Attention Licensees:

Listed below is an outline of discussion points regarding future enhancements to Class B COAM regulations. These are simply points of discussion and are not actual regulations that are impending at this time. While we proactively explore standards that will provide additional accountability and integrity standards, we will continue our conversations with industry stakeholders to ensure that any future regulations make sense for the Georgia COAM market. Productive questions, suggestions or comments on the outline and the discussion points may be directed to COAMreporting@galottery.org.

Sincerely,

Georgia Lottery Corporation
COAM Division

GA COAM Regulatory Enhancements – Discussion Points

GA COAM 13.4

Documents that May Apply:

GLI-13 Online Monitoring and Control Systems (MCS) and Validation Systems

Game management system that continuously monitors each electronic gaming device via a defined communication protocol by either a dedicated line, dial-up system, or other secure transmission method. Primarily tasked to provide logging, searching, and reporting of certain gaming events, collection of individual device financial and meter data against hard and soft counts, and system security.

GLC-16 Cashless System

Cashless system to allow players to play gaming devices through the use of a magnetic strip player card, which accesses a player's account at the host system. Funds may be added to this player cashless account via a station or any supporting gaming machine (through the insertion of coins, tickets/vouchers, bills and coupons). The account value can be reduced either through redemptions. A cashless system is characterized as a host system whereby a player maintains an electronic account on a host database. Usually a player is issued a unique magnetic card and PIN in conjunction with the cashless account on the system's database although any method of uniquely identifying patrons could be implemented. All monetary transactions between a supporting gaming machine and the host must be secured either by card insertion into a magnetic card reader attached to the host and PIN entry or by other protected means. After the player's identity is confirmed, the device may transfer options to the player on the screen/display of the card reader which requires selection using a touchpad/keypad before occurring. Options include how many credits the player wishes to "withdraw" and placed on the machines he or she is playing. Once play is complete, the player may have the option to move some of the credits back to the player's account or redeem some credits. Other systems may require that the entire credit value be transferred back to the system.

GLI-18 Promotional Systems

Promotional system is comprised of gaming devices that are configured to participate in electronically communicated promotional award payments from a host system and the host system controls the promotional award issuance parameters. Promotional awards are additional features that entitle players to special promotional awards based on patron play activity. Promotional awards are used for marketing and player tracking/clubs rewarding players with static enticement awards (such as "free" credits or match play). Promotional credits given to a player should have no impact on calculation of payback percentages for a gaming machines. Provisions must be made to ensure awards are metered uniquely by the gaming device so that they will not affect the hold percentage calculations.

GLI-21 Client-Server System

Server based game system. Combination of a server and client terminals in which the entire or integral portion of game content resides on the server. System works collectively in a fashion in which the client terminal will not be capable of functioning when disconnected.

GLI-23

Terminal standards. Each terminal connected to a centralized computer system to monitor game play and perform control functions.

I. Physical Security
   a. Machine and player safety
      i. UL certification of components – UL or equivalent standard (10 digit # identifies standard)
      ii. Surveillance
         1. Retention time.
         2. Available to GLC.
         3. Visibility - Counter/COAMs/Redemption within locations.
   b. Environmental Effects on Game Integrity
      i. Game Integrity Standard
      ii. RNG or equivalent technology – If supported or if in use
      iii. Electro-static interference
   c. Hardware Requirements
      i. Microprocessor Controlled
      ii. On/Off Switch
      iii. Locks
         1. Major component?
         2. Unique to each master licensee with only master licensee having key access to secure compartment of its COAMs
      iv. Site Controller communication requirements
      v. Site Controller security
         1. Mount inside a box on wall
         2. Mount inside unlocked compartment of COAM with stabilization
         3. Penalties upon licensees for damage or breach of security
      vi. Secure materials for Cabinets
         1. Secure requirements/measures
         2. Metal or other secure materials
      vii. Operator control features

