
An Important Message from the COAM Division of the Georgia Lottery Corporation

Dear COAM Licensees,

During this unprecedented time, our thoughts are with all of our COAM partners. The evolving world in which we live and conduct business has and will present many challenges in response to COVID-19.

Please know that the Georgia Lottery Corporation and the COAM Division have very strong business continuity plans. We are an entity that operates each and every day with the guiding principles of innovation and flexibility, and there has been no greater test of this than the present circumstances before us.

While the focus during this time should be on your family, friends, communities, and coworkers, we want to take this opportunity to let you know that COAM operations are continuing. Like you, we have adapted some of our business operations, but please be confident that we are still performing our core duties of licensing and compliance in an extremely efficient way given the circumstances.

Most of the items in the following newsletter are reminders that you may have seen before. If you have down time during this hopefully short-lived event, we would encourage you to review these important points and pass them on to others as they are some of the most frequent issues that arise.

As a reminder, please follow the federal, state, and local governmental mandates that apply to your jurisdiction to maintain the safety and health of all.

Finally, please reach out to us if you have questions or comments. We are as accessible as ever. Take care of yourself and those around you as we all navigate these challenges together.

Can You Advertise COAMs For Play At Your Business Location?

The answer is **YES!** Signs provide continuous advertising for COAMs and will work for your business 24 hours a day 7 days a week. All COAM signage must comply with the following



May 1, 2020

The COAM licensing application (www.gacoam.com) opens for the **2021** licensing period

conditions:

- Signs will not obscure or otherwise alter the effectiveness of any adjacent traffic control device.
- Words or terms such as "Vegas Style", "casino" or "slot machines" are not appropriate and should not be used in connection with Class B COAMs. The words "Las Vegas", "slots" or "casino" connote gambling and suggest use of unlawful gambling devices. COAMs are intended for amusement purposes and redemption for non-cash business merchandise or lottery tickets at the location where the game is played.
- Any use of such inappropriate terminology to describe COAMs along with any suggestion that such is approved by the Georgia Lottery Corporation (GLC) or the State of Georgia shall be deemed inappropriate.
- Shall not use the Georgia Lottery name or any other protected names or marks without permission.
- Any terminology or images used in any advertisement of COAMs within a location should be consistent with the applicable law and rules (for example no images of cards or cash).

If you have any questions regarding promotional signage, contact our **COAM Legal Department** at **1(800) 746-8546 Option 6 and 2.**

(07/01/2020 - 06/30/2021) for all license types except NEW Master Class B licenses.



Location License Holder (LLH) Guide

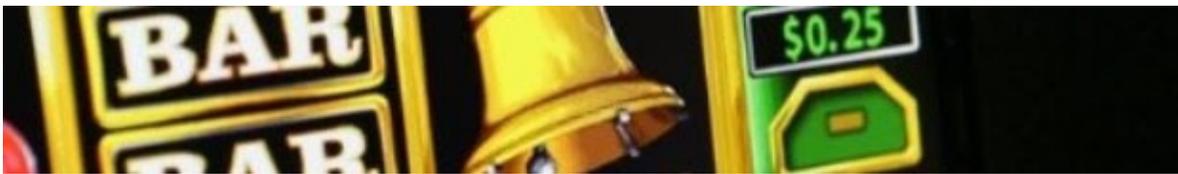
The **LLH Guide** answers many questions LLHs may have regarding the COAM licensing process and industry. The LLH guide is available online at www.gacoam.com.

Monthly Reporting

All COAM Class B location owners/operators are required to report Gross Business Receipts for each business location on a monthly basis. Each report shall be submitted in electronic format via the www.gacoam.com website and shall be due by the 20th of the following month.

Request for Information (RFI) for COAM Gift Card

Based on feedback from businesses that provide the COAMs and those locations where these machines are being played by the public, the GLC is considering issuing a GLC branded product such as a gift card, open, closed, affinity, or any variation thereof, for which COAM points/wins may be redeemed. Such a gift card may allow players to redeem their Class B COAM points/wins in a manner consistent with ordinary purchasing/consumption patterns rather than all at one time or all in one place. Accordingly, the GLC has issued a Request For Information (RFI) to receive feedback from potential card issuers, payment processors or any other party that may be interested in providing a gift card. The RFI is available online at www.gacoam.com under the Documents/COAM Communications section.



