



5. IEB Report Regarding Preliminary Suitability for New Entity Qualifiers of Bally's Interactive, LLC Related to the Transfer of Interest, dated April 7, 2025, and attached exhibits 1 through 3;
6. Craig Eaton Individual Qualifier Reports;
7. Noel Hayden Individual Qualifier Reports;
8. Soohyung Kim Individual Qualifier Reports;
9. George Papanier Individual Qualifier Reports;
10. Robeson Reeves Individual Qualifier Reports;
11. Bally's Errata Sheet regarding IEB Report Regarding Full Suitability Investigation;
12. Bally's Errata Sheet regarding IEB Report Regarding Review for Financial Suitability;
13. Letter to Commissioners from counsel for Bally's Interactive, LLC, dated January 21, 2026, and attached exhibits A, including A1-A6, through C; and
14. Exhibit List.

Several individuals spoke and/or testified at the hearing, including but not limited to:<sup>1</sup>

- Sergeant John Morris, Massachusetts State Police Gaming Enforcement Unit, IEB
- Daniel Maas, RSM US LLP ("RSM")
- Shannon Neville, RSM
- Greg Naviloff, RSM

### **FINDINGS OF FACT AND PROCEDURAL HISTORY**

The Commission's decision is based upon the information contained in the exhibits as well as the witness testimony presented at the hearing. All witnesses were duly sworn in, and the Commission finds that each testified credibly. The Commission adopts all factual findings contained in the submitted exhibits, including Exhibits 2 – 13 as set forth above. The Commission sets forth the relevant facts contained in those exhibits.

Bally's submitted an application for a Category 3 sports wagering operator license pursuant to G.L. c. 23N, § 6(b)(3) by the November 21, 2022 deadline. The IEB conducted a review for preliminary suitability pursuant to 205 CMR 215.01(2)(a) and (b) and submitted its Report Regarding Review for Preliminary Suitability to the Commission on December 23, 2022.

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<sup>1</sup> The witness list submitted for purposes of this adjudicatory hearing included a number of additional individuals who did not speak or offer testimony during the hearing.

On January 6, 2023, the Commission held a public meeting and found Bally's to be preliminarily suitable and eligible to request a temporary Category 3 sports wagering license subject to conditions specifically set forth in 205 CMR 220.01. On February 23, 2023, the Commission's Executive Director issued a temporary Category 3 sports wagering license to Bally's. Bally's received its operations certificate on July 1, 2024 and began operations on the same day.

Subsequent to the Commission's issuance of the temporary Category 3 sports wagering license, the Massachusetts State Police Gaming Enforcement Unit assigned to the IEB ("GEU") performed a further preliminary review of Bally's. This included a review of both law enforcement sensitive and publicly available databases. No automatically disqualifying information was discovered during this review.

In addition, the Licensing Division re-scoped Bally's' application based on the legislative amendment to G.L. c. 23N, § 5(b) and 205 CMR 215.02, identifying entity and individual qualifiers for Bally's. On May 9, 2024, the Licensing Division deemed the application administratively complete, and it transmitted the application to the IEB for its full investigation.

Shortly after beginning operations, on July 25, 2024, Bally's notified the Commission of a potential transaction between Bally's Corporation ("Bally's Corp."), Bally's' parent company, and Standard General L.P., an entity qualifier, in which Bally's Corp. would merge with Queen Casino and Entertainment, Inc. ("Queen Casino"), resulting in Queen Casino becoming a wholly owned subsidiary of the surviving entity, Bally's Corp. The proposed transaction was deemed to constitute a transfer of interest pursuant to G.L. c. 23N, § 6(h) and 205 CMR 229. Based on the information submitted in connection with the proposed transaction, the Licensing Division identified eight additional entity qualifiers, resulting in a total of five individual qualifiers<sup>2</sup> and eleven entity qualifiers.<sup>3</sup> On January 9, 2025, upon its request, Bally's was granted a waiver from the provisions of 205 CMR 229 subject to conditions, including that the IEB provide a report on the preliminary suitability of the new entity qualifiers. Said report was submitted to the Commission on April 7, 2025.

