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Québec, November 15, 2016

Mr. Dawei Ding

Vice-président de la Fédération québécoise de sports électroniques

Re: Authority of the Régie des alcools, des courses et des jeux with regard to e-sports

Dear Mr. Ding:

On September 7, 2016, we met to begin a process by which Quebec residents would be allowed to participate in international e-sport tournaments. The main issue raised was that many international e-sport organizers expressly exclude Quebec residents from participating on the basis that Québec legislation prohibits the practice. These organizers believe that e-sport competitions fall under the authority of the Régie des alcools, des courses et des jeux (RACJ) because they are part of a promotional contest, which would require those organizers to report the "contest" and pay related fees.

Following our meeting, the Régie looked into the matter in order to determine whether e sports are considered a promotional contest.

We wish to stress that our analysis focused on e-sports only, not on other forms of e-gaming, such as *Daily Fantasy Sport*. The Office québécois de la langue française defines e-sports as follows:

[free translation]

"Regular practice of a multi-player video game, on the Internet or a local network, using a computer or gaming console, which is considered a sports activity.

The best e-sport players meet for international video game tournaments. Similarly to sports champions, network (multi-player) gaming is a tool to showcase player skill, reflexes, visual acuity, tactical skills, stress management during a competition and teamwork.

International video game competitions are sometimes presented like sporting events, with commentators, player interviews, detailed score sheets and reporting on overall venue ambiance."

According to the aforementioned definition, we see that the game must have an element of competition and is based on players' skills. During the competitions, prizes are awarded according to player performance not with chance being the determining factor.

With regard to the Régie's analysis to determine whether a contest falls under the category of promotional contest according to the Law, the predominant criterion is that the contest is held for commercial purposes. Thus, contests that are a form of competition are not generally promotional contests. Since e sport focuses on players' personal skills, its main purpose is not for commercial purposes, but rather to allow video gamers to compete with each other to determine who is most skillful and, as in all competitions, to award a prize to the most talented participants. It should be noted that many countries recognize e-sports as a sport in and of itself, and sector federations are working on obtaining official status for it to be included as an Olympic game.

In consideration of the above and similarly to other sporting competitions such as golf tournaments, we do not believe that e-sport competitions should be considered promotional contests. Consequently, the Régie does not have authority over this type of event.

Finally, we wish to emphasize that the Régie has made the above determination only with regard to the activities over which it has authority and not in virtue of the games of chance prohibited under Article 206 (1) of the *Criminal Code*.

Sincerely yours,

Andrée-Anne Garceau,

Assistant to the Vice President, Operations

http://gdt.oqlf.gouv.qc.ca/ficheOqlf.aspx?ld%20Fiche-26502177 (site viewed on October 19, 2016).