

#### NOTICE OF MEETING AND AGENDA

Pursuant to the Massachusetts Open Meeting Law (G.L. c. 30A, §§ 18-25), St. 2022, c. 107, and St. 2023, c. 2, notice is hereby given of a public meeting of the **Massachusetts Gaming Commission**. The meeting will take place:

#### Tuesday | May 16, 2023 | 10:00 a.m. VIA REMOTE ACCESS: 1-646-741-5292 MEETING ID/ PARTICIPANT CODE: 112 388 2007 All meetings are streamed live at www.massgaming.com.

Please note that the Commission will conduct this public meeting remotely utilizing collaboration technology. Use of this technology is intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public. If there is any technical problem with the Commission's remote connection, an alternative conference line will be noticed immediately on www.massgaming.com.

All documents and presentations related to this agenda will be available for your review on the morning of the meeting date by visiting our website and clicking on the News header, under the Meeting Archives drop-down.

#### **PUBLIC MEETING - #453**

- 1. Call to Order Cathy Judd-Stein, Chair
- 2. Meeting Minutes
  - a. November 29, 2022
  - b. December 1, 2022

VOTE VOTE

- 3. Administrative Update Karen Wells, Executive Director
- 4. Community Affairs Division Joe Delaney, Chief of Community Affairs
  - a. Encore Boston Harbor Quarterly Report Jacqui Krum, SVP and General Counsel, Juliana Catanzariti, Executive Director – Legal, Tom Coffeey, Executive Director of Security and Investigations
  - b. Plainridge Park Casino Quarterly Report North Grounsell, General Manager, Heidi Yates-Akbaba, VP of Finance, Kathy Lucas, VP of HR
  - c. Encore Boston Harbor East of Broadway Expansion Discussion **VOTE**

- 5. Horse Racing, Alex Lightbown, Director of Racing
  - a. Review of Delegation of Authority Memorandum Commissioner Brad Hill, Commissioner Jordan Maynard, Alex Lightbown, Director of Racing **VOTE**
- 6. Legislative Update Commissioner Brad Hill, Grace Robinson, Chief Administrative Officer to the Chair
- 7. Sports Wagering Division Bruce Band, Director of Sports Wagering, Sterl Carpenter, Sports Wagering Operations Manager
  - a. Betfair Interactive (FanDuel) Update to House Rules VOTE
  - b. Betr, Holdings, Inc. Update to House Rules VOTE
  - c. FBG Enterprises Opco, LLC Approval of Certificate of Operations VOTE
- Finance Commissioner Nakisha Skinner, Derek Lennon, Chief Financial Officer, Doug O'Donnell, Manager of Revenue, John Scully, Finance and Budget Office Manager

   a. 3<sup>rd</sup> Quarter Budget Update
- 9. Legal Todd Grossman, General Counsel, Caitlin Monahan, General Counsel
  - a. 205 CMR 222: Capital Investment and Monitoring of Project Construction - Regulation and Small Business Impact Statement for review and approval to commence the promulgation process and/or adoption via emergency. VOTE
  - b. 205 CMR 239: Continuing Disclosure and Reporting Obligations of Sports Wagering Licensees - Regulation and Small Business Impact Statement for review and approval to commence the promulgation process and/or adoption via emergency. VOTE
  - c. 205 CMR 256: Sports Wagering Advertising Regulation and Small Business Impact Statement for review and approval to commence the promulgation process and/or adoption via emergency. VOTE
- 10. MGC Office Lease Update Karen Wells, Executive Director, Derek Lennon, Chief Financial Officer, Maryann Dooley, Office Operations Manager

a. Executive Session

#### VOTE

The Commission anticipates that it will meet in executive session in accordance with G.L. c.30A, \$21(a)(6) to consider the lease of real property, specifically the Commission's office space at 101 Federal Street in Boston, and associated considerations, as discussion at an open meeting may have a detrimental effect on the negotiating position of the Commission

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Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com 11. Other Business - Reserved for matters the Chair did not reasonably anticipate at the time of posting.

I certify that this Notice was posted as "Massachusetts Gaming Commission Meeting" at <u>www.massgaming.com</u> and emailed to <u>regs@sec.state.ma.us</u>. <u>Posted to Website:</u> May 12, 2023 | 10:00 a.m. EST

May 12, 2023

Cathy Judd - Stein

Cathy Judd-Stein, Chair

If there are any questions pertaining to accessibility and/or further assistance is needed, please email Grace.Robinson@massgaming.gov.



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### Massachusetts Gaming Commission Meeting Minutes

# Date/Time:November 29, 2022, 10:00 a.m.Place:Massachusetts Gaming CommissionVIA CONFERENCE CALL NUMBER: 1-646-741-5292<br/>PARTICIPANT CODE: 111 869 7373

The Commission conducted this public meeting remotely utilizing collaboration technology. The use of this technology was intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

#### **Commissioners Present:**

Chair Cathy Judd-Stein Commissioner Eileen O'Brien Commissioner Bradford Hill Commissioner Nakisha Skinner Commissioner Jordan Maynard

#### 1. <u>Call to Order</u> (00:00)

Chair Judd-Stein called to order the 404<sup>th</sup> Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

- 2. <u>Review of Meeting Minutes</u> (00:34)
  - a. September 8, 2022

Commissioner Hill moved that the Commission improve the minutes from the September 8, 2022, public meeting minutes, included in the Commissioner's Packet subject to any necessary corrections for typographical errors or non-material matters. The motion was seconded by Commissioner O'Brien.

Chair Judd-Stein stated that State Treasurer Deborah Goldberg indicated a desire for the Commission to replicate the commitment to preserving the lottery found in General Law Chapter 23K. She stated that the commitment to the lottery was addressed in the sports wagering operator's application. She asked if treating advanced deposit wagering accounts as unclaimed property, as discussed by Commissioner O'Brien in the September 8 meeting, should be addressed via regulation.

Commissioner O'Brien stated that she had raised the issue regarding advanced deposit wagering accounts previously and stated that the Commission would circle back with regulations to ensure it was treated consistently with G.L. Chapter 23K and G.L. Chapter 23N. Chair Judd-Stein stated that the Commission had a unanimous consensus on this issue at the September 8 meeting and expressed an interest in following through with a regulation. General Counsel Todd Grossman stated that a regulation to address this issue could be added to the regulatory framework.

Chair Judd-Stein suggested an edit to clarify a comment made during the September 8th meeting. Commissioner Skinner also offered a typographical correction within the minutes.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed i	unanimously, 5-0.

3. <u>Administrative Update</u> (6:59) a. Casino Update

Executive Director Wells introduced Assistant Director of the Investigations and Enforcement Bureau ("IEB") and Gaming Agents Division Chief Bruce Band. Assistant Director Band stated that MGM Springfield ("MGM") successfully hosted the Mayflower Marathon which collected non-perishable food and financial donations for the Food Bank of Western Massachusetts. He reported that there was close to \$175,000 in food and financial donations. He noted that Plainridge Park Casino ("PPC") concluded their horse racing events for the year last Friday. He stated that Encore Boston Harbor ("EBH") opened "Pit 36, "which has six table games in front of its future sports wagering cage. He stated that EBH would receive fifty sports wagering kiosks this week.

4. <u>Racing Division</u> (10:02)

a. Plainridge Park Casino Racing Schedule Update

Executive Director Wells introduced the Director of Racing and Chief Veterinarian, Dr. Alex Lightbown. Dr. Lightbown reported that PPC had rescheduled three race days and cancelled one race day due to extreme heat. She explained that the races from the cancelled race day were transferred to other race cards. She stated that instead of racing the 110 days approved by the Commission, PPC had raced 109 days. She noted that the number of days raced was well above the 100-day live-racing requirement required for PPC to simulcast.

Dr. Lightbown stated that in 2013, the Commission delegated items to the Director of Racing including the cancelling and rescheduling of race days, with the caveat that the delegation

required the Director of Racing to appear before the Commission to explain the rescheduling and cancellations.

Dr. Lightbown introduced Steve O'Toole, Director of Racing from PPC. Mr. O'Toole stated that PPC took the statute seriously in regard to safe race meetings. He stated that extreme heat was a danger to the animals.

Chair Judd-Stein noted that the delegation document from 2013 should be reviewed, as none of the current Commissioners took part in developing it. Dr. Lightbown expressed support for reviewing the delegation and stated that some of the delegations could be updated as well. Chair Judd-Stein expressed an interest in having the Commission review the delegation prior to the upcoming racing season, and asked what the anticipated start date for the season was. Mr. O'Toole stated that PPC's anticipated start date for the racing season was April 10, 2023.

Commissioner Maynard moved that the Commission approve the request of Plainridge Park Casino to amend their 2022 racing schedule as requested in their November 21st letter and as discussed here today. Commissioner Hill seconded the motion.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed a	unanimously, 5-0.

#### 5. <u>IT Solutions for Public Records Responses</u> (17:46)

Executive Director Wells stated that the Commission staff had been searching for solutions to create efficiency and ensure that public records requests were complete and accurate.

Deputy General Counsel Carrie Torrisi stated that in spring of 2022, the Commission had discussed hiring a vendor as an e-discovery expert. She noted that the staff had since found tools that would more efficiently segregate and allow the Legal Division to review potentially responsive documents identified within searches. She stated that the tools were platforms that allowed over-the-shoulder assistance in fine-tuning searches.

Deputy General Counsel Caitlin Monahan explained that the Legal Division reviews and responds to all public records requests, and that they typically receive between sixty and seventy requests per year. She stated that the number of public records requests was expected to increase with the addition of sports wagering. She explained that the e-discovery tools would allow for the attorneys to process large volumes of material utilizing search terms, the removal of duplicative entries, document tags, redactions, and more efficient sorting of the documents.

Deputy General Counsel Monahan noted that the Executive Office of Technology Services and Security ("EOTSS") and the Attorney General's Office use these kinds of tools as well. She

explained that the Legal Division currently uses Microsoft E-Discovery which had limited functionality for attorneys, as it was more intended for backend IT use. She stated that an enhanced e-discovery tool with a technical partner would allow the Legal Division to review public records requests more efficiently.

Commissioner O'Brien and Commissioner Skinner stated that they used similar e-discovery tools in their prior work. Commissioner Skinner asked if the Attorney General's Office used the technical partner in a consistent manner with what was proposed. Deputy General Counsel Monahan stated that the Attorney General's Office used in-house employees but noted that EOTSS had used contractors to assist in this capacity.

Chief Information Officer ("CIO") Katrina Jagroop-Gomes explained that the technical partner would be the company that owns the tool and stated that she did not want to commit to in-house employees utilizing it, until a better understanding of the tool's capabilities had been reached.

Commissioner Skinner stated that she was supportive of using the tool, but that she wanted more information on the technical partner's role. CIO Jagroop-Gomes stated that the technical partner would not have a direct role and explained that the technical partner would assist with the finetuning of searches and Boolean setup of language utilized for the search. She stated that the legal team would be the direct users of the tool, and that the technical partner would serve in a consultant capacity.

Commissioner Hill expressed support in using this tool as an addition to what the Commission staff already does. Chair Judd-Stein asked if the tool would be supplemental or a replacement for the current system. CIO Jagroop-Gomes stated that the new tool would work in conjunction with the existing e-discovery program, and that the programs worked together.

Commissioner Maynard asked if only the larger public records requests would require the assistance of the technical partner. Deputy General Counsel Monahan confirmed but clarified that even smaller public records requests could easily get complicated and yield hundreds to thousands of documents. The Commission expressed unanimous consensus for using this e-discovery tool for public records requests.

#### 6. Sports Wagering Process Updates (35:01)

a. Discussion regarding MGM Springfield's application submission: 205 CMR 211.01(1)(b), voted and approved via emergency regulation on October 7, 2022

Executive Director Wells stated that due to a miscommunication between MGM Springfield and the MGM corporate office, MGM Springfield's sports wagering operator's application was not submitted until after the Commission's deadline. She noted that MGM had submitted their application fee on the due date, but that there was a provision within the regulation that allowed the Commission to authorize a late application to move forward.

Executive Director Wells introduced MGM Springfield Vice President Augustine Kim. Mr. Kim stated that there was a miscommunication with the teams putting together the application, and that all paperwork, including the attachments and redactions, had been submitted within 48 hours of the deadline. He requested that the Commission approve the processing of MGM's application.

Executive Director Wells stated that the application for MGM was a category one sports wagering operator's application, which is in a different posture from untethered category three sports wagering operator applicants who have to undergo a competitive process. She stated that as MGM was not competing against another entity the delay of a few days would not impact other parties.

General Counsel Grossman stated that 205 CMR 211.01 allowed for the Commission to have discretion in extending time for filing a complete application, and that the Commission could provide reasonable additional time for filing in cases where extraordinary circumstances prevented a timely filing. He noted that the regulation did not distinguish the category of the applicants.

Chair Judd-Stein asked if the standards for temporary licensure of an applicant are met, whether the Commission would have the ability to impose conditions on that license. General Counsel Grossman stated that the Commission would be able to impose conditions on licenses, and that there was a regulation on the imposition of conditions, as well.

Commissioner Hill stated that he was unable to hear why the submission was not on time. Mr. Kim noted that MGM had filed their scoping survey and paid the application fee. He stated that there was inadequate communication with the corporate team over the course of action to take. He stated that there was an extraordinary circumstance due to processing both MGM's category one application and BetMGM's category three application simultaneously.

Commissioner Skinner asked if MGM was unaware of the deadline or if there was confusion with MGM's employee's understanding of who had responsibility for submitting the application. Mr. Kim stated that the mix up was with who was completing and submitting specific portions of the application due to working on multiple applications.

Chair Judd-Stein clarified that BetMGM was the tethered category three sports wagering application that MGM was proposing to work with. Commissioner O'Brien noted that category two applicants were being processed on a rolling basis. Chair Judd-Stein agreed and stated that she viewed the issue with MGM as a different procedural posture from the competitive applicants.

Commissioner Skinner moved that the Commission extend MGM Springfield's time for filing a complete application in accordance with 205 CMR 211.0110 and accept its sports wagering operator license application as of the date submitted and as discussed today. Commissioner Maynard seconded the motion.

Roll call vote:

Commissioner O'Brien:Aye.Commissioner Hill:Aye.Commissioner Skinner:Aye.Commissioner Maynard:Aye.Chair Judd-Stein:Aye.The motion passed unanimously, 5-0.

b. Applications Processing Update (51:23)

Executive Director Wells introduced Loretta Lillios, Director of the Investigations and Enforcement Bureau ("IEB"). Director Lillios stated that the applications had been received in the prior week and that the Licensing Division had met their goal of transferring all documents associated with each application from the secure transfer site to the Commission's internal digital system.

Director Lillios stated that there was still work to do to make the files compatible with the electronic filing system. She stated that the documents had been uploaded and made available to all internal staff.

Director Lillios stated that the Licensing Division was not performing deficiency reviews of the materials submitted. She added that IEB was not waiting for the deficiency review before starting on the preliminary review for suitability. She stated that the Licensing Division intended to communicate with the applicants on a rolling basis, regarding any deficiencies within their applications.

#### 7. Commissioner Updates (54:36)

Chair Judd-Stein announced that Trudy Lartey had joined the team as the Commissioner's Executive Assistant.

Chair Judd-Stein stated that she had spoken with Executive Director Wells and Commissioner Skinner about the inclusion of public hearings in advance of the review of each category of sports wagering operator applicants. She proposed public hearings from 10 a.m. to 1 p.m. on December 5th, 2022, December 12th, 2022, and January 3rd, 2023.

Commissioner Skinner stated that the overarching issue was the opportunity for the public to submit comments, both in-person and in writing. She stated that the Commission should continue to allow the public to submit written comments through the application review process.

Commissioner O'Brien expressed an interest in having public hearings as they were done in the casino gaming processes and horse racing settings. Commissioner Hill and Commissioner Maynard agreed. The Commission reached a unanimous consensus on this issue.

Commissioner Skinner requested that the application should be uploaded to the Commission website for access by the general public for review prior to the public hearing and public written

comment period. She clarified that the applications posted on the website would be redacted versions.

Deputy General Counsel Torrisi stated it would take some time to format the redacted applications and share them with the Communications Division to post on the website. Chair Judd-Stein stated that the category one licenses should be prioritized as their hearing would be on December 5, 2022. She noted to the public that the redactions in the applications were applied by the applicants, and not the Commission.

8. Other Business (1:02:37)

Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner Hill moved to adjourn. Commissioner Skinner seconded the motion.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

#### List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated November 21, 2022

2. <u>Commissioner's Packet</u> from the November 29, 2022, meeting (posted on massgaming.com)



### Massachusetts Gaming Commission Meeting Minutes

# Date/Time:December 1, 2022, 10:00 a.m.Place:Massachusetts Gaming CommissionVIA CONFERENCE CALL NUMBER: 1-646-741-5292<br/>PARTICIPANT CODE: 112 065 2082

The Commission conducted this public meeting remotely utilizing collaboration technology. The use of this technology was intended to ensure an adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

#### **Commissioners Present:**

Chair Cathy Judd-Stein Commissioner Eileen O'Brien Commissioner Bradford Hill Commissioner Nakisha Skinner Commissioner Jordan Maynard

#### 1. <u>Call to Order</u> (00:00)

Chair Judd-Stein called to order the 405<sup>th</sup> Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. <u>Review of Meeting Minutes</u> (00:37)

Commissioner Hill moved that the Commission approve the minutes from the August 18, 2022, and the September 12, 2022, public meetings that are included in the Commissioner's Packet subject to any necessary corrections for typographical errors or other non-material matters. The motion was seconded by Commissioner O'Brien.

Commissioner Maynard offered an edit to a comment he made within the September 12, 2022, meeting minutes. Commissioner Hill confirmed the edit and stated that the changes would be made to the minutes before they would be posted online.

Roll call vote: Commissioner O'Brien: Aye. Commissioner Hill:Aye.Commissioner Skinner:Aye.Commissioner Maynard:Aye.Chair Judd-Stein:Aye.The motion passed unanimously, 5-0.

#### 3. <u>Research and Responsible Gaming Division</u> (2:57)

a. Discussion of Commissioner Research Priorities and Knowledge Needs

Mark Vander Linden, Director of Research and Responsible Gaming introduced Lindsay Kalbfleisch, the Stakeholder Engagement Lead with Gambling Research Exchange Ontario ("GREO"). He stated that the Commission had engaged with GREO in the previous year and that the Commission required an annual research agenda pursuant to General Law Chapter 23K, § 71. He stated that the goal was to make research more digestible for the purpose of knowledge mobilization and knowledge engagement.

Ms. Kalbfleisch added that GREO had worked in gambling harm reduction for twenty years and explained that GREO's work supported evidence-based policies, programs, and practices in the safer gambling context internationally. She then asked the Commission what their top priorities for research would be for the next two years.

Commissioner O'Brien expressed an interest in prioritizing research related to public safety and responsible gaming in the context of sports wagering. Commissioner Hill requested information regarding minors online betting activity, as evidence suggests that those between the ages of eighteen and twenty-one are more prone to online gaming and betting. Commissioner Skinner stated she would like more information regarding nefarious enterprises within the illegal gaming market, such as money laundering and human trafficking. Chair Judd-Stein stated that she too shared Commissioner Skinner's concerns. Commissioner Maynard expressed agreement with the other Commissioner's requests, and also suggested research on advertising, more specifically, the targeted advertisements and marketing strategies targeting certain communities.

Chair Judd-Stein stated that it would be helpful to know how many sports wagering bettors shifted from an illegal market to the legal sports wagering market, and how many bettors shifted from placing bets outside the Commonwealth to betting in Massachusetts. She stated that these economic impacts would interest the legislature. Commissioner Hill requested information on what help was available, when it was recognized that a patron required assistance. Chair Judd-Stein suggested research into whether the tools in the regulatory framework were effective, and a follow-up on that information.

Commissioner Skinner requested research into Massachusetts' share of the illegal online gaming market and expressed an interest in ensuring the individuals involved in the illegal market have resources available to them. Commissioner O'Brien noted that the Attorney General's Office had

the primary responsibility in investigating the illegal gaming market. Director Vander Linden stated that the Attorney General's Office would be followed up with as they were mistakenly not identified as key knowledge users in the preliminary document before the Commission.

Director Vander Linden then asked if the Commission had any economic research questions. Chair Judd-Stein expressed an interest in research regarding the economic impact of local establishments and if they chose to integrate sports wagering as a new recreational activity for their establishment. Director Vander Linden stated that an area of research would be addressed.

Director Vander Linden explained that the Commission first approves the research agenda, the research is performed, and then -once the final rigorous review process is performed and the research is complete - it is brought before the Commission and the researchers are invited to share their final report with the Commission. He stated that the Research and Responsible Gaming Division had developed research snapshots that were more digestible and had written whitepapers that summarize the research conducted in one specific area. Ms. Kalbfleisch asked if the current way of receiving information was ideal for the Commission.

Commissioner Hill stated that he thought the current process was great, and that he was proud to hear that other jurisdictions looked to Massachusetts for guidance. He stated that the information received was invaluable to the Commissioners. Commissioner Skinner agreed with Commissioner Hill. Commissioner Maynard stated that Director Vander Linden and the Research and Responsible Gaming Division have multidimensional responsibilities and that he appreciated the way the information was delivered to the Commission.

Chair Judd-Stein stated that she appreciated that the questions presented would be shared with a broader group of stakeholders. She stated that the way the information was presented works well for the Commission, but she would be glad to hear other stakeholder opinions as well. Director Vander Linden stated that if information was needed, the Research and Responsible Gaming Division could do a literature review and gather information in a specific way.

Commissioner Hill expressed that he enjoyed community-based reports and requested that more community-based reporting be implemented. Chair Judd-Stein agreed and stated that she appreciated hearing voices from the community. Chair Judd-Stein stated that she wanted to ensure the Commission does all follow-up within their control when it comes to research recommendations and findings.

Ms. Kalbfleisch asked if there were any barriers in the process that helped or hindered the Commission from implementing best practices from emerging research. Chair Judd-Stein stated that she was confident that any barriers could easily be addressed, and the Commission had no further feedback. Ms. Kalbfleisch stated that she would send an anonymous survey if they thought of any further comments.

Chair Judd-Stein stated that the Research and Responsible Gaming Division was intentional about the researchers reflecting the communities being studied, and that it could sometimes be a challenge to ensure the diversity reflective of the issue on the research team.

Ms. Kalbfleisch asked if the Commission felt supported in understanding opportunities to implement the best practices from emerging evidence. Commissioner O'Brien noted that at times, the recommended practices or "best practices" may fall outside of the Commission's statutory authority and require going to the legislature or another agency. Commissioner Maynard expressed an interest in learning more about how to implement what was learned in the research, such as the Commission's reach for controlling targeted advertisements.

Ms. Kalbfleisch stated that she noted the Commission's comments and that she will follow up with the Research and Responsible Gaming Division.

#### 4. Investigations and Enforcement Bureau (44:29)

a. Discussion regarding Licensure/Registration of Marketing Affiliates under Chapter 23N

Director of the Investigations and Enforcement Bureau ("IEB") Loretta Lillios explained that the Commission had previously found third-party marketing affiliates to be a higher tier of vendor licensing, as sports wagering vendors. She stated that marketing affiliates were not related to the operations of sports wagering like the other vendors in the sports wagering vendor category. She explained that the Commission determined to elevate marketing affiliates due to concerns related to the protection of minors and those on the Voluntary Self Exclusion ("VSE") list.

Director Lillios stated that operators had submitted their potential vendor list, and that there were potentially hundreds of third-party marketing affiliates. She indicated that the IEB was not equipped to perform investigations under the existing regulations at that scale. Director Lillios noted to the Commission that other jurisdictions such as New Jersey, Indiana, and Ontario have issued fines against operators for marketing to excluded individuals.

Director Lillios suggested having the operators certify on a regular basis that they had reviewed the marketing plans with various affiliates and can certify that the marketing plans comport with Massachusetts laws and regulations. Director Vander Linden explained that affiliate marketing was a strategy where brands pay independent publishers to drive the sales of their products or services, and that it is digital. He stated that affiliate marketers were typically paid commission, so the affiliates' goal was to drive sales.

Commissioner O'Brien stated that holding operators accountable was important, but that it could be difficult to exert the level of regulatory control desired over hundreds of third-party marketing affiliates. She suggested criteria to elevate marketing affiliates to the higher scrutiny review based upon monetary thresholds in terms of spending and frequency of contracts. Director Lillios stated that regulations regarding registrants had criteria for elevating the vendor to a higher scrutiny. She expressed an interest in developing a definition for third-party marketing affiliate to gauge whether the hundreds of vendors submitted would fall within the Commission's definition. She stated that all of the vendors submitted could be registered and a background check could be performed on the backend, once registration was complete.

Director Lillios stated that the provision existed imposing a duty on registrants to provide additional information that is requested. She stated that the regulatory scheme allows the IEB to elevate the vendor level based on dollar spend, spending relative to the operators overall spending, the duration of the contract, and six other criteria. She noted that registrants could have their registration revoked or suspended and could be fined at the registrant level. She noted that third-party marketing affiliates have high turnover and short contracts where a deep-dive investigation would not be finished at the time the contract expires.

Commissioner O'Brien noted that the regulation at the registrant level was on the gaming side and had not specifically been addressed for sports wagering. She expressed an interest in establishing de minimis and other similar thresholds. She stated that third-party marketing affiliates were at risk with the inherent tension of their directive and wanted to narrow the definition to receive a truer number from the licensees.

Chair Judd-Stein posed that suggestion the Commission could accept the entities as identified, as there were enforcement measures available if they are registrants. Commissioner O'Brien suggested the discretion criteria for elevating the scrutiny level of vendors should belong to the Commission during the early days of sports wagering's launch in the Commonwealth.

Commissioner Skinner noted that the registration process could be used to address the Commission's current concerns and that more direct regulations could be formulated to address further concerns. Chair Judd-Stein stated that she wanted to explore other enforcement measures and ways to monitor these particular vendors. She stated that the Commission could hold operators accountable for all of their agents and that the Commission did have the ability to assess fines against the operator.

Director Lillios explained that fines could be time-consuming, as rights are involved. Chair Judd-Stein stated that the licensees could do a monthly review rather than a quarterly report. Commissioner O'Brien stated that she would be interested in seeing the numbers for the projected demographic of the advertisement campaign and statistics from when the campaign was completed. She expressed an interest in receiving these reports on a monthly basis to ensure marketing affiliates were complying within the marketing bounds.

Chair Judd-Stein inquired whether it was realistic to request that information from operators. Director Vander Linden stated that the information was readily available on the backend. Commissioner Maynard stated it was easy to know how many unique impressions were made; and added that if the information is easy to compile the reports should be made more frequently. He stated that he wanted information on where the advertisements would be located as that would influence the demographic.

Chair Judd-Stein noted that assessment and fining does involve rights, and more research may be needed to inform the regulation. She reiterated that the licensee is responsible for their agents and stated that the self-certification process should be revisited. Director Lillios stated that the IEB has relied on self-certification in other areas and helps ensure the operator is actively reviewing and consulting the regulations.

Commissioner O'Brien asked if the registrants would be reviewed based upon their principal holders as registrants or if it would be based upon the business trade name. Director Lillios stated that the IEB would review the DBA trade name. Commissioner O'Brien suggested that if a principal dissolves a vendor and changes the DBA that they can be elevated to a higher review.

Director Vander Linden stated that a preliminary definition of third-party marketing affiliate had been developed, but that there would be additional research into a clear definition of who is or is not incorporated.

Chair Judd-Stein stated that third-party marketing affiliates would be required to register as registrants, and asked if the Commission should control whether the vendor would undergo elevated scrutiny. Commissioner O'Brien stated that the regulations for marketing and advertising should have a separate regulation imposing consequences to registrants in addition to the consequences for operators.

Director Lillios stated that if the Commission did the designation, they could run into issues of the Commission's ability to be a neutral arbiter in an enforcement action as the Commission could see the company information and potentially problematic activity outside of the adjudicatory stage. Commissioner O'Brien stated that the Commission could come to an understanding of the criteria required for registrants to be elevated to another scrutiny category. Chair Judd-Stein agreed that this solution could work.

Director Lillios stated that marketing affiliated had been identified for the retail sports wagering launch and that the current regulation would require a higher level of licensure. She proposed that the level of licensure be suspended for retail launch and that the companies identified be registered.

Deputy General Counsel Caitlin Monahan stated that two regulations were relevant to this decision. She explained that 205 CMR 202 contained definitions which identified marketing affiliates as sports wagering vendors and that 205 CMR 234 related to vendors. She stated that the regulations would be modified in conjunction with the advertising regulations. She noted that 205 CMR 202 and 205 CMR 234 were in effect by emergency and stated that the regulations would lapse without a vote.

Chair Judd-Stein asked whether the regulations could be approved and then amended. Deputy General Counsel Monahan stated that it will take a few weeks for the regulations to go into effect, and that they could be amended at that point. She stated that they could be amended in early January prior to the retail launch.

Commissioner Skinner asked where the inconsistencies were in 205 CMR 234. Deputy General Counsel Monahan stated that the definition of sports wagering vendor in 205 CMR 202 specifically included marketing affiliates, and that they would be required to be licensed rather than registered. She stated that marketing affiliates could either be taken out of the regulation, or that the Commission could grant approval to register them during the process of amending the regulation.