Master License Holders

CAS is a communications network that is connected to every Class B COAM in Georgia. The system monitors and reads activity from the COAMs as well as allows for remote enabling and disabling of COAMs when warranted. The Master License Holder (MLH) shall take the following steps to ensure the timely and efficient installation and connection of Class B COAMs once a COAM license application has been approved:

- **Original license received by Location License Holder (LLH).** After confirming the LLH has received their paper Location license, the MLH shall access the Intralot portal and verify their Location License Number is listed under their MLH account
- **MLH shall contact Intralot to schedule an appointment.** MLH shall contact Intralot at GACOAMappointment@intralot.us to schedule a COAM installation and connectivity appointment. **Important:** Connection of Class B COAMs to the CAS may take up to ten (10) business days from the time the necessary installation files have been transmitted to Intralot which, typically, may take up to three (3) business days after the license is approved.
- **Setup of COAMs in location.** No earlier than two (2) business days prior to the scheduled date of connectivity, the MLH may setup the COAMs (and any other peripheral equipment, i.e. internal card systems) as well as provide the LLH with a completed contract or contract addendum.
- **Connect COAMs to Central Accounting System.** On the scheduled date of connectivity, the MLH and an Intralot Technician will meet at the business location and connect the Class B COAMs to the CAS. The MLH shall provide instructions to the licensee on how to operate the COAMs and how to remove money from the COAMs. The Intralot Technician shall provide instructions to the licensee on how to log into the Intralot portal at <https://www.gacoamrpt.com> and obtain the weekly invoice report and various other reports provided by Intralot. Class B COAMs shall not be available for play until this step has been completed. **Important:** Class B COAMs which are unable to be successfully connected to the CAS on the day of connectivity may not remain at the business location and must be removed by the MLH.

Decommission Procedures

The decommissioning process is an important step in ensuring all revenue is accounted for in the CAS. MLHs are required to follow the decommission process when the following occurs:

- Change of MLH
- Change of ownership for an LLH
- Cancellation of LLH license (Cancellation letter must be received by GLC)
- COAM game board is swapped out with a different game
- COAM malfunction
- Location business closure (temporary or long term)

To proceed with the decommissioning of COAMs, the following steps should be taken by the MLH:

- **Call Intralot before disconnecting the COAMs from a location.** Before removing COAM(s) from a location, the MLH needs to contact **Intralot Hotline** at **877-261-6242**, to properly decommission the COAM(s). The COAM(s) must be connected to the Site Controller at this time.
- **Intralot will let you know when the COAM(s) is decommissioned.** The Intralot representative will perform steps on their system which prepares the COAM(s) for the decommission. Once the steps on Intralot's side are complete, they will notify the MLH the COAM(s) have been

decommissioned. The COAM(s) should be expected to disable.

- **Disconnect decommissioned COAMs from the Site Controller.** Decommissioned COAM(s) can be disconnected from the Site Controller and removed from the location.

It is imperative MLHs follow all operational and technical procedures noted above in order to ensure accurate reporting of financial data to the CAS. Failure to comply with these procedures may result in fines up to \$50,000, suspension and/or revocation of the license, and criminal penalties may also apply per GLC RU 13.1.14 (9).



Location License Holders

COAM Financial Security Deposit (FSD) Guidelines

As part of the COAM application process, the GLC reviews the credit history of all applicants through the use of standard business and personal credit reports. If based upon a review of credit history the applicant does not meet the minimum credit requirements the applicant will be required to provide a financial security deposit on behalf of the GLC in order to protect education proceeds. COAM FSDs shall be \$2,500 and shall be in the form of cash escrow. Due to the small amount of the FSD for COAMs and the responsibility of tracking/redeeming bonds and letters of credit, bonds and letters of credit are not accepted for the \$2,500 COAM - only FSD. A \$2,500 FSD is required when:

- Applicant has a credit score below 690
- Applicant has a delinquent payment history with GLC
- Applicant has a disciplinary history with GLC
- Individual account(s) placed for collection that exceeds \$1,000
- Individual accounts with past due balance of \$1,000 or more that are more than 30 days past due
- Accounts charged off or written off by a credit grantor that exceeds \$1,000
- Civil judgments of \$1,000 or more in the last three (3) years
- Applicant is on a tax payment plan or has tax liens of \$1,000 or more in the last three (3) years
- Less than three (3) trade accounts, or if applicant has only three (3) trade accounts, one (1) or more of the three (3) trade accounts are less than one (1) year old
- Personal credit report is unrated due to lack of credit history
- Bankruptcy in the last seven (7) years
- Applicant is currently also a lottery retailer and is required to provide an FSD for its lottery sales

If you have any questions pertaining to COAM FSDs or if the GLC can assist in establishing the required deposit, please contact the **COAM Retailer Contract Administration Department** at **1-800-746-8546**.

