

**ORDER 2020-40
IN RE SETTLEMENT AGREEMENT**

**SBTECH MALTA LIMITED
20-SBT-01**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

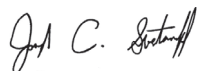
IT IS SO ORDERED THIS THE 10th DAY OF JULY, 2020.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Joseph Svetanoff, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
SBTECH MALTA LIMITED) **20-SBT-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and SBTech Malta Limited (“SB Tech”), (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

FINDINGS OF FACT

COUNT I

1. 68 IAC 15-6-4(b) provides that vendors and visitors must report to security to complete the vendor and visitor log and to obtain a badge. When the vendor or visitor leaves the casino, the vendor or visitor must complete the appropriate portion of the log.
2. 68 IAC 15-6-4(e) provides that the vendor and visitor log shall contain the following information:
 - (1) The name of the vendor or visitor.
 - (2) The company or organization the vendor or visitor represents.
 - (3) The date and time the vendor or visitor entered the casino.
 - (4) The purpose that necessitates the vendor or visitor entering the casino.
 - (5) The date and time that the vendor or visitor exits the casino. The casino licensee is responsible for instituting a policy that ensures that vendor and visitor badges are returned to the security department and accounted for when the vendor or visitor exits the casino.
 - (6) If the person is a visitor, the individual who authorized the visitor's presence in the casino.
 - (7) Any other information deemed necessary by the executive director or the commission to ensure compliance with IC 4-33, IC 4-35, and this title.
3. On January 24, 2019, the Commission issued a memorandum to all casino licensees on occupational licenses. The memorandum states vendor or visitor badges are not to be utilized by those who hold or should hold an occupational license. Per the memorandum, if individuals who hold or should hold an occupational license attempt to access the gaming floor using a vendor or visitor badge, casino staff should assist in the matter by refusing entry and directing the individuals to local Gaming Agents for assistance.

4. On December 16, 2019, a Gaming Agent conducted an audit of the vendor log at Rising Star Casino for November 2019 and the discovered the following violations.
5. Between the dates of November 3, 2019 and November 14, 2019, five (5) individuals from SB Tech were not signing in and out daily with Security Dispatch. Each individual made multiple visits to the casino without signing in and out on the vendor log. All were occupational licensees.

COUNT II

6. Chapter 2, Section 12(d) of the Emergency Rules for Sports Wagering provides that except as outlined in this SECTION, occupational licensing of an employee, independent contractor, agent, or subagent of a sports wagering operator shall be governed by IC 4-33-8 and 68 IAC 2-3.
7. 68 IAC 13-1-1(b)(2) and (3) provides that the Commission may initiate an investigation or a disciplinary action, or both, against a licensee if the Commission has reason to believe the licensee is not complying with licensure conditions or is not complying with this Act or this title.
8. 68 IAC 2-2-6.1(d) provides except as outlined in this section, occupational licensing of an employee, independent contractor, agent, or subagent of a supplier licensee shall be governed by 68 IAC 2-3.
9. 68 IAC 2-3-1(i) provides, in relevant part, that an Occupational license, Level 1, includes the following positions or their equivalent: (12) Any other employee of a riverboat gambling operation whom the commission deems necessary, to ensure compliance with the Act and this title, to hold an occupational license, Level 1.
10. The Commission is charged with making licensing determinations for the employees of Sports Wagering Operators based off the regulations outlined in the Indiana Administrative Code and the Emergency Rules for Sports Wagering. The need for licensure is determined by the Commission staff through job descriptions and organizational chart submissions by Sports Wagering Operators. Submissions must be sent to the Commission's Gaming Administrator for review and approval.
11. On October 22, 2019, outside counsel for SB Tech provided a list of employees and job descriptions by position to the Commission's Director of Background Investigations (the "DBI").
12. On October 25, 2019, the DBI requested for these positions be placed in the Commission's Position Approval Summary (the "PAS").
13. On October 28, 2019, the DBI followed up with SB Tech's outside counsel on the PAS request.

