

ITALIAN GAME AGENCY TO ISSUE NEW RULES FOR BETTING ON VIRTUAL EVENTS

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Betting & Gaming Alert

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The Italian Game Agency is issuing new rules for betting on virtual events.

Draft of a new decree (the "**Decree**") was notified to the European Commission on March 31, 2016. The EC will verify that the Decree complies with the EU law. The standstill period will end on July 1, 2016.

The launch of bets on virtual events in Italy was very successful, especially thanks to a favorable tax regime of 20% of the gross gaming revenue (which, until last year, was even lower than the tax rate applicable to sports betting) and the fact that players can bet more frequently than in the case of "ordinary" bets.

The Decree consists of 23 articles and a technical annex. Article 23 prescribes the abrogation of the previous decree of February 12, 2013, governing the same matter.

Articles 1 to 6 set out the Decree's goals, the subjects who are entitled to collect bets on virtual events, the virtual game platform, the official program, the official program schedules.

Articles 7 to 18 set out the rules relating to bets on virtual events, their mechanism, the payment of winnings and reimbursements, and the loss of the right to claim prizes. The last articles establish dealers' obligations regarding information, the supervision performed by the Authority, control and inspections, possibility of suspension and revocation of authority to collect bets, player protection regulations, and terms by which the Decree will enter into force.

As compared to the previous version, the main innovations of the Decree are the following:

1. **official program and programme schedules:** the official program is composed of one or more programme schedules. Each programme schedule contains virtual events of the same discipline.
2. **Large amount of daily events:** a maximum number of 3,000 virtual events to be run on a daily basis. The customer may now bet on virtual events from 7 am to 3 am.
3. **Tournaments** – single elimination tournaments made of 3, 7 or 15 virtual events will be allowed.
4. **System bets and bets on multiple events:** the Decree offers the possibility to bet in four different ways:
 - single bet: the customer bets only on the outcome of a single virtual event;
 - plural bet: the customer bets on different outcomes of a single virtual event;
 - multiple bet: the customer bets on different outcomes of many virtual events;
 - system bet: the customer combines bets on different outcomes of events within the same discipline.

In each system bet, the customer can bet up to 100 outcomes, possibly conflicting, of a maximum of 10 events. The maximum number of outcome-combinations is 512. The total winning amount of a system bet is equal to the sum of all winning bets.

5. **Virtual game platform:**it gives customers the option to bet on virtual simultaneous events, with the exception of events having the same probability.
6. **Bets cancellation:** gives customers the option to withdraw a bet at fixed odds and/or a system bet on virtual events within 120 seconds of the bet's validation. Customers cannot withdraw telematic bets.
7. **Bonus:**in the event of winning multiple bets, the dealers can provide a bonus, within the limits provided by the Authority.

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