

**New Hampshire Lottery Commission Work Session
14 Integra Drive
Concord, NH 03301**

March 29, 2010

Attendees:

Commission Chair Richard Campbell
Commissioner Paul Holloway
Commissioner Debra Douglas
Interim Director William Bartlett
Maura McCann, NH Lottery
George Roy, NH Lottery
Irene Nadeau, NH Lottery
Robert Preston, NH Lottery
Rosemary Wiant, Office of the Attorney General
Kevin Flynn, GYK
Patrick Griffin, GYK
Travis York, GYK
Jay Lapine, Intralot
Byron Booth, Intralot
Jim Boulay, Dennehy and Boulay

Commission Chairman Richard Campbell opened the meeting at 4:10 PM. A motion was made by Commissioner Douglas to go into a non-public session per RSA 91-1 -3 and RSA 91-A-5. The vote was unanimous.

Byron Booth from Intralot gave a presentation on US Fantasy Sports Games. Mr. Booth said this type of gaming doesn't increase gaming but it produces revenue. There are two types of gaming – games of skill and games of chance. New Hampshire, Idaho and the District of Columbia are constitutionally bound to games of skill. There is no prohibition against offering US Fantasy Sports Games, it could be addressed legislatively.

Fantasy Sports games appeal to a younger demographic of 18 to 38 years of age. This is a non-gambling type game but appeals socially to these players. ESPN, CBS and YAHOO all offer fantasy sports programs. Intralot says this type of gaming can be played across state lines.

With US Fantasy Sports Games, a player goes through a “mock” draft and the player chooses their team. The teams play on a weekly basis and a team is awarded points via scores, positive plays, etc. Over the course of a season, the player accrues points and at the end of the season, based upon points, prizes are awarded. Via text messages, tweets, etc. a person receives daily updates about their team. Although the winner gets a prize,

they are not motivated by the prize. These players are “gamers” and they are in it for the social aspect of playing.

Intralot states that this game offered in New Hampshire can be played nationwide. New Hampshire would partner with other lotteries to offer these games.

This is a brand new concept with no guarantees. Further, this product would tap into a new market of players. Intralot states that there is risk with this game and it is not a \$1 a week risk. Payback to the lottery according to Intralot is 80 to 90%.

Intralot thinks this will be successfully being offered by a lottery because of the trust people have with a government run entity, they trust that the prize will get paid and New Hampshire has a subscription system in place.

Fantasy Sports is exempt from UEIGA because of two reasons:

- The outcome is not based upon statistics.
- The prize is fixed and determined.

The New Hampshire Lottery asked Intralot to provide all details regarding this game, how much it will cost the lottery,

An algorithm determines the outcome. The point system calculates a player’s standing and may cause them to make changes to their team, etc. The lottery keeps track of points via the Intralot system.

Use of a credit card and using it for gambling, needs to be addressed.

Intralot would work with the lottery to bring this to us. Ideally, football fantasy sports would be offered by the fall of 2010. Intralot says the State of New Hampshire could make \$25 million in the first year. Since it is not in our current contract with Intralot, the contract would need to be renegotiated. Intralot is willing to commit resources.

How does Intralot get paid? They would get a percentage of the subscription to this game paid by a player.

Intralot runs a system of Fantasy Sports games in Italy.

Legislation needs to be drafted and added to a current bill. This would amend the current state lottery statute. Attorney General’s office is drafting this.

The New Hampshire Lottery Commission is very interested in this. The Commission would like to see a proposal, the costs associated with this product, how much expected in revenue per year, etc. Intralot will provide a draft of this document by Friday, April 2 via email.

Commission Chair Richard Campbell announced that he would resign from the New Hampshire Lottery Commission at the end of April, 2010.

The Commission came out of non-public session at 6:55 PM.