

**ORDER 2022-161  
IN RE SETTLEMENT AGREEMENT**

**BALLY'S INTERACTIVE, LLC d/b/a  
BALLY BET  
22-BB-02**

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

**APPROVED**

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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 27<sup>th</sup> DAY OF SEPTEMBER, 2022.**

**THE INDIANA GAMING COMMISSION:**



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Milton Thompson, Chair

ATTEST:



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Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>BALLY'S INTERACTIVE, LLC d/b/a</b>	)	<b>22-BB-02</b>
<b>BALLY BET</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small and Bally's Interactive, LLC d/b/a Bally Bet ("Bally Bet"), (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 27-2-16(d) provides 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.
2. 68 IAC 2-3-9.2(b)(2)(C) requires the occupational licensee to notify the Commission when the occupational licensee transfers to another position.
3. 68 IAC 2-3-9.2(c) requires the notification must be submitted to the Commission within fifteen (15) days of the occurrence of the change or action.
4. On June 9, 2021, the Commission issued a Directive to all Sports Wagering Vendors on Sports Wagering Occupational Licenses which require the following:
  - (1) Each sports wagering vendor must provide the following updates to the IGC on a quarterly basis: (a) the Sports Wagering Vendor's organizational chart. All company positions involving Indiana operations must be reflected on the organizational chart, whether licensed or not. Titles held by licensees and applicants must match the titles on file with IGC. This will be reviewed quarterly, and any discrepancies must be resolved.
  - (b) Changes to any job title that is staffed by occupational licensees, utilizing the Application for Position Change or Replacement Badge Form (State Form SF53543).
  - (c) Any occupational licensing update requirement that was outlined in Section V(C)(1), above.
  - (2) Submissions must be made to [OccLic@igc.in.gov](mailto:OccLic@igc.in.gov) on or before the 15th day following the close of each quarter. Quarters are as follows: Quarter 1, January – March; Quarter 2, April – June; Quarter 3, July – September; and Quarter 4, October – December.

(3) If there have been no changes to the org chart or licensee update information since the last quarterly update, email OccLic@igc.in.gov to indicate that there have been no changes and that no updates are necessary.

5. On May 16, 2022, Bally Bet notified the Commission that a Chief Risk Officer had changed positions to an SVP of Risk & Trading on May 27, 2021. Bally Bet failed to timely notify the Commission of this position change, which is a level one (1) position.

## COUNT II

6. 68 IAC 27-2-16(d) provides 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 2-3-9.2(b)(1) requires the occupational licensee to notify the Commission of separation on a form prescribed or approved by the Commission.
8. 68 IAC 2-3-9.2(c) requires the notification must be submitted to the Commission within fifteen (15) days of the occurrence of the change or action.
9. On March 10, 2022, the Commission received a separation from service notification through the occupational licensing system from Bally Bet for a Team Lead, showing a separation date of July 31, 2021. The Commission was not notified in a timely manner.
10. On July 8, 2022, the Commission received three (3) separation from service notifications through the occupational licensing system from Bally Bet for a Fraud and Payments Analyst, a Customer Service Lead and a Customer Service Representative showing a separation date of January 7, 2022, August 8, 2021, and March 31, 2022. The Commission was not notified in a timely manner.
11. On July 15, 2022, the Commission received a separation from service notification through the occupational licensing system from Bally Bet for a Customer Service Supervisor, showing a separation date of October 25, 2021. The Commission was not notified in a timely manner.

## COUNT III

12. 68 IAC 13-1-1(b)(2) and (3) provides 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.
13. On June 28, 2021, a Commission Directive was issued to all sports wagering online operators regarding the Prohibited Participant Audits. The Directive provided that each online sports wagering operator submit their prohibited participant list to the Commission on a quarterly basis with the following due dates: March 15<sup>th</sup>, June 15<sup>th</sup>, September 15<sup>th</sup> and December 15<sup>th</sup>.

14. On June 15, 2022, the 2<sup>nd</sup> quarter prohibited participant list was due to the Commission. Bally Bet failed to meet this deadline. The due dates were clear in the Directive. The Directive was provided to Bally Bet on three different occasions: March 17, 2022, March 28, 2022 and June 16, 2022.
15. On June 16, 2022, the Commission sent a reminder by email and advised Bally Bet that the list was due to the Commission by June 23, 2022. Bally Bet failed to meet the Commission's extended deadline or to request an extension.
16. On July 7, 2022, Bally Bet submitted their prohibited participant list the Commission.

#### COUNT IV

17. 68 IAC 27-1-2(16) defines a prohibited sports wagering participant as an individual listed on the commission's exclusion list kept under 68 IAC 6-1, that has a voluntarily excluded person (VEP) status as defined under 68 IAC 6-3 or has signed up for the statewide internet self-restriction program (ISRP).
18. 68 IAC 27-13-2(d) provides that sports wagering operators must restrict wagering by statewide Internet self-restriction participants and may not market to statewide Internet self-restricted participants.
19. 68 IAC 6-3-4(a) provides each casino licensee and casino license applicant shall establish internal control procedures for compliance with this rule, which shall be submitted and approved under 68 IAC 11.
20. 68 IAC 6-3-4(b)(3) provides the internal controls must, at a minimum, address that the casino licensee must refuse wagers from and deny gaming privileges to any voluntarily excluded person.
21. 68 IAC 13-1-1(b)(2) and (3) provides 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.
22. On July 25, 2022, a Gaming Agent conducted the 2<sup>nd</sup> quarter prohibited participant audit for Bally Bet. The results of this audit identified thirty-nine (39) prohibited participant discrepancies/omissions. The Gaming Agent reached out to Bally Bet for a remediation plan on these discrepancies and Bally Bet's Director of Compliance provided that Bally's Evansville was responsible for some of the discrepancies.
23. Bally Bet was found to be responsible for twelve (12) errors, eight (8) discrepancies and four (4) omissions.

## TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Bally Bet, by and through its agents as described herein, constitute a breach of IC 4-38, 68 IAC, and/or Bally Bet's approved internal control procedures. The Commission and Bally Bet hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Bally Bet.

Bally Bet shall pay to the Commission a total of \$5,625 (\$500 for Count I, \$2,500 for Count II, \$1,000 for Count III and \$1,625 for Count IV) and ensure all discrepancies and omissions referenced in Count IV have been resolved 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, Bally Bet agrees to promptly: 1) remit payment in the amount of \$5,625 2) ensure all discrepancies and omissions referenced in Count IV are resolved and 3) 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 Bally Bet.

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

  
\_\_\_\_\_  
Greg Small, Executive Director  
Indiana Gaming Commission

9/15/2022  
Date

*Joshua Couzens*  
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Josh Couzens, Compliance Manager, North  
America  
Bally's Interactive, LLC d/b/a Bally Bet

Sept. 13, 2022  
Date