

From: [REDACTED]r@acma.gov.au>
Sent: Monday, 27 May 2019 3:21 PM
To: [REDACTED]@communications.gov.au; [REDACTED]
Cc: [REDACTED]; IG Taskforce
Subject: Lottoland jackpot betting services – update on ACMA investigation under the Interactive Gambling Act 2001 [DLM=For-Official-Use-Only]
Importance: High

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Dear [REDACTED]

I refer to the ACMA's investigation into the new 'jackpot betting' products offered by Lottoland Australia Pty Ltd under section 21 of the *Interactive Gambling Act 2001* (IGA). On 31 January 2019, [REDACTED] advised the Minister that the ACMA had commenced an investigation into these new 'jackpot betting' products. [REDACTED] provided an update on 26 March 2019 with the ACMA's preliminary views. I note, also, that the legal services divisions of the ACMA and the Department have liaised about this matter.

I am now writing to let you know that the ACMA has made the following final findings:

- > the Lottoland jackpot betting services named Mon & Wed Jackpot, Tue Jackpot, Thu Jackpot, US Millions (previously US MegaMillions) and US Power are provided by Lottoland Australia Pty Ltd in contravention of subsection 15(2A) of the IGA, as these services are prohibited interactive gambling services with an Australian-customer link.
- > the provision of the Lottoland jackpot betting service named Daily Millions (previously Fri Jackpot) does not contravene the IGA.

The ACMA found that the prohibited services are services for the conduct of a game of chance. A significant factor influencing our finding is Lottoland's mapping process, which matches Result IDs to the customer's numbers. The ACMA found that a customer cannot realistically determine all the possible winning Result IDs (to win the jackpot or lesser prizes) or meaningfully profess a view about (or place a bet on) all or even a significant proportion of them. From the customer's perspective, this is to all intents and purposes a random selection of numbers and winning a prize is, in effect, a matter of chance.

Unlike the prohibited services, the Daily Millions service does not involve the use of a mapping process. Whether a customer wins is determined by a direct comparison between the customer's numbers and the winning compilation of digits taken from various financial market indices at a specified time. As a result, the ACMA has found that the Daily Millions service is a permitted form of excluded wagering service under the *Interactive Gambling Act 2001*, being a service related to betting on the values of various financial market indices at specific times.

We have written today to Mr Brill, CEO and Director of Lottoland Australia Pty Ltd outlining our final findings.

We will keep the Department informed of developments including the steps being taken by Lottoland Australia Pty Ltd to comply with the IGA.

If you would like to discuss the above or have any questions, please don't hesitate to contact me on [REDACTED], or by email at [REDACTED]

Kind regards

[REDACTED]

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