



## NEWS RELEASE

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For Immediate Release

### **NEOPOLLARD INTERACTIVE AND NEW HAMPSHIRE LOTTERY WIN ILOTTERY COURT DECISION**

**LANSING, Michigan, June 10, 2019 /CNW/ – NeoPollard Interactive LLC** (“NeoPollard Interactive”) and **Pollard Banknote Limited** (“Pollard Banknote”) are thrilled by the decision of the U.S. District Court for the District of New Hampshire rendered on June 3, 2019 that unequivocally confirms that the federal Wire Act applies only to sports betting activities. This decision is important for the U.S. lottery industry as a whole as it alleviates concerns pertaining to the transmission of lottery data over the Internet, whether in connection with traditional retail or online lottery sales, the latter also being known as iLottery.

The Wire Act subjects to criminal liability any person who “knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers.” In 2011, the Department of Justice’s Office of Legal Counsel (“OLC”) concluded that the Wire Act only applied to sports betting. Following that opinion, many lotteries began to offer non-sports gaming products over the Internet, reasonably relying on the OLC’s conclusions that their activities were lawful.

In January 2019, however, the OLC released a new opinion concluding that the Wire Act extended beyond the sports-betting context to criminalize the interstate transmissions of *all* bets or wagers, whether or not they are sports-related—thereby reversing the conclusions of the 2011 opinion and threatening to shut down the burgeoning iLottery industry.

Working alongside the New Hampshire Lottery Commission (“New Hampshire Lottery”), NeoPollard Interactive and Pollard Banknote, the New Hampshire Lottery’s technology providers, immediately sought a declaratory judgment in federal court that the OLC’s new Wire Act interpretation was based on an incorrect reading of the statute.

By concluding that the Wire Act applies only to transmissions related to bets or wagers on a sporting event or contest, Judge Paul Barbadoro safeguards the New Hampshire Lottery and NeoPollard Interactive from the threat of unlawful prosecution in New Hampshire, Michigan, and in each other U.S. state where NeoPollard Interactive operates.

In addition, and equally importantly for other state lotteries, by setting aside the OLC’s re-interpretation of the Wire Act, the decision clarifies that state lotteries can once again rely on the OLC’s 2011 opinion that the Wire Act is limited to sports betting. Any concerns about the pooling of bets or the transmission of wagers in connection with national and regional multi-state games such as Powerball® and Mega Millions, whether through traditional retail or online channels, have been completely eliminated.

“We are very happy with the recent judgement regarding the interpretation of the Wire Act,” said Doug Pollard, Co-Chief Executive Officer, NeoPollard Interactive. “This is a great success for the Lottery industry

generally and iLottery specifically, as it ensures that the sale of both iLottery games and national and regional multi-state games across all sales channels can continue to be strong contributors to lottery sales and the good causes that lotteries in the United States support. In terms of iLottery, we know first-hand the positive effect that these operations have not only on sales, but on the overall player experience. We look forward to continuing to provide state-of-the-art iLottery products and strategies to lotteries as they explore new, interactive sales channels.”

“We are pleased that not only will our national and regional multi-state game sales carry on, but also importantly that our own relatively new yet highly successful iLottery operations will be able to continue,” said Charlie McIntyre, Executive Director of the New Hampshire lottery. “Since the launch of our iLottery program last year, we have seen an increasingly positive response from our players, resulting in higher returns to education programs in New Hampshire. We are grateful for the leadership and support from the New Hampshire Attorney General’s Office, NeoPollard Interactive and Pollard Banknote in this highly complex matter. We are excited to continue our strong partnership with NeoPollard Interactive to provide entertaining online products that deliver an enhanced play experience to all our customers.”

#### **About NeoPollard Interactive**

NeoPollard Interactive LLC (“NeoPollard Interactive”) is jointly owned by two of the world’s most trusted and reputable companies in lottery and internet gaming—Pollard Banknote Limited (“Pollard Banknote”) and NeoGames S.a.r.l. (“NeoGames”). Established in 2014, NeoPollard Interactive combines the marketing expertise and extensive worldwide lottery experience of Pollard Banknote with the proven leadership and technology of NeoGames in launching new online and mobile gaming products and services in response to an ever-evolving marketplace. The company leverages the strengths of each partner company to develop, implement, operate, and maintain innovative online gaming services for regulated lottery clients in order to generate revenues for good causes.

#### **Forward-looking Statements**

*Certain statements in this press release may constitute “forward-looking” statements and information, which involve known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. When used in this document, such statements include such words as “may,” “will,” “expect,” “believe,” “plan,” and other similar terminology. These statements reflect management’s current expectations regarding future events and operating performance and speak only as of the date of this document. There should not be an expectation that such information will in all circumstances be updated, supplemented, or revised whether as a result of new information, changing circumstances, future events, or otherwise.*

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