
INFORMATION BULLETIN No. 61

Use of Internet Technology For Raffle Lottery Licensees

The Alcohol and Gaming Commission of Ontario (AGCO) is pleased to announce the launch of a pilot project for certain raffle lotteries which would permit the use of internet technologies to solicit ticket orders and notify winners of the lottery event. This initiative is being introduced as a response to consultations with the industry and is intended to provide greater flexibility to licensees in the communications associated with the operation of their raffle lotteries. Introduction of the pilot project is also in keeping with the guiding principles of the Modernization of Charitable Gaming initiative.

In order to qualify for the pilot project, raffle licensees must offer prizes of \$1,000,000.00 (one million dollars) or greater and be commencing with marketing, advertising, promotions, and/or ticket sales after July 1, 2009. The pilot project is expected to run through to June 30, 2011, in order to evaluate the benefits to the industry, as well as ensure appropriate safeguards are identified prior to any decision being made to make the changes permanent.

The details of the pilot project are as follows:

- The use of internet technologies for on-line raffle ticket ordering will be permitted. The soliciting of orders for raffle tickets on-line will only be permitted if on-line ordering represents one of a variety of order taking channels, which may include regular mail, phone, fax and in-person orders. Licensees are prohibited from providing on-line ticket ordering as the sole channel for their lottery event.
- The use of internet technologies for on-line submission of payment information will be permitted.
- The use of internet technologies to provide an acknowledgment that the order has been received will be permitted. On-line acknowledgements will be permitted as one of the means of communicating that the ticket order has been received.
- Payment fulfillment of ticket orders is not permitted. While information may be collected, licensees are required to process payment of the order in the same manner for existing sales channels (batch orders processed every 24 – 48 hours).
- Internet technology cannot be used for the delivery of the ticket. Tickets must be delivered via regular mail or in-person.

- Licensees will ensure that transactions are limited to Ontario and they must ensure they employ software to verify that the location of the internet service provider used by the person placing the order is located in Ontario.
- The verification that the purchaser is 18 years of age or older must be included on the raffle ticket order form for all sales channels including internet and telephone ordering.
- The verification that the transaction is taking place in Ontario must include confirmation of the ticket purchaser's and ticket recipient's physical address for all sales channels.
- The use of internet technologies for on-line notification of winners will be permitted, however this cannot be the only mechanism used for communicating winning ticket numbers.
- The details of how licensees intend to use internet technologies as part of the lottery event must be communicated to the Registrar of Alcohol and Gaming in the licensee's business plan, as part of the licence application, including details of what safeguards are being employed to ensure honesty, integrity, accountability and compliance with the principles set out in this Bulletin as it applies to the use of the technology.
- The licensee must report the results of the lottery to the Registrar. The reporting should include the number of orders received via the internet and how many tickets this represented, the percentage of sales that originated with internet orders, whether the use of the internet impacted the number of tickets sold, the costs associated with employing internet ordering, and the benefits realized (financial and customer satisfaction) through the use of internet ordering, as well as any relevant information the licensee has identified relating to the use of the internet.

If you have any questions or require further clarification, please contact Peter Calabretta, Gaming Registration Officer at 416- 326-3013 or our toll-free line at 1-800-522-2876.

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