14. On October 29, 2019, the DBI advised SB Tech's outside counsel to provide the eight (8) Level 2 applications when they were ready and to ensure the PAS was provided by the end of the day. SB Tech's outside counsel acknowledged this email correspondence and ensured the PAS would be provided that day. The DBI followed up with an email requesting additional job descriptions for the Product Director, Delivery Manager, and Head of Technical Product Management be submitted as a result of the positions not being on the organizational chart submitted to the Commission for review.
15. On October 30, 2019, SB Tech's outside counsel submitted the requested job descriptions.
16. On October 31, 2019, the DBI followed up with additional questions on the Product Manager and Delivery Manager. SB Tech outside's counsel provided a response on November 1, 2019.
17. On November 18, 2019, SB Tech's outside counsel provided another list of individuals and job descriptions for review.
18. On November 20, 2019, the DBI requested additional information be provided and specifically requested a complete list of job descriptions, including the PAS, for every staff member at SB Tech, whether it had been previously reviewed by the Commission. The DBI specifically notated that the submission must include accurate titles that match the organizational charts and applications on file. SB Tech's outside counsel was advised if the titles do not match, the Commission would not process or review the submission.
19. On November 20, 2019, SB Tech's outside counsel confirmed understanding and receipt of the DBI's email correspondence.
20. On November 26, 2019, the DBI followed up on the status of his request. SB Tech's outside counsel responded that he was working with SB Tech on this information.
21. On December 5, 2019, the DBI reached out directly to SB Tech after failing to receive the requesting documents from SB Tech's outside counsel.
22. On December 10, 2019, SB Tech's outside counsel provided a consolidated general employee job descriptions, organizational chart for online employees, organizational chart for retail and online employees and the PAS. As a result of a telephone call, it was determined that SB Tech had not previously listed the US Compliance Manager or the Compliance Team Lead on any submission or organizational chart. The submission now included both individuals.
23. On December 11, 2019, the DBI notified SB Tech's outside counsel that both individuals would require a Level 1 license. The DBI also requested if any other division had not been included on the original organizational chart. The DBI expressed the Commission's concerns that SB Tech had failed to include the Compliance Team Lead previously since he appeared to be responsible for, or heavily involved in the change management/release

note process. On September 12, 2019, the DBI had specifically requested these individuals when providing the Change Management Directive to SB Tech and specifically stated that all names, titles, organizational charts, and job descriptions for anyone who may fall into the duties listed in the change management directive will require licensure. The Compliance Team Lead's job description states that the position is responsible for the maintenance of release notes/change management process. The DBI specifically requested why these individuals were not disclosed to the Commission earlier.

24. On December 11, 2019, SB Tech's outside counsel responded that SB Tech had recently engaged an individual to serve as Compliance Director but would not begin his employment with the SB Tech until January 6, 2020. SB Tech anticipated his position being designated as a Level 1 status and directing him to begin the process of completing the application. SB Tech's outside counsel provided that US Compliance Manager and Compliance Team Lead would report to the new Director of Compliance, with the US Compliance Manager overseeing the US Compliance matters and Compliance Team Lead overseeing international matters. The Compliance Team Lead would have responsibilities for maintenance of release note/change management process, but only with respect to international matters. The Compliance Team Lead would not have any authority impacting Indiana's change management process. SB Tech's outside counsel acknowledged that if the Compliance Team Lead's role change and his authority is extended to impact Indiana in any way, the Company would notify the Commission as required.
25. On December 13, 2019, the DBI confirmed that the Compliance Team Lead would not require licensure at this time but that the Director of Compliance would need to be licensed as a Level 1 licensee and would have 30 days to submit his application.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of SB Tech by and through its agents as described herein constitute a breach of IC 4-33, IC 4-38, the Emergency Rules for Sports Wagering and/or 68 IAC. The Commission and SB Tech hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against SB Tech.

SB Tech shall pay to the Commission a total of \$9,000 (\$4,000 for Count I and \$5,000 for Count II) in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, SB Tech agrees to promptly remit payment in the amount of \$9,000 and shall waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and SB Tech.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Date

DocuSigned by:
Robertus Johannes Cornelis Van Oijen
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Robertus Johannes Cornelis van Oijen, Director
SBTech Malta Limited

4/7/2020

Date

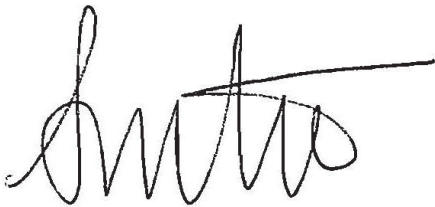
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Sara Gonso Tait, Executive Director
Indiana Gaming Commission

6/24/20

Date

Robertus Johannes Cornelis Van Oijen
SBTech Malta Limited

Date