The IEB, including members of the Financial Investigations Division and the GEU, performed this investigation for durable suitability under the direction of the IEB Director consistent with the directives of the Commission and in accordance with 205 CMR 215.01(1)(c).

The IEB also retained contract investigators comprised of retired members of the Massachusetts State Police, including former members of the GEU, and contract investigators from RSM. The investigation was supervised by GEU supervisory staff and, for financial matters, by the Chief of the IEB's Financial Investigations Division. The IEB's Chief Enforcement Counsel managed, reviewed, and provided guidance for the investigation.

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<sup>2</sup> The individual qualifiers include Craig Eaton, George Papanier, Noel Hayden, Robeson Reeves, and Soohyung Kim.

<sup>3</sup> The entity qualifiers include Bally's Corp., Standard RI Ltd., SG CQ Gaming LLC (renamed Bally's Holdco LLC), EPSG Master SPC Ltd – Segregated Portfolio A, Standard General Master Fund II LP, P Standard General Ltd., Standard General LP, Standard General GP LLC, Standard General Holdings LP, Standard General Management LLC, and Acme Amalgamated Holdings LLC.

On February 11, 2026, the Commission held an adjudicatory hearing using remote collaboration technology to review Bally's request for a finding of durable suitability. The hearing was held as described in 205 CMR 215.01(1)(d) and 205 CMR 101.01(2)(a), and conducted in accordance with 205 CMR 101.01, the informal fair hearing rules outlined in 801 CMR 1.02, and G.L. c. 30A.

## ANALYSIS

On January 6, 2023, the Commission found Bally's to be preliminarily suitable in connection with its application for a sports wagering operator license, which was submitted in November 2022. That determination was based on a review of factors set forth in both statute and regulation, including the following:

- The overall reputation of the applicant;
- The integrity, honesty, good character and reputation of the applicant/qualifier;
- The financial stability, integrity and background of the applicant/qualifier;
- The business practices and the business ability of the applicant to establish and maintain a successful sports wagering operation;
- Whether the applicant/qualifier has a history of compliance with gaming or sports wagering licensing requirements in other jurisdictions;
- Whether the applicant/qualifier, at the time of application, is a defendant in litigation;
- The suitability of all parties in interest to the license, including affiliates and close associates, and the financial resources of the applicant;
- Whether the applicant/qualifier is ineligible to hold a license under 205 CMR 215.01(4), G.L. c. 23N, § 9(a), or G.L. c. 23N, § 6(e);
- Whether the applicant/qualifier has been convicted of a crime of moral turpitude;
- Whether, and to what extent, the applicant/qualifier has associated with members of organized crime and other Persons of disreputable character; and
- The extent to which the applicant/qualifier has cooperated with the IEB during the review of the application.

G.L. c. 23N, § 6(d); 205 CMR 215.01(2) and (3); 205 CMR 218.06(5)(f).

In reviewing Bally's request for a durable finding of suitability, the Commission heard testimony in both open and closed sessions regarding Bally's entity qualifiers, individual

qualifiers, financial suitability, and its compliance and litigation history. Some testimony was given during a closed session held in accordance with 205 CMR 101.01(7) due to its proprietary, competitive and/or sensitive nature. No evidence of adverse findings with respect to any individual qualifier or entity qualifier was disclosed. The investigation did not reveal any negative or derogatory information that would indicate that any of the individual qualifiers lacked the requisite integrity, honesty, or good character. Further, no issues surfaced with regard to the overall financial integrity or suitability of Bally's.

RSM provided additional detailed reporting on its investigation and evaluation of Bally's corporate governance structure, including its compliance program, its Responsible Gaming program, its Bank Secrecy Act and Anti-Money Laundering program, and its Cybersecurity program. RSM also conducted a targeted investigation of Standard General's compliance program due to its status as an entity qualifier and majority owner of Bally's Corp. Testimony related to said topics was also provided in closed session pursuant to 205 CMR 101.01(7) due to its proprietary, competitive and/or sensitive nature. While RSM concluded that Bally's had no critical risk areas in these programs, it reviewed the high and moderate risk areas that were identified in its corporate governance program, in addition to noting the existence of some low-risk areas. In addition to conditions as noted below, the Commission expects that Bally's will keep the Commission updated with its progress in addressing any risks noted, including resolution of any outstanding risk areas.