The Commission reached a consensus to register the marketing affiliates for the purpose of the retail launch and amend 205 CMR 202 and 205 CMR 234 in conjunction with the discussion on advertising regulations. The Commission reached a consensus on having the operator perform a self-certification process related to marketing.

Commissioner Skinner stated that much of what was outlined could be part of the advertisement regulations as opposed to the amended 205 CMR 234, and that the amendments should be done in conjunction with the advertising regulations. Commissioner O'Brien stated that she envisioned the marketing affiliates would be subject to the advertising regulations, and requested clarification on the criteria to elevate a registrant that is used by the IEB. She noted that the Commission would review the expectations of how a registrant would be elevated to stricter scrutiny, but the discretion to elevate the registrant would lie with the IEB. Commissioner Maynard expressed an interest in reviewing the criteria.

Director Lillios stated that there were nine factors in the regulation, and that she would review the factors related to this type of vendor for relevant criteria. Chair Judd-Stein expressed an interest in having the demographic readings from the monthly or quarterly reports be included as a factor for marketing affiliates.

#### b. <u>Commission Designation of Mass. State Police as the primary law enforcement</u> <u>agency under 23N, sec. 11(c)</u> (1:55:37)

Director Lillios stated that pursuant to General Law 23N § 11 the IEB is requesting the Commission designate the Massachusetts State Police as the primarily law enforcement agency for conducting and assisting the Commission in conducting investigations into corruption in sports wagering. She stated that the State Police were prepared to accept the designation.

Commissioner O'Brien moved that the Commission designate the Massachusetts State Policy as the primary law enforcement agency under General Law Chapter 23N § 11(c). Commissioner Skinner seconded the motion.

Roll call vote:Commissioner O'Brien:Aye.Commissioner Hill:Aye.Commissioner Skinner:Aye.Commissioner Maynard:Aye.Chair Judd-Stein:Aye.The motion passed unanimously, 5-0.

Director Lillios stated she would collaborate with General Counsel Todd Grossman to memorialize the vote in writing so that it would be documented for the Commission files and sent to the Massachusetts State Police.

#### 5. <u>Legal</u> (1:59:45)

a. Sports Wagering Regulations

i. 205 CMR 202: Sports Wagering Authority and Definitions, and Amended Small Business Impact Statement

General Counsel Todd Grossman introduced Associate General Counsel Ying Wang. Associate General Counsel Wang stated that the draft 205 CMR 202 was brought before the Commission on October 7, 2022, and the Commission voted to promulgate the regulation by emergency. She stated that the Commission had approved revision on November 17, 2022, and that a public hearing was held on November 22, 2022, presided over by Commissioner Hill. She stated that no comments were received and requested a vote to finalize the promulgation process and file the regulation with the Secretary of the Commonwealth. The *Amended Small Business Impact Statement and 205 CMR 202* were included in the Commissioner's Packet on pages 30 through 39.

Deputy General Counsel Monahan explained that the proposed changes would revise the definition of sports wagering equipment to align with the technology regulation 205 CMR 244.01, and that the definition of sports wagering platform and mobile application would be removed for further review with Gaming Laboratories International ("GLI") in the development of the internal control regulations.

Commissioner O'Brien asked if the term of art for sports wagering platform and mobile application would remain in the regulation. Deputy General Counsel Monahan stated that both the term and definition were removed. She stated that the Commission might want to discuss the vendor regulation 205 CMR 234 prior to voting on 205 CMR 202 as the regulations are aligned.

ii. <u>205 CMR 211</u>: Category 1, Category 2, and Category 3 Sports Wagering License Applications, and Amended Small Business Impact Statement (2:05:05)

Associate General Counsel Wang explained that 205 CMR 211 outlined the requirements that must be met for an applicant to submit an application for sports wagering including the information requirements and required fees. She noted that the regulation authorizes the Commission to extend the filing deadline under certain circumstances. She stated that the Commission voted to promulgate the regulation by emergency on October 6, 2022, and that a public hearing was held on November 22, 2022, presided over by Commissioner Hill. She stated that two comments had been received and included in the packet. The *Amended Small Business Impact Statement and 205 CMR 211* were included in the Commissioner's Packet on pages 40 through 45.

Chair Judd-Stein offered the Commission time to reflect on the comments included in the packet. The Commission had no further question or comment on the public comments.

Commissioner O'Brien moved that the Commission approve the small business impact statement and draft 205 CMR 211 as included in the Commissioner's Packet and discussed here today and further that staff be authorized to take the necessary steps to file the required documentation with the Secretary of the Commonwealth and finalize the regulation promulgation process. Commissioner Hill seconded the motion.

Commissioner Skinner asked if the discussion about marketing affiliates was relevant to this regulation. Commissioner O'Brien stated that the discussion was relevant to 205 CMR 202 and 205 CMR 234. Chair Judd-Stein noted that the Commission did not comment on the comments but appreciated the public weighing in.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

iii. <u>205 CMR 234</u>: Sports Wagering Vendors, and Amended Small Business Impact Statement (2:09:27)

Deputy General Counsel Monahan stated that this regulation last appeared before the Commission on October 6, 2022, and had a public hearing on November 22, 2022, presided over by Commissioner Hill. She noted that there were no public comments and no changes to the regulation since it had last been reviewed. She stated that two written comments were received and reviewed by the Legal Division and IEB. She stated that the Legal Division did not believe any changes are needed based on those comments. The *amended small business impact statement and 205 CMR 234* were included in the Commissioner's Packet on pages 46 through 66.

Deputy General Counsel Monahan stated that 205 CMR 202 defined sports wagering vendors to include third-party marketing or advertising entities, which would require licensure rather than registration under 205 CMR 234. She stated that the regulations would be amended based on the Commission direction and return in January with those changes.

Commissioner Skinner asked if the change to 205 CMR would be removing third-party marketing or advertising entities from the sports wagering vendor definition. Deputy General Counsel Monahan stated that it did not necessarily need to be removed, and that the Legal Division would review the issue and return with recommendations on options for the amendments.

Commissioner O'Brien moved that the Commission approve the small business impact statement and draft 205 CMR 202 as included in the Commissioner's Packet and further discussed here today, specifically the conversation regarding third-party marketers in the definition of sports wagering vendor and the two definitions to be temporarily removed from 205 CMR 202 namely sports wagering platform and mobile application subject to further review, and further that staff be authorized to take the necessary steps to file the required documentation with the Secretary of the Commonwealth and finalize the regulation promulgation process. Commissioner Skinner seconded the motion.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

Commissioner O'Brien moved that the Commission approve the small business impact statement and draft 205 CMR 234 as included in the Commissioner's Packet and further discussed here today and further that staff be authorized to take the necessary steps to file the required documentation with the Secretary of the Commonwealth and finalize the regulation promulgation process. Commissioner Hill seconded the motion.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

iv. <u>205 CMR 240</u>: Adjusted Gross Sports Wagering and Adjusted Gross Fantasy Wagering Receipts Tax Remittance and Reporting, and Amended Small Business Impact Statement (2:17:20)

Deputy General Counsel Monahan introduced Associate General Counsel Judith Young. Associate General Counsel Young stated that 205 CMR 240 governs the process of filing and collecting taxes related to sports wagering activities and fantasy sports wagering contests. She noted that the Commission voted to promulgate the regulation by emergency on October 6, 2022, and that a public hearing was held on November 22, 2022, presided over by Commissioner Hill. She noted that four comments were received from prospective operators and that the comments were included in the Commissioner's Packet. The *Amended small business impact statement and 205 CMR 240* were included in the Commissioner's Packet on pages 67 through 84.

Deputy General Counsel Monahan stated that no changes were made to the regulation since it was last approved. She stated that comments discussing promotional play will be addressed at the Commission meeting on December 12, 2022, and the discussion from that meeting will be used for revisions.

Deputy General Counsel Monahan stated that another issue in the comments was related to the taxation of nationwide fantasy sports contests receipts. She noted that further review and discussion of that issue would be addressed at the December 12, 2022, meeting. She suggested that the regulation move forward as is and the Legal Division could return with amendments, if necessary, in the future.

Chief Financial and Accounting Officer ("CFAO") Derek Lennon advised that the finance division guidance would be to use location percentage for fantasy sports taxation. He noted that this method is used in Alabama, Arizona, Arkansas, Connecticut, Delaware, Iowa, and Louisiana. He noted that all states that tax fantasy sports use location-based percentages.

Commissioner Skinner noted that this method is subject to approval by the Commission on December 12. Chair Judd-Stein asked if it was the finance division's recommendation to adopt the language in the packet. CFAO Lennon stated that he wanted to review the language with the Legal Division and outside counsel from Anderson and Krieger prior to recommending the language. He noted that this is the finance division's guidance as it is consistent with every other state.

Commissioner O'Brien noted that the taxation was retroactive to the implementation of the statute, and if there were any tax offsets due to the decision on December 12 there was a way to rectify the accounting changes. CFAO Lennon stated that Commissioner O'Brien's interpretation was correct.

Commissioner Skinner moved that the Commission approve the small business impact statement and draft 205 CMR 240 as included in the Commissioner's Packet and discussed here today and

further that staff be authorized to take the necessary steps to file the required documentation with the Secretary of the Commonwealth to finalize the regulation promulgation process. The motion was seconded by Commissioner O'Brien.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

b. Approval of New Table Game, Pontoon 21 (2:26:57)

i. New Regulation: 205 CMR 146.28: Pontoon 21 Table; Physical Characteristics. Review of Draft regulation and Small Business Impact Statement

Associate General Counsel Young stated that licensee Blue Tarp reDevelopment, LLC dba MGM Springfield ("MGM") requested approval of a new table game Pontoon 21, pursuant to 205 CMR 147.04. She stated that MGM had formally requested the adoption of a new table game, the IEB reviewed the petition, and GLI performed certification testing on the game. She stated that the field test was extended to accommodate the addition of the bonus spin progressive feature that had been delayed due to supply chain management issues and was set to conclude on Monday, December 5, 2022. She stated that the game was similar to Spanish 21, but with different payouts and progressive style wagering. She noted that six comments had been received and that they were favorable.

Associate General Counsel Young, Regulatory Compliance Manager Sterl Carpenter, IEB Compliance Manager Angela Smith, and IEB Supervising Gaming Agent Dustin Nigro presented the rules of the Pontoon 21 including an overview of the process within 205 CMR 147.04 and table characteristics. The *Rules of Pontoon 21* were included in the Commissioner's Packet on pages 85 through 101.

Chair Judd-Stein asked if Pontoon 21 replaced Spanish 21. Mr. Carpenter noted that MGM had replaced all Spanish 21 tables with Pontoon 21 tables, but that EBH would still keep Spanish 21. He noted that Pontoon 21 was approved at the National Harbor MGM in Maryland.

Commissioner Hill asked how many betting spots were at each table. Mr. Carpenter explained that the rules allow for up to six spots at each table, but MGM has chosen to use only five at each table. Chair Judd-Stein asked what the advantage would be to include a sixth spot as mentioned in one of the comments. Mr. Carpenter stated that it was likely no seats were available at the time the patron visited.

Commissioner Maynard asked how many Pontoon 21 tables MGM planned to have. Ms. Smith stated that they would have six Pontoon 21 tables to replace the six Spanish 21 tables. Associate General Counsel Young explained to Commissioners that section 17, describing the physical characteristics of the table would be amended to be removed once they were incorporated into the promulgation of 205 CMR 146.28.

Commissioner Skinner asked if other casinos would have to go through a field test for this game if they wanted to adopt it. Mr. Carpenter confirmed that if a game was approved, it would be available as approved across the Commonwealth.

Chair Judd-Stein asked if there was still an outstanding field test on December 5, 2022. Associate General Counsel Young stated that the original field test was extended due to delivery delays, and that the IEB gave the licensee extra time to conduct the field trial.

Commissioner Maynard moved that the Commission approve the rules of the game of Pontoon 21 as included in the Commissioner's Packet and discussed here today. The motion was seconded by Commissioner O'Brien.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed i	unanimously, 5-0.

Associate General Counsel Young then explained that 205 CMR 146.28 would include the physical characteristics described in section 17 and place them with other approved physical table characteristics in 205 CMR. Commissioners had no further questions.

Commissioner Maynard moved that the Commission approve the small business impact statement and the draft 205 CMR 146.28 as included in the Commissioner's Packet and discussed here today, and further that the staff be authorized to take the steps necessary to file the required documentation with the Secretary of the Commonwealth to begin the regulation promulgation process. The motion was seconded by Commissioner O'Brien.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed a	unanimously, 5-0.

#### 6. Sports Wagering Updates (2:51:03)

Executive Director Karen Wells explained that the evaluation for category one sports wagering applications was scheduled for the following week, and that licensees had been notified to appear. She noted that the evaluation of the tethered category three license applications would follow. She stated that a contract was being finalized for a vendor to serve as a tool for the evaluation of the untethered category three license application scheduled to begin in January.

Executive Director Wells stated that the Legal Division was continuing to develop regulations on schedule. She stated that the gaming agents were meeting with the properties on Monday to inform the prospective licensees how the process for the inspection of the floor and GLI certifications would occur. She stated that the IEB was on target for completing preliminary investigations, and that internal control regulations were expected for December 15. She noted IT would work with GLI on the operations certificate process.

#### 7. Commissioner Updates (2:56:08)

Chair Judd-Stein introduced Trudy Lartey the Executive Assistant to the Commissioners to the meeting participants. She also noted that the Commissioners would be training with GLI, which would be helpful in the evaluation of applications.

#### 8. Other Business (3:00:26)

Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner O'Brien moved to adjourn. Commissioner Skinner seconded the motion.

Roll call vote:	
Commissioner O'Brien:	Aye.
Commissioner Hill:	Aye.
Commissioner Skinner:	Aye.
Commissioner Maynard:	Aye.
Chair Judd-Stein:	Aye.
The motion passed	unanimously, 5-0.

#### List of Documents and Other Items Used

1. Notice of Meeting and Agenda dated November 27, 2022

2. <u>Commissioner's Packet</u> from the December 1, 2022, meeting (posted on massgaming.com)

## Quarterly Report Q1 2023

May 16, 2023

Encore BOSTON HARBOR

A WYNN RESORT

Massachusetts Gaming Commission

### Gaming Revenue, Taxes & Lottery Sales

Encore **BOSTON HARBOR** 

A WYNN RESORT

### Gaming Revenue & Taxes: Q1 2023

Year	Month	Table Games GGR	Slots GGR	Total (+(+R	State Taxes Collected
	January	\$27,659,200.57	\$34,197,723.87	\$61,856,924.44	\$15,464,231.11
2022	February	\$29,907,304.74	\$32,797,874.02	\$62,705,178.76	\$15,676,294.69
2023	March	\$29,948,142.34	\$36,230,027.77	\$66,178,170.11	\$16,544,542.53
	Total	\$87,514,647.65	\$103,225,625.66	\$190,740,273.31	\$47,685,068.33

TON HARBOR BOST A WYNN RESORT

### Gaming Revenue & Taxes: Year-Over-Year

Year	Quarter	Table Games GGR	Slots GGR	Total GGR	State Taxes Collected
2022	Q1	\$51,147,252.30	\$72,828,463.99	\$123,975,716.29	\$30,993,929.07
	Q2	\$66,827,652.69	\$88,842,261.01	\$155,669,913.70	\$38,917,478.42
	Q3	\$76,482,024.77	\$97,880,731.41	\$174,362,756.18	\$43,590,689.05
	Q4	\$86,322,321.24	\$94,064,782.51	\$180,387,103.75	\$45,096,775.94
	Total	\$280,779,251.00	\$353,616,238.92	\$634,395,489.92	\$158,598,872.48
	Q1	\$87,514,647.65	\$103,225,625.66	\$190,740,273.31	\$47,685,068.33
2023	Q2				
	Q3				
	Q4		1		
	Total (to date)	\$87,514,647.65	\$103,225,625.66	\$190,740,273.31	\$47,685,068.33



### Sports Wagering Revenue & Taxes: Q1 2023

Year	Month	Monthly Win	State Retail Taxes Collected	
2023	January*	-\$73,302.95	-\$11,134.52	
	February	\$900,783.78	\$128,779.92	
	March	\$701,807.00	\$100,230.00	
	Total	\$1,529,287.83	\$217,875.40	

\*Sports wagering launched on January 31, 2023, so January figures represent one day of operations.



## Lottery Sales: Q1 2023\*

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Year	Month	Lottery Sales	% Change 2021	
	January	\$253,635.25	-22.1%	
2023	February	\$336,027.50	41.7%	
	March	\$486,914.00	90.5%	
	Total	\$1,076,576.75	31.5%	

\*The periods for which relevant sales are reported are based upon week-end totals, and may not correspond precisely to calendar month periods.



## Lottery Sales: Year-Over-Year

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Year	Quarter	Lottery Sales	% Change from Previous Year
2022	Q1	\$818,421.75	33.4%
	Q2	\$828,894.50	14.0%
	Q3	\$879,137.50	13.0%
	Q4	\$1,111,519.50	22.4%
	Total	\$3,637,973.25	20.2%
2023	Q1	\$1,076,576.75	31.5%
	Q2		
	Q3		
	Q4		
	Total (to date)	\$1,076,576.75	31.5%



### Workforce



### Employment: Non-Sports Wagering Related Employees

9

Sector	Goal	Q1%1	Q1 Total # of Employees	Q2%	Q2 Total # of Employees	Q3%	Q3 Total # of Employees	Q4%	Q4 Total # of Employees	
Minority	40%	58%	2,061					-	-	
Veteran	3%	2%	83					-	-	
Women	50%	45%	1,587					-	-	
Local/Host/Surrounding Community Resident²	75%	88%	3,105					-	-	
MA Residents	-	91%	3,207					-	-	
Total Number of Employees <sup>3</sup>			3,526						-	
Full-time			2,452					-	-	
Part-time			1,074						-	
On-call			0		0		0		-	

1 All Q1 figures are as of March 10, 2022.

2 "Local/Host/Surrounding Community Residents" include residents from communities within thirty (30) miles of Encore Boston Harbor.

3 Please note that an employee may fall into more than one sector (e.g.: minority and local) and, as such, totals may not be reflective of the sum of previous columns.

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### Employment: Non-Sports Wagering Related Employees Supervisory and Above

	Minority	Women	Veteran	Total Head Count (including non- minority employees)	
ALL EMPLOYEES	-	_	-		
Number of Employees	2,061	1,587	83	3,526	
% Actual	58%	45%	2%	-	
MANAGER AND ABOVE					
Number of Employees	99	98	15	225	
% Actual	43%	43%	7%	-	
SUPERVISORS AND ABOVE					
Number of Employees	324	240	26	551	
% Actual	58%	43%	5%	-	



### Employment: Sports Wagering Related Employees

Sector	Goal	Q1%1	Q1 Total # of Employees	Q2%	Q2 Total # of Employees	Q3%	Q3 Total # of Employees	Q4%	Q4 Total # of Employees	
Minority	40%	52%	34							-
Veteran	3%	0%	0							
Women	50%	52%	34							
Local/Host/Surrounding Community Resident <sup>2</sup>	75%	88%	57							
MA Residents	-	89%	58							
Total Number of Employees <sup>3</sup>			65							
Full-time			42							
Part-time			23							
<b>On-call</b>			0							

1 All Q1 figures are as of March 10, 2023.

2 "Local/Host/Surrounding Community Residents" include residents from communities within thirty (30) miles of Encore Boston Harbor.

3 Please note that an employee may fall into more than one sector (e.g.: minority and local) and, as such, totals may not be reflective of the sum of previous columns.



## Employment: Sports Wagering Related Supervisory and Above Employees

	Minority	Women	Veteran	Total Head Count (including non- minority employees)	
ALL EMPLOYEES					
Number of Employees	34	34	0	65	
% Actual	52%	52%	0%	-	
MANAGER AND ABOVE					
Number of Employees	1	0	0	4	
% Actual	25%	0%	0%	-	
SUPERVISORS AND ABOVE					
Number of Employees	3	4	0	10	
% Actual	30%	40%	0%	-	



# **Operating Spend**



# Operating Spend<sup>1</sup>: Diversity

Diversity Category	Annual Goal	Q3%	Q3 Spend
MBE Vendor Spend	8%	12%	\$3,105,082.96
VBE Vendor Spend	3%	2%	\$636,589.67
WBE Vendor Spend	14%	12%	\$3,232,931.75
Total Diverse Spend	25%	26%	\$6,974,604.38

1 All spend figures referenced herein are based upon Encore Boston Harbor's Q1 discretionary spend amount of **\$** \$25,912,598.86.



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# **Operating Spend: Local**

Locality	Annual Goal	Q3%	Q3 Spend	
Boston	\$20,000,000.00	14%	\$3,576,272.68	
Chelsea	\$2,500,000.00	2%	\$589,784.14	
Everett	\$10,000,000.00	13%	\$3,248,285.76	
Malden	\$10,000,000.00	1%	\$154,734.38	
Medford	\$10,000,000.00	1%	\$160,966.86	
Somerville	\$10,000,000.00	5%	\$1,408,637.61	
MA (Statewide)	-	58%	\$14,966,259.45	



# Compliance



## Compliance: Minors<sup>1</sup> Prevented from Gaming

17

Month	Minors Intercepted on Gaming Floor and Prevented from Gaming	Minors Intercepted Gaming	Intercepted at Slot	Minors Intercepted at Table Games	Minors Intercepted Consuming	IDs NOT Checked that Resulted in Minor on Gaming	Minors that Resulted in	Numbers of Minors on Gaming Floor Under 18 Years of Age	
January	3	0	0	0	0	2	0	0	
February	8	2	2	1	1	4	4	3	
March	9	2	0	2	2	9	3	4	
Total	20	4	2	3	3	15	7	7	

1 A "minor" is defined as a person under 21 years of age, provided however, that the last column of the above specifically refers to persons under 18 years of age.

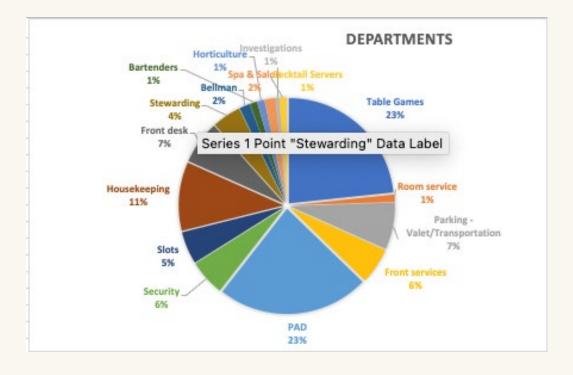
- The average length of time spent by a minor on the casino floor was 35 minutes.
- The longest length of time spent by a minor on the casino floor was 5 hours, 38 minutes.
- The shortest length of time spent by a minor on the casino floor was 1 minute.



## Human Resources Initiatives



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- 340 total participants in Las Vegas and EBH
- Participation from all departments

   both line level and management
- 100% of employees reported that the Company had made them aware of its policies and procedures



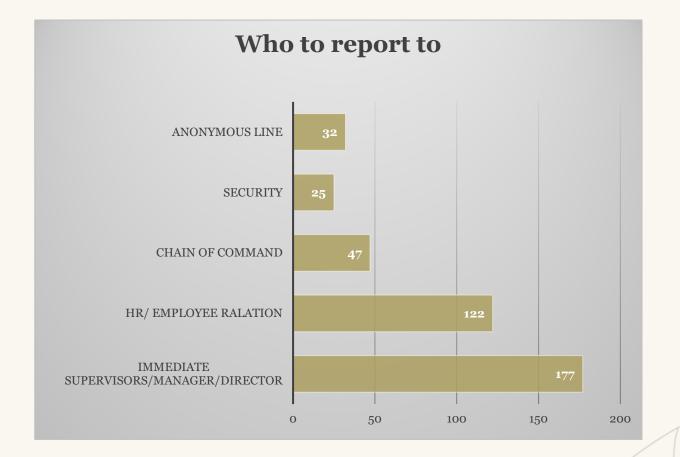


WE Learn (HTA, T31, Biohazard, Safety, etc)
In-person training (leadership, preventing harassment, etc)
NHO

Employees identified trainings they attended (both online and in-person) including:

- Human Trafficking (Security)
- Preventing Harassment and Discrimination
- Leadership Training
- Addressing Inappropriate Guest Behavior
- Responsible Gaming

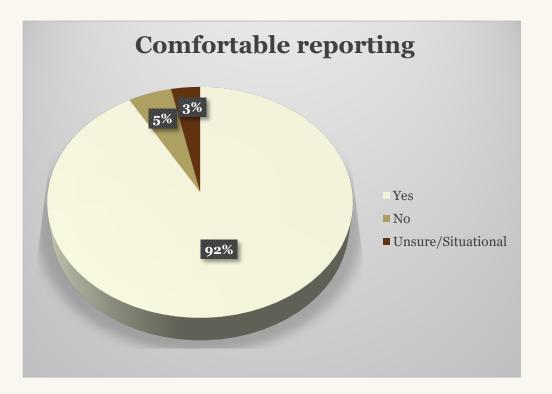




**Reporting Channels:** 

- Employees are aware of different reporting channels (i.e., HR, Security, Hotline, Manager, and Executive Leadership)
- Over 90% of employees trust their manager for support and feel comfortable reporting to their manager

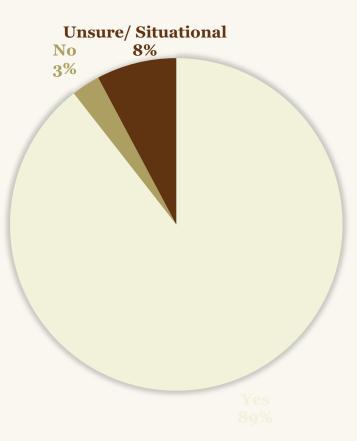
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Over 92% of employees feel comfortable ulletreporting concerns of harassment, discrimination or other offensive behavior to Employee Relations

- Developed 2 action items in response
  - 1. Highlighting ER counselors to make employees more comfortable
  - 2. Educating employees on ER's role

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- Tested our "Speak Up" Campaign
- 94% of respondents rated the Company as average or above in this category
- 81% rated the Company as outstanding or exceptional
- 89% of respondents felt comfortable reporting inappropriate guest conduct (8% responded that they were unsure/situational)

## **Action Items**

How to better communicate our "Culture of Compliance" to employees?

Action Item 1: Add a knowledge test at the end of Guest Behavior training

Action Item 2: Add the Guest Behavior video to annual compliance training

- Action Item 3: HRCP quarterly communications, highlighting the different compliance policies including messages from leadership
- Action Item 4: Implement new leadership development courses to improve communication

## Message from Craig Billings, CEO

### S H I F T

#### SUNDAY | APRIL 30, 2023

\*\*\*\*\* BOSTON HARBO

A Message From Lori Yeager, Vice President - Human Resources

Ladies and Gentlemen,

The following message is provided by Wynn Resorts CEO, Craig Billings. You can find this message on The Wire, and on our digital displays in our Heart of the House.

Wynn Resorts is a diverse organization, and we strive to foster a workplace of mutual respect, no matter a person's culture, background, or any other factor that makes you unique. That's the reason our Core Behaviors include Care About Everyone and Everything and Treating Everyone with Dignity and Respect. That applies not just to the behavior of our employees, but the behavior of our vendors and our guests as well. So today, I want to remind you that harassment and discrimination are unacceptable at our company. We want you to have a clear understanding of what behavior is acceptable and what is not. If you feel harassed by anyone, another employee, an outside vendor, or a guest, please report it. Speaking up is important. If you see something that is offensive or violates our policies, you should report it even if you don't feel it's directed towards you. And please report the offending conduct as quickly as possible to ensure it doesn't worsen or continue. I promise you, retaliation from reporting harassment or discrimination is not tolerated, so don't hesitate to speak up if you see or experience harassment of any kind.

You may report suspected violations to the Employee Relations Department by emailing EBHEmployeeRelations@encorebostonharbor.com or any other sources as defined in the Company's Preventing Harassment and Discrimination policy. Please visit the Wire to reference the policy. For confidential reporting, please visit wynnresorts.ethicpoint.com, or call the Confidential Hotline at (844) 962 – 1319. The Confidential Hotline allows reporting in English, Spanish, and Mandarin.

- Lori



# **Employee Engagement Survey**

### Launched November 29, 2022

- 71% participation rate
- Overall engagement was rated at 76% -(3% higher than the benchmark of other US hospitality companies (as of June 2022)
- 86% of participants shared, "I am proud to work for Wynn", "I would recommend Wynn as a great place to work."
- Action plans developed and presented Q1

#### Annual Employee Engagement Survey Frequently Asked Questions (FAQs)

#### Why is Wynn holding an employee engagement survey?

Wynn is looking to gain insights into our employees' job satisfaction, learning and development, recognition, work motivation, team dynamics, organizational culture, and trust in leadership. We will use these insights to make improvements and promote positive change throughout the organization.

#### Who is eligible to take the survey?

All active employees at all Wynn North American properties, excluding seasonal/temporary employees, hired before September 1, 2022, are eligible and encouraged to take this survey.

#### When is the survey taking place?

The survey is open from Tuesday, November 29, through Sunday, December 18. The <u>survey</u> <u>link</u> will be operational 24/7 during that time.

