

**STATE OF INDIANA
INDIANA GAMING COMMISSION
ORDER UNDER 2012-151**

**IN RE: ORDER UNDER 2012-151)
CONCERNING) ORDER NO. 2025-1
)
BALLY'S CORPORATION)**

ORDER UNDER RESOLUTION 2012-151

The Indiana Gaming Commission (“Commission”) hereby issues an order pursuant to Resolution 2012-151 regarding the transaction resulting in the transfer of ownership of Bally’s Corporation (“Bally’s”) to Standard General Management LLC.

Parties

1. The Commission is the Indiana administrative agency with its principal offices in Marion County, Indiana, with powers and duties to administer, regulate, and enforce the system of riverboat gaming in the State pursuant to Ind. Code § 4-33-4-1 and sports wagering pursuant to Ind. Code § 4-38-1-4.
2. Bally’s Corporation is the owner of Aztar Indiana Gaming Company, LLC d/b/a/ Bally’s Evansville Casino & Hotel, which holds an Indiana casino owner’s license and a certificate of authority to conduct sports wagering. Bally’s Corporation is also the owner of Bally’s Interactive, LLC d/b/a Bally Bet which holds an Indiana sports wagering vendor’s license.
3. Standard General Management LLC controls Standard General L.P., which is an SEC-registered investment adviser founded in 2007 by Managing Partner and Chief Investment Officer Soohyung Kim. Standard General L.P. makes investment decisions for various Standard General entities, including SG CQ Gaming LLC (“SG CQ Gaming”), Standard RI Ltd, SG Parent LLC (“SG Parent”), and is an indirect shareholder of The Queen Casino & Entertainment, Inc. (the “Queen”). For purposes hereof, these Standard General entities, in addition to the Queen, are collectively referred to as “Standard General.”

Law

4. The Commission is a state agency that was created to regulate gaming throughout the State of Indiana under Ind. Code § 4-33-4-1.
5. The Commission has the authority to grant casino owner’s licenses pursuant to Ind. Code § 4-33-6-1, certificates of authority pursuant to Ind. Code § 4-38-4-4, and sports wagering vendor’s licenses pursuant to Ind. Code § 4-38-6-2.
6. Casino licensees owned directly or indirectly by a publicly traded corporation, must comply with certain requirements and obtain approval from the Commission before transferring

an ownership interest in order to protect the Commission's interest in the suitability of its licensees. 68 IAC 5-1.

7. Pursuant to Resolution 2012-151, if the Executive Director finds that a situation requires the exercise of powers and duties of the Commission under IC 4-33-4-1 or IC 4-35-4-1 and is a matter of urgent circumstances, and that failure to act immediately would be impractical, burdensome, or not in the best interests of the public or the gaming industry, the Executive Director may exercise the powers and duties of the Commission not specifically prohibited to be assigned by law or by resolution. The Executive Director must obtain consent from one Commissioner before the Executive Director may exercise authority under this Resolution.

Facts

8. Bally's entered into a definitive agreement and plan of merger (the "Merger Agreement") with certain Standard General entities, including SG Parent and SG CQ Gaming, in addition to the Queen, pursuant to which SG CQ Gaming LLC and Standard RI LTD will control enough stock to trigger substantial ownership. The Merger Agreement provides that: (i) SG CQ Gaming will contribute its Queen common stock to Bally's in exchange for Bally's common stock based on an exchange ratio, and then, through a series of mergers, the Queen will become a direct, wholly owned subsidiary of Bally's; and (ii) certain existing Bally's stockholders can elect to convert their Bally's shares to a cash consideration per common share. As a result of the transactions contemplated by the Merger Agreement, Standard General will control enough stock to trigger substantial ownership.

9. SG Parent and Standard RI Ltd have obtained a financing commitment to support the transactions contemplated by the Merger Agreement. Cash proceeds from the financing and Bally's existing resources will be used to affect these transactions and fund the per share cash consideration to be paid to electing Bally's stockholders.

10. On November 19, 2024, Bally's stockholders approved the adoption of the Merger Agreement.

11. This ownership transfer is subject to 68 IAC 5-1 and the associated debt acquisition is subject to 68 IAC 5-3.

12. Standard General has filed the required casino owner's application regarding the transfer of ownership.

13. The Standard General debt acquisition associated with this transfer of ownership has been reviewed by Commission staff and has interim approval pursuant to Commission Resolution 2017-109.

14. Both Bally's Evansville Casino & Hotel and Bally Bet are licensees in good standing in Indiana.

15. The parties have identified certain penalties and hardship that would impact the transaction if the parties were unable to close on or before January 21, 2025.

16. Due to the timing of the Bally's stockholder approval, the first opportunity for Commission staff to present the transactions to the Commission is the first quarter Business Meeting of 2025, tentatively scheduled for March of 2025.

17. Commission staff have a full report prepared on the transfer of ownership, finding no derogatory information in the investigation.

Findings and Order

18. Given the circumstances described above, an order under Commission Resolution 2012-151 is necessary, as failure to act immediately would be impractical, burdensome, or not in the best interests of the public or the gaming industry.

19. The Commission hereby approves the transfer of ownership to Standard General.

20. Standard General has submitted a casino owner's application for the transfer of ownership.

21. Standard General had two key persons requiring occupational licensing. One key person is currently licensed in Indiana. The other key person has submitted their application for licensing and has been approved for licensure in Indiana with issuance pending this transaction.

22. Standard General must also continue to comply with all provisions of 68 IAC 5-1 regarding a transfer of ownership.

23. Bally's Evansville Casino & Hotel and Bally Bet shall continue to provide its licensed services.

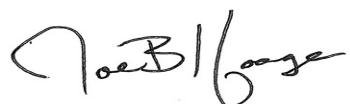
24. The Executive Director has obtained the necessary concurrence from a Commissioner as required by Resolution 2012-151.

25. Pursuant to Resolution 2012-151, this action shall be reported at the Commission's next Business Meeting for ratification.

Effectiveness

This order is effective immediately pursuant to Resolution 2012-151.

ADOPTED THIS 20th DAY OF JANUARY, 2025.



Joe Hoage, Executive Director