               1. Controlled and secure access to operator menu

               2. No external operator switches

d. Wiring
   - i. Wiring/harness as a major component or a minor component

e. Machine Identification
   - i. Serial # on board
   - ii. Unique identifier on cabinet, including contact information of MLH
   - iii. Identifier and contact information for manufacturer of cabinet

f. Audible Alarm (door open; error; or other events)

g. Manipulation of power supply
   - i. Surges;
   - ii. Service outlet;
   - iii. Fuses

h. Secure compartments
   - i. Security seals – access limited to MLH

i. Requirements for External Doors/External Compartments

j. Logic Door and Logic Area
   - i. Electronic Components
   - ii. Logic Area Security
   - iii. Logic Area Access

k. Currency Compartments
   - i. Secure access to currency
   - ii. Access to limited to location and master licensee

l. Program Memory, Non-volatile Memory or Non-Volatile Devices Used to Store Program Memory
   - i. Non-Volatile (NV) Memory Requirements;
   - ii. Function of NV Memory Reset;
   - iii. Default Reel Position or Game Display
   - iv. Configuration Settings

m. Contents of Critical Memory

n. Maintenance of Critical Memory
   - i. Comprehensive Checks
   - ii. Unrecoverable Critical Memory –RAM Clears should be noted and regulated before taking action.
   - iii. NV Memory and Program Device Space
      1. 10 game memory retention

o. Program Storage Devices Requirements

p. Control Program Requirements
   - i. Control Program Verification
   - ii. Program Identification

1. Certification of software
2. Any modification may void lab certification

q. Independent Control Program Verification
   i. System Verification
r. Printed Circuit Board (PCB)
   i. PCB Identification Requirements -- After lab certification
s. Patch Wires
t. Switches and Jumpers
u. Video Monitor/Touch Screens
v. Bill Validators
   i. Communications – Using bidirectional protocol
      1. Bill acceptors
   ii. Factory set bill validators
   iii. Machine Metering of Bill Validator Event
   iv. Bill Validator Recall
   v. Bill Validator Locations
   vi. Bill Validator Stacking Requirements
      1. Casino grade – may require modification of some cabinets
w. Credit Redemption
   i. Record keeping.
   ii. Electronic requirement
   iii. Reporting of COAM Redemption
   iv. Certified card system
x. Printers
   i. Ticket/Voucher printer
      1. Communications -- Bi-directional protocol
      2. Log of printed tickets
   ii. Printer location
      1. Print vouchers from COAM
      2. Remote printer on premises (for example, behind location counter)
   iii. Printer error conditions
y. Ticket/Voucher Information -- Ticket/Voucher Issuance and Redemption
z. Ports
   i. Sufficient number of ports to support communication and connection requirements

II. Software Requirements
a. Rules of Play
   i. Video Display
   ii. Information to be Displayed
   iii. Multi-Line games

   iv. Game initiation

   v. Game Cycle

   vi. Bonus Feature Information

  b. RNG or Equivalent Requirements

   i. Game Selection Process

  c. Information required to be displayed

   i. Current credit balance

   ii. Current bet amount

   iii. Possible winning outcomes

   iv. Win amounts for each possible winning outcome

   v. Amount won for the last completed game

   vi. Player options selected for the last completed game

   vii. Denomination being played clearly displayed

   viii. Disclaimer (malfunction voids plays)

   ix. Hand Count

    1. Cannot be disabled

    2. Require reset after period of dormancy

   x. Display/Video screen signage (prohibited forms of redemption; gambling helpline). Require info/signage also be permanently affixed to exterior of machine.

   xi. Multi-line games

   xii. Game initiation

   xiii. Game cycle

   xiv. Game selection process

   xv. RNG or equivalent requirements

   xvi. Applied tests – test lab review of RNG or equivalent

   xvii. Background RNG or equivalent activity requirements

   xviii. RNG or equivalent seeding – random determination such that RNG or equivalent does not start at same value every time

   xix. Symbol Probability – mathematical probability of a symbol appearing in a position for any game outcome shall be constant

   xx. Scaling Algorithms – Applicable?