#### Where can I take the survey?

There will be a survey lounge set up inside Training Room 1, where you will be able to take the survey. You can also take the survey from any tablet, computer, or smartphone by entering the <u>survey link</u> into the web browser. The survey is supported on most desktop, laptop, tablet, and mobile devices. If you're on a mobile device, you can take the survey on Android version 2.3 or higher and iOS (iPhone or iPad) version 2 or higher.

#### Is the survey confidential?

Yes, this survey is 100% confidential. The survey is administered by an outside company, *Culture Amp*, who will keep your individual survey responses secure—your individual responses will not be shared with Wynn. Wynn will only receive aggregated (summarized) data from the survey. Furthermore, aggregated data will only be provided for groups with at least five or more responses. For example, department managers will be provided the aggregated results of their department's responses, but only once at least five people in the department have taken the survey.

WYNN RESORT

### C Culture Amp

### The Science & The Why

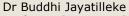
- 1. Founded in 2009 with a core engagement question set but continues to add additional questions for a wide range of subjects including diversity, inclusion, experience, and culture
- 2. Developed core question set by taking a very broad range of questions representing many identified factors and refine to the most critical factors that consistently predicted employee engagement.
- 3. Designed to measure employee engagement that impacts the business including retention, turnover, and well being
- 4. Validated through relationships with external metrics such as Glassdoor ratings, Mattermark Growth scores, numerous case studies with clients

### Data & Insights Teams



#### Dr Jason McPherson

- PhD in Psychology
- Designing an analyzing surveys for 15+ years
- Published in American Psychological Associations key methodology journals



- PhD in Computer Science, Masters in Engineering
- Experience designed and developing software for enterprise search, ecommerce and mobile applications
- Sr Research Fellow for government funded data project



Dr David Ostberg, PHD

- Previously VP Workforce Science at Cornerstone OnDemand
- Experience in behavioral measurement and helping businesses integrate people, data, science, and technology

### Chloe Hamman



- Masters of Science in I/O Psychology, and Bachelors in HR Management
- Experience in organizational behavior, leadership development, and workplace culture
- Conducted one of the largest studies on workplace values in New Zealand



### The Science & The Why

- 1. Dedicated expert People Scientist support with survey creation and result analytics for Wynn Resort
- Benchmark data across multiple industries including a hospitality specific benchmark made up of Hospitality (53%), Travel & Tourism (27%), Event Services (12%), and Aviation (8%) composed of 55 different clients



### Our Data Scientist

Gia DeMichele

- Sr People Scientist with Culture
   Amp
- BS in Psychology; MA and PhD Organizational Behavioral
- Six+ years in research, curriculum development, and training

### Clients in Our Benchmark Group Include:



## Culture Amp Questions

Culture Amp offers research-backed questions designed by organizational psychologists and data scientists with 50+ language translations

Wynn's question set included focuses in the following areas. Some of our questions were:

- Engagement
  - I am proud to work for Wynn
- Leadership | Management
  - My direct supervisor role models our values
  - I am comfortable sharing my opinion with my direct supervisor
  - My direct supervisor genuinely cares able me
- Communication
  - The leadership team in my department at Wynn have communicated a vision that motivates me
- Enablement
  - I have access to the training I need to do my job well

Additional focus areas included questions in these areas:

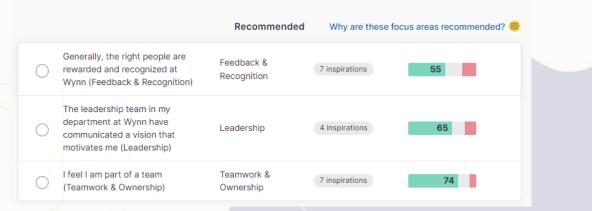
Feedback & Recognition | Learning & Development | Teamwork | Company Confidence



- Following the completion of the engagement survey, managers were given access to their results to view
- Overall areas of improvement were shared across the property and then department managers shared specific feedback with their employees through WEShifts, team meetings, and focus groups
- Managers then created Action Plans based on their results and any additional feedback received
- Based on their results, Culture Amp recommends which questions to focus on to create an Action Plan

### Let's get focused

First things first, pick the area you want to focus on.



- Culture Amp also provides recommendations within the Action Planning process itself on things the leader can do to improve engagement. The leader can then customize to their own team's needs
- Wynn also created customized action planning recommendations the link back to Wynn specific trainings or programs
- Action Plans are tracked within Culture Amp and can be updated throughout the process

### **Explore our inspirations**

Make progress by taking action on your chosen focus area. Get a headstart with one of our inspirations, or write your own

#### Generally, the right people are rewarded and recog...

Feedback & Recognition

#### **Recommended inspirations**

Recognition event

Recognize employees highlights each month

Recognize employees highlights each month, scheduling this like an event ensures good work is highlighted, people are recognized and the organization can continue

#### Wall of compliments

Give kudos and feedback to colleagues in a public space

Build a wall of compliments in the center of your department or a place that is easy for all employees to access. Use the wall as an opportunity to give kudos to a

Stars Nominations (Wynn Properties)

Nominate employees who exemplify company values

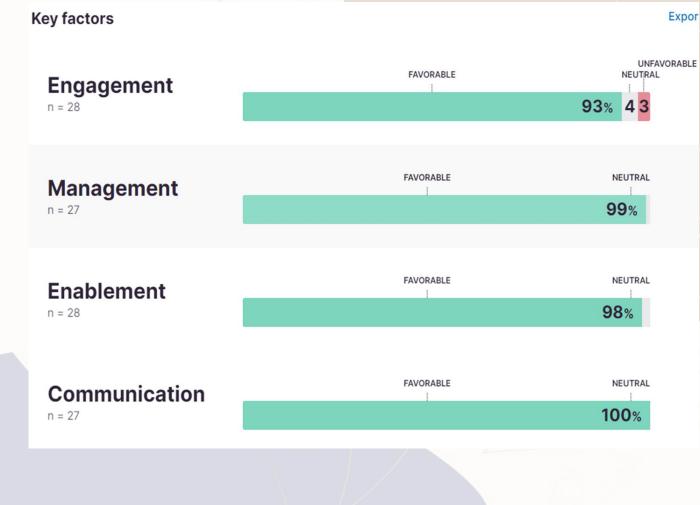
Nominate individuals whose behaviors during that month demonstrate one of the company's Core Values and Behaviors through the Stars recognition program

# Spa

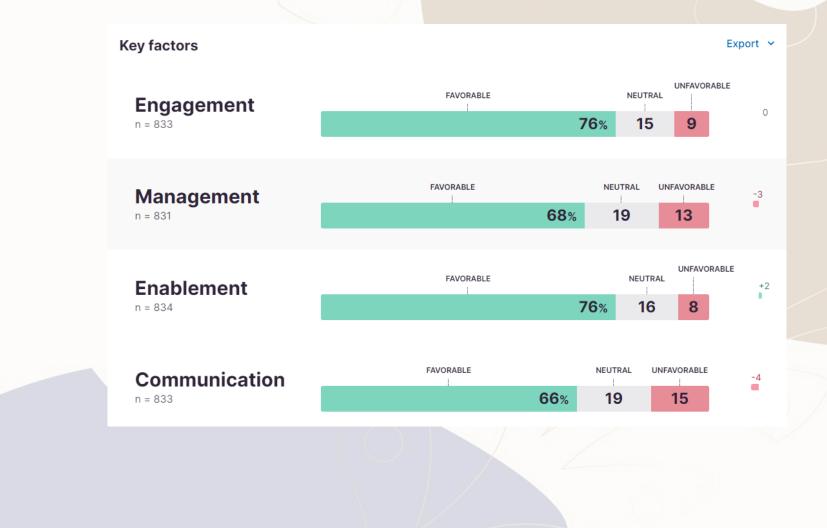
### 2022 Engagement Survey Action Plan



Overall Engagement: Spa



# **Overall Engagement:**



## **Areas of Focus & Opportunity**

I have access to the tools I need to do my job well.

The leadership team in my department at Wynn have communicated a vision that motivates me.

Generally, the right people are rewarded and recognized at Wynn.

75% +20

-3

70%

65%

### **Employee Feedback**

- One-on-one interviews
- Pre-shifts
- Small group meetings
- Skip-line meetings

### WHAT WE HEARD

- Be included, feel part of the greater organization.
- Appreciated/acknowledged for a job well done.
- Positive reinforcement.
- The right tools to do the job.
- Better maintenance program for their tools.
- More training to use the tools correctly.
- More communication about what is going on within the company and the resort
- Listened to and heard.
- Understand the "why" for the things we want done (versus just do it).
- Promotional opportunities/development.

### **Action Plan #1**

Feedback & Recognition

"Generally, the right people are rewarded and recognized at Wynn."

"The leadership team in my department at Wynn have communicated a vision that motivates me."

Objective: Increased motivation, well being and employee empowerment

### Action Items

- 1. Utilize pre-shift messages and meetings to highlight the Engineering team's accomplishments. Both individual and group
  - Invite other department leaders to pre-shifts for in person gratitude
- 2. Set up departmental quarterly townhall meetings on each shift. Potential discussion items include:
  - Company-wide initiatives, share what is going on
  - Post project lessons learned
  - Upcoming resort events
  - Active listening sessions to hear feedback from the line level team
  - Highlight team members accomplishments and promotions
- 3. Reinforce "Employee Spotlight of the Week" program.
- 4. Use the radio system at the end of every shift to express gratitude to the entire team for their hard work and dedication.
- 5. Promote more feedback during pre-shift meetings
- 6. Increase the use of the "You asked, we listened" initiative

### Timeline

• Feedback and recognition action items: Implement immediately

### **Action Plan #2**

### Learning and Development

" I have access to the training I need to do my job."

" I am given opportunities to develop skills relevant to my interests and a career aspirations."

Objective: Continue to offer training/classes to develop skills sets.

### Action Items

### Provide training in the following areas:

- Set up trade cross training programs
- English as a second language course
- Project management
- Microsoft office
- 70E Electrical safety training
- Resort specific system and equipment training
- Specific trade license:
  - CSL Continuing Education license
  - HVAC license
  - Electrical license
  - Welder certification
- Opera training for Floral
- Coach Gardener 1 and Floral 1 to obtain level 2 positions.
- Continue to support furthering education

### Timeline

• Learning and development action items: Implement immediately

### **Action Plan #3**

### Enablement

"I have access to the tools and training I need to do my job well."

Objective: Ensure that all required tools and training are available to do their jobs properly.

### **Action Items**

- Conduct an initial assessment of all required tools.
- Replace and tag tools as needed.
- Implement routine porter closet and shop inspections.
- Foster a culture of tools management and maintenance.
- Make readily available Horticulture/floral training manuals of product care.
- Create a mentoring program where team members can share their knowledge with one another.

### Timeline

• Enablement: Implement action items immediately

# Promotions, Marketing, Special Events and Volunteerism



# Q1\* TRU Patron Charitable Contributions

Charitable Organization	Dollar Amount	Number of Tickets
Casa Myrna	\$5,631.94	42,074
Last Hope K9 Rescue	\$19,334.69	74,893
Pan-Mass Challenge	\$7,632.05	46,600
Urban League of Eastern MA	\$5,703.57	41,261
Total	\$38,302.25	204,828

\*Contributions are from January 1, 2023 through March 31, 2023. From the inception of the program to date, the change balances of more than 1.5 million tickets have been donated.



# Q1 Employee Volunteer Efforts



Employees volunteered 1,097 hours of their time serving local nonprofits
More than 1,300 pairs of socks were collected for residents of Pine Street Inn

EBH employees raised \$1,745.10 (which was also matched by the Company) during the Valentine's Bake Sale with proceeds to the Community Grant Fund

EBH donated over \$15,000 worth of baby formula to Bread of Life to be distributed to residents of Malden, Medford and Everett

## Problem Gaming Awareness Month



- EBH celebrated Problem Gaming Awareness Month throughout the month of March
- Extensive heart-of-house campaign was launched that included digital and printed displays that were exhibited all month long
   Quizzes were made available to employees with prizes awarded for answering all questions correctly
- An in-person experience was hosted outside of Le Staff Café

# National Employee Appreciation Day Celebration





EBH celebrated National Employee Appreciation Day in March

To show gratitude for the hard work of all team members, EBH set up an employee game room, offered 5-minute massages from members of The Spa team, and offered an elevated menu at Le Staff Cafe

Raffles for prizes including overnight stays and dining experiences were also conducted

Encore BOSTON HARBOR

A WYNN RESORT



## PLAINRIDGE PARK Q1 2023 REPORT



# **GAMING REVENUE AND TAXES**

Year	Quarter	Net Slot Revenue	State Taxes	Race Horse Taxes	Total Taxes
	Q1	\$33,730,006	\$13,492,002	\$3,035,701	\$16,527,703
	Q2	\$36,607,522	\$14,643,009	\$3,294,677	\$17,937,686
2022	Q3	\$36,659,335	\$14,663,734	\$3,299,340	\$17,963,074
	Q4	\$36,066,338	\$14,426,558	\$3,245,970	\$17,672,528
	Total	\$143,063,201	\$57,225,303	\$12,875,688	\$70,100,991
	Q1	\$38,463,638	\$15,385,455	\$3,461,727	\$18,847,182
2023	Q2				
	Q3				
	Q4				
	Total				



 $\square$ 

# **SPORTS WAGERING REVENUE AND TAXES**

Year	Quarter	Taxable Sports Wagering Revenue	Sports Wagering Taxes
<b>2023</b>	Q1	\$972,664	\$145,899
	Q2		
	Q3		
	Q4		
	Total	<b>\$972,664</b>	\$1 <b>4</b> 5,899

In addition to the Barstool Sportsbook, Plainridge Park has 20 sports wagering kiosks.



# **LOTTERY SALES**

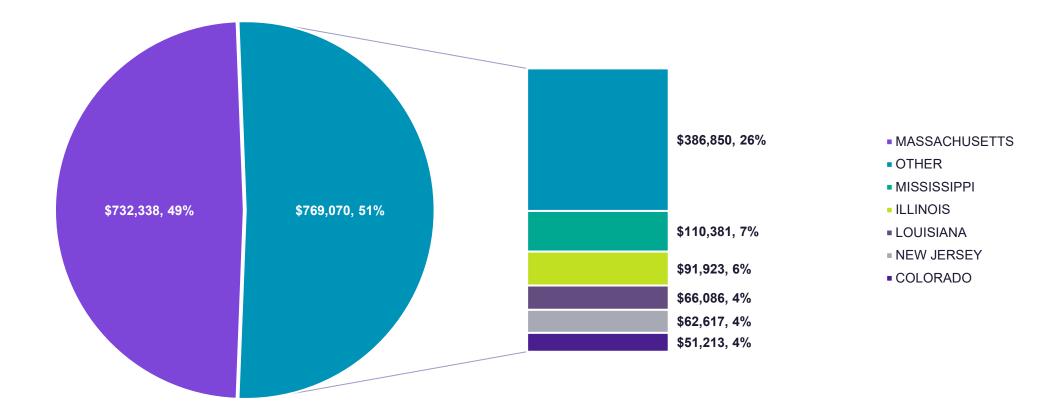
Quarter	2023	2022	\$ Difference	% Difference
Q1	\$588,793	\$507,710	\$81,083	16.0%
Q2		\$485,744		
Q3		\$529,297		
Q4		\$532,016		
Total		\$2,054,767		

- PPC currently has five instant ticket machines and four online terminals
- Prior to the casino opening the property had one instant ticket machine and two online machines



# **SPEND BY STATE**

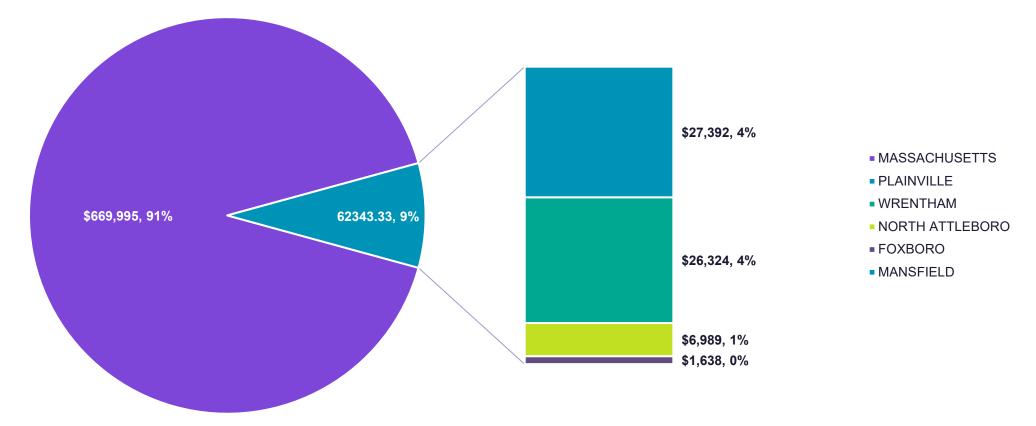
# Q1 2023 Total Qualified Spend By State





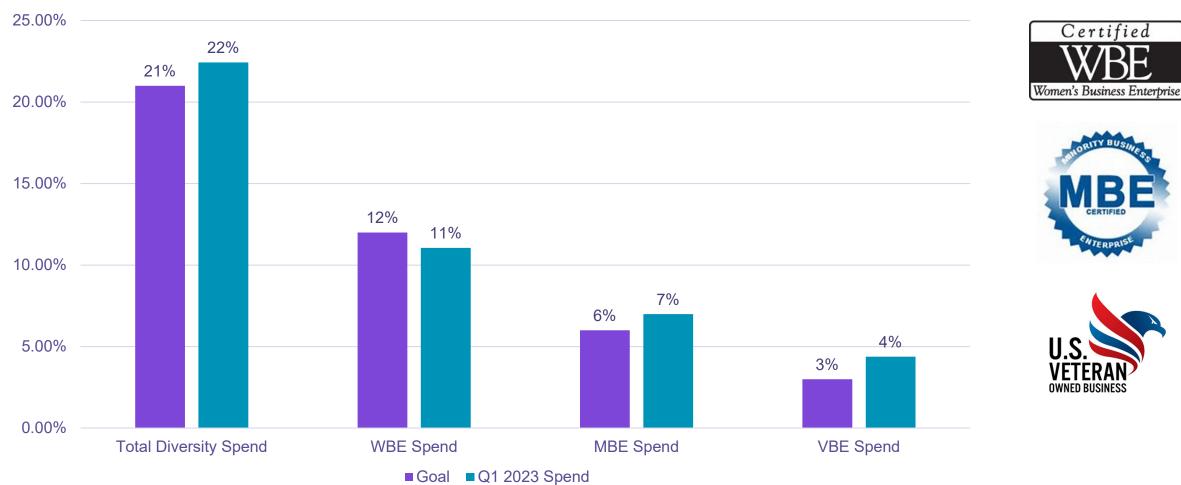
# **LOCAL SPEND**

# Q1 2023 Massachusetts vs Host & Surrounding Community Qualified Spend





# **VENDOR DIVERSITY**



Q1 2023 vs Goal



# **DIVERSE SPEND**

Category <sup>1</sup>	Q1 2023	Q4 2022	\$ Difference	% Difference
WBE	\$166,014	\$175,101	-\$9,087	-5.19%
MBE	\$104,937	\$156,271	-\$51,334	-32.85%
VBE	\$65,802	\$46,757	\$19,045	40.73%
Total Diverse Spend	\$336,753	\$378,129	-\$41,376	-10.94%
Qualified Spend	\$1,501,408	\$1,1 <mark>98,52</mark> 1	\$302,887	25.27%

<sup>1</sup> Includes vendors that are certified in multiple diversity categories. Spend is reported in all qualified categories.



# COMPLIANCE

Month			m Entering blishment	Expired, Invalid, No ID	Fake ID	Minors and Underage Escorted from the Gaming Area	Minors and Underage found Gaming at Slot Machines	Escorted	Minors and Underage found Sports Wagering	Minors and Underage Consuming Alcoholic Beverages
	Total	Minors <sup>1</sup>	Underage <sup>2</sup>							
January	59	5	12	42	0	0	0	0	0	0
February	35	6	23	63	0	1	0	0	0	0
March	26	3	15	44	0	0	0	0	0	0
Total	120	14	50	135	0	1	0	0	0	0

<sup>1</sup>Person under 18 years of age

<sup>2</sup> Person 18-21 years of age



# **EMPLOYMENT<sup>1</sup>: ALL EMPLOYEES<sup>2</sup>**

Employee Category	Percentage Goal	Total # of Employees in Category	Q1-23 Actual Percentage of Total Employees	Q4-22 Actual Percentage of Total Employees
Diversity	15%	91	20%	23%
Veterans	2%	17	5%	4%
Women	50%	176	43%	45%
Local <sup>3</sup>	35%	129	33%	33%
MA Employees		239	63%	61%

<sup>1</sup> All employees referenced in this slide were current as of Q1 2023

<sup>2</sup> Total number of employees Q1 2023: **380** 

<sup>3</sup>Local includes Attleboro, Foxboro, Mansfield, North Attleboro, Plainville & Wrentham

	Employees	Full-Time	Part-Time	Seasonal
Total	380	247	133	0
% of Total	100%	65%	35%	0%



# **EMPLOYMENT<sup>1</sup>: SPORTSBOOK**

Employee Category	Total # of Employees in Category	Actual Percentage of Total Employees
Diversity	3	17%
Veterans	0	0 %
Women	4	22 %
Local <sup>3</sup>	3	17%
Full-Time	10	55%

<sup>1</sup> All employees referenced in this slide were current as of Q1 2023

<sup>2</sup> Total number of Sportsbook employees Q1 2023 18

<sup>3</sup>Local includes Attleboro, Foxboro, Mansfield, North Attleboro, Plainville & Wrentham



# **EMPLOYMENT<sup>1</sup>: SUPERVISOR AND ABOVE<sup>2</sup>**

Employee Category	Total # of Employees in Category	Actual Percentage of Total Employees
Diversity	10	14 %
Veterans	3	4 %
Women	23	33 %

<sup>1</sup> All employees referenced in this slide were current as of Q1 2023 <sup>2</sup> Total number of Supervisor and Above Q1 2023: **69** 

Leadership:

 Engagement Survey Action Planning

Aces Training



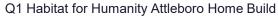
# **PPC CARES: COMMUNITY AND TEAM**







- Q1 PPC Donations:
- Boston Pearl Foundation
- North Attleboro
- Animal Shelter















# **PPC CARES: COMMUNITY AND TEAM**







International Women's Day - March 8, 2023





Monthly Observations: Black History, Valentines Day, St. Patrick's Day & Womens Day



TO:	Chair Cathy Judd-Stein and Commissioners Eileen O'Brien, Bradford Hill, Nakisha Skinner and Jordan Maynard
FROM:	Joseph E. Delaney, Chief of Community Affairs
CC:	Karen Wells, Executive Director, Todd Grossman, General Counsel
DATE:	May 11, 2023
RE:	East of Broadway Development – Application Requirements

# **Project Background**

The following is a brief chronology of the events that have led up to today's discussion.

- In February 2022, Encore Boston Harbor (EBH) submitted design plans for the East of Broadway development that did not include any gaming component. The Commission determined that the project was not part of the gaming establishment and placed some conditions on the project to alleviate security and access concerns.
- In the fall of 2022, EBH re-filed the plans with the Commission to include a poker room and sports betting. As such, the project must be included in the gaming establishment which subjects it to full review and approval of the Commission. The first step in the approval process was for the Commission to determine if gaming couled be allowed on the expanded site. EBH was asked to address whether the June 2013 referendum adequately covered expansion of the gaming establishment onto this new property.
- On November 16, 2022, the Commission initially took up this matter. EBH argued that the original referendum was adequate to account for this project. The Commission asked for additional information regarding the boundaries of the Monsanto property, a legal opinion from Everett regarding the referendum, input from Plainville and Springfield and the estimated cost of a referendum.
- After receiving the requested information, the Commission reconvened this discussion on February 8, 2023. After much discussion and deliberation, the Commission determined that the original referendum vote included the East of Broadway parcel and therefore gaming could be allowed at that location.

# \*\*\*\*

## Massachusetts Gaming Commission

101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

• The Commission held a Public Hearing on this project in Everett on April 25, 2023. Significant oral and written comments were received. The Commission has decided to hold an additional on-line public hearing to ensure that all interested parties have the opportunity to comment.

# **Gaming License and Operations Certificate Amendments**

For this project to move forward, the Commission needs to review and approve the proposed expansion of EBH and more particularly expansion of the gaming establishment boundaries. Any approval will require amendments to the gaming license and operations certificate as the boundaries of the gaming establishment will be modified. 205 CMR 151.05 establishes the requirements for the amendment of an operations certificate, which allows for a full hearing by the Commission on any such amendment.

The next step in the process is to hold a Public Meeting for the Commission to review the project. Since MGL 23k and the Commission's regulations do not establish a particular set of submission requirements for a project expansion, we have assembled a list of items that the Commission could consider in an application from EBH. These items came from a review of our regulations as well as issues the Commission heard in the Public Hearing and in written comment. There certainly could be other items added to this list if the Commission has a particular interest in any other issue. The overall goal is to provide guidance to EBH on what the Commission wants to see addressed as part of the project submission.

The Commission may want to have a vote on which items it would like to see in an application from EBH. After the Commission decides, staff will summarize these items in a letter to EBH requesting that any application address the specific items.

The following are the overarching issues that have been discussed by the Commission or raised by the public. To ensure that issues that have been raised are being adequately addressed, staff is recommending that each of these be addressed either in an application from EBH or through a condition to any approval issued by the Commission.

 Re-opening mitigation agreements (205 CMR 127) – The Commission heard several speakers at the public hearing request the re-opening of the Host Community Agreement between Everett and EBH. We have also heard from Surrounding Communities with respect to this issue. 205 CMR 127 establishes a process for re-opening mitigation agreements including the Host Community Agreement, Surrounding Community Agreements and Impacted Live Entertainment Venue (ILEV) Agreements. The Commission is not a party to these agreements; they are between EBH and each affected entity. The regulations identify the triggering



### Massachusetts Gaming Commission

events that allow for the re-opening of agreements, which in this case would be an occurrence that is likely to cause a significant and material adverse impact. Staff recommends that as part of its application, that EBH address what they are doing with respect to the existing mitigation agreements and how they are ensuring that the project will not have significant impacts on the affected entities.

- 2. Traffic/Parking/Transportation Demand Management (Second Amended **Section 61 Findings)** – Traffic related issues are primarily the purview of the Massachusetts Department of Transportation (MassDOT) through the Massachusetts Environmental Policy Act (MEPA) process, although the Commission also plays a significant role. The Commission heard several members of the public express their concerns with project related traffic and the need for additional shuttles and water transportation. EBH is now in the middle of the MEPA process having submitted a Supplemental Draft Environmental Impact Report (SDEIR) which is currently being reviewed by MassDOT. This report is largely focused on traffic and parking related issues, but it also addresses several other environmental issues. The MEPA process is expected to be completed no sooner than the end of July 2023. At the conclusion of this process, both MassDOT and the Commission will need to revise their respective Section 61 Findings. In the past, the Commission incorporated the MassDOT Section 61Findings into its own as an added measure of protection and we expect to do so in any amendment. We are anticipating that the MEPA process and Commission's approval process will be working in parallel, therefore the MEPA process will not have concluded when the Commission is reviewing the East of Broadway application. At a minimum, staff recommends that the EBH application include a status update on the MEPA process as well as a summary report on traffic and parking related impacts and proposed mitigation measures. Since the detailed MEPA documents are available for review, this report does not need to be exhaustive, but should be an executive level summary of the traffic sections of the SDEIR that specifically highlight the expected impacts of the project and how the proposed mitigation measures address the impacts.
- 3. **Impact on Police and Fire** Several commenters discussed the impact that EBH has on police and fire services. There is no question that any large commercial development will have some impact on public safety services. Addressing public safety related impacts is one of the key purposes of the Host Community Agreement. In addition, should the East of Broadway development become part of the gaming establishment, it will fall under the jurisdiction of the Gaming Enforcement Unit,



which is funded as part of the casino operation. As part of its application, EBH should address what it is doing with respect to impacts on public safety and how it expects to mitigate any impacts.

- 4. Sustainable Development MGL Chapter 23k Section 18 outlines the objectives to be advanced in determining the granting of a gaming license, including the use of sustainable development principles. While this section of the law pertains to the granting of the original gaming license, it is reasonable to conclude that the intent is for our licensees to use these sustainable practices going forward. EBH has already committed to the East of Broadway project being certified as LEED (Leadership in Energy and Environmental Design) Gold. As part of the application, staff recommends that EBH provide a detailed summary of the sustainability principles that will be used in the project.
- 5. Labor Harmony The Commission received several comments regarding labor harmony on this project, both during and after construction. MGL Chapter 23k Section 18 (18) asks "whether the applicant has included detailed plans for assuring labor harmony during all phases of the construction, reconstruction, renovation, development and operation of the gaming establishment." This section pertains to the award of the original license, but does reference reconstruction, renovation, development and operation. Therefore, staff believes that it is reasonable to request that EBH address the efforts they are undertaking to ensure labor harmony as part of their application.
- 6. Construction and Operations Diversity (205 CMR 139) EBH developed diversity plans for both the construction and operation phases of the original project that were approved by the Commission. They include both workforce diversity and vendor diversity (Minority, Women and Veteran Owned Businesses). 205 CMR 139 requires periodic reporting on diversity, which the Commission receives as part of the quarterly reports submitted by EBH. It also defines construction as "subsequent periods in which any structures upon a licensee's gaming establishment are altered, converted, fitted out, commissioned, renovated, repaired, maintained, demolished, decommissioned, or dismantled ...." Should the Commission determine that the East of Broadway project is part of the gaming establishment, these provisions would appear to be applicable to the project. Staff recommends that EBH provide a breakdown of their proposed workforce goals and

# $\star \star \star \star \star$

contractor/vender goals for both the construction period and operations as part of the application.

