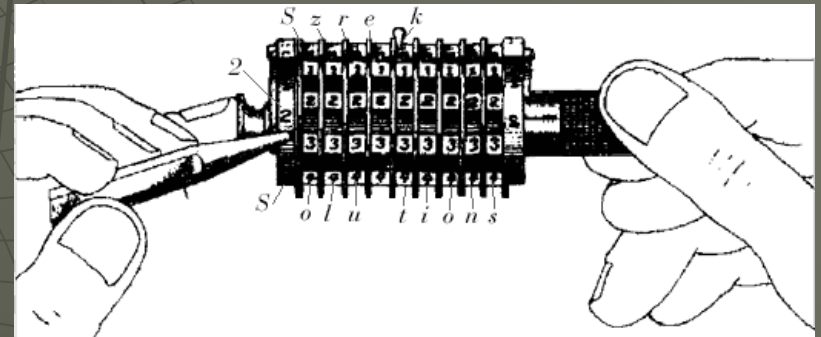


ILAC 2004

Transparency of Electronic Drawing & Betting

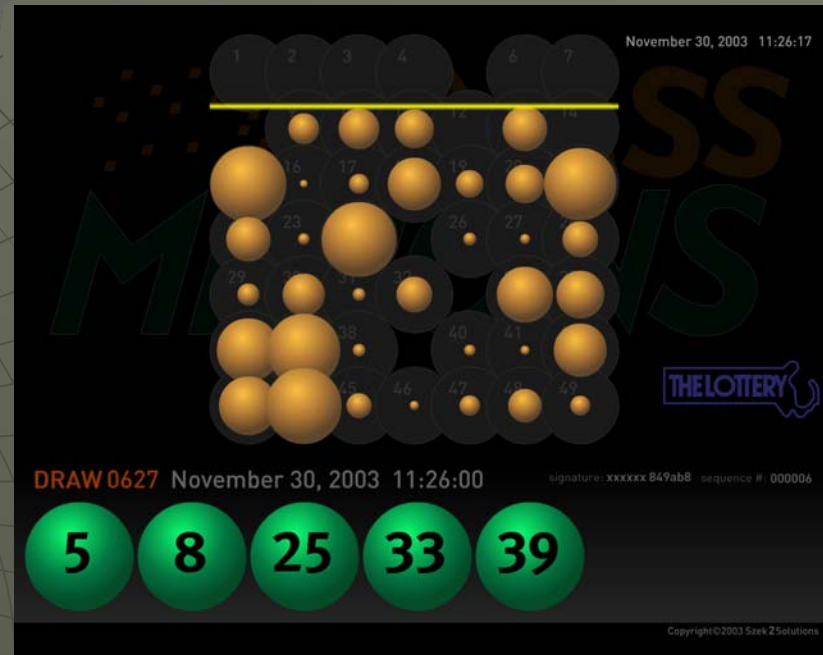
by Irena Szrek, Szrek2Solutions, Partner

- ◆ About Us
- ◆ Transparency of Drawing & Instant Win Games
- ◆ RUN+A – technology to audit random events
- ◆ Products Offering:
 - Trusted Draw™
 - Trusted Play™



About Us

- ◆ Szrek2Solutions LLC started in 2003
- ◆ International gaming product and service
 - Secure software systems solutions
 - Data security & system integrity
 - Product development and consulting
- ◆ Szrek2Solutions Accomplishments
 - Invented RUN+A - patent pending 'Random Unpredictable Numbers w/Audit'
 - Introduced Trusted Draw™ at NASPL 2003
 - Designed Trusted Play™
 - Entered into partnership w/America Unwired to provide Trusted Play for mobile gaming



Lead technology expertise for innovative and secure lottery solutions

Transparency of Instant Win Games and Drawing

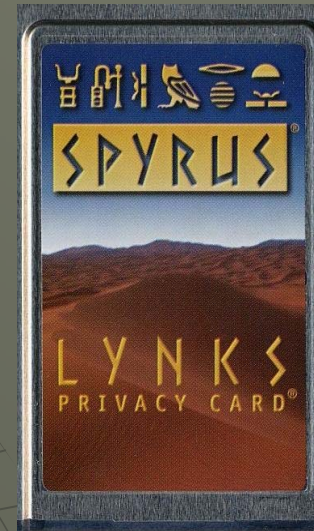
- ◆ Public expects fair games and winnings
- ◆ Lottery sells integrity - needs best practices
- ◆ Current solutions
 - rely on preventive measures
 - can be circumvented by skilled insiders or dishonest personnel
 - no audit of outcomes of instant win games or draw numbers
- ◆ Audit is a common practice to detect fraud, not used in instant win games and drawing



Current electronic drawing machines and instant win games do not allow detection of fraud after the fact

