



December 14, 2015

COIN OPERATED AMUSEMENT MACHINE LICENSEE NOTICE

CLASS A COAM REMINDERS

WIN EVERY TIME COAMs

Candy crane or claw machines are considered Class A coin operated amusement machines (COAMs) because whether the player gets the prize that the player is trying to get is a function of skill.

O.C.G.A. 50-27-70 defines COAMs, in pertinent part, as any machine available to the public for play to provide amusement or entertainment the result of whose operation depends in whole or in part upon the skill of the player. Crane and claw machines are specifically listed in such law as COAMs. “Win every time” candy crane or claw machines contain the foregoing elements of amusement and skill. The fact that a player is guaranteed a prize does not make such game a non-skill game since the player’s skill affects if a player is able to get the prize the player was trying to win. The fact that the player is guaranteed to get something (even if undesired) does not void the skill element in getting what the player is trying to win.

Accordingly, as a COAM, “win every time” crane or claw machines are subject to COAM laws and rules, including the requirement that each machine display a valid permit sticker and are only available to the public for play in a location that holds a valid COAM location license.

FAILURE TO RENEW LOCATION LICENSE

Until December 31, 2015, any former COAM location licensee that failed to timely renew its COAM license, may apply for a 2016 COAM license along with payment of a fine for violation of O.C.G.A. §50-27-71 (f) in the amount of \$2,000, in addition to the required licensing fees for each license renewed online. A person or entity that failed to timely renew its COAM license may renew its license for the 2016 license period by accessing the COAM website at <https://www.gacoam.com>.

CLASS B COAM REMINDERS

NO UNCONNECTED COAMS

Pursuant to O.C.G.A. §50-27-101 (b), all Class B coin operated amusement machines (COAMs) must be linked by a communications network to a Class B central accounting terminal (“Central System”). As a convenience to COAM licensees and to facilitate efficient installations, COAMs, whether operational or not, shall only be placed in a licensed COAM location no more than 2 days before the scheduled connection date to the central system and shall not be available to the public for play until such COAMs are successfully connected to the central system. This prohibition against placing COAMs in licensed COAM locations that are not connected to the central system includes, but is not limited to the temporary placement of COAMs for demonstration, event, sales or marketing purposes, unless prior written approval is obtained from the Georgia Lottery Corporation (GLC).

It is unlawful to place a COAM, whether operational or not, in any location that does not hold and post a valid COAM location license. After any COAM within a location is connected to the central system, it shall be unlawful to allow any COAM, whether operational or not, to remain in the location if it is not connected to the central system.

FAILURE TO RENEW LOCATION LICENSE

Until December 31, 2015, any former COAM location licensee that failed to timely renew its COAM license, may apply for a 2016 COAM license along with payment of a fine for violation of O.C.G.A. §50-27-71 (f) in the amount of \$2,000, in addition to the required licensing fees for each license renewed online. A person or entity that failed to timely renew its COAM license may renew its license for the 2016 license period by accessing the COAM website at <https://www.gacoam.com>.

SAS COMPLIANCE

All COAMs must be upgraded and meet the SAS standards required by GLC by or before December 31, 2016.

If you have any questions about this notice, please contact GLC at 1-800-746-8546.