- 7. **Jobs** Many commenters were interested in the number of jobs associated with the project for construction and operation. Increasing jobs in the Commonwealth has always been one of the key provisions of expanded gaming in Massachusetts. Staff believes it is reasonable to ask EBH to identify the number of jobs it expects to create as part of this project.
- 8. **Monitoring of Construction (205 CMR 135)** As with many other regulations, these were designed for the original construction of the casinos and deal primarily with project schedules and reporting, the design review process, inspection of construction, certification of the final stage of construction, and determination that the gaming establishment may open for business. While many of these provisions are standard practice in the construction industry, some of these are not pertinent to an expansion. For instance, the bonding requirements and penalties for not opening the gaming establishment in a timely fashion do not appear to be particularly pertinent to this type of development. Staff recommends that any Commission approval of the East of Broadway development be conditioned to allow for the appropriate level of design and construction monitoring. We will come back to the Commission with the specific sections of the regulations that are pertinent to the project as part of the application review process.
- 9. Reporting to Commission (205 CMR 135 and 139) The Commission received quarterly reports from EBH for the duration of the original project construction. These included a listing of all permits necessary and their status, project schedule, contracts that were awarded during the period, diversity statistics, project budget updates, any substantial project changes and general construction status. The Commission may want to receive similar reporting during the construction of the East of Broadway development. This type of reporting could easily be added to the quarterly reports that we routinely receive from EBH. If the Commission would like to receive regular reports, staff recommends that a condition be placed on any Commission approval establishing the content and frequency of the reporting.



TO:	Cathy Judd-Stein, Chair
	Eileen O'Brien, Commissioner
	Bradford Hill, Commissioner
	Nakisha Skinner, Commissioner
	Jordan Maynard, Commissioner
FROM:	Alexandra Lightbown, Director of Racing
CC:	Karen Wells, Executive Director
	Todd Grossman, General Counsel
DATE:	May 4, 2023
RE:	Request for Updated Approval of Delegation of Tack Matters to the Director of Racing

Dear Commissioners:

From time to time, matters ("track matters") arise at the licensee tracks which require Commission approval. These track matters are generally routine and ministerial, arise between regular Commission meetings and require a prompt response. It was the past practice of the former racing commission to delegate the authority to approve these track matters to the Director of Racing. The Massachusetts Gaming Commission approved the delegation of track matters to the Director of Racing at their June 13, 2013 meeting. This delegation allowed the licensee tracks to request and obtain approval for changes to better meet their business needs and to allow the Director of Racing to more efficiently oversee the regulation of the racing licensees.

Track matters consist of the following matters:

- sending notices and demand letters, in conjunction with the MGC Legal Division, to a licensee when a Racing licensee has failed to follow a Racing/Gaming statute or regulation pertaining to Racing, such as make any statutorily required payment to the Commission under M.G.L. c 128A and c. 128C
- approve change of post times as requested by a licensee

- approve cancellation of a race day, rescheduling of race days or addition of race days; provided, however, that any permanent change in the length of the racing schedule or amendment to the license granted to a licensee will come to the Commission for approval
- approval of racing officials pending background checks
- approval of additional simulcast outlets pending executed contracts and approval of appropriate horsemens' groups
- approval of special event simulcasting
- approval of other ministerial, routine, or administrative matters that require prompt attention in the judgement of the Director of Racing

For ease of comparison, the main text of the document from the June 13, 2013 meeting is provided, with changes in red. The major changes are:

- Inclusion of Legal Division in sending of notices and demand letters and extending the authority to violations other than just statutorily required payments
- Eliminating executing Show Cause orders
- Cleaning up language on change of post times
- Eliminating the approval of premium-free simulcast days
- Adding the last delegation point: approval of other ministerial, routine, or administrative matters that require prompt attention in the judgement of the Director of Racing

Recommendation: That the Massachusetts Gaming Commission delegate to the Director of Racing the authority to approve track matters pertaining to racing licensees to ensure the efficient operation of the racing division and regulation of the racing licensees.

The Director of Racing will advise the Commission at their next available meeting of any actions taken under this delegation of authority.

# $\star \star \star \star \star$

Text of June 13, 2013 Delegation of Authority to Director of Racing Memo with suggested changes

**REQUEST:** that the Massachusetts Gaming Commission ("Commission") delegate to the Director of Racing the authority to approve track matters pertaining to racing licensees to ensure the efficient operation of the racing division and regulation of the racing licensees.

**DISCUSSION:** From time to time, matters ("track matters") arise at the licensee tracks which require Commission approval. These track matters are generally routine and ministerial, arise between regular Commission meetings and require a prompt response. It was the past practice of the former racing commission to delegate the authority to approve these track matters to the Director of Racing. The Massachusetts Gaming Commission approved the delegation of track matters to the Director of Racing at their June 13, 2013 meeting. This delegation allowed the licensee tracks to request and obtain approval for changes to better meet their business needs and to allow the Director of Racing to more efficiently oversee the regulation of the racing licensees.

Track matters consist of the following matters:

- sending notices and demand letters, in conjunction with the MGC Legal Division, to a licensee when a Racing licensee has failed to follow a Racing/Gaming statute or regulation pertaining to Racing, such as make any statutorily required payment to the Commission under M.G.L. c 128A and c. 128C;
- executing Show Cause orders;

 Massachusetts GJming Commission

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- approve change of post times on special event days or on other days as requested by a licensee;
- approve cancellation of a race day(-), rescheduling of race days or addition of race days; provided, however, that any permanent change in the length of the racing schedule or amendment to the license granted to a licensee will come to the Commission for approval;
- approval of racing officials pending background checks;
- approval of additional simulcast outlets pending executed contracts and approval of appropriate horsemens' groups;
- approval of special event simulcasting; and
- approval of other ministerial, routine, or administrative matters that require prompt attention in the judgement of the Director of Racing
- approval of premium-free simulcast days.

#### Recommendation:

That the Massachusetts Gaming Commission delegate to the Director of Racing the authority to approve track matters pertaining to racing licensees to ensure the efficient operation of the racing division and regulation of the racing licensees.

The Director of Racing will advise the Commission at their next available meeting of any actions taken under this delegation of authority.



то:	Chair Judd-Stein Commissioner O'Brien Commissioner Hill Commissioner Skinner Commissioner Maynard
FROM:	Commissioner Brad Hill; Grace Robinson, Chief Administrative Officer to the Chair, Crystal Beauchemin, Sports Wagering Business Manager
CC:	Karen Wells, Executive Director
DATE:	May 11, 2023
RE:	2023-2024 Legislative Session Update

The 2023-2024 legislative session has begun with a number of proposed bills related to gaming, racing, sports betting, and other industry related topics. Below is a summary of the bills that may be of interest to the Commission. The Commission could decide to take action on any of these bills.

### Horse Racing:

### Simulcasting

There are a number of bills to extend simulcasting. In addition to the MGC filed legislation, Representative Chan has filed **HB273** extending simulcasting until July 31, 2024 and Representative Madaro has filed **HB361** extending simulcasting until July 31, 2028. **Action:** Commissioners may want to provide comment to the legislature.

### **Racing Authority**

# • SB172 - An Act to revitalize agriculture, conditioning and simulcasting Sponsor: Senator Feeney

**Summary:** This bill establishes new GLs Chapter 23K¼ and Chapter 23K½ to set out a framework for legal horse racing, wagering and simulcasting in the Commonwealth; creates a new State Racing Board responsible for overseeing the implementation of horse racing and the distribution of funds from several racing related trust funds; promotes the breeding of race horses within the Commonwealth.

 HB362 (HD3872) - An Act regulating horse racing, simulcasting and wagering Sponsor: Representative Madaro
 Summary: Repeals GL Chapters 128A (Horse and Dog Racing Meetings) and 128C (Simulcast Wagering of Horse and Dog Racing) and combines those provisions into a new GL Chapter 128D; grants the Gaming Commission extensive regulatory authority over horse breeding and racing



and power over racing and simulcasting licenses; enacts a complex system (see section 11 of the proposed GL 128D) for payments to the Massachusetts Thoroughbred Breeders Association, the Massachusetts Standardbred Breeders program, and the Tufts University School of Veterinary Medicine and taxes to the commission; specifies spending allowances for the commission from those taxes, with the remainder being paid into the General Fund; grants licensees use of funds still unclaimed after the end of the following year from the wager being made; provides for local approval of licenses; prohibits dog racing; requires an annual report from the commission on horse racing activity; grandfathers licensees under GL Chapters 128A and 128C until regulations have been promulgated under the new chapter.

## Additional bills related to racing below:

HB269/SB167 - An Act further regulating thoroughbred breeding

Sponsor: Representative Chan/Senator Feeney

**Summary:** Amends GL 128:2 relative to the powers and duties of the Department of Agriculture relating to the breeding of horses through the Massachusetts thoroughbred breeding program. In particular, the bill extends bonuses to the breeders of third, fourth and fifth place winners in pari-mutuel running horse races; requires the horse to be registered in Massachusetts by February 1 and to have stood the entire year in Massachusetts; requires registration with the Massachusetts Thoroughbred Breeders Association instead of the department of agriculture to qualify for incentive payments; repeals provisions capping incentive payments for breeders to \$5,000; defines a foal that resided in Massachusetts for at least 90 continuous days as Massachusetts bred; defines a foal that is raised in the commonwealth for six months continuously prior to December 31st of its two year old year as Massachusetts accredited horse; requires registration of any foal dropped or raised in Massachusetts with the Jockey Club, and the Massachusetts Thoroughbred Breeders Association; regulates differences between Massachusetts bred races and Massachusetts restricted stakes races; regulates the payment of foaling bonuses.

 HB342 (HD2017) - An Act relative to the race horse development fund Sponsor: Representative Jones
 Summary: Directs the Comptroller to transfer up to \$10,000,000, if the secretary of Administration & Finance so requests in writing, from the Race Horse Development Fund to the Community Preservation Trust Fund.

# • HB414 (HD2018) - An Act relative to the Community Preservation Trust Fund Sponsor: Representative Jones

**Summary:** Amends GL 23K:55 relative to daily tax and assessment payable by Category 1 and Category 2 licensees in the chapter on the Massachusetts Gaming Commission by reducing from 9% to 4.5% the amount of gross gaming revenue that a Category 2 licensee must pay to the Race Horse Development Fund; the other 4.5% is now to be paid to the Community Preservation Trust Fund.



 HB374 (HD259) - An Act concerning horse racing within the town of Plymouth Sponsor: Representative Muratore
 Summary: Sets a series of conditions, including notice and hearing requirements, before the Town of Plymouth may submit an application to the Gaming Commission for horse racing to occur in that town.

### **Sports Wagering:**

Very few bills related to sports wagering and/or revisions to Ch.23N have been proposed at this point. However, one notable bill (**SD766**), sponsored by Senator Keenan, directs section 2 of chapter 93A (Regulation of Business Practices for Consumers Protection) to apply to sports wagering advertising, including bonuses, same-game parlays, odds boosts and "free" wagers.

### Gaming:

 Amendment 1235 to HB3900 - An Act making appropriations for the fiscal year 2024 for the maintenance of the departments, boards, commissions, institutions, and certain activities of the Commonwealth, for interest, sinking fund, and serial bond requirements, and for certain permanent improvements

**Amendment Text:** SECTION 8A 1/2. Section 26 of chapter 23K, as appearing in the 2020 Official Edition, is hereby amended by inserting after the word "commission", in line 37, the following words:-; provided, however, that the division of gaming liquor enforcement of the alcoholic beverages control commission, in consultation with the commission, shall, for violations of said chapter 138, enforce, regulate and control the distribution of alcoholic beverages to be drunk in a gaming establishment but not within a gaming area, including, but not limited to, restaurants and bars.

Action: MGC may want to seek clarification on the language of this bill.

• HB418- An Act relative to the use of slot machines in veterans' organizations for its members and invited guests

**Summary:** Amends GL Chapter 23K, governing legal gaming, to allow veterans organizations to operate up to 5 slot machines under a five-year license; sets the application fee to \$500; directs the Gaming Commission to promulgate regulation.

(HB417 also contains a provision allowing the amendment of 23K to include a limited slot license for veterans organizations)

• SB238/HB421 - An Act protecting the Commonwealth's gaming industry Summary: Amends GL Chapter 23K to allow the Gaming Commission to issue a Category 2 license that allows up to 30 table games and an additional 250 slot machines if the licensee has



made a request, the Mayor and City Council or Board of Selectmen and Town Meeting of the Category 2 licensee host community have approved the request, two public hearings have taken place (one in the host community), and the Commission has found and determined that the licensee meets the application requirements and issuance is in the Commonwealth's best interests.

# • HB416/SB225- An Act to improve the economy of the Commonwealth.

**Summary:** Amends GL 23K:19 (State Gaming Commission) to allow the commission to issue a fourth license for category one gaming, to be located in the area consisting of Ashburnham, Fitchburg, Leominster, Lunenburg, and Westminster; provides that no license shall be issued for this area unless it is situated on a site containing not less than 70 contiguous acres. (Note: This is the same language as SD631)

### Finance, Budgets, and Appropriations

 SB235 (SD1867) - An Act relative to early education funding Sponsor: Senator Moore
 Summary: Amends GL 23K:64 relative to the Education Fund in the chapter on the Massachusetts Gaming Commission, by requiring 32.5% of the funds to be appropriated for early education; requires the funds to supplement existing appropriations, rather than offset any reductions from previous fiscal year.

HB2977 (HD608) - An Act relative to payments of property taxes and payments made in lieu of property taxes for certain gaming licensees

Sponsor: Representative Williams

**Summary:** Adds a new Section 72 to GL Chapter 23K (Massachusetts Gaming Commission) to require all revenue received by a municipality from a category 1 licensee in the form of property tax payments or payments made in lieu of taxes pursuant to a community host agreement or a contract or agreement executed pursuant to between the municipality and the category 1 licensee shall be expended equally among all the wards or precincts of that municipality to fund projects that provide for public safety facilities and personnel, promote economic development, or improve infrastructure within each particular ward or precinct of that municipality.

## Additional Bills:

HB3565 (HD3499) - An Act establishing boxer protection

**Sponsor:** Representative Diggs

**Summary:** Establishes a new State Athletic Commission within the State Gaming Commission, and establishes a new State Athletic Commission Fund, to be financed by licensing fees related to for physicians, promoters, referees, judges, timekeepers, etc., for boxing, kickboxing, mixed martial arts contestant or other unarmed combative sport contestant events, plus a \$750,000 transfer each year from the Comptroller.

Establishes that the Commission regulate contracts between a manager and an unarmed combatant and contracts between a promoter and an unarmed combatant, and the Commission



will only honor a contract that is properly executed and notarized. The Commission is to be the sole arbiter of a breach of contract and may establish rules governing breach of contract dispute resolution. If during a contest, a contestant is believed to not be competing in good faith, any prize, remuneration or purse will be withheld until a hearing can determine the question.

HB424 (HD618) - An Act relative to the gaming commission having at least 1 commissioner be a resident of western Massachusetts
 Sponsor: Representative Williams
 Summary: Amends GL 23K:3 to require that at least one member of the Massachusetts Gaming Commission be a resident of either Hampden, Hampshire, Franklin or Berkshire county.
 Amendment 793 to SB3 - An Act making appropriations for fiscal year 2024

**Sponsor:** Senator Brady **Summary:** Adds section to direct the Massachusetts Gaming Commission to establish a requirement of a multi-layered Federal Information Processing Standard (FIPS) approach for the primacy of data and application security to reduce unauthorized access and protect personal and digital privacy.

### Items of note:

- There are a number of bills regarding online lottery sales. Both the House and Senate included amendments in their budget proposal. Additionally, HB255 and SB170 also propose to establish an online lottery.
- Tennessee Legislature recently passed SB0475 and sent it to the Governor for signature. This bill amends the state's sports wagering tax system, eliminating the 10% hold and instead taxing the handle (amount of money a sportsbook received from bettors) at 1.85%.
- Vermont Legislature has passed H127 legalizing online sports betting in the state. The bill is headed to the Governor's desk and Governor Scott has indicated that he intends to sign.



# TO: Chair Cathy Judd-Stein TO: Commissioner Bradford R. Hill Commissioner Jordan Maynard Commissioner Eileen M. O'Brien Commissioner Nakisha L. Skinner

FROM: Sterl Carpenter - Sports Wagering Operations Manager

- CC: Karen Wells Executive Director Bruce Band – Sports Wagering Division Director
- DATE: April 27, 2023

RE: Proposed changes to House Rules

# Betr – Proposed changes

Betr is requesting the following changes to their house rules.

In sum, the changes include:

Defining the terms 'Script and Combo.' Betr also adds clarifying language to their parlay rules.

It is the Sports Wagering Division's opinion that these changes are minor, and the changes are to define new offerings from Betr to their patrons. The last change is for clarity in the parlay rules.

From:

<u>To</u>:

Section pg. 1

# 1. Types of Sports Wagers Accepted

- <u>"Scripts" is where it is possible to choose a number of legs. A leg is defined as one or more chosen selection in any individual event market. All script bets placed are subject to the Sportsbook rules that apply to each individual sport that relates to any leg of any script bet. If any selection in any leg is a non-runner or otherwise void under the Sportsbook Rules (e.g. an abandoned match) then the script will be voided.</u>
- <u>"Combo" is where it is possible to choose a number of legs, across multiple</u> event markets. A leg is defined as one or more chosen selection in any individual event market. All combo bets placed are subject to the Sportsbook rules that apply to each individual sport that relates to any leg of any combo bet. If any



selection in any leg is a non-runner or otherwise void under the Sportsbook Rules (e.g. an abandoned match) then the voided leg will be removed, the remaining valid combo leg multipliers will be combined and recalculated.

From:

# Section 12 pg. 4

# 12. Parlay-Wager-related rules

• Betr reserves the right to limit the number of parlays due to what is known as outcome dependency/related contingencies, and also other factors, solely at its own discretion.

# <u>To</u>:

# 12. Parlay-Wager-related rules

- Betr reserves the right to <u>not accept certain parlay bets</u>, limit the number of parlays due to what is known as outcome dependency/related contingencies, and also other factors, <u>and scale back stakes</u> solely at its own discretion.
- Parlay wagers have various minimum and maximum wager amount depending on the wagers selected, number of combinations, and other risk mitigating factors



TO:	Chair Cathy Judd-Stein Commissioner Bradford R. Hill Commissioner Jordan Maynard Commissioner Eileen M. O'Brien Commissioner Nakisha L. Skinner
FROM:	Sterl Carpenter – Sports Wagering Operations Manager
CC:	Karen Wells – Executive Director Bruce Band – Sports Wagering Division Director
DATE:	May 8, 2023
RE:	Proposed changes to House Rules

Under 205 CMR 247.02 the Commission reviews and approves all changes to an operator's house rules. FanDuel is requesting the following changes to their house rules be approved by the Commission. The changes include the removal of the maximum amount of winnings in each event's section to having it in just one place (general rules section). Other minor changes include clarifications, technical/grammatical changes, and event rule updates. Two additional requested changes (regulator) were also made in the placement of language that credit is not allowed and a clarification in Ice Hockey.

Under 205 CMR 247.02(4) no Sports Wagering Operator can change or modify their House Rules without Commission approval. The Division has reviewed these changes a recommends approving all changes as presented except for the change to Round Robin language. The Sports Wagering Division is asking the Commission to look specifically at this section due to the discussion and resulting change of how 'Obvious Errors' are dealt with.

The Division reached out to FanDuel when we received these changes and inquired about this change. We asked FanDuel to provide a large example (different examples) that would fall under these voids. FanDuel was also asked if they offered the selection to the patron, it would then be FanDuel voiding the legs on these selections.

FanDuel emailed a reply to the question of selections being removed from the wager. They also adjusted their original language in this response email. Items are listed as follows, original language, FanDuel's response, and finally resubmitted language for page 14, section 17 (yellow highlighted section).

Round Robin wagers are subject to settlement in accordance with the parlay rules in this section. Round Robin wagers cannot include selections from the same event. If selections from the same event are incorrectly wagered upon in a round robin - FanDuel Sportsbook may settle the wager as if only one of the selections from the event was included.



# FanDuel's email response

*Clarification of Round Robin language – we do not have an example of large samples of incorrect wagers as this is an incredibly rare instance, however:* 

One example would be a customer submitting a 9x6 round robin parlay of money line winners for soccer matches (for a total of 54 parlay bets), with 2 of the matches selected having related contingencies (i.e., the results of one match impacts another match). The customer would be notified that there are related contingencies in the round robin wager and the betslip would be adjusted accordingly. (i.e., in the same scenario, 5 of the 54 total parlays would be invalid for a total of 49 parlay bets.)

This section now states the following:

- Parlay bets combining different selections within the same event are not accepted when there are related contingencies (i.e. where the outcome of one event is likely to affect the odds on the outcome of another event). The rejection of related contingency bets may happen automatically at the bet placement stage. However, if such a bet is taken in error, FanDuel Sportsbook may settle the individual bet combinations which include two or more of the related contingency selections, as single bets.
- Round Robin wagers are subject to settlement in accordance with the parlay rules in this section. <u>Round</u> <u>Robin wagers cannot combine different selections when there are related contingencies. If selections with</u> <u>related contingencies are attempted as part of a round robin, only eligible selections will be accepted at</u> <u>the bet placement stage. However, if selections with related contingencies are accepted in error, FanDuel</u> <u>Sportsbook may settle the individual wager combinations which include two or more of the related</u> <u>contingency selections, as single wagers.</u>

Even though the language has been changed the Division is unsure if the Commission would want this type of void to be done without approval.

# In sum, the changes include:

• Addition of "In no event may a Massachusetts account be funded through a form of credit." in our Funding of Wagers section, per the Commission's request;

•Revisions to the sport by sport Maximum Winnings sections, leaving in our general rules relating to maximum winnings on a daily basis to simplify the section for patrons;

- Clarifications on Same Game Parlays and Round Robin Wagers;
- Specific Sports Rules updates; and

• Baseball 4.1 (General Rules) – 6th Bullet point on "8.5 Innings Rule" was removed from the initial update but has been re-instated with a small language change;

• Baseball 4.3 (Player Props) – 5th Bullet point (Result of Plate Appearance) has been amended from the initial update to clarify hit by pitch settlement and intentional walks with no pitch thrown; and

• Ice Hockey (13.2 and 13.5) – "Period Markets – Settled on the exact score of the specified period (e.g., wagers on 2nd period correct score markets will be settled based solely on the goals scored during the 2nd period, without regard to the game score up to that point in the competition). For settlement purposes, the 3rd period



# does not include any overtime played. Dead heat rules apply to the Highest Scoring Period market."

• Technical/Grammatical/Formatting fixes to the document.

### Please see below for all the changes in detail.

From:

## To: Addition

#### 4. Funding of Wagers

Customers may fund their FanDuel Sportsbook Account as described in Sections 7 and 8 of Part A - General Terms and Conditions.

Deposits to your Account can be made using several different and convenient ways, including:

- i. ACH (electronic checking or direct deposit): electronic transfer of funds between your bank account and your player Account. Please note you may only have three (3) ACH accounts linked to your player account at any time;
- ii. DEBIT CARDS: Debit cards with a MasterCard/VISA logo can be used to make deposits. Please note you may only have three (3) active Debit Cards linked to your Account at any time;
- iii. FANDUEL PREPAID CARD: You can electronically transfer funds from a bank account or Debit Card to your FanDuel Prepaid Card and then deposit those funds to your Account;
- iv. ONLINE TRANSFER: You can deposit with online transfer if you have a bank account set up with online bill pay at specific banks;
- v. WIRE TRANSFERS: A direct payment from your checking or savings account into your Account;
- vi. PAYNEARME: Deposit funds into your Account via locations that accept PayNearMe payments; or
- vii. PAYPAL/VENMO: You can electronically transfer funds from a bank account to your PayPal/Venmo account and then deposit those funds to your Account.

In no event may a Massachusetts account be funded through a form of credit.

## Section 16 p.10 -

### From:

- 5. Maximum Winnings
  - For all events listed below<u>offered</u>, the maximum payout limits apply on a<u>winning limit</u> per day basis. If you place a bet that exceeds the applicable limits for a particular event, the relevant maximum payouts will still apply(e.g., straight, parlay, SGP, or other) is \$1 million US Dollars.
  - -----The maximum payout limits refer to the total returns on your bets, excluding your original stake.
  - The maximum payout limits winnings limit will apply to any one customer, or group of customers acting together, backingwagering on the same combination of selections, regardless of whether or not such bets are struck separately, at a range of different prices, on different days and through a number of different accounts. If FanDuel Sportsbook believes that a number of bets have been placed in this way, the total payment of all those bets combined will be limited to one single maximum payoutwinnings.
  - The maximum payouts shown below are shown in U.S. Dollars. If bets are placed in another currency, the maximum payout will be converted using the applicable exchange rate on the day of settlement of the bets.



- The following maximum payout limits will apply to the events shown (please note, if a multiple/parlay bet has been placed which involves events with different maximum payout limits, the lowest applicable maximum payout limit will apply to the whole of your parlay bet for example, if you place a parlay bet on English Premier League football matches and on a PGA Tour golf tournament, your winnings will be capped at \$500,000 and not \$1,000,000)
- For games in which we offer Same Game Parlay, the maximum payout will be equal to the overall maximum payout of the event involved, outlined in each sport's subsection below:

#### **Basketball Events:**

NBA Basketball	Moneyline, Total Points, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
NBA Basketball Pre-	Moneyline, Total Points, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
<del>season</del>	All others including not listed	<del>\$1,000,000</del>
NCAA Basketball	Moneyline, Total Points, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
Non NBA/NCAA- Basketball	Moneyline, Total Points, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
DdSKetDdil	All others including not listed	<del>\$500,000</del>

#### **American Football Events:**

NFI American Football	Moneyline, Total Points, Point Spread (Handicap), Competition <del>Winner</del>	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
NFL American Football Pre-	Moneyline, Total Points, Point Spread (Handicap), Competition <del>Winner</del>	<del>\$1,000,000</del>
season	All others including not listed	<del>\$1,000,000</del>
NCAA American Football	Moneyline, Total Points, Point Spread (Handicap), Competition <del>Winner</del>	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
<del>Non NFL/NCAA American</del> <del>Football</del>	All Markets	<del>\$500,000</del>

#### **Baseball Events:**

MLB Baseball	Moneyline, Total Runs, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
MLB Baseball Pre- season	Moneyline, Total Runs, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>



	All others including not listed	<del>\$1,000,000</del>
NCAA-Baseball	Moneyline, Total Runs, Point Spread (Handicap), Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$500,000</del>
Non MLB/NCAA Baseball	All Markets	<del>\$500,000</del>

#### **Tennis Events:**

Tennis single events only, grand slam events post qualification, ATP	<del>Match betting and set</del> <del>betting</del>	<del>\$1,000,000</del>
Masters Series, WTA Tour Championship, ATP or WTA events post qualification with a prize fund in excess of \$200,000	All markets other than match betting and set betting	<del>\$1,000,000</del>
	<del>Match betting and set</del> <del>betting</del>	<del>\$1,000,000</del>
Tennis events excluding the above	All markets other than match betting and set betting	<del>\$500,000</del>

#### Soccer Events:

#### a. Tier 1 Soccer

Major League Soccer, English Premier League, FIFA World Cup Finals, French Ligue 1, German 1. Bundesliga, Serie A, Spanish Primera Division, The Championship, League 1 & 2, UEFA Champions League (group stage onwards), Europa League (group stage onwards), UEFA European Championship, FA Cup (1st round onwards), Competitive Internationals played between two UEFA teams.

