

**Alcohol and Gaming
Commission of Ontario**

90 Sheppard Avenue East
Suite 200
Toronto ON M2N 0A4

416-326-8700

1-800-522-2876 toll free in Ontario / sans frais en Ontario

**Commission des alcools
et des jeux de l'Ontario**

90, avenue Sheppard Est
Bureau 200
Toronto ON M2N 0A4



Announcement

Combined Licensed and Promotional Game Framework for Pooling Bingo Halls Operating Under the Bingo Revenue Model

As part of the AGCO's ongoing modernization of Charitable Gaming and industry stakeholders' requests, the AGCO is pleased to release a new tool for bingo halls operating under the bingo revenue model. The attached framework removes the restriction that prohibits licensed games from incorporating components of a promotional contest or promotional games that then allow further buy-in for the chance to win the prize and therefore require a licence.

Historically licensed games and promotional contests were kept distinctly separate and components of promotional contests were not permitted to be held in concert with a licensed event.

This framework is the result of collaborative consultation and partnership between charities, bingo hall owner/operators and representatives from the manufacturing sector, following constructive discussions and general direction setting with the Charitable Gaming Strategic Working Group. Members of the Strategic Working Group include the Ontario Charitable Gaming Association (OCGA), the Commercial Gaming Association Ontario (CGAO), the Registered Gaming Suppliers of Ontario (RGSO), the Break Open Ticket Program Management Alliance (BOTPMA), Arrow Games and Bazaar & Novelty, Specialty Print, and the Association of Municipal Managers, Clerks, and Treasurers of Ontario (AMCTO). This framework provides additional tools to industry that will assist in sustaining a viable marketplace with the aim of generating additional funds for charitable works in Ontario.

Combined Licensed and Promotional Game Framework for Pooling Bingo Halls Operating Under the Bingo Revenue Model

This framework provides the parameters that allow the combining of elements of a licensed game with a promotional contest. This framework is offered in addition to the already established Licensed Game Flexibility Framework for Hall Charities Associations operating under the Bingo Revenue Model.

A licensed game is comprised of three (3) elements:

- Consideration or a fee
- A chance to win, and
- A prize.

When all three elements are present, a licence is required to conduct and manage the event. Games that are conducted as promotional contests have the following elements:

- No consideration (no fee paid to play, no gaming product that needs to be purchased, or the requirement that the player has purchased gaming product in the past or the future)
- A chance to win, and
- A prize, which in this case may be donated by an external sponsor or the cost of the prize is covered through the marketing fund.

The following framework provides direction on how components of promotional contests may be incorporated into licensed events.

General

When developing games that combine licensed games with elements of promotional contests, licensees should consider the all-in nature of the Bingo Revenue Model as it pertains to prize payout. Revenue and the prizes that are paid out from gross wager are not segregated at the end of the day depending on the type of game being played, even though reporting allows for the clear analysis by game type. For example, conceptually, it would not be prohibited for a bingo game to be seeded from revenue generated as the result of conducting a BOT lottery.

All details regarding the type of game/promotional contest being played and how each game will be conducted must be identified to the licensing authority at the time of the licence application. The applicant must also make this information readily available to all customers. Providing information to customers may be through a combination of the event program, house rules, and detailed game/promotional contest rules and regulations. The application details are to include who is eligible to participate, pricing, prizing and how it is calculated, how a winner is determined and how a game will be guaranteed to come to a conclusion.

Permitted Combined Licensed Games & Promotional Contests

The following parameters must be met to allow for elements of promotional contests to be combined with a licensed lottery event:

- All licensed games offered with elements of a promotional contest must meet the requirements in the Advertising & Marketing Guidelines for Pooling Bingo Halls (6183), and be consistent with what is set out in the hall marketing plan.
- There is no restriction on the minimum or maximum number of elements of promotional contests that can be combined with a licensed lottery event.
- All sales and payouts stemming from a licensed game offered with prizing or seeding of prizing from a promotional contest must be captured on the Charitable Gaming Event Report (4225) and Charitable Gaming Summary Report (4224).
- There will be no restriction on the base amount for the purpose of developing the prize for any game. However, the ongoing maximum 70% prize board average, calculated based on the amount wagered and the prizes paid out (not including any amount seeded through the hall marketing fund or donated by an external sponsor) remains in place.

The following provides guidelines for the development of licensed games with elements of promotional contests within a pooling bingo hall. Note this is not an exhaustive list.

Gaming Product (Bingo Paper, BOTs, Raffle Tickets):

- Players may purchase gaming product to be used as part of a licensed game with an element(s) of a promotional contest
- Gaming product may be provided to players as part of a promotional contest for use in a licensed game (as a reminder the advertising and marketing guidelines apply, and the total value of complimentary gaming product must be valued at no more than 20% of gross wager up to a maximum of \$5.00)
- Licensees may use money from external sponsors to provide complimentary gaming product to players for licensed lottery events conducted in the bingo hall
- Bingo halls may provide gaming product to players either through player purchase and/or as a promotional contest

Prizing:

- Monies for prizes may be generated from revenue from the sale of any gaming product (gross wager)
- Monies for prizes may be generated from contributions from the in-hall marketing fund
- Monies for prizes may be generated from contributions from external sponsors (including industry associations, external sponsors, insurance policies)
- Monies for prizes may be generated from a combination of any of the above 3 sources

Tiered Prizing and Pricing:

- Licensees may offer games that have an additional prizing component to them (e.g. offering additional or higher prizes). Monies for the additional prizing component may be generated from the in-hall marketing fund
 - e.g. Paying \$1.00 for a \$1,000.00 prize or paying \$5.00 for a \$20,000.00 prize. The prize could be funded in whole or in part by the in-hall marketing fund or external sponsors
- Gaming product with indicators built into it may be used to determine additional levels of prizing (e.g. indicator bingo balls, watermarks on bingo paper, external sponsors' logo branded on gaming product)
 - e.g. Printing an external sponsor's logo behind a number on the bingo face, if you bingo on that number you win an additional prize that has been funded in whole or in part by the in-hall marketing fund or external sponsors
 - e.g. Add additional bingo balls (with the hall branding) into the blower as the indicator ball for the additional prize

- Some examples of factors licensees may use to determine additional levels of prizing to players are:
 - level at which a player “buys in”
 - attendance at the bingo hall the day the prize is determined
 - players enrolment with a bingo hall’s loyalty program

Secondary Gaming Opportunities:

- Participation in a secondary game may be based on qualifying as a result of winning a game (either licensed or promotional)
 - e.g. tournament of champions
- Participation in a secondary game may be a result of redeeming losing gaming product
 - e.g. non-winning break open ticket used as a raffle ticket
- Licensees may restrict participation in secondary games to players who have qualified for participation from a previous game
 - e.g. all winners game
- Licensees may permit players in secondary games to purchase additional gaming product for the secondary game
 - e.g. additional product being sold at the tournament of champions

Loyalty Programs:

- Loyalty program points may be redeemable for gaming product for combined licensed games and promotional contests
- Player information from a loyalty program may be used to determine eligibility for participation in a promotional contest (e.g. birthday club)