  d. Redemption percentages, Odds and Limits

   i. Software Requirements for Payout Percentage (Min/Max Range)

   ii. Multiple percentages/Configuration settings

   iii. Odds

    1. Require posting of odds

   iv. Bet Limits

   v. Win Limit – Hand Count

   vi. Bonus games

    1. Player selection and interaction in bonus games – skill?

        2. Secondary device bonus games?
- e. Multiple Games on the Terminal
    - i. Selection of Game for Display
    - ii. Credit Meter Units and Display – nonredeemable credits; promotional?
    - iii. Credit meter – increments (value of prize added to player's credit meter)
    - iv. Collect Meter – shows the number of credits collected by the player (# of credits collected shall be subtracted from the player's credit meter and added to the collect meter
    - v. Software meter information access
    - vi. Software meter error
    - vii. Electronic accounting and occurrence meters
        1. Credit wagered/played
        2. Denomination of currency in
        3. Amount won
        4. Voucher/ticket in
        5. Voucher/ticket out
        6. Wagering account transfer In (card)
        7. Wagering account transfer out (card)
        8. Games played
        9. Games won
        10. Door access
        11. Stacker Removed
    - viii. Paytable specific meters – extension of base games
    - ix. Electro-mechanical meters
- f. Progressives
    - i. In conjunction with hand count
    - ii. Redemption issues
- g. Communication Protocol
    - i. Protection of sensitive information
- h. Error Conditions
    - i. Door Open Error Conditions
    - ii. Other Error Conditions
    - iii. Error Codes
- i. Program Interruption and Resumption
    - i. Interruption
    - ii. Restoring power
    - iii. Simultaneous inputs
    - iv. Resumption
- j. Door Open/Close
    - i. Required door metering
    - ii. Door Open procedures

            iii. Door Close procedures

      k. Test/Diagnostic mode

            i. Entry to test/Diagnostics Mode

            ii. Exiting to Test/Diagnostics Mode

            iii. Test games

      l. Terminal disable procedure

            i. Shut down upon receipt of disable message or disable condition

      m. Games History Recall

            i. Number of last games required

            ii. Last play information required

            iii. Bonus rounds

III.   Laboratory/Third Party Verification/Certification

      a. Communication/commands to and from central system - ability to disable the machine for play if it loses connection with the Site Controller

      b. Game Certification

            i. Skill

                 1. Autoplay options. For example, on a losing hand, the player does not make a decision or apply any skill (only on potential winning hands)

                 2. Choosing redemption values – Feature intended to be skill based but provides a player a choice between redemption values (without some skill be employed for the win)

            ii. Theme/Images

            iii. Modification - void certification.

            iv. Seal/message in secure area re: certification and modification.

      c. Cabinet/Hardware Certification

            i. Software submissions to the lab should be presented as they would be integrated into the field

            ii. Full cabinet, copies of pinout diagrams, and software boards should all be included for submissions for lab testing

            iii. Certification from COAM licensee that major components and COAMs from licensed manufacturer

            iv. Upon sale or supply, certification from manufacturer and purchaser (distributor or master licensee) regarding equipment

IV.   Player Responsibility

      a. Require registered card unique to each player

      b. Self-Exclusion program

            i. Master must make forms available/provide to Locations

            ii. Online exclusion option

          iii. Set wager limits

          iv. Report information to GLC

          v. Excluded player cannot redeem any prizes

          vi. Penalties/Fines for failure to comply with program requirements

V.   Tax/Currency Reporting

   a. Currency transaction reports

   b. Tax reporting/withholding

VI.   Enhanced Security and Operation Standards

   a. Penalties for failure to comply with enhanced standards

   b. Timeframe for compliance – phased in requirements

        i. Certain dates for compliance vs. # of COAMs in compliance based on total # of COAMs.

        ii. Date certain when wood/less secure cabinets are not permissible

VII.   Application Requirements - MLH

   a. Audited financial statements due annually to GLC

   b. Business and personal tax returns due annually to GLC

   c. Disclosure of other entities doing business in State owned by MLH officer/owner, as well as, spouse – due annually to GLC