



The COAM Connection

from the Georgia Lottery Corporation - COAM Division

Issue 3

July - September 2016

**The last day to RENEW your COAM license
for the**

2016 - 2017 COAM Licensing period is

September 30, 2016



September 30, 2016

Deadline to submit a **RENEWAL** Location Class A and Class B License, Master Class A and Class B licenses and Manufacturer and Distributor license. **If a holder of a 2016 COAM license fails to renew its license application or its license application is not approved on or before this date, the person or entity will no longer be allowed to operate COAMs.**

***THE NEW REGULATORY & LICENSING
INFORMATION VIDEO IS
NOW AVAILABLE ONLINE!***

The Georgia Lottery Corporation (GLC) is proud to announce that our new video, **COAM Regulatory & Licensing Information**, is now available online. The less than 20-minute video includes such topics as:

- What Qualifies as a COAM
- COAM Licenses & How They Work

October 12, 2016

COAM Advisory Board Meeting (9:30 am EST) at the Georgia Lottery Headquarters located at

- Applying for a COAM License
- COAM Accounting & Financial Reporting
- COAM Law Enforcement & Compliance Regulation

250 Williams Street, Suite 3000,
Atlanta, GA 30303.

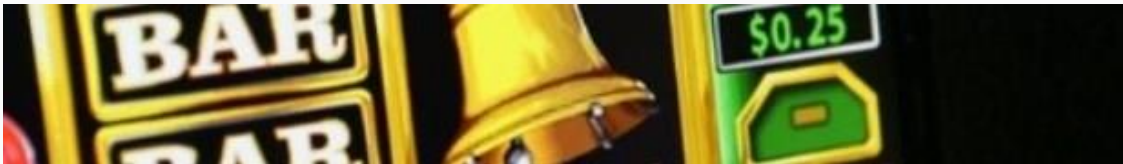
The video is now available in English, Hindi, and Spanish. We hope the video provide all stakeholders valuable information about the COAM industry. You can view the video by clicking on one of the below listed links (depending on your language preference):

- English: https://www.youtube.com/watch?v=HNU9y_VyqB8
- Hindi: <https://www.youtube.com/watch?v=LQTTJ1DcJFM>
- Spanish: https://www.youtube.com/watch?v=E_cOo1RAagU

December 31, 2016

Deadline to have all machines in the field fully upgraded to SAS 6.02. Machines not upgraded to SAS 6.02 will be disabled and must be immediately removed from the business location by the Master License Holder.

Master License Holders (MLHs) may distribute the **COAM Regulatory & Licensing Information** video by sending the link to current or prospective customers for informational and marketing purposes.



Master License Holders

Machines Not Connected to the Central Accounting System

There are times when machines lose connectivity to the CAS due to either the intentional or non-intentional disconnecting of the machines from the site controller or there is a technical issue with the site controller which prevents communication to the CAS. MLHs are required to monitor whether their Class B machines are connected to the CAS. The MLH may take the following steps to monitor the connectivity of machines to the CAS:

- User may access the Intralot Website portal at www.gacoamrpt.com utilizing their username and password
- Check the "Monitor Exceptions" list, which can be found under Monitoring Reports/COAM Master file, for any machines not connected to the CAS
- Follow up on the machines that show as "Not Responding" under the Status heading of the report
- Conduct a site visit to the business location and troubleshoot any wiring issues (i.e. replace serial cable, replace DB9 connector)

- Contact Intralot at 877-261-6242 to confirm the machine is operational

If connectivity to a machine cannot be re-established by the MLH, the machine must be removed from the business location.



Location License Holders

Reporting of Gross Retailer Receipts

All Class B Location License Holders (LLH) are required to report, separately by location on a monthly basis, ONLY Gross Retail Receipts for the business location. Each such monthly report shall be submitted in electronic format via the www.gacoam.com website as required by the GLC and shall be due by the 20th of the following month. For example, the report for the month of September 2016 shall be due by October 20, 2016 with subsequent reports due on the 20th of each month thereafter for the previous month. Gross Retail Receipts means the total revenue derived by a business at any one business location from the sale of goods and services and the commission earned at any one business location on the sale of goods and services but shall not include revenue from the sale of goods or services for which the business will receive only a commission. Revenue from the sale of goods and services at wholesale shall not be included.

Business Remodels

Contact the GLC Retailer Services Helpline at 1(800) 746-8546 at least two (2) weeks in advance of an anticipated remodel to allow sufficient time to perform an assessment and complete the disabling and/or removal of machines from the business location as well as meet your businesses timeline. Do not attempt to disconnect machines from the site controller on your own or power down the machines as this can disrupt the financial data transmitted by the site controller.



Enforcement and Compliance

Access to Machines

It is mandated by the GLC/COAM Division that Intralot Technicians and COAM Inspectors wear shirts displaying the Intralot company logo AND display Intralot photo identification when conducting business at a location Inspectors will also have shirts and identification displaying the GLC logos. Under no circumstances, shall any Intralot or GLC employee be requesting permission to areas that have direct access with cash. LLHs reserve the right to refuse access to lottery or COAMs at the business location without the proper attire or identification. If necessary, verification of lottery employees (GLC Sales Representative as well as COAM Inspectors) may be verified by contacting the GLC at (404) 215-5100 seven (7) days a week from 5:00 am to midnight and verification of Intralot employees may be directed to Intralot by contacting the Intralot Helpline at 1(877) 261-6242 seven (7) days a week 24 hours a day.

Removal of Machines Not Available for Play (Class B Only)

MLHs are required to remove Class B machines from business locations if the machines are not made available to the public for play or if the machines are not maintaining a consistent connection to the Central Accounting System. Failure to comply with this process may result in fines up to \$50,000, suspension and/or revocation of the license, and criminal penalties may also apply.