Accessing Weekly Invoice Reports

LLHs may access the **Location Period Accounting Report** (weekly invoice report) on the Intralot website portal at <https://www.gacoamrpt.com> and obtain the amount (GLC Total Receivable Amount) which shall be deposited to the dedicated COAM Electronic Funds Transfer (EFT) account for the designated accounting week. The Location Period Account Report displays COAM financial information for a specific location for single or multiple accounting periods. Typically, the Location Period Accounting Report is updated for the prior week every Monday morning unless there is an observed holiday. Take the following steps to access the Location Period Accounting Report:

1. Log into the Intralot website portal at <https://www.gacoamrpt.com> using the same Username and Password you use for the COAM website (www.gacoam.com)
2. Enter the (security) code displayed on the screen into the input box
3. Click the login button
4. To access the Location Period Accounting Report (Weekly Invoice Report), click on the Reports application hyperlink on the Portal main screen (left side)
5. The Accounting Reports list will appear and provides you with access to the available accounting reports
6. Click on Location Period Accounting in the Accounting Reports list
7. If a user is allowed access to view report for more than one license, the user can change the current license in the portal by selecting the Select License button which contains the license number
8. After clicking the Select License button, the user is presented with a grid that displays the licenses available to the user. The user can change to a different license by clicking on the green Select link on the applicable row. The user can also search the available licenses in the grid by entering a license number in the Search box
9. After selecting a license from the grid, the license number displayed in the Select License button changes to the selected license number and the user will click on the Reports application hyperlink on the Portal main screen (left side) and click on the Location Period Accounting in the Accounting Reports list
10. Select the Date from (mm/dd/yyyy) and Date to (mm/dd/yyyy) by clicking on the calendar icons and choosing the weekly accounting dates (the full accounting week runs from 5:00 am. Sunday through 4:59 am the following Sunday (EST), and clicking on the Submit button
11. The amount indicated in the "GLC Total Receivable Amount" section of the Location Period Accounting Report shall be the financial amount swept by the GLC from the designated EFT account



Compliance

Reminder To Safeguard Your Business Against Theft of COAM Funds

In light of recent reports of thefts involving Class B COAMs, the GLC wishes to remind its COAM licensees to remain attentive to the operation of COAMs within locations to curtail theft. Theft involving COAMs can occur through fraudulent acts, including stringing which tricks the COAM into recording cash that is not retained by it. As a reminder, steps can be taken to deter theft, including adhering to sound cash management practices, verification of redemption amounts and reliable security measures. More specifically, COAM licensees should consider:

- Placement of COAMs in visible areas within locations where they can be easily observed by employees;
- Removal of cash daily from the COAMs by the location licensee and deposit of the funds daily in the location's COAM designated bank account (as required by the COAM law);
- Installation of security cameras throughout the location, including the area in which the COAMs are placed;
- Routinely inspect the COAMs for any signs of tampering or misuse, especially the integrity of the

bill acceptors; and

- Verification of any large redemption amounts against the hand count that is required to be displayed on the video screen of each COAM to determine if there are any irregularities among the plays and the amounts being redeemed.

Many of these suggestions are in the **GLC Location License Holder Guide** in an effort to provide beneficial information to make your COAM environment less likely to be exposed to theft or minimize the liability of locations due to theft. Licensees should be familiar with the operation of the COAMs and familiar with all manufacturers' specifications for the Georgia COAM market.

When the theft of COAM revenue occurs, the licensee is still responsible for the COAM revenue amount recorded by the CAS. Any theft should be reported to law enforcement for further investigation.



COAM Legal Corner

The COAM law contains restrictions on a Class B COAM LLHs ability to change its MLH regarding the Nine (9) Month Rule and the Dispute Certification Process. See details below:

Nine(9) Month Rule

The nine (9) month rule, OCGA 50-27-87(b)(3)(C), applies when a Location owner submits a new Class B COAM Location license application and Class B COAMs were within the location (under a different license number) within nine (9) months of the submission date of the new application. If COAMs have not been connected to the COAM CAS within a location (in other words, not placed within a location) for more than nine (9) months and a new Location license application is then submitted (and later approved), the new Location licensee would be able to choose its MLH.

