

The Live Event is about to begin.

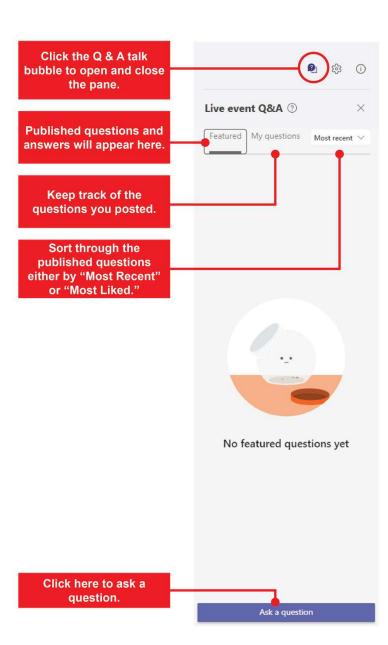
Feel free to ask questions through the Q & A section of the Live Event. The Q & A is moderated.

To ask a question:

- Click on "Ask a question" at the bottom of the pane
- Type your question in the compose box

Following today's presentation, the Lottery will publish responses to all questions on the FAQ page located at:

https://www.ohiolottery.com/Sports-Gaming



Lottery Type C Proprietor Stakeholder Meeting

May 16, 2022



Lottery Type C Host Information

Type C Host Update



Lottery Type C Host Information

Host Rules Packet

Lottery Host rules, operating procedures, and updated VEP rules were posted to the Lottery Sports Gaming webpage under the Announcements tab. The rules are moving forward in the CSI process.

The Ohio Lottery Commission has prepared the following documents for public comment:

- 1. <u>Draft rules</u> in support of type C sports gaming host licensing and operations.
- 2. Draft operating procedures for type C sports gaming hosts.
- 3. Amended rules regarding the Voluntary Exclusion Program.

These documents are available for public comment for a period of 10 days with a deadline of Friday April 29 for submission. Please provide comments to sportsgaming@lottery.ohio.gov.

Posted April 18, 2022



Lottery Type C Host Pre-Qualification

Host Pre-Qualification Recap

On May 4th over 2,000 potentially eligible Lottery Retailers received an email notification to pre-qualify for a Host license.

As of today, over 500 retailers have completed the interest form for Lottery approval.

Are you interested in Lottery Sports gaming?

Dear Ohio Lottery Retailers,

On 12/08/2021 HB 29 was passed to allow licensed lottery sales agents who also hold a valid D1, D2, or D5 liquor permit to apply for a Type C Sports Gaming Host license through the Ohio Casino Control Commission (OCCC).

To be eligible to apply for a sports gaming license, a retailer must:

- 1. Have a valid Ohio Lottery sales agent license
- 2. Be in good standing with the Lottery's rules and regulations.
- Have a written recommendation from the Ohio Lottery to be issued a Type-C Gaming License.
- 4. Not be a not-for-profit corporation or associate.
- 5. Have a valid D1, D2, or D5 liquor permit.

If you meet these criteria and are interested in becoming licensed by OCCC, please click the link below and fill out the information to start the prequalification process with the Ohio Lottery.

Link to Interest Form

Sincerely,

The Ohio Lottery



Lottery Type C Host Pre-Qualification

Host Pre-Qualification Recap

During the month of May, Lottery staff will be processing the interest forms to verify eligibility requirements.

Beginning in June, the Lottery will start posting pre-qualified hosts on the OLC website for Proprietors to access.

The OCCC e-licensing portal for Hosts is expected to be available for formal applications starting on July 15th.



Proprietor License Requirements



Lottery Type C Proprietor License

License Requirements

Proprietor License Requirements:

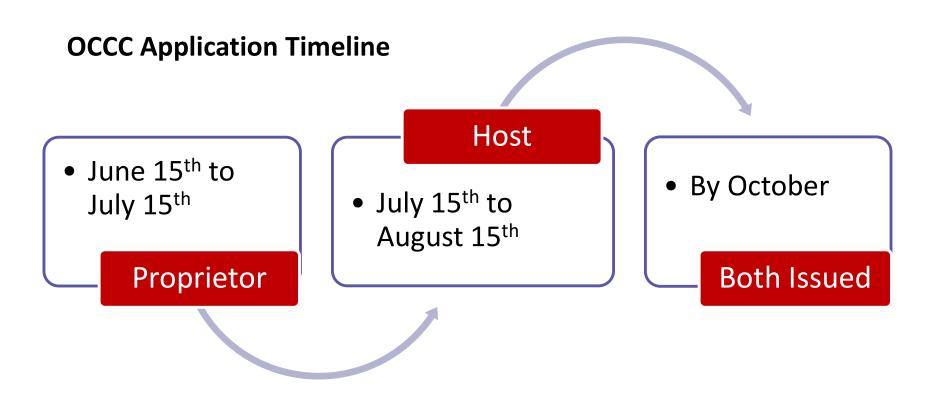
Per House Bill 29, the OCCC shall license at least two, and not more than twenty, type C sports gaming proprietors at any one time.*

The proprietor license is valid for five years.