COAM Legal Corner

9 Month Rule

Amendments to the COAM law as of May 3, 2016, established a "9 month rule" related to replacement of Class B COAMs by a master licensee in a new owner's location if: i) COAMs were within the location within the last 9 months; and ii) the new location owner was an applicant for a COAM license on or after May 3, 2016. Pursuant to OCGA 50-27-87 (b)(3)(C), as an applicant for a new location license where COAMs have been placed at any time in the immediately preceding 9 months, the applicant shall either: (i) not place COAMs in the location for 9 months from the date of the approval of the new owner's COAM license; or formally accept an assignment of the written agreement between the master licensee and the preceding location owner. If the 9 month rule applies to a location, the only exception is if the master licensee who placed COAMs within the last 9 months refuses to sign the assignment agreement.

If a location licensee wishes to submit a no dispute certification (available at www.gacoam.com) to certify

that is has no dispute with the master licensee associated with the location and wishes to replace COAMs with those of another master licensee, GLC will reach out to the master licensee associated with the location to inquire as to whether it has a dispute with the new owner's request to change master licensees. If the master licensee associated with the location certifies that it has no dispute with the new owner's request to change master licensees, GLC may approve a change of master for the location (based on a change of master form that is also available at gacoam.com). However, if the master licensee fails to certify that it has no dispute with the change of master request, the location owner must wait 9 months from the date of approval of its COAM location license to replace COAMs within the location with those of another master licensee. Examples are as follows:

Example 1. A new location owner was approved for a COAM license on April 1, 2016 and is seeking to replace COAMs that were removed in February of 2016. The 9 month rule does not apply because the location owner was an applicant for a COAM license before May 3, 2016. The location licensee must still submit a certification form to GLC but if the master licensee associated with the location fails to timely respond to GLC regarding its certification or fails to timely commence arbitration if there was a dispute, GLC may approve a change of master licensee.

Example 2. A new location owner purchases a store in June of 2016. COAMs were removed in June of 2015. The location owner applies for a COAM license in July of 2016, the 9 month rule does not apply as COAMs were not placed within the location within the last 9 months.

Example 3. A location owner purchases a store on August 1, 2016. COAMs were previously removed from the store on February 1, 2016. The location owner applies for a COAM license and is approved for the license on August 31, 2016. The location owner wishes to replace the COAMs with those of another master licensee. The location owner must now wait 9 months from the date of the approval of its license (August 31, 2016) without COAMs if it does not wish to accept assignment of the written agreement between the previous location licensee and the previous master licensee. If the new location owner waited until after November 1, 2016 to apply for a COAM license, the 9 month rule may not have applied and GLC may have approved the change of master request.

Example 4. A location owner has been a COAM licensee since 2014 and ownership has not changed. The 9 month rule does not apply. If the location licensee wishes to remove the COAMs or change master licensees, the location licensee must submit a certification form to GLC but if the master licensee associated with the location fails to timely respond to GLC regarding its certification or fails to timely commence arbitration if there was a dispute, GLC may approve a change of master licensee.

These explanations and examples are only for informational purposes and are not intended as legal advice. Specific facts and circumstances may change results and determinations.



Central Accounting System

Machine Hard Reset Procedure

MLHs may find it necessary to perform a hard reset for a machine at a location if either a machine malfunction is encountered, or a game board needs to be swapped out regardless if it is the same game or not. The following steps must be followed by the MLH in order to successfully perform a machine hard reset:

- Call Intralot Hotline at 877-261-6242 **PRIOR** to performing a hard reset (RAM clear) on a machine
- Intralot personnel will notify the MLH when the machine is ready for the hard reset
- MLH performs the hard reset
- MLH will contact Intralot and notify them the hard reset has been completed
- MLH will perform a coin test on the machine to verify meters are captured correctly



- A list of currently approved Class A and Class B Master and Location Licenses may be obtained by accessing the www.gacoam.com website and clicking on the document title "Class A Location and Master Approval List" or the "Class B Location and Master Approval List". Be advised that even though the location is listed on the approval list, the LLH must have the original COAM license displayed in the business along with a copy of the MLH license.
- To UPDATE bank account information for a COAM account, complete an Electronic Funds Transfer (EFT) Authorization Form and submit it per the instructions on the form. It will take approximately two (2) to three (3) weeks, or two (2) full accounting periods, before the EFT will

take effect. An EFT form for LLHs and MLHs is available at the www.gacoam.com website in the documents section under the heading of "COAM Forms".

Staying Connected

GEORGIA LOTTERY CORPORATION

Mailing Address

COAM Division
P.O. Box 56927
Atlanta, GA 30343

GLC COAM Helpline

1(800) 746-8546
Option 6 and 2 - COAM Reporting
Option 6 and 3 - COAM Licensing/Renewals

GLC COAM Website

www.gacoam.com

GLC Retailer Contracts Administration

1(800) 746-8546
Option 4 and 1 - COAM License Applications

GLC COAM email

COAMReporting@galottery.org

INTRALOT USA

Mailing Address

11360 Technology Circle
Duluth, GA 30097

Intralot email - Operational Issues

Georgia.hotline@intralot.us

Intralot Helpline

1(877) 261-6242

Intralot email - Audit issues

GACOAMAudit@intralot.us

Intralot portal website

www.gacoamrpt.com

RESPONSIBLE GAMING

1-888-ADMIT IT or 1(888) 236-4848

ANONYMOUS TIPLINE TO REPORT FRAUD, ABUSE OR CASH PAYOUTS

1(855) 515-0004

Click here to [unsubscribe from this list](#)