#### **Market Limits**

Match Result, To Win League, To Win Cup	<del>\$1,000,000</del>
To Qualify, Over/Under Goals, Correct Score, Double Chance, Half Time/Full Time, First/Last/Anytime Goalscorer, Wincast, Scorecast, Match Odds & BTTS	<del>\$1,000,000</del>
All Other Match Markets	<del>\$1,000,000</del>
Other Ante-Post/Long Term Markets	<del>\$1,000,000</del>
All Other Markets (including all markets that are decided off the field of play, i.e. Next Manager to Leave)	<del>\$100,000</del>

#### b. All Other Soccer

Market Limits	
Match Result, To Win League, To Win Cup	<del>\$1,000,000</del>
To Qualify, Over/Under Goals, Correct Score, Double Chance, Half Time/Full Time, First/Last/Anytime Goalscorer, Wincast, Scorecast, Match Odds & BTTS	<del>\$1,000,000</del>
All Other Match Markets	<del>\$500,000</del>
Other Ante Post/Long Term Markets	<del>\$1,000,000</del>



All Other Markets (including all markets that are decided off the field of play, i.e. Next Manager to Leave)

#### Ice Hockey Events:

NHL Ice Hockey	Match Result, Total Goals, Point Spread, Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
NHL Ice Hockey Pre-season	Match Result, Total Goals, Point Spread, Competition Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
Non NHL Ice Hockey (including NCAA Ice Hockey)	All Markets	<del>\$1,000,000</del>

#### **Golf Events:**

Golf PGA, European Tour and All	Competition Winner including both Strokeplay and Matchplay events.	<del>\$1,000,000</del>
majors	All others including not listed	<del>\$1,000,000</del>
Golf All Other Events	Competition Winner including both Strokeplay and Matchplay events	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>

#### **MMA Events:**

UFC	Fight Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>
Other MMA Events	Fight Winner	<del>\$1,000,000</del>
OUTICE MIMA EVENUS	All others including not listed	<del>\$500,000</del>

#### **Boxing Events:**

Boxing	Fight Winner	<del>\$1,000,000</del>
	All others including not listed	<del>\$1,000,000</del>

#### **Other Sports Events:**

Table Tennic	Match betting	<del>\$100,000</del>
	All other markets	<del>\$50,000</del>
	Match Odds, Innings Runs, Competition Winner	<del>\$1,000,000</del>



	All others including not listed	<del>\$250,000</del>
	Race Winner	<del>\$1,000,000</del>
Motorsports	All others including not listed	<del>\$250,000</del>
Continue	<del>Race Winner &amp; Stage</del> <del>Winner</del>	<del>\$500,000</del>
Cycling	All others including not listed	<del>\$250,000</del>
	Race Winner	<del>\$1,000,000</del>
Athletics (e.g. track and field, gymnastics, etc.)	All others including not listed	<del>\$500,000</del>
Handball	All Markets	<del>\$250,000</del>
	Race Winner	<del>\$500,000</del>
Winter Sports	All others including not listed	<del>\$250,000</del>
Rugby Senior Mens only, World Cup matches post qualification, Six Nations Matches, Rugby Championship Internationals, Lions Tour Test Matches, Test Internationals where both participating teams are ranked in IRB World Top 12 (union), Test matches where both participating teams are ranked in the	Match Odds, Point Spread (Handicap), Total Points, Competition Winner	<del>\$1,000,000</del>
Top 3 by the RLIP (League), European Champions Cup matches, Pro12, English Premiership and Top 14 Knockout matches, Super 15 knockout matches, Super League and NRL knockout matches and Challenge Cup Final.	All others including not listed	<del>\$500,000</del>
Darts Post qualification stages PDC World Darts Championship, PDC Premier League Darts, PDC World Matchplay, PDC World Grand Prix, and Grand Slam of Darts.	Match Winner, Point Spread (Handicap), 180s match bet, Competition Winner	<del>\$1,000,000</del>
i <del>sidilu Sidili of Dalits.</del>	All others including not listed	<del>\$500,000</del>
All Other Darts	All Markets	<del>\$500,000</del>
	All Markets	<del>\$100,000</del>
All Other Sports Not Listed	All Markets	<del>\$100,000</del>

Overall Maximum Daily Payout Limit: Subject to any lower limits that may apply in respect of any particular event (as set out above), the overall maximum daily payout limit to any customer for all winning bets placed on the FanDuel Sportsbook products combined is \$1,000,000. If you place winning bets on those products that exceed this daily limit, your winnings will be reduced to \$1,000,000 and the remainder of your winnings in excess of \$1,000,000 will be forfeited by you.

#### <u>To</u>:

16. Maximum Winnings

- For all events offered, the maximum winning limit per bet (e.g., straight, parlay, SGP, or other) is \$1 million US Dollars.
- The maximum winnings limit will apply to any one customer, or group of customers acting together, wagering on the same combination of selections, regardless of whether or not such bets are struck separately, at a range of different prices, on different days and through a number of different accounts. If



FanDuel Sportsbook believes that a number of bets have been placed in this way, the total payment of all those bets combined will be limited to one single maximum winnings.

From:

# <u>To</u>: Additions pg.14 –

17. Parlays

- A parlay bet consists of a number of legs. A leg is defined as one or more chosen selections in any individual event market.
- FanDuel Sportsbook reserves the right in its sole discretion not to accept certain multiple bets or to scale back stakes.
- All parlay bets placed are subject to the Sportsbook Rules that apply to each individual sport that relates to any leg of any parlay bet.
- If any selection in any leg is a non-runner or otherwise void under the Sportsbook Rules (e.g. an abandoned match) then all bets on that individual leg will be void and the parlay bet shall be adjusted accordingly. For example a treble including one void leg will become a double. If that voided leg means that an individual bet within a parlay becomes a single bet, then this single bet will stand. Same Game Parlays (SGP's) will be settled in the same manner. If a selection within the wager is voided, the wager odds will be recalculated using the remaining legs.
- Odds Boosts that include parlay bets are subject to the Odds Boost settlement rules set forth in Section 20 below.
- Parlay bets combining different selections within the same event are not accepted when there are related contingencies (i.e. where the outcome of one event is likely to affect the odds on the outcome of another event). The rejection of related contingency bets may happen automatically at the bet placement stage. However, if such a bet is taken in error, FanDuel Sportsbook may settle the individual bet combinations which include two or more of the related contingency selections, as single bets.
- Round Robin wagers are subject to settlement in accordance with the parlay rules in this section. <u>Round</u> <u>Robin wagers cannot combine different selections when there are related contingencies. If selections with</u> <u>related contingencies are attempted as part of a round robin, only eligible selections will be accepted at</u> <u>the bet placement stage. However, if selections with related contingencies are accepted in error, FanDuel</u> <u>Sportsbook may settle the individual wager combinations which include two or more of the related</u> <u>contingency selections, as single wagers.</u>

#### 18. Teasers

- In the event<u>of</u> one teaser leg resulting in a push or void, the following settlement will take place:
  - Two Team Teaser: the entire teaser is voided and the bet will be refunded.
  - Any other Teaser: the teaser has action and the teaser payout will be recalculated removing the voided or push legs.

### From:

- 1. American Football pg.15
  - 1.1. General Rules
    - At least ten minutes of official time must elapse in the fourth quarter for bets to have action.
      - If a game starts and then is suspended prior to the above time and is not completed within 24 hours, all bets that are not unequivocally determined will be voided.
    - Overtime counts for all markets unless stated otherwise.



- Abandoned or postponed games are void unless played within the same scheduling week.<u>48 hours.</u> In the event of a change of venue, all bets will be void. All bets on a game that is officially deemed a forfeit will be void.
- All settlements are based on results and statistics provided by the relevant league's governing body: www.nfl.com, www.cfl.ca, www.ncaa.com/stats/football.
- We reserve the right to suspend any or all betting on a game at any time without notice.
- Point Spread (Handicap) betting: In Point Spread (Handicap) & Total betting, where the index (value) of the market is a whole number, bets are void and will be refunded where the score lands on that number.
- All Outright markets include playoffs where applicable.
- For settlement purposes, the team listed second in the event name is always considered the Home Team. Example: Team A v Team B or Team A @ Team B - Team B is the Home Team.

#### <u>To</u>:

1.

#### American Football

#### 1.1. General Rules

- At least ten minutes of official time must elapse in the fourth quarter for bets to have action.
  - If a game starts and then is suspended prior to the above time and is not completed within 24 hours, all bets that are not unequivocally determined will be voided.
- Overtime counts for all markets unless stated otherwise.
- Abandoned or postponed games are void unless played within 48 hours. In the event of a change of venue, all bets will be void. All bets on a game that is officially deemed a forfeit will be void.
- All settlements are based on results and statistics provided by the relevant league's governing body.
- We reserve the right to suspend any or all betting on a game at any time without notice.
- Point Spread (Handicap) betting: In Point Spread (Handicap) & Total betting, where the index (value) of the market is a whole number, bets are void and will be refunded where the score lands on that number.
- All Outright markets include playoffs where applicable.
- For settlement purposes, the team listed second in the event name is always considered the Home Team. Example: Team A v Team B or Team A @ Team B - Team B is the Home Team.

#### 1.2. College Football and CFL Specific Rules

- For player prop markets, the player must play at least one snap for proposition bets to stand.
- For touchdown scorer market, betting is all-in whether the player takes the field or not.
- Markets that are revised at half time for the second half of that game include overtime.
- In the event of a tie in the CFL, all money line wagers will be refunded.

#### From:

4. Baseball pg.19

#### 4.1. General Rules

- These rules apply to Major League, all levels of Minor League, NCAA and World Baseball. World Baseball is defined as a league which is governed outside of the United States.
- All wagers are graded based on the official results published by the relevant league's governing body (e.g. Major League Baseball).
- In the event of <u>If</u> a game <u>does</u> not <u>startingstart</u> on the officially scheduled day, <u>(local time)</u>, as published by the governing body, due to a rain delay or other deferral, all wagers shall be void. The day of the event is defined as the day according to the time zone in which the event was scheduled to begin. If a game that has started is suspended, due to a rain delay or other deferral, and resumes within 36 hours of the originally scheduled start time (local time), then all wagers will stand. If a game that has startedstarts, is then suspended, and resumes more than 36 hours after the originally scheduled start



time, (local time), all existing wagers will be void unless they have been unequivocally determined prior to the game's suspension.

- Ex: A game is scheduled to be played on Saturday evening. Here are how settlement rules would be impacted by different types of deferrals:
  - The game is postponed prior to first pitch and is rescheduled to begin at a future date. Since the game had not yet started, all wagers on the game will be void, regardless of when the game is rescheduled to be played
  - In the event that a game is halted but scheduled to be completed the following day, all wagers will stand as the event is due to resume within 36 hours of the original start time.
- In the event that <u>If</u> a game is halted and scheduled to resume more than 36 hours after the original scheduled start time, (local time), all wagers shall be void unless they <u>had unequivocally have</u> been determined prior to the game's suspension.
- In the event of a shortened game, results are official after (and, unless otherwise stated, bets shall be settled subject to the completion of) 5 innings of play, or 4.5 innings should the home team be leading at the commencement of the bottom of the 5th innings (the "4.5 Innings Rule"). Once the visiting team has made 15 outs, should a game be called early and the home team is leading, the results of the game will be determined by the score at the time the game is called. Should a game be called early while it is tied or amid an inning in which the visiting team has taken the lead, the game becomes a "suspended game" and is handled according to the aforementioned rules surrounding suspended games.
- Notwithstanding the above, in certain circumstances where we so specifyUnless otherwise specified, results will only be official after (and bets shall be settled subject to the completion of) a minimum of 9 innings' play, or 8.5 innings should the home team be leading at the commencement of the bottom of the 9th inningsinning (the "8.5 Innings Rule").
- For the purposes of live betting, the 8.5 Innings Rule shall automatically apply unless stated otherwise e.g., in the section below entitled "Overview of Specific Baseball Markets" (which shall take precedence
  over this section). However, shouldIf a game beis shortened due to bad weathera rain delay or
  similarother deferral, live betting markets which have been unequivocally determined will stand
  (irrespective of the 8.5 Innings Rule or whether-or not an official league result has been confirmed).
- Extra innings, where applicable, count for settlement purposes.
- In the case of a suspended playoff/post-season game, all bets will stand until the game is completed within 90 days of suspension.
- Should a mercy rule be applied, for settlement purposes, markets (for both pre-match and live betting) will be settled according to the result as determined by the application of the mercy rule. For baseball games scheduled to be 7 innings, normal baseball rules will apply with all markets settled as per the official result published by the relevant league's governing body and in accordance with the below listed rules:
  - Money Line bets will be settled as per the "4.5 Innings Rule";
  - Bets on markets that are unequivocally determined will stand (example: bets on 1st inning total runs scored will remain settled as determined if the game gets called in the 3rd inning);
  - All other markets (including but not limited to Run Line and Total Runs) will be void if not already unequivocally determined, unless a minimum of 7 innings are played, or 6.5 innings should the home team be leading at the commencement of the bottom of the 7th inning.
  - The above listed rules will govern settlement of all scheduled 7 inning games, including any that are shortened after first pitch.

#### 4.2. Action vs. Listed Pitchers

- When wagering on baseball Money Lines, you may choose to apply one of the following methods to each wager:
- Action: All Money Line wagers are defaulted to "Action" meaning all wagers struck will stand if a pitcher change occurs. Wagers will be honored at the odds at bet placement and settled as normal.



- One Specified Pitcher (Home Listed/Away Listed): A wager on or against one Listed Pitcher, regardless
  of the other Listed Pitcher. In the event that If the Listed Pitcher does not start, the wager is "No Action"
  and will be refunded. Non refunded wagers will be honored at the odds at bet placement and settled as
  normal.
- Both Specified Pitchers: A wager in which both Listed Pitchers must start the game. If both actual starting
  pitchers are not the ones listed on the wagering ticket, the wager will be deemed "No Action" and
  refunded. Non refunded wagers will be honored at the odds at bet placement and settled as normal.
- All other game markets are considered "Action" and wagers will remain open regardless of any personnel change. Wagers will be settled at the odds at bet placement.
- Listed Pitchers are not relevant to World Baseball markets and bets on such markets will stand regardless
  of whether any Listed Pitchers do in fact start. Should a game end in a tie, Money Line wagers will be
  graded as a push with all other markets settled as per the result.

# 4.3. Player Props

- For all MLB player markets, wagers will be void as per below (unless explicitly stated in market specific rules):
- Pitcher Markets: If the listed pitcher does not start the game.
- Batter Markets (Hits, Runs, etc.): if the listed player does not record a plate appearance.
- To Hit a Home Run & Home Run / Game Winner Parlay: Listed players must record at least 1 plate appearance for bets to stand (failing which, in each case. If listed players do not record a plate appearance, bets on this marketthat player will be voided).void. Listed pitchers have no bearing on this market.
- Result of Plate Appearance: Listed players must record at least one the relevant plate appearance for bets to stand (failing which, in each case. If listed players do not record a plate appearance, bets on this marketthat player will be voided). In the event thatvoid. If a player is substituted out of the game between plate appearances, bets on plate appearances that have already occurred will stand. However, bets on future plate appearance markets will be voided. For settlement purposes, a fielder's choice, catcher's interference and hit by pitch (HBP) will all be ruled as an "other outcome." hit by pitches (HBPs) will be settled as Walk/HBP. A fielder's choice, catcher's interference, or reach on error will all be ruled as an "other outcome." A pitch must be thrown in the plate appearance for bets to be action. If no pitch is thrown in the plate appearance (i.e., the pitching team elects to intentionally walk the batter before any pitches are thrown) bets on the market will be void. This shall not however impact other markets which are impacted by the result (i.e., the intentional walk results in an RBI for the batter).
- To Hit First Home Run: Listed position players must record at least one plate appearance for bets to stand (failing which, in each case. If listed players do not record a plate appearance, bets on this marketthat player will be voided).void. If a non-listed player is ruled the winner, bets on listed qualified players are action. All bets will be voided if no Home Runs are hit in the game.
- To Hit Next Home Run: Listed position players must record at least one plate appearance for bets to stand <u>(failing which, in each case. If listed players do not record a plate appearance</u>, bets on this marketthat player will be voided).void. Once a player has recorded a plate appearance, wagers made on that player for all subsequent indices (Player to Hit 3rd Home Run, 4th Home Run, etc.) will stand regardless of the number of plate appearances that player ultimately records in the game. In the event there is no "Next Home Run", all bets placed on that index will be void. Example: Wagers placed on "Player to hit 4th Home Run" market will be void in a game where only 3 Home Runs are hit.
- Player to Record a Hit Markets: Listed players must record at least one plate appearance for bets to stand (failing which, in each case. If listed players do not record a plate appearance, bets on this marketthat player will be voided).void. Once a player has recorded a plate appearance, bets on all subsequent hits markets (2+ hits, 3+ hits, etc.) will stand regardless of the number of plate appearances that player ultimately records in the game.
- To Record Total Bases: Total Bases are recorded through hits. They do not include walks, HBPs, reach on errors, or fielder's choices.



- Player Total Strikeouts: Listed Pitcher must start for <u>betbets</u> to stand. If <u>the</u> opposing Listed Pitcher does not start, then bets will still stand.
- Player Performance Parlays: For pitchers, the listed pitcher must start for bets to stand. Bets will stand
  regardless of a change in status to the opposing listed pitcher. For batters, the listed player must record
  at least 1 plate appearance for bets to stand-(failing-which, in each case. If listed players do not record
  a plate appearance, bets on this marketthat player will be voided).void. A change to the status of either
  listed pitcher will have no bearing on the settlement of any batter-specific player parlay.
- Result of First Pitch: Settled based on the first pitch thrown in the listed half inning. A change to the status of either listed pitcher, or to either line-up, will have no bearing on the settlement of this market. For settlement purposes, a reach on error, catcher's interference, or a foul ball that results in an out will be ruled as an "other outcome." Batted balls that result in the plate appearance ending (ex. hits/outs) will not be regarded as strikes for the purposes of settlement. If a pitcher or batter violation results in an automatic ball or strike to begin the at-bat, the market will be settled based off the outcome of the violation (e.g. if a pitcher violation results in an automatic ball to start the at-bat, 'Ball' will be settled as the winning selection).
- Method of First Hit: Settled based on the method by which the first hit of the game (for either team) occurs. A change to the status of either listed pitcher will have no bearing on the settlement of this market. Listed batters must be included in the starting line-up for bets to stand (failing which,. If a listed batter is not in each case the starting line-up, bets on that batter will be voided).void.
- Pitch Velocity: Pitch velocity markets will be settled according to official results as published by MLB's Statcast.
- Batted Ball Exit Velocity: Batted ball exit velocity markets will be settled according to official results as published by MLB's Statcast.
- <u>Distance of Home Run: Distance of home run markets will be settled according to official results as</u> <u>published by MLB's Statcast.</u>

#### 4.4. Futures Markets + Other Specials

- Regular Season Win Totals: A team must play at least 98% of games originally scheduled (as of Opening Day of the regular season) for bets to stand, unless the outcome has previously been unequivocally determined. For example, in a shortened 60 game season, at least 59 games must be played for bets to stand (unless previously unequivocally determined). In a 162 game season, 159 games must be played for bets to stand (unless previously unequivocally determined).
- Regular Season Specials: All other regular season specials, unless otherwise stated, will be settled should teams play at least 50% of regular season games originally scheduled (as of Opening Day of the regular season). Dead-heat rules apply if multiple players tie for the league lead. In the event that less than 50% of regular season games are played (as scheduled on Opening Day of the regular season), all regular season specials bets (unless otherwise stated) will be void regardless of if they have been determined or not. Where a specified player is listed under a market pertaining to a certain league/team, he will be deemed a player in that league/team for the purpose of the result regardless of any inter-league/team trade which may occur.
- Daily Strikeout Specials: For head-to-head strikeout matchups, both listed pitchers must start the game for bets on the matchup to stand. If the two listed pitchers record the same number of strikeouts, bets on the matchup will be voided. For daily specials about which listed pitcher will record the most strikeouts on a given day, bets on any listed pitcher that does not start will be voided, and dead-heat rules will apply if multiple starting pitchers tie for the daily lead.
- Regular Season Series Winner: Games must be played within the originally scheduled series dates to be counted towards series settlement. Series bets will be void if affected by postponed/rescheduled games that take place after the originally scheduled series end date unless the outcome has been unequivocally determined prior to the interruption of the series. For series' scheduled to be an even number of games (e.g. a four game series), either two-way betting or three-way betting (with "Series Tied" as a third possible selection) may be available. If two-way betting is available, bets on that market will be void if the teams split the series. If three-way betting is available, bets on the "Series Tied" option will be ruled as winners if the teams split the series.



- Playoff Series Specials: Dead-heat rules apply if multiple players tie for lead. Applies to outright markets such as "Player to Record Most Hits", "Player to Record Most Home Runs" etc.
- Live Specials: An official no-hit game occurs when a pitcher (or pitchers) allows no hits during the entire course of a game, which consists of at least nine innings (minimum 27 outs) thrown by the pitcher(s). For a perfect game, the pitcher(s) must comply with all requirements of the no-hitter, but also not allow any baserunners to reach via walk, HBP, uncaught third strikes, catcher's or fielder's interference, or fielding errors. No-hitters and perfect games will be settled regardless of the number of pitchers used by the relevant team. For live pitcher specials, all bets will stand if the listed pitcher starts the game. For live batter specials, all bets will stand if the listed one plate appearance in the game.
- World Series, League and Division Winners markets will all be settled in accordance with the official MLB ruling regardless of season length.
- Division Exact Finishing Order: Ties between playoff-qualifying teams will be determined in accordance with MLB Playoff tiebreaker rules. For ties between non-playoff qualifying teams, the ties will be broken in the following order: (1) head-to-head record, (2) intra-division record, (3) overall run differential.
- All outright markets include playoffs where applicable.
- Home Run Derby:
  - All wagers are graded based on the official results published by mlb.com.
  - Wagers relating to home run distances will be resulted according to the figures provided by MLB's Statcast.
  - Player Match Bets: If two contestants are eliminated in the same stage of the competition, bets on which player will advance further will be void.
- MLB Draft:
  - The official draft results on mlb.com will be used for settlement purposes.
  - For "over/under draft position" markets, undrafted players are assigned the draft position that comes after the last drafted player.
  - For over/under draft position markets under means the player is chosen with a pick that is less than the designated number and over would be after that designated number, for example a market of 'Player A over/under draft position 3.5', if Player A is picked with the second pick of the draft than under bets would win and over bets lose.

<u>To</u>:

# 4. Baseball

#### 4.1. General Rules

- These rules apply to Major League, all levels of Minor League, NCAA and World Baseball. World Baseball is defined as a league which is governed outside of the United States.
- All wagers are graded based on the official results published by the relevant league's governing body (e.g. Major League Baseball).
- If a game does not start on the officially scheduled day (local time), as published by the governing body, due to a rain delay or other deferral, all wagers shall be void. If a game that has started is suspended, due to a rain delay or other deferral, and resumes within 36 hours of the originally scheduled start time (local time), then all wagers will stand. If a game starts, is then suspended, and resumes more than 36 hours after the originally scheduled start time (local time), all existing wagers will be void unless they have been determined prior to the game's suspension.
- If a game is halted and scheduled to resume more than 36 hours after the original scheduled start time (local time), all wagers shall be void unless they have been determined prior to the game's suspension.



- In the event of a shortened game, results are official after (and, unless otherwise stated, bets shall be settled subject to the completion of) 5 innings of play, or 4.5 innings should the home team be leading at the commencement of the bottom of the 5th innings (the "4.5 Innings Rule"). Once the visiting team has made 15 outs, should a game be called early and the home team is leading, the results of the game will be determined by the score at the time the game is called. Should a game be called early while it is tied or amid an inning in which the visiting team has taken the lead, the game becomes a "suspended game" and is handled according to the rules surrounding suspended games.
- For the purposes of live betting, the 8.5 Innings Rule shall automatically apply unless stated otherwise e.g., in the section below entitled "Overview of Specific Baseball Markets" (which shall take precedence over this section). If a game is shortened due to a rain delay or other deferral, live betting markets which have been determined will stand (irrespective of the 8.5 Innings Rule or whether an official league result has been confirmed).
- Extra innings, where applicable, count for settlement purposes.
- In the case of a suspended playoff/post-season game, all bets will stand until the game is completed within 90 days of suspension.
- Should a mercy rule be applied, for settlement purposes, markets (for both pre-match and live betting) will be settled according to the result as determined by the application of the mercy rule. For baseball games scheduled to be 7 innings, normal baseball rules will apply with all markets settled as per the official result published by the relevant league's governing body and in accordance with the below listed rules:
  - Money Line bets will be settled as per the "4.5 Innings Rule";
  - Bets on markets that are unequivocally determined will stand (example: bets on 1st inning total runs scored will remain settled as determined if the game gets called in the 3rd inning);
  - All other markets (including but not limited to Run Line and Total Runs) will be void if not already unequivocally determined, unless a minimum of 7 innings are played, or 6.5 innings should the home team be leading at the commencement of the bottom of the 7th inning.
  - The above listed rules will govern settlement of all scheduled 7 inning games, including any that are shortened after first pitch.

# 4.2. Action vs. Listed Pitchers

- When wagering on baseball Money Lines, you may choose to apply one of the following methods to each wager:
- Action: All Money Line wagers are defaulted to "Action" meaning all wagers struck will stand if a pitcher change occurs. Wagers will be honored at the odds at bet placement and settled as normal.
- One Specified Pitcher (Home Listed/Away Listed): A wager on or against one Listed Pitcher, regardless of the other Listed Pitcher. If the Listed Pitcher does not start, the wager is "No Action" and will be refunded.
- Both Specified Pitchers: A wager in which both Listed Pitchers must start the game. If both starting
  pitchers are not the ones listed on the wagering ticket, the wager will be deemed "No Action" and
  refunded.
- All other game markets are considered "Action" and wagers will remain open regardless of any personnel change.
- Listed Pitchers are not relevant to World Baseball markets and bets on such markets will stand regardless of whether any Listed Pitchers do in fact start. Should a game end in a tie, Money Line wagers will be graded as a push with all other markets settled as per the result.

# 4.3. Player Props

- For all MLB player markets, wagers will be void as per below (unless explicitly stated in market specific rules):
- Pitcher Markets: If the listed pitcher does not start the game.
- Batter Markets (Hits, Runs, etc.): if the listed player does not record a plate appearance.



- To Hit a Home Run & Home Run / Game Winner Parlay: Listed players must record at least 1 plate appearance for bets to stand. If listed players do not record a plate appearance, bets on that player will be void. Listed pitchers have no bearing on this market.
- Result of Plate Appearance: Listed players must record at least one plate appearance for bets to stand. If listed players do not record a plate appearance, bets on that player will be void. If a player is substituted out of the game between plate appearances, bets on plate appearances that have already occurred will stand. However, bets on future plate appearance markets will be voided. For settlement purposes, a fielder's choice, catcher's interference and hit by pitch (HBP) will all be ruled as an "other outcome."
- To Hit First Home Run: Listed position players must record at least one plate appearance for bets to stand. If listed players do not record a plate appearance, bets on that player will be void. If a non-listed player is ruled the winner, bets on listed qualified players are action. All bets will be voided if no Home Runs are hit in the game.
- To Hit Next Home Run: Listed position players must record at least one plate appearance for bets to stand. If listed players do not record a plate appearance, bets on that player will be void. Once a player has recorded a plate appearance, wagers made on that player for all subsequent indices (Player to Hit 3rd Home Run, 4th Home Run, etc.) will stand regardless of the number of plate appearances that player ultimately records in the game. In the event there is no "Next Home Run", all bets placed on that index will be void. Example: Wagers placed on "Player to hit 4th Home Run" market will be void in a game where only 3 Home Runs are hit.
- Player to Record a Hit Markets: Listed players must record at least one plate appearance for bets to stand. If listed players do not record a plate appearance, bets on that player will be void. Once a player has recorded a plate appearance, bets on all subsequent hits markets (2+ hits, 3+ hits, etc.) will stand regardless of the number of plate appearances that player ultimately records in the game.
- To Record Total Bases: Total Bases are recorded through hits. They do not include walks, HBPs, reach on errors, or fielder's choices.
- Player Total Strikeouts: Listed Pitcher must start for bets to stand. If the opposing Listed Pitcher does not start, then bets will still stand.
- Player Performance Parlays: For pitchers, the listed pitcher must start for bets to stand. Bets will stand
  regardless of a change in status to the opposing listed pitcher. For batters, the listed player must record
  at least 1 plate appearance for bets to stand. If listed players do not record a plate appearance, bets on
  that player will be void. A change to the status of either listed pitcher will have no bearing on the
  settlement of any batter-specific player parlay.
- Result of First Pitch: Settled based on the first pitch thrown in the listed half inning. A change to the status of either listed pitcher, or to either line-up, will have no bearing on the settlement of this market. For settlement purposes, a reach on error, catcher's interference, or a foul ball that results in an out will be ruled as an "other outcome." Batted balls that result in the plate appearance ending (ex. hits/outs) will not be regarded as strikes for the purposes of settlement. If a pitcher or batter violation results in an automatic ball or strike to begin the at-bat, the market will be settled based off the outcome of the violation (e.g. if a pitcher violation results in an automatic ball to start the at-bat, 'Ball' will be settled as the winning selection).
- Method of First Hit: Settled based on the method by which the first hit of the game (for either team) occurs. A change to the status of either listed pitcher will have no bearing on the settlement of this market. Listed batters must be included in the starting line-up for bets to stand. If a listed batter is not in the starting line-up, bets on that batter will be void.
- Pitch Velocity: Pitch velocity markets will be settled according to official results as published by MLB's Statcast.
- Batted Ball Exit Velocity: Batted ball exit velocity markets will be settled according to official results as published by MLB's Statcast.
- Distance of Home Run: Distance of home run markets will be settled according to official results as published by MLB's Statcast.

