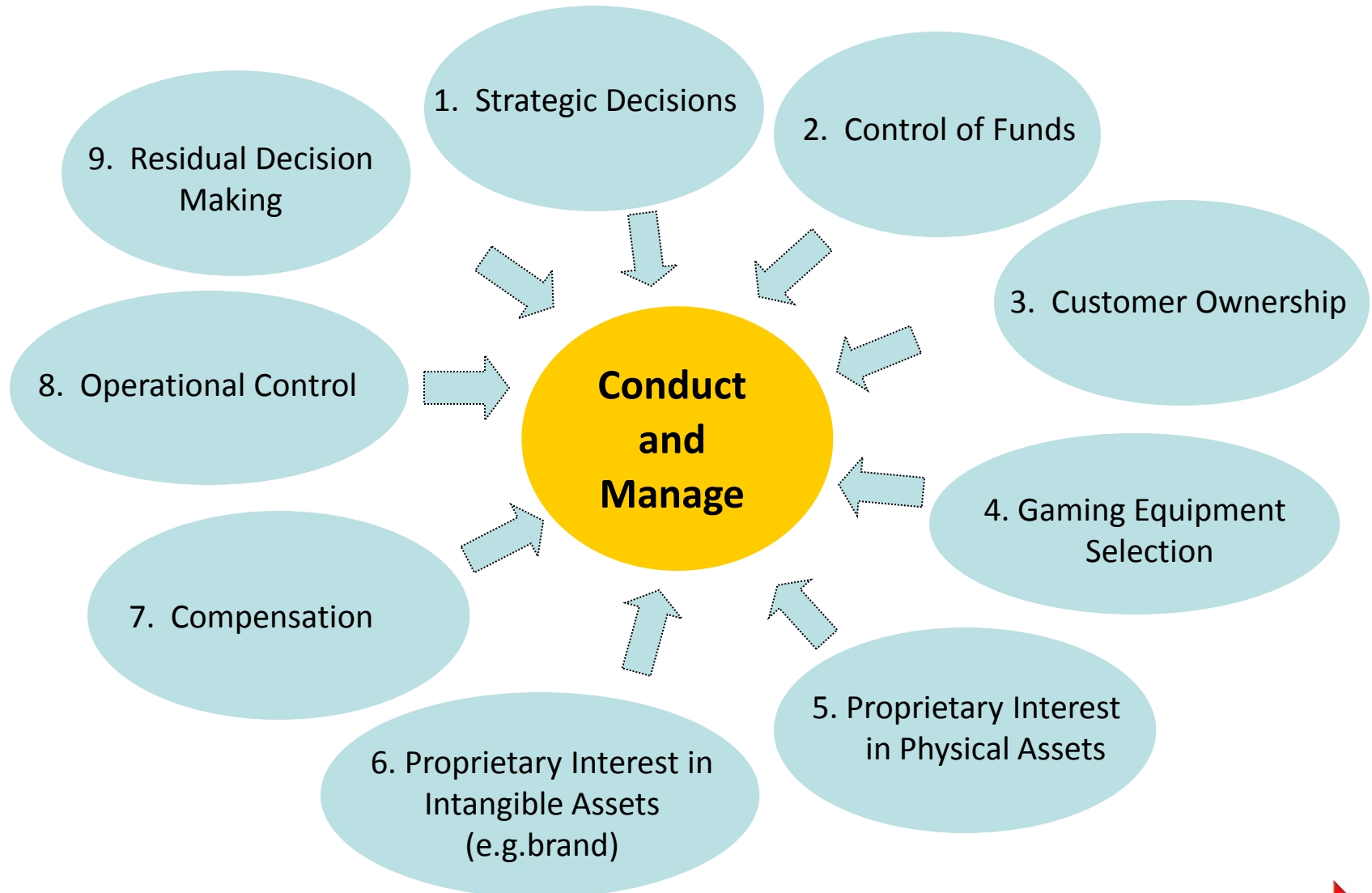
\$220 M + – Lottery Retailer Commissions

Object of the Corporation

- To develop, undertake, organize, **conduct and manage** lottery schemes on behalf of Her Majesty in right of Ontario

Ontario Lottery and Gaming Corporation Act, 1999 – 3.1

Conduct and Manage Indicators



Regulation by the AGCO

- Alcohol and Gaming Commission of Ontario
- AGCO is not directly involved in the conduct and management of lottery schemes
- Rather, it determines the regulatory environment in which OLG operates

Key Dates for OLG Internet Program

- August 2010 – OLG Given Government Direction
- December 2011 – Request for Proposals released
- December 2012 – Agreement in Principle Reached with Preferred Vendor
- April 2013 – Approvals Secured & Contract Executed
- Summer 2014 – Controlled Test Launch of [PlayOLG.ca](#)