RUN+A - New Solution with Audit

- ◆ Trusted Draw – electronic drawing machine with audit capability
- ◆ Trusted Play - instant win games with audit capability
- ◆ Audit proves that there was no fraud in generation of winning numbers or play outcome
- ◆ RUN+A method to generate & audit random events - 'Random Unpredictable Numbers w/Audit'
- ◆ Proves integrity of the draw and bet generation:
 - Audit – draw/game outcomes, draw time, process
 - Tamper evident cryptographic hardware, digital signatures and time stamping
 - No secret data or algorithm
 - Only standard and proven cryptographic methods



Szrek2Solutions developed technology detecting fraud in winning numbers and play outcomes generation

Trusted Draw™

Innovative Secure Electronic Drawing System

- ◆ Random and fair draw results for games of chance: lotto, keno, numbers, bingo, multi-matrix, cards, dice, ...
- ◆ Tamper evident security and protection against skilled insider attacks – detection of any attack
- ◆ RUN+A 'Random Unpredictable Numbers w/Audit' proves integrity of the drawing



Unique product offering audit of draw results

TD Product Offering

Complete System Implementation, Delivery, Support

- ◆ Stand alone or connected to lottery system
- ◆ Multiple games supported by single Trusted Draw
- ◆ Many games available in the game library
- ◆ Verification system – audit and statistical analysis
- ◆ Cryptographic hardware w/lottery security
- ◆ Customized animation (TV, Web) with sound effects and promotional space

KENO November 30, 2003 22:11:29

NEXT DRAW IN:
0:30

THELOTTERY

Sprint

DRAW 1332 November 30, 2003 22:11:00 signature: xxxxxx 617d8f sequence #: 000007

9	12	13	14	16	19	23	24	25	28
37	43	44	47	50	53	54	57	62	74

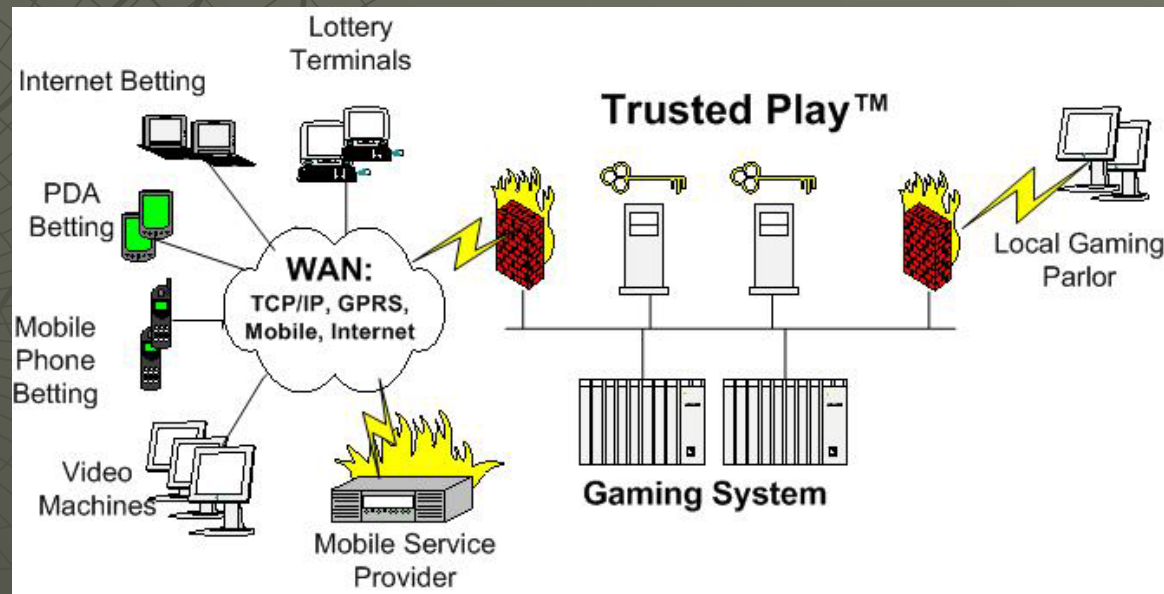
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Low cost of ownership for secure drawing and audit system

Trusted Play™

Secure Electronic Betting for Instant Win Games

- ◆ Random and fair game results generation for games of chance (Class II & Class III)
- ◆ Tamper evident security and protection against skilled insider attacks – detection of any attack
- ◆ RUN-A proves integrity of instant win games
- ◆ Game outcomes audit detects insider fraud



Proof of game integrity by audit of play data

Security Threats

Security of current computerized draw and bet generation is not satisfactory

- ◆ Insider attacks account for 80% of fraud
- ◆ Physical security is not sufficient
- ◆ Many methods to circumvent
 - Time related attacks
 - ◆ Clock corruption
 - ◆ Earlier drawing
 - Random numbers bias
 - Masquerading:
 - ◆ ignoring the results
 - ◆ exchange of the program
 - ◆ exchange of the hardware
 - ◆ connection hijacking
 - ◆ man-in-the-middle
 - Fishing and replay attacks



Current electronic drawing and betting do not offer audit of results