

**ORDER 2022-208
IN RE SETTLEMENT AGREEMENT**

**NEOGAMES SOLUTIONS, LLC
22-NG-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 15th DAY OF DECEMBER, 2022.

THE INDIANA GAMING COMMISSION:


Milton O. Thompson, Chair

ATTEST:


Jason Dudich, Secretary

that a Chief Legal Officer/Director of Legal/General Counsel be licensed as a level one (1) licensee.

7. On May 27, 2021, the Commission issued an updated directive to Suppliers on Supplier Occupational Licensing. Section III(A)(8) provides that a Chief Legal Officer/Director of Legal/General Counsel be licensed as a level one (1) licensee. Section V(B)(3) describes the process for newly hired individuals and newly created positions and requires applications must be submitted to the Commission within thirty (30) days of the hire or transfer to position that requires licensure.
8. On June 1, 2021, NeoGames employed a new General Counsel. Upon appointment of the new employee, the PD1 application would be due on July 1, 2021.
9. On May 5, 2022, the Commission's Director of Background Investigations noticed the new General Counsel's name on the Audit Committee Meeting Minutes from April and subsequently inquired with NeoGames' Outside Counsel.
10. On May 20, 2022, NeoGames' Outside Counsel advised that the General Counsel position was created after the company submitted its corporate application and initial round of PD1's. The position reported to and was supervised directly by the Chief Financial Officer ("CFO"), who currently holds a level one (1) license. The Outside Counsel also provided that the position was not considered by the company to be a "management level" position. The Outside Counsel further acknowledged that these factors, combined with an unintentional misunderstanding of Indiana's licensing requirements, resulted in a belief by the company that the position did not require licensure in Indiana. Upon becoming aware of the proper licensing requirement, the General Counsel began working diligently to complete a PD1. The Outside Counsel also asked if it would be in any way helpful to the Commission for the General Counsel to immediately complete a PD2 form, along with fingerprints, while the PD1 is being completed. The Commission's Director of Background Investigations then requested a job description for the General Counsel.
11. On May 27, 2022, the Outside Counsel provided the job description.
12. On May 31, 2022, the Commission inquired when the General Counsel was appointed and began duties.
13. On June 6, 2022, the Outside Counsel advised the start date was June 1, 2021 and stated that with respect to any misunderstanding of the licensing guidance, it appeared that the following sentence was interpreted more broadly than the Commission likely intended: "the titles below are offered by way of example, and you should not solely rely on the specific job title use below when coming forward for licensure." NeoGames believed inclusion of a title on a list of examples did not on its own mandate a level one (1) license. Given the company's structure whereby the CFO retains authority over the General Counsel position and associated legal matters, and the General Counsel does not, at least in their structure, have power to exercise management/operating authority as

would typically be necessary to be considered a "key person", NeoGames simply believed that this was a situation where the General Counsel position would fall outside the licensing guidance.

14. On August 15, 2022, the Commission received the PD1 application.
15. On August 23, 2022, the General Counsel was issued a temporary license.
16. Overall, the application was 410 days late.

TERMS AND CONDITIONS

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

NeoGames shall pay to the Commission a total of \$3,500 (\$500 for Count I and \$3,000 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, NeoGames agrees to promptly remit payment in the amount of \$3,500 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 NeoGames.

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

Greg Small
Greg Small, Executive Director
Indiana Gaming Commission

12/14/2022
Date

Mordechay Malool
Mordechay Malool
NeoGames Solutions, LLC

December 5, 2022
Date