The Commission notes its concern regarding the high-risk area identified in connection with its management of third parties and expects that Bally's will fully comply with the conditions outlined below related to said area. Further, though the Commission recognizes improvements in Bally's communications with the IEB, including its responsiveness to requests for documents and information, the Commission notes that Bally's did have considerable past difficulties in this area. It is the Commission's expectation that Bally's will continue to improve by timely and completely responding to future communications or requests from members of the Commission staff and that it will be fully compliant with its obligations under 205 CMR 212.

Recognizing Bally's obligation to maintain ongoing suitability as a licensee in the Commonwealth, and viewing the record as a whole, the Commission finds that there is clear and convincing evidence of Bally's durable suitability as well as the suitability of its individual qualifiers. In conjunction with the Commission's durable suitability determination, the Commission notes that the following conditions will attach to Bally's license:

1. The positive determination of suitability for Craig Eaton, George Papanier and Robeson Reeves is contingent upon the condition that they provide updated fingerprints, if needed, and no derogatory information surfaces from review of such. In the event that derogatory information is located, the IEB will alert the Commission for reevaluation of suitability.
2. Noting that several areas of moderate risk were found in the review of Bally's Cybersecurity program, Bally's must provide an update to the IEB on said areas and any remedial measures taken to address said areas within twelve (12) months of the date of this decision. Such moderate risk areas include Business Environment, Application and Data Security, Recovery, Incident Response, and Management of Open and Closed

Sources.

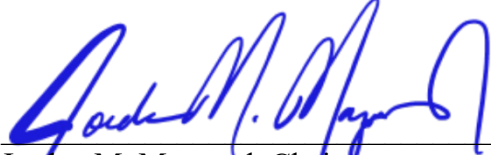
3. Bally's must develop Bally's specific Business Continuity, Disaster Recovery, and Incident Response Plans to identify and manage its critical business processes and provide copies of such to the IEB within twelve (12) months of the date of this decision.
4. Noting that a high-risk area was identified in regard to Bally's' third-party risk management, Bally's must perform a review of the most recent White Hat Gaming SOC Report and identify End User Controls to be implemented by Bally's. Bally's must further confirm the implementation of internal controls to verify the accuracy of information provided by White Hat Gaming within six (6) months of the date of this decision.
5. In regard to the material weakness in Bally's Corp.'s International Interactive reportable business segment that was reported by the company's external auditor, which issued an adverse opinion on the company's internal control over financial reporting due to said weakness, as noted in Bally's Corp.'s 2024 10K, Bally's must provide an update to the Commission on the steps taken to resolve the material weakness within twelve (12) months of the date of this decision. Bally's must provide an additional update to the Commission when the material weakness is fully resolved.
6. Bally's must continue to comply with its ongoing duty to report obligations under 205 CMR 212.

### **CONCLUSION AND ORDER**

For the foregoing reasons, the Commission finds that Bally's has demonstrated its suitability by clear and convincing evidence, and accordingly, issues a **POSITIVE** determination of suitability for it and its individual qualifiers subject to the licensing conditions outlined above.

**SO ORDERED**

**MASSACHUSETTS GAMING COMMISSION**

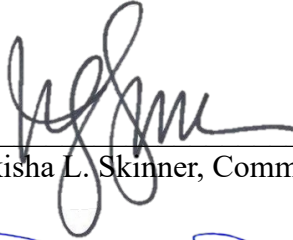
  
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Jordan M. Maynard, Chair

  
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Eileen M. O'Brien, Commissioner



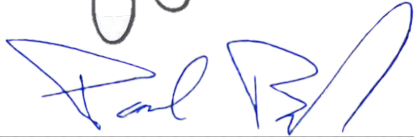
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Bradford R. Hill, Commissioner



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Nakisha L. Skinner, Commissioner



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Paul Brodeur, Commissioner

DATED: April 17, 2026