# 4.4. Futures Markets + Other Specials



- Regular Season Win Totals: A team must play at least 98% of games originally scheduled (as of Opening Day of the regular season) for bets to stand, unless the outcome has previously been unequivocally determined. For example, in a shortened 60 game season, at least 59 games must be played for bets to stand (unless previously unequivocally determined). In a 162 game season, 159 games must be played for bets to stand (unless previously unequivocally determined).
- Regular Season Specials: All other regular season specials, unless otherwise stated, will be settled should teams play at least 50% of regular season games originally scheduled (as of Opening Day of the regular season). Dead-heat rules apply if multiple players tie for the league lead. In the event that less than 50% of regular season games are played (as scheduled on Opening Day of the regular season), all regular season specials bets (unless otherwise stated) will be void regardless of if they have been determined or not. Where a specified player is listed under a market pertaining to a certain league/team, he will be deemed a player in that league/team for the purpose of the result regardless of any inter-league/team trade which may occur.
- Daily Strikeout Specials: For head-to-head strikeout matchups, both listed pitchers must start the game
  for bets on the matchup to stand. If the two listed pitchers record the same number of strikeouts, bets
  on the matchup will be voided. For daily specials about which listed pitcher will record the most strikeouts
  on a given day, bets on any listed pitcher that does not start will be voided, and dead-heat rules will apply
  if multiple starting pitchers tie for the daily lead.
- Regular Season Series Winner: Games must be played within the originally scheduled series dates to be counted towards series settlement. Series bets will be void if affected by postponed/rescheduled games that take place after the originally scheduled series end date unless the outcome has been unequivocally determined prior to the interruption of the series. For series' scheduled to be an even number of games (e.g. a four game series), either two-way betting or three-way betting (with "Series Tied" as a third possible selection) may be available. If two-way betting is available, bets on that market will be void if the teams split the series. If three-way betting is available, bets on the "Series Tied" option will be ruled as winners if the teams split the series.
- Playoff Series Specials: Dead-heat rules apply if multiple players tie for lead. Applies to outright markets such as "Player to Record Most Hits", "Player to Record Most Home Runs" etc.
- Live Specials: An official no-hit game occurs when a pitcher (or pitchers) allows no hits during the entire course of a game, which consists of at least nine innings (minimum 27 outs) thrown by the pitcher(s). For a perfect game, the pitcher(s) must comply with all requirements of the no-hitter, but also not allow any baserunners to reach via walk, HBP, uncaught third strikes, catcher's or fielder's interference, or fielding errors. No-hitters and perfect games will be settled regardless of the number of pitchers used by the relevant team. For live pitcher specials, all bets will stand if the listed pitcher starts the game. For live batter specials, all bets will stand if the listed one plate appearance in the game.
- World Series, League and Division Winners markets will all be settled in accordance with the official MLB ruling regardless of season length.
- Division Exact Finishing Order: Ties between playoff-qualifying teams will be determined in accordance with MLB Playoff tiebreaker rules. For ties between non-playoff qualifying teams, the ties will be broken in the following order: (1) head-to-head record, (2) intra-division record, (3) overall run differential.
- All outright markets include playoffs where applicable.
- Home Run Derby:
  - All wagers are graded based on the official results published by mlb.com.
  - Wagers relating to home run distances will be resulted according to the figures provided by MLB's Statcast.
  - Player Match Bets: If two contestants are eliminated in the same stage of the competition, bets on which player will advance further will be void.
- MLB Draft:
  - The official draft results on mlb.com will be used for settlement purposes.
  - For "over/under draft position" markets, undrafted players are assigned the draft position that comes after the last drafted player.
  - For over/under draft position markets under means the player is chosen with a pick that is less than the designated number and over would be after that designated number, for example a



market of 'Player A over/under draft position 3.5', if Player A is picked with the second pick of the draft than under bets would win and over bets lose.

# From:

# 5.6 Player Props – Euro/Other Basketball pg. 26

- First Basket Markets: Resulted on the first score of the game, inclusive of free throws, as per official box score provided by the following sources: (http://www.euroleague.net/, http://www.fiba.com/, http://www.fibaeurope.com/, http://www.acb.com/).relevant leagues governing body. Should a player listed not start the game, all bets on the player selected will be void (otherwise betting is all-in). In the event of a tie at the end of the first quarter, First Basket / First Quarter Double bets are resulted as a loss.
- The First Team Basket: Scorer will be resulted on the first scorer from each team; should a player listed not start the game, all bets on the player selected will be void (otherwise betting is all-in). Bets will result by the play by play information provided from the following sources: (http://www.euroleague.net/, http://www.fiba.com/, http://www.fibaeurope.com/, http://www.acb.com/).relevant leagues governing body.
- Player Performance Markets: All bets stand once a player takes the court, irrespective of game time played. All totals are inclusive of overtime. If one of the players doesn't see any game time, then all bets on that market will be void.
- Player Performance Markets offered in-play/during half time: Bets on this market refer to the quoted statistic recorded by a named player for the whole match (including overtime). If a player doesn't see any game time, then all bets on that player will be void.
- Player Match Bets: Bets on this market refer to the quoted statistic recorded by a named player by the end of a match (including overtime). If one of the players doesn't see any game time, then all bets on that market will be void.
- Player index rating markets: Bets will be settled according to the result declared by the relevant governing body at the end of the match (including any overtime played). http://www.euroleague.net/, http://www.fiba.com/, http://www.fibaeurope.com/, http://www.acb.com/. If one of the players doesn't see any game time, then all bets on that market will be void.
- Team: Player most points/rebounds/assists: Bets placed on this market will be settled on the player who makes the most of the relevant quoted statistic. In case two or more players tie dead heat rules apply.
- Competition: Player most points/rebounds/assists: Bets placed on this market will be settled on the player who makes the most of the relevant quoted statistic at the end of the competition excluding playoffs, unless otherwise stated. In case two or more players tie dead heat rules apply. Rule 4 deduction won't apply.
- Series Points, Rebounds, Assists, Steals and Blocks match bet: A series must come to a natural conclusion for bets to stand. Overtime counts for settlement purposes. In case two or more players tie, dead heat rules apply.

# <u>To</u>:

# 5.6 Player Props – Euro/Other Basketball

- First Basket Markets: Resulted on the first score of the game, inclusive of free throws, as per official box score provided by the relevant leagues governing body. Should a player listed not start the game, all bets on the player selected will be void (otherwise betting is all-in). In the event of a tie at the end of the first quarter, First Basket / First Quarter Double bets are resulted as a loss.
- The First Team Basket: Scorer will be resulted on the first scorer from each team; should a player listed not start the game, all bets on the player selected will be void (otherwise betting is all-in). Bets will result by the play by play information provided from the relevant leagues governing body.
- Player Performance Markets: All bets stand once a player takes the court, irrespective of game time played. All totals are inclusive of overtime. If one of the players doesn't see any game time, then all bets on that market will be void.



- Player Performance Markets offered in-play/during half time: Bets on this market refer to the quoted statistic recorded by a named player for the whole match (including overtime). If a player doesn't see any game time, then all bets on that player will be void.
- Player Match Bets: Bets on this market refer to the quoted statistic recorded by a named player by the end of a match (including overtime). If one of the players doesn't see any game time, then all bets on that market will be void.
- Player index rating markets: Bets will be settled according to the result declared by the relevant governing body at the end of the match (including any overtime played). http://www.euroleague.net/, http://www.fiba.com/, http://www.fibaeurope.com/, http://www.acb.com/. If one of the players doesn't see any game time, then all bets on that market will be void.
- Team: Player most points/rebounds/assists: Bets placed on this market will be settled on the player who makes the most of the relevant quoted statistic. In case two or more players tie dead heat rules apply.
- Competition: Player most points/rebounds/assists: Bets placed on this market will be settled on the player who makes the most of the relevant quoted statistic at the end of the competition excluding playoffs, unless otherwise stated. In case two or more players tie dead heat rules apply. Rule 4 deduction won't apply.
- Series Points, Rebounds, Assists, Steals and Blocks match bet: A series must come to a natural conclusion for bets to stand. Overtime counts for settlement purposes. In case two or more players tie, dead heat rules apply.

# From:

# 6.2 Mixed Martial Arts pg.28

- General:
  - <u>Unless otherwise stated below</u>, bets will be settled on the official result announced in the <u>ringoctagon</u>. Subsequent appeals/amendments do not affect settlement (unless the amendment was made due to human error when announcing the result).
  - Should a contest be postponed, bets will stand if the rescheduled event occurs within 48 hours. Otherwise, all bets in relation to the contest will be void.
  - Stakes may be refunded before the original contest if requested. In the event of a 'no contest' being declared, all bets will be made void.
  - Should there be a substitution for one of the fighters, bets on the original contest will be void.
    - If a fight is changed from 3 rounds to 5 rounds or from 5 rounds to 3 rounds, Match Betting bets will stand but all other markets will be voided.
  - All fights timed for December 31<sup>st</sup> are potential unconfirmed fights, and if the fight doesn't take place by this date then all bets will be void.
  - Unless otherwise specified, a Decision victory does not count towards a winning selection on bets including 'Round 3' (3 Round Fight) or 'Round 5' (5 Round Fight).
  - In relation to UFC, markets based on a given fighter or the fight to achieve a certain statistic, including but not limited to: (i) a given fighter to achieve a certain number of significant strikes, (ii) a given fighter to achieve a certain number of submission attempts (iii) a given fighter to achieve a certain number of submission attempts (iii) a given fighter to achieve a certain number of knockdowns/takedowns; all bets will be settled based upon data from UFCstats.com.
- Moneyline:
  - Prices are offered for each fighter to win the fight and, in the event of a draw, all bets will be void and stakes returned (for these purposes, draws will include fights which end in a 'majority draw').
  - Method of victory:

Method of Victory style markets (KO/TKO, submission or decision) will be settled upon the official result announced in the octagon

- For the purposes of this market, a KO may include the following:
  - referee stoppage while either fighter is, or both fighters are, standing;
  - referee stoppage while either fighter is, or both fighters are, on the canvas;
  - stoppage by doctor;
  - stoppage by a fighter's corner/team; and



- a fighter retires due to injury.
- For the purposes of this market, a submission may include the following:
  - referee stoppage due to tap-out;
  - referee stoppage due to technical submission; and
  - a fighter's verbal submission (including a verbal submission which is made due to strikes).
- For the purposes of this market, a win by points includes unanimous decision, technical decision, majority decision and split decision
- For the purposes of this market "Draw" includes majority Draw
- In the event of a disqualification or a 'no contest' being declared on the night, this market will be void, regardless of any amendments to the result thereafter.
- For exact method of victory markets: you are wagering on which fighter and the exact way the fighter will win. (e.g., Fighter A to Win by TKO/KO via Kick, Fighter A to Win by Submission via Rear Naked Choke). This will be settled according to UFCstats.com, this will not be settled based off what the announcer says in the Octagon.
- Round Betting / Total Rounds:
  - If a fighter withdraws in the period between rounds, the fight will be deemed to have ended in the previous round for the purpose of "Round Betting" settlement.
  - For "Total Rounds" settlement purposes, 2 minutes and 30 seconds will represent half a round (if the round lasts for 5 minutes). For example, for a bet on "Over 1.5 rounds" to be a winner, the fight must last beyond 2 minutes and 30 seconds in round 2. If the number of rounds in a fight is changed after "Total Rounds" markets have been set, then all bets on these markets will be void.
  - Should the scheduled number of rounds be changed before the fight, all "Round Betting" bets will be made void.
- Fight of the Night / Submission of the Night / Performance of the Night:
  - Dead Heat rules will apply if three or more of the named fighters are awarded Performance of the Night or if two or more of the named fights are awarded Fight of the Night.
- Quickest Fight of the Night:
  - This market is settled on the official times which are made available on www.ufc.com and the winner shall be settled according to whichever fight finishes in the least amount of time.
  - Our dead heat rules apply if two fights finish after the same amount of time.
- Points Handicap:
  - Any fighter who wins before the fight goes its scheduled distance is declared the winner. If the fight goes to a decision, then the cumulative scores of all the judges will be used to determine the winner. If the fight is declared a 'no contest', this market will be void.
- Round & Method Combo:
  - The winning selection will be determined based on the round in which the fight ends and the method of victory. Bets on this market will be deemed losing bets if the fight ends in a decision.
- Fight to Start Round "X":
  - Referee must signal the start of the specified round in order for winning settlement of 'Yes' selection.
- Will the fight go the distance?
  - Market is settled on whether or not all scheduled rounds in the fight will be completed. If the fight is stopped before the end of the last scheduled round and a Technical Decision is declared, the "no" selection will be the winning selection and bets on the "yes" selection will be losses.
- Round & Minute Markets:
  - For the purpose of settlement:
    - The 1st minute of a round is from 00:00 to 00:59;
      - The 2nd minute of a round is from 01:00 to 01:59;
      - The 3rd minute of a round is from 02:00 to 02:59;
    - The 4th minute of a round is from 03:00 to 03:59; and
    - The 5th minute of a round is from 04:00 to 05:00.
  - The first 30 seconds of a round are from 00:00 to 00:29 and the last 30 seconds of a round from 04:30-05:00
  - If the fighter retires in the corner between rounds the last minute of the previous round will be paid as a winner.



- For the Gone in 60 Seconds market, you are wagering on whether the fight will end in the first 59 seconds of Round 1. The official time supplied by the governing body will be used to settle this market.
- Knockdown/Takedowns:
  - For Knockdown and Takedown markets, all wagers will be settled based upon data from UFCstats.com.

# <u>To</u>:

# 6.2 Mixed Martial Arts

- General:
  - Unless otherwise stated below, bets will be settled on the official result announced in the octagon. Subsequent appeals/amendments do not affect settlement (unless the amendment was made due to human error when announcing the result).
  - Should a contest be postponed, bets will stand if the rescheduled event occurs within 48 hours. Otherwise, all bets in relation to the contest will be void.
  - Stakes may be refunded before the original contest if requested. In the event of a 'no contest' being declared, all bets will be made void.
  - Should there be a substitution for one of the fighters, bets on the original contest will be void.
  - If a fight is changed from 3 rounds to 5 rounds or from 5 rounds to 3 rounds, Match Betting bets will stand but all other markets will be voided.
  - All fights timed for December 31<sup>st</sup> are potential unconfirmed fights, and if the fight doesn't take place by this date then all bets will be void.
  - Unless otherwise specified, a Decision victory does not count towards a winning selection on bets including 'Round 3' (3 Round Fight) or 'Round 5' (5 Round Fight).
  - In relation to UFC, markets based on a given fighter or the fight to achieve a certain statistic, including but not limited to: (i) a given fighter to achieve a certain number of significant strikes, (ii) a given fighter to achieve a certain number of submission attempts (iii) a given fighter to achieve a certain number of submission attempts (iii) a given fighter to achieve a certain number of knockdowns/takedowns; all bets will be settled based upon data from UFCstats.com.
  - Moneyline:
    - Prices are offered for each fighter to win the fight and, in the event of a draw, all bets will be void and stakes returned (for these purposes, draws will include fights which end in a 'majority draw').
  - Method of victory:
    - For the purposes of this market, a KO may include the following:
      - referee stoppage while either fighter is, or both fighters are, standing;
      - referee stoppage while either fighter is, or both fighters are, on the canvas;
      - stoppage by doctor;
      - stoppage by a fighter's corner/team; and
      - a fighter retires due to injury.
      - For the purposes of this market, a submission may include the following:
        - referee stoppage due to tap-out;
        - referee stoppage due to technical submission; and
        - a fighter's verbal submission (including a verbal submission which is made due to strikes).
    - For the purposes of this market, a win by points includes unanimous decision, technical decision, majority decision and split decision
    - For the purposes of this market "Draw" includes majority Draw
    - In the event of a disqualification or a 'no contest' being declared on the night, this market will be void, regardless of any amendments to the result thereafter.
    - For exact method of victory markets: you are wagering on which fighter and the exact way the fighter will win. (e.g., Fighter A to Win by TKO/KO via Kick, Fighter A to Win by Submission via



Rear Naked Choke). This will be settled according to UFCstats.com, this will not be settled based off what the announcer says in the Octagon.

- Round Betting / Total Rounds:
  - If a fighter withdraws in the period between rounds, the fight will be deemed to have ended in the previous round for the purpose of "Round Betting" settlement.
  - For "Total Rounds" settlement purposes, 2 minutes and 30 seconds will represent half a round (if the round lasts for 5 minutes). For example, for a bet on "Over 1.5 rounds" to be a winner, the fight must last beyond 2 minutes and 30 seconds in round 2. If the number of rounds in a fight is changed after "Total Rounds" markets have been set, then all bets on these markets will be void.
  - Should the scheduled number of rounds be changed before the fight, all "Round Betting" bets will be made void.
- Fight of the Night / Submission of the Night / Performance of the Night:
  - Dead Heat rules will apply if three or more of the named fighters are awarded Performance of the Night or if two or more of the named fights are awarded Fight of the Night.
- Quickest Fight of the Night:
  - This market is settled on the official times which are made available on www.ufc.com and the winner shall be settled according to whichever fight finishes in the least amount of time.
  - Our dead heat rules apply if two fights finish after the same amount of time.
- Points Handicap:
  - Any fighter who wins before the fight goes its scheduled distance is declared the winner. If the fight goes to a decision, then the cumulative scores of all the judges will be used to determine the winner. If the fight is declared a 'no contest', this market will be void.
- Round & Method Combo:
  - The winning selection will be determined based on the round in which the fight ends and the method of victory. Bets on this market will be deemed losing bets if the fight ends in a decision.
- Fight to Start Round "X":
  - Referee must signal the start of the specified round in order for winning settlement of 'Yes' selection.
- Will the fight go the distance?
  - Market is settled on whether or not all scheduled rounds in the fight will be completed. If the fight is stopped before the end of the last scheduled round and a Technical Decision is declared, the "no" selection will be the winning selection and bets on the "yes" selection will be losses.
- Round & Minute Markets:
  - For the purpose of settlement:
    - The 1st minute of a round is from 00:00 to 00:59;
    - The 2nd minute of a round is from 01:00 to 01:59;
    - The 3rd minute of a round is from 02:00 to 02:59;
    - The 4th minute of a round is from 03:00 to 03:59; and
    - The 5th minute of a round is from 04:00 to 05:00.
  - The first 30 seconds of a round are from 00:00 to 00:29 and the last 30 seconds of a round from 04:30-05:00
  - If the fighter retires in the corner between rounds the last minute of the previous round will be paid as a winner.
  - For the Gone in 60 Seconds market, you are wagering on whether the fight will end in the first 59 seconds of Round 1. The official time supplied by the governing body will be used to settle this market.
- Knockdown/Takedowns:
  - For Knockdown and Takedown markets, all wagers will be settled based upon data from UFCstats.com.

# From:

7. Cricket pg. 29

General Rules



- If a match is curtailed through external factors and there is no further play, bets placed on anyin play market once play has been curtailed will be void (except bets placed on match betting).
- If a match is cancelled before any play has taken place, then all bets will be void, unless the match is replayed within 48 hours of its advertised start time (in which case the bets will stand).
- If a match venue is changed then bets already placed will stand providing the home team is still designated as such. If the home and away team for a listed match are reversed then bets placed based on the original listing will be void.
- General Settlement
  - All tournament and match markets will be settled on the basis of the official tournament results/match scorecards which are included on the ICC's official website. If there is no result available, then the website www.cricinfo.com will be used for settlement purposes.
  - A batsman that retires from an innings will not be considered as a wicket for settlement purposes.
  - The term "innings reaching its natural conclusion" refers to an innings which has not been closed due to external factors such as rain or bad light. A team being bowled out or declaring is considered to constitute the natural conclusion of an innings.
  - If the concussion rule is activated while a player is batting, all markets relating to that player will be settled based on that player being 'retired hurt'. If the concussion rule is activated prior to that player batting or bowling, they will be void from relevant markets.
- Limited Overs Matches
  - Match bets will be settled according to the winner as determined by official competition rules (including where matches are shortened due to adverse weather conditions or are decided by a bowl off) unless the winner is determined by the toss of a coin or the drawing of lots (in which case all match bets will be void).external factors and DLS or similar is used to produce an official result). In the event of there being insufficient play for there to be an official result under competition rules then all bets shall be void regardless of if competition rules dictate a 'winner' for tournament progression purposes or if there is a super over / bowl out to determine a winner.
  - If a match is tied and the official competition rules do not determine a winner, bets on the outright result will be void unless the outcome is settled by a bowl off or super over (in which case the result of the bowl off or super over will stand for match betting). If the competition rules determine the winner by the toss of a coin, drawing of lots or higher seeding resulting from a previous round then bets will be void.
  - If a match is tied and a super over or bowl out is played then match winner settlement will stand based on the super over / bowl out result. In all other scenarios, dead heat rules will apply. For the avoidance of doubt, if scores are tied at the completion of both innings (including the scenario where DLS or other similar methods are used in reduced over games) then any tie breaker based off previous action in the match/competition/tournament that may be used to determine a winner including, but not limited to: losing fewer wickets, run rates, most boundaries, most sixes, better score at a certain point, higher group position does not count for the purposes of this market.
  - If a super over / bowl out results in tied scores with no other play used to determine a winner then dead heat rules will apply. If there are subsequent super overs / bowl outs used then settlement will stand based off the result of these.
- Test Matches
  - If a match is abandoned due to weather before a ball has been bowled then all bets will be void.
  - If a match is tied or abandoned for any reason other than weather then bets on the outright result will be void.
  - If a match for which we did not offer a price for the draw ends in a draw then bets on the match result will be void.
  - If either side forfeits their first innings then all bets specifically relating to the first innings will be void.
- Series Betting
  - When the full number of scheduled matches is not played then we reserve the right to void any specialty markets which relate to the series as a whole.



- Sports Wagering Division
- If a series for which we did not offer a price for the draw ends in a draw then bets on the series
  result will be void.
- Team Total Runs
  - If a team's innings in a test match or county championship match lasts less than sixty overs due to external factors then bets on this market will be void. This does not apply if the innings has reached its natural conclusion.
  - For limited overs matches, this market will be settled on the final score achieved by the batting side including any extras or penalty runs awarded during the innings. Should there be a reduction in the scheduled overs then settlement will still apply provided the reduction is no more than 20% of the entire innings allocation at the time the bet was placed (including any overs the team has already faced). Should the reduction be greater than 20% then all bets shall be void-regardless, unless the outcome of the final total made by any such bet had already been unequivocally determined prior to the team. If a team is due to face less than 10 overs, then all bets will be void should there be any reduction in overs whatsoeverconclusion of the shortened innings.
  - In matches for which we offer betting on the Team Total Runs for both teams, all bets placed on the second innings runs will stand regardless of the score achieved by the side batting first, provided neither team's innings is reduced by more than 20% of the entire innings allocation (including any overs already bowled when the bet was placed).
- X Team To Score Runs
  - E.g. India to Score 'X' Runs
  - This market is separate to team total runs and will be settled on the total runs scored by the respective team regardless of any reduction in overs.
  - In matches where we offer betting on the Team Total Runs for both teams then all bets placed on the second innings runs will stand regardless of the score achieved by the side batting first.
- Top Team Batsman / Runscorer (Series)
  - All in play or not (i.e. if a player does not take part in the series, bets placed on that player will stand).
  - If two or more players score the same number of runs then dead heat rules will apply.
- Top Team Batsman / Runscorer (Match)
  - In a 2-innings match (test match or county championship), this market applies to the first innings only, unless otherwise stated.
  - Depending on the type of match, unless stated otherwise, the following minimum number of overs must be bowled in the applicable team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 10 overs
    - The Hundred: 50 balls
  - In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven (including impact subs) are void.
  - In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven-are void.
  - Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
  - If two or more players score the same number of runs then dead heat rules will apply.
  - For limited overs matches, should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
  - Top Team Bowler / Wicket Taker (Series/Tournament)
    - All in play or not (i.e. if a player does not take part in the series/tournament, bets placed on that player will stand).
    - If two or more players take the same number of wickets, dead heat rules will apply.
    - If players take the same number of wickets, dead heat rules will apply. If no wickets are taken then the market will be voided.



- Top Team Bowler / Wicket Taker (Match)
  - In a 2-innings match (test match or county championship), this market applies to the first innings only, unless otherwise stated.
  - Depending on the type of match, unless stated otherwise, the following minimum number of overs must be bowled in the applicable team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 15 overs
    - The Hundred: 50 balls
  - In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven are void.
  - In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven (including impact subs) are void.
  - Players named in the starting eleven that do not bowl are deemed to have taken part and bets on any such players will be settled as losing bets.
  - If two or more players take the same number of wickets, dead heat rules will apply. If no wickets are taken then the market will be voided.
- Batsman Match Bets
  - Unless otherwise stated, these markets will be settled on the number of runs scored in the first innings of a match only.
  - If any of the players named in the market do not bat then the market will be void.
  - Dead heat rules will apply if two or more of the named batsmen score the same number of runs (such number of runs being higher than the number of runs scored by each other batsman named in the market).
- Bowler Match Bets / Trios / Threesomes
  - Unless otherwise stated, these markets will be settled based on the number of wickets taken in the first innings of a match only.
  - In the event of players taking the same number of wickets where there was no draw price offered, dead heat rules will apply.
- All participants in the match bet must bowl at least one ball for bets to stand.
- Player Runs / Player Alternate Runs / Player Fours / Player Sixes / Player to score 50/100
  - If the batsman finishes the innings not out as a result of a declaration, the team reaching the end of its allotted overs or the team reaching its target, the player's "not out" score will count for settlement purposes.
  - If a batsman does not bat, bets on that batsman will be void.
  - If a batsman is not in the starting 11, bets on that batsman will be void.
  - If a batsman retires hurt but returns later, the total runs scored by that batsman in the innings will count for settlement purposes. If the batsman does not return later, the final result, for settlement purposes, will be as it stood when the batsman retired.
  - Market to be settled on the players final score, regardless of any reduction in overs.
- Number of Runs in a Session
  - The result of this market is determined by the total number of runs scored in the course of the session regardless of which team(s) has/have scored the runs (i.e. if there is a change of innings during the session then the result will be determined by the combined number of runs scored, during the session, in both innings).
  - There are three sessions per day in test cricket. The first session is from the start of play in the morning until lunch is called. The second session is from lunch until tea is called. The third session is from tea until the close of play. If fewer than 20 overs are bowled in any particular session then bets on the number of runs scored in that session will be void.
  - Day/Night Test Matches also have three distinct sessions. The first session starts in the afternoon until tea is called. The second session is from tea until dinner is called, while the third session is from dinner until the end of play is called.
  - Extras (wides, no-balls, byes and leg byes) do count towards the number of runs scored.
- Number of Wickets in a Session



- This market will be settled based on the total number of wickets lost in the session (regardless
  of which team loses them). If fewer than 20 overs are bowled in the session then all bets on
  the market will be void. Players retiring (e.g. because they are hurt) do not count as wickets.
- Runs in a Specified Number of Overs (e.g. 1st <u>5/10/</u>15/<u>20/25/30/35/40</u> Overs) <u>\*\*EXCLUDING 6 OVER</u> <u>RUNS\*\*</u>
  - The full number of specified overs must be played for bets to stand (unless the innings has reached its natural conclusion or further play could not, were it to occur, affect the result).
  - Any change in fielding restrictions due to a reduction in scheduled overs will not affect the settlement of this market.
  - These rules do not apply to the Market 6 Over Runs see specific rule below.
- 6 Overs Runs
  - This market will be settled on the total number of runs after 6 overs providing that all 6 overs have been bowled in the relevant innings or if the innings has reached its natural conclusion.
  - In the instance of 6 overs not being completed then all bets will be void. To clarify, if a match is reduced to 10 overs bets on this market will still stand providing at least 6 overs are completed or the innings reaches its natural conclusion but would be void in a 5 over match.
- Highest Score First 5/10/15 Overs
  - If either team's innings in a limited overs match is reduced due to external factors then bets on this market will be void unless the result was already unequivocally determined before any reduction in overs was announced.
  - Bets will stand if the innings is shortened due to it reaching its natural conclusion. In a twoinnings match this market only applies to the first innings unless stated otherwise. In the event of a tie where we did not offer a "tie" or "draw" selection, all bets will be settled as a dead heat.
- Highest Opening Partnership
  - For Limited Overs Matches, bets on this market will stand regardless of any reduction in overs providing at least one over is completed in each innings
  - In a four-innings match, this market only applies to the first innings unless stated otherwise. In the event of a tie then the tie selection is the winner and all other bets are losers. If we do not offer a "tie" or "draw" selection then all bets will be settled as a dead heat. In the event of a batsman retiring hurt (or otherwise voluntarily for any other reason), this market will be settled according to the score when the first wicket falls.
- Next Man Out
  - Should no further wickets be taken in the innings then bets on this market will be void.
  - If either of the batsmen retires hurt/retires out then bets on this market will be void and a new market will be made.
- Team to hit the most sixes
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market will be void regardless of how many sixes are hit prior to, or after, any announced reduction in overs.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- Super Over/Any additional overs above the allotted amount
  - In a limited overs competition which employs a super over (or other such similar initiative) to determine the winner of a match in the event of a tie, runs scored and wickets taken in the super over are not included in the settlement of any runscorer or wicket taker markets (e.g. Batsmen Total Runs, Team Total Runs, Top Team Runscorer, Batsmen match bets, Top Team Bowler).
  - In addition, any sixes hit in a super over will not be included in the settlement of "Team to score most sixes" and "Total number of sixes" markets.
- Next Over: Over/Under Runs/Run Margins
  - This market will be settled based on the total number of runs achieved in the over (including any extras awarded).
  - In the event of an over not being completed, all bets on that particular index shall be void. This
    does not apply if the innings reaches its natural conclusion.
- Four/Six in x Over
  - Bets in this market will be settled where a boundary (four or six) is hit in the named over. The
    runs must come off the bat. Players running four/six and/or extras do not count for this market.
- Over/Under Total Match Sixes/Fours



- If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market shall be void regardless of how many sixes/fours are hitunless the relevant bet had been unequivocally determined prior to, or after, any announced the announcement of the reduction in overs. However, bets will stand if either innings is shortened due to it reaching its natural conclusion.
- First Over: Over/Under Total Runs
  - Bets will be settled on the total number of runs scored in the first over of the first innings of the match. This will include any extras or penalty runs.
  - The over must be completed for bets to stand unless the result is already unequivocally decided.
  - All bets shall be void if the first over is not fully completed due to external factors, unless the
    result is already unequivocally determined at such time as the reduction in overs takes place.
  - For Limited Overs Matches, First Over Runs will be settled on the score at the end of the first over regardless of any reductions in overs.
- First Ball of the Match
  - This market will be settled on the outcome of the first completed delivery, excluding any deliveries declared as dead ball.
  - In limited overs cricket, this market will be resulted on the first ball of the match regardless of any reductions in overs providing it is bowled.
  - If two events take place on the first delivery (e.g. A No Ball and 1 Run), then dead heat rules will apply between the two selections. For avoidance of doubt, if a 'No Ball' is bowled and no runs/byes are scored, 'No Ball' will be the winner, and dot ball will be a loser.
- Team of Top Match Runscorer
  - For test matches and county championship matches, this market will be settled based on the overall top score achieved in the first innings of either side.
  - Should either side face less than their allocated number of overs in their innings for any reason (other than the innings reaching its natural conclusion) then all bets on this market will be void. However, the market will be settled should the result already be determined before any reduction in overs.
  - For limited overs matches, all bets shall be void should there be any reduction to either side's innings before or after the commencement of play.
- Team leading after First innings
  - If the team batting second faces less than 20 overs in their innings for any reason (other than the innings reaching its natural conclusion) then all bets on this market will be void.
  - In the event of a tie, bets will be void.
- Total Match Runouts
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market will be void.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- \_\_\_Fall of <del>Next Team</del> Wicket (i.e.
  - <u>Market will be settled on the score on which it will at the fall</u> of the next wicket, regardless of any reduction in overs.
  - If an innings is curtailed due to a reduction in overs or the abandonment of a match, all bets will stand as long as one ball has been bowled since the new batsman arrived at the crease.
  - If the batting team reaches the end of its allotted overs, reaches its target or declares before the specified wicket falls, the next team wicket will be deemed to have fallen for the total score achieved by the batting side.
  - For settlement purposes, a batsman retiring hurt/retiring out does not count as a wicket.
- Team Wickets Lost
  - In a limited overs match, this market will be settled based on the number of wickets lost by the team in their innings.
  - Should the innings be shortened for any reason (other than it reaching its natural conclusion) then all unequivocally decided bets will be settled while all others shall be void.
  - In a test match, this market refers to the total number of wickets lost by the team in its second innings only.
- Highest Score After First Over
  - For Limited Overs Matches, bets will be settled regardless of any reductions in overs providing the first over of each innings is completed.