Dispute Certification Process

As required by the COAM law, OCGA 50-27-102 (d), before COAMs are removed from a location, a certification process must be followed. Generally, if a LLH wishes to start the process of seeking to remove a MLHs COAMs from its location, the LLH certifies it has no dispute with the MLH using a Dispute Certification Form (available at www.gacoam.com under the Documents tab) and submits it to the GLC as instructed on the form. If GLC receives a no dispute certification from a current LLH, GLC then contacts the MLH associated with the location and gives the MLH an opportunity to certify whether or not it has a dispute with the LLH. If the MLH has a dispute with the LLH, the dispute will be referred by GLC to arbitration. As per the COAM law, during the pendency of a dispute, the LLH is to keep the COAMs connected to the CAS and available to the public for play.

Each completed certification form is specific to the COAM license numbers entered on such form. A no dispute confirmation issued by GLC for a specific LLH is not applicable to any other LLH (including any new LLH at the same location address).

Example (for illustration purposes – specific facts and circumstances may change outcome):

A no dispute confirmation is issued by GLC for LLH X who is then allowed to change its MLH. Before any COAMs from any other MLH are placed within the location and connected to the CAS, the LLH undergoes

a change of ownership to new LLH Y. LLH Y submits a COAM Location license application to GLC within 9 months of the COAMs being removed from the location (under the former LLH and previous owner) and LLH Y's application is approved by GLC. The nine (9) month rule applies and new LLH Y must either: (i) allow replacement of and operate the COAMs of the MLH that were previously within the location; or (ii) not have COAMs for nine (9) months from the date of approval of LLH Y. The only exception to the nine (9) month rule for LLH Y is that the MLH associated with the LLH may waive the constraints of the nine (9) month rule by not requiring that LLH Y accept location LLH X's COAM contract – to do this, the MLH associated with the LLH may certify that it has no dispute with LLH Y by submitting a completed certification form directly to GLC that specifically references LLH Y.



Central Accounting System

Maintenance of Intralot Designated Equipment

The best way to make sure COAMs are always operating at optimal performance levels is to ensure COAM equipment is always clean and well maintained. The best way to achieve that level of performance is to not allow COAM players to place drinks or other fluids on or near COAMs or Intralot designated equipment such as modems, cradle points, or site controllers. Contact your MLH to visit your business location and conduct a thorough inspection and assessment of your equipment at regular intervals. In the case of damaged, lost or stolen equipment that is the property of Intralot, if it is determined that the damage was the result of neglect or abuse, the LLH may be responsible for the full replacement cost of the item that cannot be repaired. Upon receiving any notification of damage, loss or theft, Intralot will prepare an invoice and submit it to the LLH for the full replacement cost of the item(s) as well as any associated trip fees. The LLH will be responsible for the full payment of the invoice within thirty (30) days of the date of invoice. If payment is not received within thirty (30) days, your COAMs may be disabled until the invoice is paid in full. If you have any questions about invoices for fees associated with damaged, lost, or stolen equipment, please contact the **Intralot Hotline** at **1(877)261-6242**.

Adjustments from Audits or Meter Exceptions

Occasionally there is the need for a financial adjustment for a LLH due to a meter error on a Class B machine. Meter errors may be from the MLH performing an unauthorized game board swap/hard reset or a manufacturer error on the game components. If a LLH has any questions regarding financial discrepancies caused by meter discrepancies, they should contact the Intralot Hotline at (877)261-6242 or send an email to GeorgiaCOAMAudit@intralot.us. It is imperative that your MLH follow all operational and technical procedures when addressing machine malfunctions or game board swaps in order to ensure accurate reporting of financial data to the CAS.



Did you know licenses and/or decals cannot be printed by the Georgia Lottery Corporation until the payment submitted online has cleared the third-party payment vendor?

All payments for ordering a license or decals **must** clear the third-party payment vendor before they may be printed and mailed to or picked up by the licensee. **The online COAM licensing system will not systematically allow licenses or decals to be printed until the payment has cleared the banking institution.** Payments may take up to **ten (10) business days** to clear the third-party payment vendor. Once the initial license payment has cleared the third party payment vendor, all compliance checks have been completed and all required documents have been received, the COAM Division will mail the license to the mailing address listed on the application. If the license is undeliverable by the post office, it will be returned to the COAM Division at which time an attempt will be made to contact the owner(s) of record to obtain an alternate mailing address. Delivery time by the postal service varies by region and service level.

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

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

GeorgiaCOAMAudit@intralot.us

Intralot portal website

[www.https://www.gacoamrpt.com](https://www.gacoamrpt.com)

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