Alcohol and Gaming Commission of Ontario

Chief Executive Officer 90 Sheppard Avenue East Suite 200 Toronto ON M2N 0A4

Tel. (416) 326-8993 Fax (416) 326-8054 Commission des alcoois et des jeux de l'Ontarlo

Directeur général 90, avenue Sheppard Est Bureau 200 Toronto ON M2N 0A4

Tél. (416) 326-8993 Télec. (416) 326-8054



December 11, 2009

Bingo Hall Operators and Hall Charities Associations

Re: Bingo Revenue Model

Update to Directive – Transfer of Bingo Funds from the Hall Marketing Fund to the Bingo Development Fund

As many of you are aware, a number of discussions have recently taken place regarding the bingo revenue model and use of funds for local and provincial marketing efforts. As a result of these discussions I am announcing changes to the directive which will make future contributions to the industry's Bingo Development Fund (BDF) voluntary. An updated Directive, effective December 1, 2009 is attached for your reference.

The Government and the AGCO remain committed to the principles and objectives of the new bingo revenue model and to the continued need for the industry to focus on advertising and promotion in order to support its growth. The requirement to set aside 10% of bingo win for marketing is being maintained as well as all other aspects of the bingo revenue model. It will now be up to each hall/hall charities association to decide whether or not to direct a portion of those funds to the industry's BDF.

The AGCO remains committed to the modernization initiative and to ensuring that the revenue model achieves its objectives of improving the sustainability of bingo.

If you have any questions, please contact Kathy Klas, Director, Sector Liaison Branch, Alcohol and Gaming Commission at kathy.klas@agco.ca, 416-326-0381 or toll-free at 1-800-522-2876.

Yours truly,

Jean Major

Chief Executive Officer

and Registrar

Att.

Alcohol and Gaming

Commission des alcools Commission of Ontario et des jeux de l'Ontario

90 Sheppard Avenue East Suite 200 Toronto ON M2N 0A4

90, avenue Sheppard Est Bureau 200 Toronto ON M2N 0A4



DIRECTIVE

TRANSFER OF FUNDS FROM THE HALL MARKETING FUND TO THE BINGO DEVELOPMENT FUND

Date: December 1, 2009

To: Hall Charities' Associations and Bingo Hall Owner/Operators in Class A, Class B and Pooling Class C Bingo Halls operating under the bingo revenue model implemented on May 1, 2007

The Registrar directs that:

The Registrar's Directive dated November 16, 2007 in respect of the Transfer of Funds from the hall Marketing Fund to the Bingo Development Fund is hereby amended as follows:

> 20% of the funds allocated to the Hall Marketing Fund from bingo events conducted in the bingo hall each month beginning with December, 2009 may be transferred to the Bingo Development Fund, via cheque payable to the Bingo Development Fund.

> > Jean Major

Registrar of Alcohol and Gaming