

FREQUENTLY ASKED QUESTIONS

Are Pennsylvania Skill Games Legal?

- Pennsylvania Skill Games are 100% legal.
- Pennsylvania's Skill Games legal status was adjudicated by the Beaver County Court of Common Pleas in 2014. A copy of that decision is located here -<u>https://docs.wixstatic.com/ugd/f37cf5_965ce53b2522454c9f4bd96af282be50.pdf</u>
 - In its decision, the Common Pleas Court ruled that our Pennsylvania Skill Game is a true game of skill, and not a game of chance.
- Our team has reported illegal games to law enforcement. We know that individuals who once used illegal machines are now utilizing our legal Pennsylvania Skill Games. Over the last ninth months, we estimate nearly 100 illegal machines are off the streets and have been replaced with legal Pennsylvania Skill Games.

Are Pennsylvania Skill Games the Same as Video Game Terminals (VGTs)?

Pennsylvania Skill Games

- Pennsylvania Skill Games are legal, have been adjudicated in a Pennsylvania court of law and ruled a skill predominate game.
- Players utilizing the Pennsylvania Skill Games can WIN every time based on skill & not chance.

VGTs

- Due to a 2017 legislative action, VGTs are now legally permitted in Truck Stops that meet a certain criteria. To date, no VGTs are operational at Truck Stops since the enactment of this legislation.
- VGTs are a game of chance, like slot machines, and prizes are awarded accordingly.
- VGTs are illegal at any other location.

Do Pennsylvania Skill Games Hurt the State Lottery?

- According to the Pennsylvania Lottery, profits for the 2017-18 fiscal year are at a record high of \$4.2 billion. They distributed a record number of prizes of more than \$2.7 billion and generated over \$1 billion to benefit older Pennsylvanians.
- Pennsylvania Skill Games have been in existence since 2014 and lottery revenues have increased all but one year... and now are at record highs.
- It is difficult to make a case that Pennsylvania Skill Games are hurting the lottery when their profits have never been higher.
- Skill Games are located in Virginia. The Virginia Lottery determined that their top lottery locations were at establishments that also had Skill Games.

Do Casinos Oppose Pennsylvania Skill Games?

- Unlike VGTs, most Pennsylvania Casinos do not oppose Pennsylvania Skill Games.
- VGTs are essentially slot machines and casinos nearly universally opposed them being located at additional establishments.
- We are only aware of one casino, Parx Casino, who opposed Pennsylvania Skill Games.

Do Pennsylvania Skill Games Manufacturers, Operators and Establishments Pay Taxes?

• Yes. To date, Pennsylvania Skill Game Manufacturers, Miele Manufacturing, Pace-O-Matic, operators and establishments have paid millions in sales and income taxes.