- Team Total Match Sixes/Fours
  - This market shall be void should there be any reduction in overs of the innings of the team in question unless the market has been unequivocally decided prior to any reduction in overs being announced.
- Century (100)/half-century (50) in Match/1st Innings
  - These markets are offered on a single player (rather than an entire team) to score a century or a 50 in the match or first innings (as applicable).
  - <u>Market void should there be any reduction in Depending on the type of match, the following minimum overs duemust be bowled in that team's innings for the wagers to external factorsstand unless the market has been is unequivocally decided prior to anyat the time of the reduction in:</u>
    - Twenty20 Matches: at least 16 overs being announcedfor each team
    - 50 Over Matches: at least 40 overs for each team.
  - However, in all cases, wagers will stand if the innings reaches it's natural conclusion in less than the above requirement.
- To Score 10/20/30/40 Runs
  - Markets will be settled regardless of whether the player reaches the crease providing they are included in the starting eleven.
  - If not included in the eleven then bets on these selections will be void.
- Player To Score a 50/100
  - This refers to individual players to score 50/100 or more runs (as applicable).
  - Bets on this market will be settled regardless of whether the player reaches the crease providing they are in the starting eleven.
  - Any players not listed in the starting eleven will have all bets on them void.
- Most Run Outs
  - This market will be settled provided neither side loses more than 20% of their initial allocation
    of overs due to external factors (unless the market has been unequivocally decided prior to any
    reduction in overs being announced).
- Bowler Match Wickets
  - This market will be settled for any bowler named in the starting eleven regardless of the number of overs he bowls. However, if the overs of the batting side are reduced by more than 10% of their initial allocation, this market will be voided (save where the outcome has been unequivocally decided prior to any reduction in overs being announced).
- Innings Extras
  - This market shall be void should the innings in question be reduced by more than 10%.
- Highest Series Single Innings Score
  - This market will be settled based on which team scores the highest score in a single innings of the applicable test series.
  - In the event of a tie, dead heat rules will apply to this market.
- Player Performance Markets
  - Points will be awarded to players in the following manner:
    - 1 point per run scored with the bat
    - 10 points per catch taken in the field
    - 20 points per wicket taken with the ball
    - 25 points per stumping carried out by a wicket keeper
  - A ball must be bowled in the third innings of the match for bets to stand.
  - For limited overs matches, all bets will be void should there be any reduction to either side's innings before or after the commencement of play (unless the reduction is due to the innings reaching its natural conclusion or the bet in question has already been unequivocally determined at the time at which the reduction is announced).
- 1st Innings Margin
  - This market will be settled based on the difference in the total runs scored by each team in the first innings of the match.



- If a team's innings in a test match or county championship match lasts less than sixty overs due to external factors then bets on this market will be void. For the avoidance of doubt, this does not apply if the innings have reached their natural conclusion.
- 1st/2nd Innings Bowled Out
  - This market will be settled as "yes" if the team in question loses all its wickets inside the allotted overs. The market will be settled as "no" if they are not out at the conclusion of the innings. If there is any reduction in overs, except where the innings reaching its natural conclusion, then all bets on the market will be void.
- Margin Betting
  - If the match is tied and goes to a super over, this market will be settled as a tie. If either team's
    innings in a limited overs match is reduced by more than 10% due to external factors then bets
    on this market will be void.
- Player to Hit a 6
  - Bets on this market will stand regardless of whether the player reaches the crease, as long as they are included in the starting eleven. Bets places on any player not named in the starting eleven are void. For the avoidance of doubt, a player running six does not count for this market.
- Six and Out
  - This market will be settled if, during a match, a player hits a "six" and also takes a wicket. Players named in the starting eleven that do not bat/bowl are deemed to have taken part and bets on any such players will be settled as losing bets.
  - Bets placed on any player who is not named in the starting eleven will be void.
  - Should the innings be shortened for any reason other than it reaching its natural conclusion then all unequivocally decided bets will be settled while all others shall be void.
  - In the case of a game going to a super over, any sixes or wickets hit/taken during this period do not count for the purpose of settlement.
- First/Second Innings Highest 5 Over period
  - If either team's innings in a limited overs match is reduced due to external factors then bets on this market will be void.
  - For Limited overs matches, should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
- Runs Scored at loss of 4 wickets
  - This market will be settled based on the total number of runs scored at the fall of the fourth wicket.
  - If the fourth wicket doesn't fall, the market will be settled based on whatever score the team
    has achieved at the end of the innings.
- To win the Match/Top Team Runscorer Double
  - In a 2-innings match (i.e. test match or county championship), the top team runscorer part of this market applies to the first innings only (unless otherwise stated).
  - Depending on the type of match, the following minimum overs must be bowled in the winning team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 10 overs
  - However, in all cases, bets will stand if the innings reaches its natural conclusion in fewer overs than the above requirement. Bets placed on any player not named in the starting eleven will be void.
  - Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
  - If two or more players score the same number of runs then dead heat rules will apply.
  - For Limited overs matches Should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
- Top Team A/B Runscorer double/Top Team Runscorer/Top Team Wicket Taker Double



- In a 2-innings match (i.e. test match or county championship), this market applies to the first innings only (unless otherwise stated).
- Depending on the type of match, the following minimum overs must be bowled in the applicable team's innings for bets to stand:
  - Test Matches: 50 overs
  - County Championship: 50 overs
  - 50 over match: 25 overs
  - 40 over match: 20 overs
  - 20 over match: 10 overs
- However, in all cases, bets will stand if the innings reaches its natural conclusion in fewer overs than the above requirement. Bets placed on any player not named in the starting eleven will be void.
- Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
- If two or more players score the same number of runs then dead heat rules will apply.
- Player of the Match
  - This market will be settled on the official "Player of the Match" award which is awarded at the post match presentation. Should more than one player be awarded "Player of the Match" then dead heat rules will apply to this market.
  - Bets placed on players who are not included in his or her team's starting eleven (including impact subs) will be void.
- Team to hit the most Fours / Team to hit the most fours and win the match
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market shall be void regardless of how many sixes/fours are hit prior to, or after, any announced reduction in overs.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- Race to Ten Runs
  - Bets on this market will stand unless either of the listed players do not open the batting (in which case all bets on this market will be void).
  - Bets will stand regardless of which of the listed players faces the first ball.
  - If neither player reaches 10 runs then the option "Neither" will be the winning selection.
  - However, in weather-affected matches, if neither of the batsmen reaches 10 runs and either is not out then bets on this market will be void. Bets will stand regardless of which of the listed players faces the first ball.
- Top Tournament Wicket taker
  - All in play or not (i.e. if a player does not take part in the tournament, bets placed on that player will stand).
  - If two or more players take the same number of wickets, dead heat rules will apply.
  - Top Tournament Runscorer
    - All in play or not (i.e. if a player does not take part in the tournament, bets placed on that player will stand).
      - If two or more players score the same number of runs then dead heat rules will apply.
- If two of
   Completed Match
  - This market will be settled based on whether there will be a result declared on this limited overs match or whether the match will be abandoned/declared a no result.
  - For the avoidance of doubt, an official result declared other than that the match is abandoned or declared a no result will mean "yes" is the winning selection in this market.
  - If the match is abandoned or declared a no result this will mean "no" is the winning selection in this market.
  - Please be aware that this market will carry over onto any reserve day and will be settled on the
    official result of the match. If a match is postponed or abandoned for any reason other than
    weather (which may include but is not limited to: dangerous or unplayable wicket or outfield;
    pitch vandalism; strike or boycott; crowd protests/violence; floodlight failure; stadium damage;
    acts of terrorism; and acts of God), FanDuel Sportsbook reserves the right to void all bets on
    this market.
- Total Runs in Match



- This market is based on how many runs will be scored in the match across both teams innings combined.
- Extras and penalty runs will be included for settlement purposes.
- The following minimum number of overs must be scheduled, otherwise all bets are void, unless settlement is already determined.
  - Twenty20 Matches 16 overs
    - One Day Matches 40 overs
- Direction of first boundary
  - This market will be settled on the direction of the first boundary that comes off the bat (given as runs to the batsman).
  - This market includes both fours and sixes.
- Wickets lost after "x" overs.
  - This market is settled based on how many wickets have been lost at the conclusion of the number of overs stated in the index. If the innings reaches a natural conclusion without reaching the number of overs named in the index then all bets will be settled based on the number of wickets lost at the end of play.

<u>To</u>:

# 7. Cricket

- General Rules
  - If a match is curtailed through external factors and there is no further play, bets placed on anyin play market once play has been curtailed will be void (except bets placed on match betting).
  - If a match is cancelled before any play has taken place, then all bets will be void, unless the match is replayed within 48 hours of its advertised start time (in which case the bets will stand).
  - If a match venue is changed then bets already placed will stand providing the home team is still designated as such. If the home and away team for a listed match are reversed then bets placed based on the original listing will be void.
- General Settlement
  - All tournament and match markets will be settled on the basis of the official tournament results/match scorecards which are included on the ICC's official website. If there is no result available, then the website www.cricinfo.com will be used for settlement purposes.
  - A batsman that retires from an innings will not be considered as a wicket for settlement purposes.
  - The term "innings reaching its natural conclusion" refers to an innings which has not been closed due to external factors such as rain or bad light. A team being bowled out or declaring is considered to constitute the natural conclusion of an innings.
  - If the concussion rule is activated while a player is batting, all markets relating to that player will be settled based on that player being 'retired hurt'. If the concussion rule is activated prior to that player batting or bowling, they will be void from relevant markets.
- Limited Overs Matches
  - Match bets will be settled according to the winner as determined by official competition rules (including where matches are shortened due to external factors and DLS or similar is used to produce an official result). In the event of there being insufficient play for there to be an official result under competition rules then all bets shall be void regardless of if competition rules dictate a 'winner' for tournament progression purposes or if there is a super over / bowl out to determine a winner.
  - If a match is tied and a super over or bowl out is played then match winner settlement will stand based on the super over / bowl out result. In all other scenarios, dead heat rules will apply. For the avoidance of doubt, if scores are tied at the completion of both innings (including the scenario where DLS or other similar methods are used in reduced over games) then any tie breaker based off previous action in the match/competition/tournament that may be used to



determine a winner including, but not limited to: losing fewer wickets, run rates, most boundaries, most sixes, better score at a certain point, higher group position does not count for the purposes of this market.

- If a super over / bowl out results in tied scores with no other play used to determine a winner then dead heat rules will apply. If there are subsequent super overs / bowl outs used then settlement will stand based off the result of these.
- Test Matches
  - If a match is abandoned due to weather before a ball has been bowled then all bets will be void.
  - If a match is tied or abandoned for any reason other than weather then bets on the outright result will be void.
  - If a match for which we did not offer a price for the draw ends in a draw then bets on the match result will be void.
  - If either side forfeits their first innings then all bets specifically relating to the first innings will be void.
- Series Betting
  - When the full number of scheduled matches is not played then we reserve the right to void any specialty markets which relate to the series as a whole.
  - If a series for which we did not offer a price for the draw ends in a draw then bets on the series result will be void.
- Team Total Runs
  - If a team's innings in a test match or county championship match lasts less than sixty overs due to external factors then bets on this market will be void. This does not apply if the innings has reached its natural conclusion.
  - For limited overs matches, this market will be settled on the final score achieved by the batting side including any extras or penalty runs awarded during the innings. Should there be a reduction in the scheduled overs then settlement will still apply provided the reduction is no more than 20% of the entire innings allocation at the time the bet was placed (including any overs the team has already faced). Should the reduction be greater than 20% then all bets shall be void, unless the outcome of any such bet had already been unequivocally determined prior to the conclusion of the shortened innings.
  - In matches for which we offer betting on the Team Total Runs for both teams, all bets placed on the second innings runs will stand regardless of the score achieved by the side batting first, provided neither team's innings is reduced by more than 20% of the entire innings allocation (including any overs already bowled when the bet was placed).
- X Team To Score Runs
  - E.g. India to Score 'X' Runs
  - This market is separate to team total runs and will be settled on the total runs scored by the
    respective team regardless of any reduction in overs.
  - In matches where we offer betting on the Team Total Runs for both teams then all bets placed on the second innings runs will stand regardless of the score achieved by the side batting first.
- Top Team Batsman / Runscorer (Series)
  - All in play or not (i.e. if a player does not take part in the series, bets placed on that player will stand).
  - If two or more players score the same number of runs then dead heat rules will apply.
- Top Team Batsman / Runscorer (Match)
  - In a 2-innings match (test match or county championship), this market applies to the first innings only, unless otherwise stated.
  - Depending on the type of match, unless stated otherwise, the following minimum number of overs must be bowled in the applicable team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 10 overs
    - The Hundred: 50 balls



- In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven (including impact subs) are void.
- Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
- If two or more players score the same number of runs then dead heat rules will apply.
- For limited overs matches, should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
- Top Team Bowler / Wicket Taker (Series/Tournament)
  - All in play or not (i.e. if a player does not take part in the series/tournament, bets placed on that player will stand).
  - If two or more players take the same number of wickets, dead heat rules will apply.
  - If players take the same number of wickets, dead heat rules will apply. If no wickets are taken then the market will be voided.
- Top Team Bowler / Wicket Taker (Match)
  - In a 2-innings match (test match or county championship), this market applies to the first innings only, unless otherwise stated.
  - Depending on the type of match, unless stated otherwise, the following minimum number of overs must be bowled in the applicable team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 15 overs
    - The Hundred: 50 balls
  - In all cases, however, bets will stand if the innings reaches its natural conclusion in less than the above requirement. Bets placed on any player not named in the starting eleven (including impact subs) are void.
  - Players named in the starting eleven that do not bowl are deemed to have taken part and bets on any such players will be settled as losing bets.
  - If two or more players take the same number of wickets, dead heat rules will apply. If no wickets are taken then the market will be voided.
- Batsman Match Bets
  - Unless otherwise stated, these markets will be settled on the number of runs scored in the first innings of a match only.
  - If any of the players named in the market do not bat then the market will be void.
  - Dead heat rules will apply if two or more of the named batsmen score the same number of runs (such number of runs being higher than the number of runs scored by each other batsman named in the market).
- Bowler Match Bets / Trios / Threesomes
  - Unless otherwise stated, these markets will be settled based on the number of wickets taken in the first innings of a match only.
  - In the event of players taking the same number of wickets where there was no draw price offered, dead heat rules will apply.
  - All participants in the match bet must bowl at least one ball for bets to stand.
- Player Runs / Player Alternate Runs / Player Fours / Player Sixes / Player to score 50/100
  - If the batsman finishes the innings not out as a result of a declaration, the team reaching the end of its allotted overs or the team reaching its target, the player's "not out" score will count for settlement purposes.
  - If a batsman does not bat, bets on that batsman will be void.
  - If a batsman is not in the starting 11, bets on that batsman will be void.
  - If a batsman retires hurt but returns later, the total runs scored by that batsman in the innings will count for settlement purposes. If the batsman does not return later, the final result, for settlement purposes, will be as it stood when the batsman retired.
  - Market to be settled on the players final score, regardless of any reduction in overs.
- Number of Runs in a Session



- The result of this market is determined by the total number of runs scored in the course of the session regardless of which team(s) has/have scored the runs (i.e. if there is a change of innings during the session then the result will be determined by the combined number of runs scored, during the session, in both innings).
- There are three sessions per day in test cricket. The first session is from the start of play in the morning until lunch is called. The second session is from lunch until tea is called. The third session is from tea until the close of play. If fewer than 20 overs are bowled in any particular session then bets on the number of runs scored in that session will be void.
- Day/Night Test Matches also have three distinct sessions. The first session starts in the
  afternoon until tea is called. The second session is from tea until dinner is called, while the third
  session is from dinner until the end of play is called.
- Extras (wides, no-balls, byes and leg byes) do count towards the number of runs scored.
- Number of Wickets in a Session
  - This market will be settled based on the total number of wickets lost in the session (regardless
    of which team loses them). If fewer than 20 overs are bowled in the session then all bets on
    the market will be void. Players retiring (e.g. because they are hurt) do not count as wickets.
- Runs in a Specified Number of Overs (e.g. 1st 5/10/15/20/25/30/35/40 Overs) \*\*EXCLUDING 6 OVER RUNS\*\*
  - The full number of specified overs must be played for bets to stand (unless the innings has reached its natural conclusion or further play could not, were it to occur, affect the result).
  - Any change in fielding restrictions due to a reduction in scheduled overs will not affect the settlement of this market.
  - These rules do not apply to the Market 6 Over Runs see specific rule below.
- 6 Overs Runs
  - This market will be settled on the total number of runs after 6 overs providing that all 6 overs have been bowled in the relevant innings or if the innings has reached its natural conclusion.
  - In the instance of 6 overs not being completed then all bets will be void. To clarify, if a match is reduced to 10 overs bets on this market will still stand providing at least 6 overs are completed or the innings reaches its natural conclusion but would be void in a 5 over match.
- Highest Score First 5/10/15 Overs
  - If either team's innings in a limited overs match is reduced due to external factors then bets on this market will be void unless the result was already unequivocally determined before any reduction in overs was announced.
  - Bets will stand if the innings is shortened due to it reaching its natural conclusion. In a twoinnings match this market only applies to the first innings unless stated otherwise. In the event of a tie where we did not offer a "tie" or "draw" selection, all bets will be settled as a dead heat.
- Highest Opening Partnership
  - For Limited Overs Matches, bets on this market will stand regardless of any reduction in overs providing at least one over is completed in each innings
  - In a four-innings match, this market only applies to the first innings unless stated otherwise. In the event of a tie then the tie selection is the winner and all other bets are losers. If we do not offer a "tie" or "draw" selection then all bets will be settled as a dead heat. In the event of a batsman retiring hurt (or otherwise voluntarily for any other reason), this market will be settled according to the score when the first wicket falls.
- Next Man Out
  - Should no further wickets be taken in the innings then bets on this market will be void.
  - If either of the batsmen retires hurt/retires out then bets on this market will be void and a new market will be made.
- Team to hit the most sixes
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market will be void regardless of how many sixes are hit prior to, or after, any announced reduction in overs.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- Super Over/Any additional overs above the allotted amount
  - In a limited overs competition which employs a super over (or other such similar initiative) to
    determine the winner of a match in the event of a tie, runs scored and wickets taken in the
    super over are not included in the settlement of any runscorer or wicket taker markets (e.g.



Batsmen Total Runs, Team Total Runs, Top Team Runscorer, Batsmen match bets, Top Team Bowler).

- In addition, any sixes hit in a super over will not be included in the settlement of "Team to score most sixes" and "Total number of sixes" markets.
- Next Over: Over/Under Runs/Run Margins
  - This market will be settled based on the total number of runs achieved in the over (including any extras awarded).
  - In the event of an over not being completed, all bets on that particular index shall be void. This
    does not apply if the innings reaches its natural conclusion.
- Four/Six in x Over
  - Bets in this market will be settled where a boundary (four or six) is hit in the named over. The runs must come off the bat. Players running four/six and/or extras do not count for this market.
- Over/Under Total Match Sixes/Fours
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market shall be void unless the relevant bet had been unequivocally determined prior to the announcement of the reduction in overs. However, bets will stand if either innings is shortened due to it reaching its natural conclusion.
- First Over: Over/Under Total Runs
  - Bets will be settled on the total number of runs scored in the first over of the first innings of the match. This will include any extras or penalty runs.
  - The over must be completed for bets to stand unless the result is already unequivocally decided.
  - All bets shall be void if the first over is not fully completed due to external factors, unless the
    result is already unequivocally determined at such time as the reduction in overs takes place.
  - For Limited Overs Matches, First Over Runs will be settled on the score at the end of the first over regardless of any reductions in overs.
- First Ball of the Match
  - This market will be settled on the outcome of the first completed delivery, excluding any deliveries declared as dead ball.
  - In limited overs cricket, this market will be resulted on the first ball of the match regardless of any reductions in overs providing it is bowled.
  - If two events take place on the first delivery (e.g. A No Ball and 1 Run), then dead heat rules
    will apply between the two selections. For avoidance of doubt, if a 'No Ball' is bowled and no
    runs/byes are scored, 'No Ball' will be the winner, and dot ball will be a loser.
- Team of Top Match Runscorer
  - For test matches and county championship matches, this market will be settled based on the overall top score achieved in the first innings of either side.
  - Should either side face less than their allocated number of overs in their innings for any reason (other than the innings reaching its natural conclusion) then all bets on this market will be void. However, the market will be settled should the result already be determined before any reduction in overs.
  - For limited overs matches, all bets shall be void should there be any reduction to either side's innings before or after the commencement of play.
- Team leading after First innings
  - If the team batting second faces less than 20 overs in their innings for any reason (other than the innings reaching its natural conclusion) then all bets on this market will be void.
  - In the event of a tie, bets will be void.
- Total Match Runouts
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market will be void.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- Fall of Wicket
  - Market will be settled on the score at the fall of the next wicket, regardless of any reduction in overs.
  - If an innings is curtailed due to a reduction in overs or the abandonment of a match, all bets will stand as long as one ball has been bowled since the new batsman arrived at the crease.



- If the batting team reaches the end of its allotted overs, reaches its target or declares before the specified wicket falls, the next team wicket will be deemed to have fallen for the total score achieved by the batting side.
- For settlement purposes, a batsman retiring hurt/retiring out does not count as a wicket.
- Team Wickets Lost
  - In a limited overs match, this market will be settled based on the number of wickets lost by the team in their innings.
  - Should the innings be shortened for any reason (other than it reaching its natural conclusion) then all unequivocally decided bets will be settled while all others shall be void.
  - In a test match, this market refers to the total number of wickets lost by the team in its second innings only.
- Highest Score After First Over
  - For Limited Overs Matches, bets will be settled regardless of any reductions in overs providing the first over of each innings is completed.
- Team Total Match Sixes/Fours
  - This market shall be void should there be any reduction in overs of the innings of the team in question unless the market has been unequivocally decided prior to any reduction in overs being announced.
- Century (100)/half-century (50) in Match/1st Innings
  - These markets are offered on a single player (rather than an entire team) to score a century or a 50 in the match or first innings (as applicable).
  - Depending on the type of match, the following minimum overs must be bowled in that team's innings for the wagers to stand unless the market is unequivocally decided at the time of the reduction:
    - Twenty20 Matches: at least 16 overs for each team
    - 50 Over Matches: at least 40 overs for each team.
  - However, in all cases, wagers will stand if the innings reaches it's natural conclusion in less than the above requirement.
- To Score 10/20/30/40 Runs
  - Markets will be settled regardless of whether the player reaches the crease providing they are included in the starting eleven.
  - If not included in the eleven then bets on these selections will be void.
- Player To Score a 50/100
  - This refers to individual players to score 50/100 or more runs (as applicable).
  - Bets on this market will be settled regardless of whether the player reaches the crease providing they are in the starting eleven.
  - Any players not listed in the starting eleven will have all bets on them void.
- Most Run Outs
  - This market will be settled provided neither side loses more than 20% of their initial allocation
    of overs due to external factors (unless the market has been unequivocally decided prior to any
    reduction in overs being announced).
- Bowler Match Wickets
  - This market will be settled for any bowler named in the starting eleven regardless of the number of overs he bowls. However, if the overs of the batting side are reduced by more than 10% of their initial allocation, this market will be voided (save where the outcome has been unequivocally decided prior to any reduction in overs being announced).
- Innings Extras

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- This market shall be void should the innings in question be reduced by more than 10%.
- Highest Series Single Innings Score
  - This market will be settled based on which team scores the highest score in a single innings of the applicable test series.
  - In the event of a tie, dead heat rules will apply to this market.
  - Player Performance Markets
    - Points will be awarded to players in the following manner:
      - 1 point per run scored with the bat



- 10 points per catch taken in the field
- 20 points per wicket taken with the ball
- 25 points per stumping carried out by a wicket keeper
- A ball must be bowled in the third innings of the match for bets to stand.
- For limited overs matches, all bets will be void should there be any reduction to either side's innings before or after the commencement of play (unless the reduction is due to the innings reaching its natural conclusion or the bet in question has already been unequivocally determined at the time at which the reduction is announced).
- 1st Innings Margin
  - This market will be settled based on the difference in the total runs scored by each team in the first innings of the match.
  - If a team's innings in a test match or county championship match lasts less than sixty overs due to external factors then bets on this market will be void. For the avoidance of doubt, this does not apply if the innings have reached their natural conclusion.
- 1st/2nd Innings Bowled Out
  - This market will be settled as "yes" if the team in question loses all its wickets inside the allotted overs. The market will be settled as "no" if they are not out at the conclusion of the innings. If there is any reduction in overs, except where the innings reaching its natural conclusion, then all bets on the market will be void.
- Margin Betting
  - If the match is tied and goes to a super over, this market will be settled as a tie. If either team's
    innings in a limited overs match is reduced by more than 10% due to external factors then bets
    on this market will be void.
- Player to Hit a 6
  - Bets on this market will stand regardless of whether the player reaches the crease, as long as they are included in the starting eleven. Bets places on any player not named in the starting eleven are void. For the avoidance of doubt, a player running six does not count for this market.
- Six and Out
  - This market will be settled if, during a match, a player hits a "six" and also takes a wicket. Players named in the starting eleven that do not bat/bowl are deemed to have taken part and bets on any such players will be settled as losing bets.
  - Bets placed on any player who is not named in the starting eleven will be void.
  - Should the innings be shortened for any reason other than it reaching its natural conclusion then all unequivocally decided bets will be settled while all others shall be void.
  - In the case of a game going to a super over, any sixes or wickets hit/taken during this period do not count for the purpose of settlement.
- First/Second Innings Highest 5 Over period
  - If either team's innings in a limited overs match is reduced due to external factors then bets on this market will be void.
  - For Limited overs matches, should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
- Runs Scored at loss of 4 wickets
  - This market will be settled based on the total number of runs scored at the fall of the fourth wicket.
  - If the fourth wicket doesn't fall, the market will be settled based on whatever score the team
    has achieved at the end of the innings.
- To win the Match/Top Team Runscorer Double
  - In a 2-innings match (i.e. test match or county championship), the top team runscorer part of this market applies to the first innings only (unless otherwise stated).
  - Depending on the type of match, the following minimum overs must be bowled in the winning team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 10 overs



- However, in all cases, bets will stand if the innings reaches its natural conclusion in fewer overs than the above requirement. Bets placed on any player not named in the starting eleven will be void.
- Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
- If two or more players score the same number of runs then dead heat rules will apply.
- For Limited overs matches Should the winner already be unequivocally decided even if the innings were to be played out to its natural conclusion, the market will be settled as normal despite any reduction.
- Top Team A/B Runscorer double/Top Team Runscorer/Top Team Wicket Taker Double
  - In a 2-innings match (i.e. test match or county championship), this market applies to the first innings only (unless otherwise stated).
  - Depending on the type of match, the following minimum overs must be bowled in the applicable team's innings for bets to stand:
    - Test Matches: 50 overs
    - County Championship: 50 overs
    - 50 over match: 25 overs
    - 40 over match: 20 overs
    - 20 over match: 10 overs
  - However, in all cases, bets will stand if the innings reaches its natural conclusion in fewer overs than the above requirement. Bets placed on any player not named in the starting eleven will be void.
  - Players named in the starting eleven that do not bat are deemed to have taken part and bets on any such players will be settled as losing bets.
  - If two or more players score the same number of runs then dead heat rules will apply.
- Player of the Match
  - This market will be settled on the official "Player of the Match" award which is awarded at the post match presentation. Should more than one player be awarded "Player of the Match" then dead heat rules will apply to this market.
  - Bets placed on players who are not included in his or her team's starting eleven (including impact subs) will be void.
- Team to hit the most Fours / Team to hit the most fours and win the match
  - If either team's innings in a limited overs match is reduced by more than 20% of the original allocation of overs then all bets on this market shall be void regardless of how many sixes/fours are hit prior to, or after, any announced reduction in overs.
  - Bets will stand if either innings is shortened due to it reaching its natural conclusion.
- Race to Ten Runs
  - Bets on this market will stand unless either of the listed players do not open the batting (in which case all bets on this market will be void).
  - Bets will stand regardless of which of the listed players faces the first ball.
  - If neither player reaches 10 runs then the option "Neither" will be the winning selection.
  - However, in weather-affected matches, if neither of the batsmen reaches 10 runs and either is not out then bets on this market will be void. Bets will stand regardless of which of the listed players faces the first ball.
- Top Tournament Wicket taker
  - All in play or not (i.e. if a player does not take part in the tournament, bets placed on that player will stand).
  - If two or more players take the same number of wickets, dead heat rules will apply.
- Top Tournament Runscorer
  - All in play or not (i.e. if a player does not take part in the tournament, bets placed on that player will stand).
  - If two or more players score the same number of runs then dead heat rules will apply.
- Completed Match
  - This market will be settled based on whether there will be a result declared on this limited overs match or whether the match will be abandoned/declared a no result.
  - For the avoidance of doubt, an official result declared other than that the match is abandoned or declared a no result will mean "yes" is the winning selection in this market.