The OCCC license application for Proprietors available starting on June 15th.

*If only one eligible type C sports gaming proprietor applies, the commission shall issue the license.





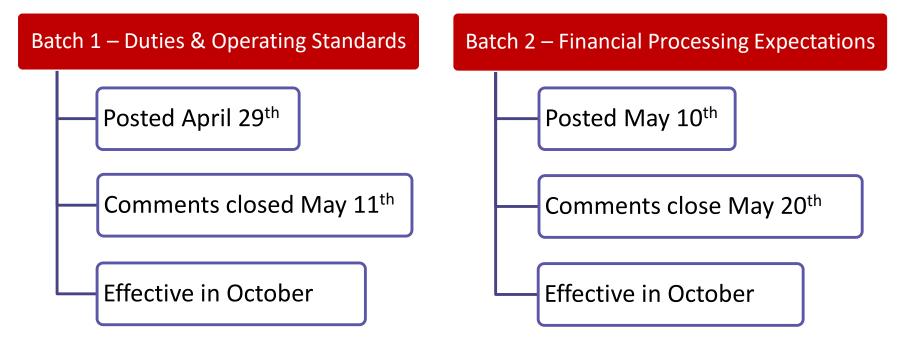
^{*}Any applications received beyond the outlined dates will not be guaranteed licensure prior to the universal start date



Proprietor Rules



Draft Proprietor rules have been released for public comment:





Batch 1 Highlights

• 3-5-01: Proprietor Duties

Notify Lottery on changes, two terminal limit, VEP proposal, additional ORC sections

• 3-5-02: Required Procedures

Establish and maintain required procedures

3-5-03: House Rules

Readily available, details on wagers, bet types, ticket policies, changes expected



Batch 1 Highlights

- 3-6-01: Sports Gaming Systems
 - Detect unauthorized use, technical specifications, disaster recovery procedures
- 3-6-02: Information Technology
 - Basic proprietor IT system requirements
- 3-6-03: Equipment Approval and Testing
 - Certified independent testing, comply with GLI standards
- 3-6-04: Equipment for Hosts
 - o Proprietor cover cost of consumables, equipment maintenance/service/acquisition
- 3-6-05: Incident Reporting
 - Types of incidents, prevention procedures



Batch 1 Highlights

- 3-7-01: Wager Rules
 - Bet types, \$700 velocity control, cancelling wagers
- 3-7-02: Tickets
 - Ticket display, expiration timeline, back of ticket messaging
- 3-7-03: Advertising
 - Program approval procedures, cost, restrictions
- 3-7-04: Promotions and Bonuses
 - Requirements, Restrictions, procedures



• 3-8-01: Revenue and Compensation

- Weekly revenue collection
- A proprietor who operates a system independent of the current lottery system shall remit 10% of gross sports gaming revenue
- A proprietor who is approved to utilize existing lottery systems shall remit 60% of gross sports gaming revenue
- Host compensation



Batch 2 Highlights

• 3-8-02: Prize Payments

- Payment types
- Allow for Host cashing \$600 or less
- Multiple options for cashing over \$600
- Lottery processing option
- Intercept and Withholding for prizes \$600 and above

3-8-03: Accounting and Revenue Audit

- Documented procedures
- Lottery access



Next Steps



Pre-Screening

• Technical reviews & implementation timelines

Host Partnerships

• Start facilitating agreements for full-service Host solutions

Conditional Contracts

OLC & Proprietor terms pending formal licensure



Sports Gaming Webpage

The Lottery website continues to be updated to include new Announcements and updated Frequently Asked Questions.

https://www.ohiolottery.com/Sports-Gaming

Questions from today's presentation will be compiled and responses will be posted on the FAQ page. The meeting recording will also be posted.

Reminder to signup for our distribution list to receive automatic updates.



THANK YOU!

Stay tuned to our webpage for updates & future meetings.

https://www.ohiolottery.com/Sports-Gaming

Submit questions to

sportsgaming@lottery.ohio.gov