Operating Model - Software and Services Agreement



OLG

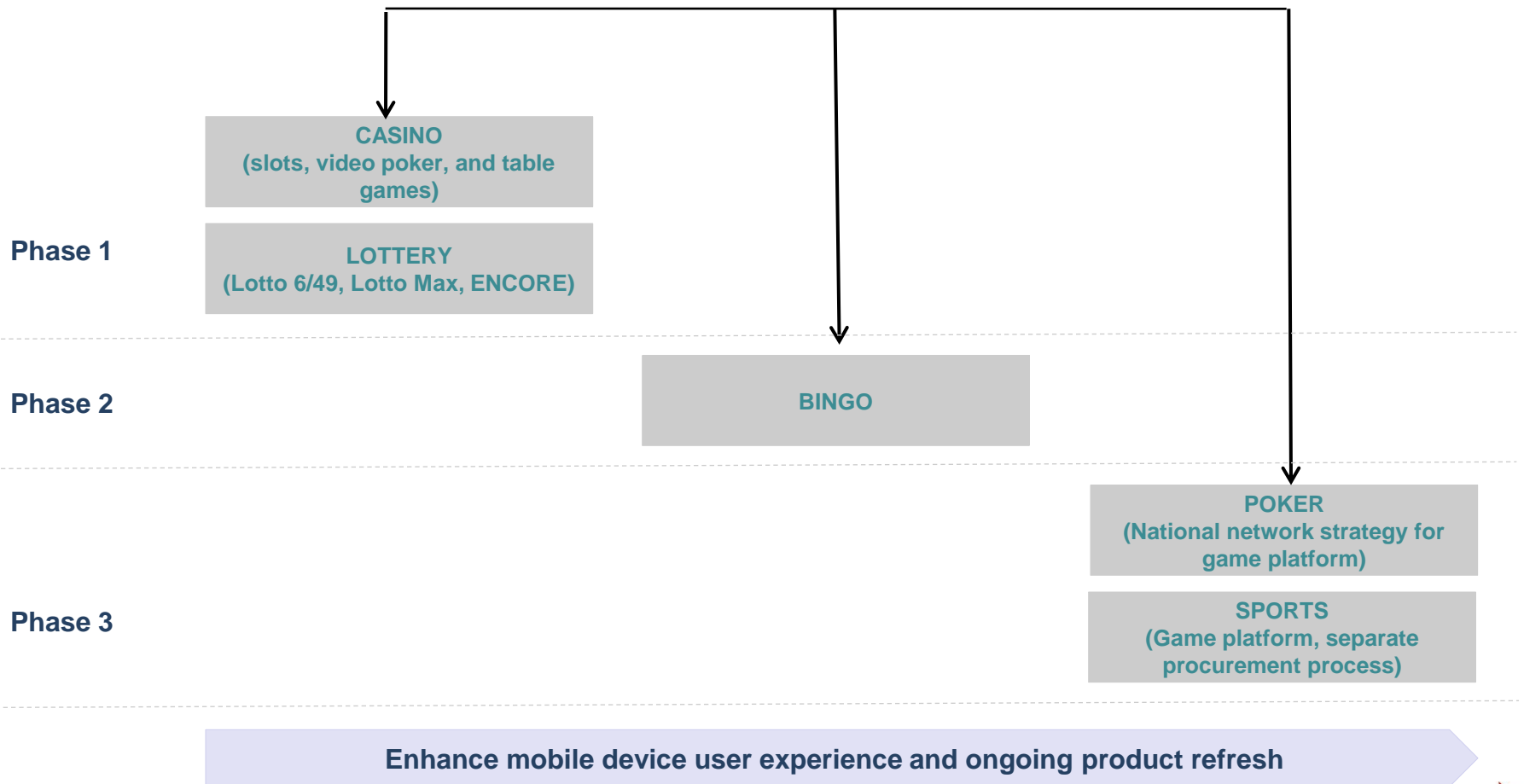
- Conduct and manage single internet platform
- Contract third-party service provider for daily operations
- OLG will...
 - Own all customer data
 - Lead Marketing and Responsible Gambling Programs
 - Define operating policies & strategies
 - Manage all player funds
 - Hold contracts with financial institutions



GTECH -- Primary Service Provider (PSP)

- PSP licenses OLG to use software & provide advice
- PSP operates front line customer service centre.
- PSP provides services relating to the installation, configuration, customization, integration and testing of the software
- Day-to-day hosting and running of iGaming Solution software

Product Roll-Out Strategy



Responsible Gambling

Work towards a “gold standard” for RG

Strategy to **prevent** and **mitigate** problem gambling

Empowering informed choice

Bridging people who need help to provincially-funded counseling services



Know your limit

Play within it

Responsible Gambling in the Solution

- iGaming records all online transactions enabling analytics and review – there is no anonymous play in iGaming
- Each player will have access to their account information including game play history
- Player's account settings include control tools to empower the player
 - Limit on spending
 - Limit on deposit
 - Wager limits
 - Loss limits
 - Play duration limits
 - Opt-in to receiving alerts when reaching/approaching limits
- Any limits set can be lowered immediately
- Increased limits will be subject to a defined 'cooling-off' period before it is effective.
- OLG offers voluntary Self Exclusion and Breaks in Play



Revenue Targets

- OLG used a variety of primary and secondary research to determine revenue targets for the iGaming initiative.
 - Current Canadian performance
 - National and provincial research
 - Current reported spend on sites not regulated in Ontario

- Based on all feedback, OLG's profit target (ie. returns to government) will grow to \$100 M annually by year five of operations