- If the match is abandoned or declared a no result this will mean "no" is the winning selection in this market.
- Please be aware that this market will carry over onto any reserve day and will be settled on the
  official result of the match. If a match is postponed or abandoned for any reason other than
  weather (which may include but is not limited to: dangerous or unplayable wicket or outfield;
  pitch vandalism; strike or boycott; crowd protests/violence; floodlight failure; stadium damage;
  acts of terrorism; and acts of God), FanDuel Sportsbook reserves the right to void all bets on
  this market.
- Total Runs in Match
  - This market is based on how many runs will be scored in the match across both teams innings combined.
  - Extras and penalty runs will be included for settlement purposes.
  - The following minimum number of overs must be scheduled, otherwise all bets are void, unless settlement is already determined.
    - Twenty20 Matches 16 overs
    - One Day Matches 40 overs
- Direction of first boundary
  - This market will be settled on the direction of the first boundary that comes off the bat (given as runs to the batsman).
  - This market includes both fours and sixes.
- Wickets lost after "x" overs.
  - This market is settled based on how many wickets have been lost at the conclusion of the number of overs stated in the index. If the innings reaches a natural conclusion without reaching the number of overs named in the index then all bets will be settled based on the number of wickets lost at the end of play.

# From:

#### 9. Darts pg.38

- In the event a match starts but is not completed, the player that progresses to the next round (or is declared the winner in a final) is settled as the winner in match betting markets only. Other markets (e.g. "set winner" markets) will be voided unless the market result has been unconditionally determined.
- If a match is not completed for any reason then bets on 'any correct score' or 'next leg/game/set' market will be void unless the market has been unconditionally determined.
- If a match is not completed for any reason then bets on any point spread (handicap) market will be void unless the market has been unconditionally determined.
- For parlays involving highest checkout, most 180s and win/loss of match, each of the three aspects of the bet must have been won outright for the bet to be deemed successful (and settled as a winning bet). For the avoidance of doubt, the bet will be deemed voidunsuccessful (and settled as a losing bet) if: (i) the selected player's highest checkout is the same as his/her opponent, (ii) the selected player scores the same number of 180s as his/her opponent and/or (iii) the match is tied.
- If a match is postponed and does not take place within 48 hours, bets for this match will be declared void.
- If the offered number of legs or sets is altered, any event already determined (e.g. "first set winner") will be settled. Match betting markets will also be settled under the condition that the match was decided by competitive play. All other bets will be declared void.
- Futures bets will be voided if the selection does not take part at any stage of the event. When returning stakes on futures with non-players, FanDuel Sportsbook reserves the right to deduct the equivalent of prices referenced in Section B, Rule 6.3 above.
- Individual Player Averages: All bets void if the match is not completed
- For Darts Daily Specials, all scheduled matches must take place, otherwise all bets are void.



# <u>To</u>:

- 9. Darts
  - In the event a match starts but is not completed, the player that progresses to the next round (or is declared the winner in a final) is settled as the winner in match betting markets only. Other markets (e.g. "set winner" markets) will be voided unless the market result has been unconditionally determined.
  - If a match is not completed for any reason then bets on 'any correct score' or 'next leg/game/set' market will be void unless the market has been unconditionally determined.
  - If a match is not completed for any reason then bets on any point spread (handicap) market will be void unless the market has been unconditionally determined.
  - For parlays involving highest checkout, most 180s and win/loss of match, each of the three aspects of the bet must have been won outright for the bet to be deemed successful (and settled as a winning bet). For the avoidance of doubt, the bet will be deemed unsuccessful (and settled as a losing bet) if: (i) the selected player's highest checkout is the same as his/her opponent, (ii) the selected player scores the same number of 180s as his/her opponent and/or (iii) the match is tied.
  - If a match is postponed and does not take place within 48 hours, bets for this match will be declared void.
  - If the offered number of legs or sets is altered, any event already determined (e.g. "first set winner") will be settled. Match betting markets will also be settled under the condition that the match was decided by competitive play. All other bets will be declared void.
  - Futures bets will be voided if the selection does not take part at any stage of the event. When returning stakes on futures with non-players, FanDuel Sportsbook reserves the right to deduct the equivalent of prices referenced in Section B, Rule 6.3 above.
  - Individual Player Averages: All bets void if the match is not completed
  - For Darts Daily Specials, all scheduled matches must take place, otherwise all bets are void.

# From:

# 10. Golf pg.38

# 10.1. General

- Tournament bets will only be settled if 36 holes have been completed, and an official result has been declared. Should 36 holes not be completed then all bets on that event will be void except markets that have already been decided i.e. 'first round 3-balls, 'First Round Leader' etc.
- Outcomes will be determined in accordance with the official result of the relevant governing body, regardless of any subsequent disqualification or amendment to the result (except if an amendment is announced within 24 hours of the initial settlement of the relevant market in order to correct an error in reporting the result).
- Dead Heats apply for all golf markets in the event of 2 or more players finishing in the same position, except in the following situations:
  - A tie/draw option is offered.
  - The position is decided by an official playoff.
  - Upon a tie in the Tournament Match Betting market, stakes will be refunded.
- Dead heat is a term that describes when two or more selections finish an event tied. If a "dead-heat" between two selections is declared on any event, half the stake is applied to the selection at full odds and the other half is lost. If more than two "dead-heats" are declared, the stake is proportioned accordingly.
- For example:

- You bet \$100 at odds of +200 and 2 players tie for the same position.
  - Half the stake is lost -\$50
  - The other half wins and is paid at the same odds. So \$50 wins at +200
  - If 3 players tie for the same position then:
    - Two thirds of the stake is lost -\$66.66



## The remaining third \$33.33 wins at +200

- If a player does not start a tournament then all bets on that player will be void.
- A player must play 3 holescomplete at least one stroke in a market for bets to stand. If a player withdraws
  before finishing the 3rd holecompleting a stroke, they will be considered as having not played and all bets
  on the player will be voided.
- If a tournament is shortened and FanDuel Sportsbook settles the tournament markets then all bets matched after the last completed round will be void.
- If a Tournament/Round is restarted from the beginning, all bets placed after the official off time will be void, except on markets which have been unconditionally determined, which will stand. Bets on 2 or 3 balls will only be void if matched after the tee time of the relevant 2 or 3 ball.
- In the event of a postponed event, bets will stand provided the tournament takes place in the same calendar year.
- For all "lie related" markets (e.g. Closest to the Pin, Number of Greens in Regulation, etc.) the lie will be determined using league official data.
- For all markets related to a single shot, bets will be voided if that shot does not take place.

# 10.2. Outright Winner

- In the event of a play-off the result of the play-off will determine the winner of the tournament.
- When more than one player shares the same lowest score in a tournament and there is no play-off, bets are settled by the normal dead heat method. See Section 10.1 above for dead heat example.
- Any players who withdraw after they have completed 3 holes or more completing at least one stroke are
  considered as players and are therefore losers, unless the player takes no more part in the tournament
  after the bet is placed.

# 10.3. 2/3 Balls

- Players must complete <u>3 holesat least one stroke</u> for bets to stand.
- In 2/3 ball betting the winner will be the player in the pairing or group with the lowest score over 18 holes.
- Should a player in the 2/3 ball not tee-off all bets in that 2/3 ball are void. However should a player retire
  during the round after more than 3 holescompleting a stroke, he will be deemed to have played.
- If a player posts a score but is later disqualified, all bets will be settled on the score that the player initially signs for that round. Signing of the card is deemed as the weigh-in and subsequent disqualification or amendment of result will be ignored for settlement purposes.
- Odds for a tie are offered in 2 ball betting, therefore in the event of a tie bets on both players are losers and bets on the tie are winners. Dead heat rules apply in the event of a tie in 3 ball betting. See Section 10.1 for dead heat example.
- Any tournament that applies the stableford scoring system, the highest point scorer during the round will be deemed the winner.
- Should all players fail to complete the round then all bets will be void.
- Mythical 2-balls:
  - In 'mythical 2 ball' betting the player/group with the lowest score over 18 holes is the winner.
  - Should a player in the 2 ball not tee-off all bets in that 2 ball are void. However, if a player starts
    his round but withdraws or is disqualified during any part of the round he is deemed to be a
    loser.
  - If a player posts a score but is later disqualified, all bets will be settled on the score that the player initially posts for that round.
  - If odds for a tie are offered in mythical 2 ball betting and in the event of a subsequent tie, then bets on both players/groups are losers and bets on the tie are winners.
  - Any tournament that applies the stableford scoring system, the highest point scorer during the round will be deemed the winner.

#### 10.4. End of Round Leader



- If 2 or more players tie for the lead after the round, dead heat rules will apply. See Section 10.1 above for dead heat example.
- Lead After X Round and Win:
  - Settlement is based on a player leading after the selected Round (ties included) and winning the tournament.
  - All 72 holes must be completed. In the event of a reduction in the number of Rounds/Holes played all bets will be made void.
- Wire to Wire Winner:
  - Settlement is based on a player leading after Rounds 1, 2 and 3 (ties included) and winning the Tournament.
  - All 72 holes must be completed. In the event of a reduction in the number of Rounds/Holes played all bets will be made void.

# 10.5. Top X Finish (Top 5/10/20/etc.)

- Dead heat rules apply for settlement of all Top X markets:
- For example:
  - You bet \$100 at odds of +150 for a player to finish in the Top 20, and 5 players finish in a tie for 19th:
    - Two fifths of the bet has won (19th & 20th) and three fifths have lost (21st, 22nd and 23rd);
    - Thus three fifths of the stake is lost (-\$60); and
  - Two fifths of the stake win and is paid at the same odds, thus \$40 wins at +150.
- Players must complete <u>3 holes or moreat least one stroke</u> for bets to stand.
- Finishing position is decided by result posted by the governing body of that tournament (i.e. PGA Tour, DP World Tour).
- If a player is disqualified, retires injured or withdraws they will be deemed to have finished last.
- Should 36 holes (or 54 holes in the case of a 3 Round cut) not be completed then all bets on this market will be void.

#### 10.6. Top Player Betting (e.g. Top US Player, Top European Player) & Tournament Group Betting

- In Top Player betting, the winner will be the player with the highest placing at the end of the tournament.
- If all listed players in a given market miss the cut, the player with the lowest score at the cut will be deemed the winner.
- In the event of a tie, dead heat rules apply. (See Section 10.1 for dead heat example)

#### 10.7. Tournament Match Betting

- In Tournament match betting the winner will be the player with the highest placing at the end of the tournament.
- Players must complete <u>3 holes or moreat least one stroke</u> for bets to stand.
- If both players miss the cut, then the one with the lowest score will be deemed the winner.
- If a player withdraws or is disqualified after making the cut, when his opponent has already missed the cut, the disqualified or withdrawn player is deemed the winner.
- If a player withdraws or is disqualified before the cut is made the other player is deemed the winner.
- In the event of a tie in tournament match betting, stakes are refunded.

#### 10.8. Tournament Group Betting

- In Tournament group betting the winner will be the player with the highest placing at the end of the tournament. Players missing the cut will be eliminated. If all listed players miss the cut the player with the lowest score at the cut will be deemed the winner.
- Players must complete <u>3 holes or moreat least one stroke</u> for bets to stand.
- In the event of a tie in tournament groups, dead heat rules apply.
- In the event of a listed player being withdrawn prior to the first round, then the market will be void.



# 10.9. To Make/Miss the Cut

- Players who are disqualified or withdraw before they complete 36 holes (or 54 holes in the case of a 3 Round cut) are deemed to have missed the cut.
- Players who are disqualified or withdraw after the cut will be deemed to have made the cut.
- If there is more than one cut in a tournament, settlement will be based on whether the player has made or missed the first cut.
- Should 36 holes (or 54 holes in the case of a 3 Round cut) not be completed then all bets on this
  market will be void.
- Bets on players to make/miss the cut will be settled on the official result posted on the tour sites.

# 10.10. Matchplay Markets

- For all matchplay markets (e.g. individual matches in the WGC Match Play or Ryder Cup) if, after 18 holes, the match is tied then:
- if the tournament allows for sudden death or playoff hole(s), then the market will be settled on the result of the sudden death or playoff hole(s); or
- if the tournament allows for halved matches, then the market will be settled as a "half"; or
- if the tournament allows for halved matches, and there is no half/tie/draw option offered, then stakes on the match betting will be refunded.
- For team matchplay events, bets on the winner of any singles match will be void if that match does not reach its natural conclusion. A match will be deemed not to have reached its natural conclusion if, for example, the applicable players agree to a half because the overall team contest has already been determined.

#### **10.11.** Strokeplay Hole-by-Hole Markets (i.e. performance of a named player on a given hole)

- Should a hole not be completed for any reason all bets on that hole will be void unless the market has been unconditionally determined.
- Markets are settled on completion of the hole and any subsequent penalties or disqualification will not be taken into account.

# **10.12.** Matchplay Hole-by-Hole Markets (i.e. performance of players against each other on a given hole)

- Any player or team withdrawing or being disqualified having played a stroke on that hole will be settled as a loser providing at least one other player completes that hole.
- If any player or team does not play a stroke on a hole all bets will be void.
- Markets are settled on completion of the hole and any subsequent penalties or disqualification will not be taken into account.

#### 10.13. Big X v. The Field

• If any of the players quoted as part of the Big "X" are non runners, bets will be void on this market.

#### 10.14. Total Majors Won/To Win a Major

Players must play all four majors for bets to stand.

## 10.15. "To Qualify" Markets

 In any 'To Qualify' market for any tournament the winners are the number of golfers that qualify for the tournament, whether they compete in the tournament or not. Markets will be settled after the qualifying stage and any subsequent disqualification or amendment to results will not count.

#### 10.16. Victory Margin Markets

• 'Victory Margin' markets will be settled on the official tournament result NOT including any playoff.

## 10.17. Straight/Dual Markets

• For Straight Forecasts, players must come 1st and 2nd in the specified order, and in Dual Forecasts players must come 1st or 2nd in either order. Dead-heat rules may apply.



- Both players must tee off for bets to stand, otherwise bets will be made void on that selection.
- In the event of a tie for 2nd place, Dead-heat rules will apply, i.e. a 4 way tie for 2nd place will mean the bet will be settled at 1/4 of the original stake.

## 10.18. Hole in One Markets

- Should the tournament be reduced to 36 holes or less then all bets on this market will be void, <u>unless the</u> <u>market has been unconditionally determined</u>.
- If the original card of the course is adjusted in any manner that affects the initial overall par of the course, then bets on hole in one related markets will be void.
- In a specified player to make a hole in one market, said player must tee off for bets to stand.

## 10.19. Closest/Distance to the Pin

- Bets are on the ball closest to the pin/hole in regulation shots for the hole being played (1 shot for a par 3, 2 shots for a par 4 etc.).
- For group betting, at least one ball must be on the green in the regulated number of shots for the par of the hole to count, otherwise bets will be void.
- For individual player pin markets (e.g. Tee shot to finish within "X" Feet of the pin) the ball must be on the green to qualify.

#### 10.20. Longest Drive Markets

Balls must finish on the fairway or green to count gualify. If no balls finish on the fairway, then bets will be void.

# 10.21. Putting Markets

- Putts are counted as all shots after the 1st shot where the lie is green (even if subsequent lie is not green)
- To Make Putt markets will be void if putt not hit.

#### 10.21.10.22. Player Performance Bets (Bogey Free/Birdie or Better/etc.)

- Any Eagles or better will count for the birdies, and any Double Bogeys or worse will count for the bogeys.
- Any change of Hole par during the round, then all bets are void.
- The selected player must complete the nominal 18 holes for bets to stand. Any withdrawal or disqualification during the round, then bets will be made void on that player.
- Bets are on the stipulated round only. Playoffs do not count as part of the bet.

#### 10.22.10.23.OddsBoosts

- For any "OddsBoost" which involve a player to win a tournament, if that player shares the same lowest score in the tournament as another player and there is no play-off, the relevant part of the "Special" will be settled according to our normal dead heat rules.
- In the event of a play-off, the result of the play-off will determine the winner of the tournament. Even if
  three or more contestants take part in a play-off, such a play-off has, for the purposes of any "OddsBoost",
  the sole purpose of determining the winner of the tournament (meaning that the relative finishing
  positions, within the tournament, of unsuccessful play-off contestants is not affected by their placing in
  the play-off).
- Any players who withdraw from a tournament after they have completed 3 holes or morecompleting a stroke are considered as having played in the tournament and, therefore, any "OddsBoost" bets placed on those players will be deemed to be losing bets.
- For any "OddsBoost" which involve a player that has withdrawn before they have completed <u>3 holesa</u> stroke, the bet in question will be voided in its entirety.
- Any "OddsBoost" involving a player to finish in the top 5/10/15/20 (or similar) will (unless otherwise stated) be deemed successful if the player finishes in a tie for the last named place. For example, if a "OddsBoost" bet is placed on a player to finish in the top 10 and the player finishes in tied 10th position, the "OddsBoost" bet will be settled as a winning bet.



# 10.23.10.24. Tourney Specials Bets

- The rules in this sub-section apply specifically to the settlement of any golf bets which are placed via Tourney Specials tab in Golf. All other settlement rules which are included in this "Golf Rules" section or elsewhere on this website (including in FanDuel and Regulations) will also apply to the settlement of Specials bets unless they contradict, or conflict with, those included in this sub-section (in which case, the rules in this sub-section shall take precedence).
- For any Specials bets which involve a player to win a tournament, if that player shares the same lowest score in the tournament as another player and there is no play-off, the relevant part of the Special bet will be settled according to our normal dead heat rules.
- In the event of a play-off, the result of the play-off will determine the winner of the tournament. Even if
  three or more contestants take part in a play-off, such a play-off has, for the purposes of any Specials
  bets, the sole purpose of determining the winner of the tournament (meaning that the relative finishing
  positions, within the tournament, of unsuccessful play-off contestants is not affected by their placing in
  the play-off).
- Any players who withdraw from a tournament after they have completed 3 holes or morecompleting a stroke are considered as having played in the tournament and, therefore, any Specials bets placed on those players will be deemed to be losing bets.
- For any Specials bets which involve a player that has withdrawn before they have completed <u>3 holesat</u> least one stroke, the bet in question will be voided in its entirety.
- Where an obvious pricing error has occurred, we reserve the right to cancel any Specials bets placed at the incorrect price (and, in such circumstances, we will offer the Special bet to be re-placed at the correct price).
- Any Special bets involving a player to finish in the top 5/10/15/20 (or similar) will (unless otherwise stated) be deemed successful if the player finishes in a tie for the last named place. For example, if a Special bet is placed on player to finish in the top 10 and the player finishes in tied 10th position, the Special bet will be settled as a winning bet.
- For any obvious wording errors, we reserve the right to cancel any Special bets placed on that selection (and, in such circumstances, we will offer the Special bet to be re-placed with the correct wording).

# <u>To</u>:

# 10. Golf

#### 10.1. General

- Tournament bets will only be settled if 36 holes have been completed, and an official result has been declared. Should 36 holes not be completed then all bets on that event will be void except markets that have already been decided i.e. 'first round 3-balls, 'First Round Leader' etc.
- Outcomes will be determined in accordance with the official result of the relevant governing body, regardless of any subsequent disqualification or amendment to the result (except if an amendment is announced within 24 hours of the initial settlement of the relevant market in order to correct an error in reporting the result).
- Dead Heats apply for all golf markets in the event of 2 or more players finishing in the same position, except in the following situations:
  - A tie/draw option is offered.
  - The position is decided by an official playoff.
  - Upon a tie in the Tournament Match Betting market, stakes will be refunded.
- Dead heat is a term that describes when two or more selections finish an event tied. If a "dead-heat" between two selections is declared on any event, half the stake is applied to the selection at full odds and the other half is lost. If more than two "dead-heats" are declared, the stake is proportioned accordingly.
- For example:
  - You bet \$100 at odds of +200 and 2 players tie for the same position.



- Half the stake is lost -\$50
- The other half wins and is paid at the same odds. So \$50 wins at +200
- If 3 players tie for the same position then:
  - Two thirds of the stake is lost -\$66.66
  - The remaining third \$33.33 wins at +200
- If a player does not start a tournament then all bets on that player will be void.
- A player must complete at least one stroke in a market for bets to stand. If a player withdraws before completing a stroke, they will be considered as having not played and all bets on the player will be voided.
- If a tournament is shortened and FanDuel Sportsbook settles the tournament markets then all bets matched after the last completed round will be void.
- If a Tournament/Round is restarted from the beginning, all bets placed after the official off time will be void, except on markets which have been unconditionally determined, which will stand. Bets on 2 or 3 balls will only be void if matched after the tee time of the relevant 2 or 3 ball.
- In the event of a postponed event, bets will stand provided the tournament takes place in the same calendar year.
- For all "lie related" markets (e.g. Closest to the Pin, Number of Greens in Regulation, etc.) the lie will be determined using league official data.
- For all markets related to a single shot, bets will be voided if that shot does not take place.

# 10.2. Outright Winner

- In the event of a play-off the result of the play-off will determine the winner of the tournament.
- When more than one player shares the same lowest score in a tournament and there is no play-off, bets are settled by the normal dead heat method. See Section 10.1 above for dead heat example.
- Any players who withdraw after completing at least one stroke are considered as players and are therefore losers, unless the player takes no more part in the tournament after the bet is placed.

# 10.3. 2/3 Balls

- Players must complete at least one stroke for bets to stand.
- In 2/3 ball betting the winner will be the player in the pairing or group with the lowest score over 18 holes.
- Should a player in the 2/3 ball not tee-off all bets in that 2/3 ball are void. However should a player retire
  during the round after completing a stroke, he will be deemed to have played.
- If a player posts a score but is later disqualified, all bets will be settled on the score that the player initially signs for that round. Signing of the card is deemed as the weigh-in and subsequent disqualification or amendment of result will be ignored for settlement purposes.
- Odds for a tie are offered in 2 ball betting, therefore in the event of a tie bets on both players are losers and bets on the tie are winners. Dead heat rules apply in the event of a tie in 3 ball betting. See Section 10.1 for dead heat example.
- Any tournament that applies the stableford scoring system, the highest point scorer during the round will be deemed the winner.
- Should all players fail to complete the round then all bets will be void.
- Mythical 2-balls:
  - In 'mythical 2 ball' betting the player/group with the lowest score over 18 holes is the winner.
  - Should a player in the 2 ball not tee-off all bets in that 2 ball are void. However, if a player starts
    his round but withdraws or is disqualified during any part of the round he is deemed to be a
    loser.
  - If a player posts a score but is later disqualified, all bets will be settled on the score that the player initially posts for that round.
  - If odds for a tie are offered in mythical 2 ball betting and in the event of a subsequent tie, then bets on both players/groups are losers and bets on the tie are winners.
  - Any tournament that applies the stableford scoring system, the highest point scorer during the round will be deemed the winner.



# 10.4. End of Round Leader

- If 2 or more players tie for the lead after the round, dead heat rules will apply. See Section 10.1 above for dead heat example.
- Lead After X Round and Win:
  - Settlement is based on a player leading after the selected Round (ties included) and winning the tournament.
  - All 72 holes must be completed. In the event of a reduction in the number of Rounds/Holes played all bets will be made void.
- Wire to Wire Winner:
  - Settlement is based on a player leading after Rounds 1, 2 and 3 (ties included) and winning the Tournament.
  - All 72 holes must be completed. In the event of a reduction in the number of Rounds/Holes played all bets will be made void.

# 10.5. Top X Finish (Top 5/10/20/etc.)

- Dead heat rules apply for settlement of all Top X markets:
- For example:
  - You bet \$100 at odds of +150 for a player to finish in the Top 20, and 5 players finish in a tie for 19th:
    - Two fifths of the bet has won (19th & 20th) and three fifths have lost (21st, 22nd and 23rd);
    - Thus three fifths of the stake is lost (-\$60); and
  - Two fifths of the stake win and is paid at the same odds, thus \$40 wins at +150.
- Players must complete at least one stroke for bets to stand.
- Finishing position is decided by result posted by the governing body of that tournament (i.e. PGA Tour, DP World Tour).
- If a player is disqualified, retires injured or withdraws they will be deemed to have finished last.
- Should 36 holes (or 54 holes in the case of a 3 Round cut) not be completed then all bets on this market will be void.

#### 10.6. Top Player Betting (e.g. Top US Player, Top European Player) & Tournament Group Betting

- In Top Player betting, the winner will be the player with the highest placing at the end of the tournament.
- If all listed players in a given market miss the cut, the player with the lowest score at the cut will be deemed the winner.
- In the event of a tie, dead heat rules apply. (See Section 10.1 for dead heat example)

#### 10.7. Tournament Match Betting

- In Tournament match betting the winner will be the player with the highest placing at the end of the tournament.
- Players must complete at least one stroke for bets to stand.
- If both players miss the cut, then the one with the lowest score will be deemed the winner.
- If a player withdraws or is disqualified after making the cut, when his opponent has already missed the cut, the disqualified or withdrawn player is deemed the winner.
- If a player withdraws or is disqualified before the cut is made the other player is deemed the winner.
- In the event of a tie in tournament match betting, stakes are refunded.

#### 10.8. Tournament Group Betting

- In Tournament group betting the winner will be the player with the highest placing at the end of the tournament. Players missing the cut will be eliminated. If all listed players miss the cut the player with the lowest score at the cut will be deemed the winner.
- Players must complete at least one stroke for bets to stand.
- In the event of a tie in tournament groups, dead heat rules apply.
- In the event of a listed player being withdrawn prior to the first round, then the market will be void.



#### 10.9. To Make/Miss the Cut

- Players who are disqualified or withdraw before they complete 36 holes (or 54 holes in the case of a 3 Round cut) are deemed to have missed the cut.
- Players who are disqualified or withdraw after the cut will be deemed to have made the cut.
- If there is more than one cut in a tournament, settlement will be based on whether the player has made or missed the first cut.
- Should 36 holes (or 54 holes in the case of a 3 Round cut) not be completed then all bets on this
  market will be void.
- Bets on players to make/miss the cut will be settled on the official result posted on the tour sites.

#### 10.10. Matchplay Markets

- For all matchplay markets (e.g. individual matches in the WGC Match Play or Ryder Cup) if, after 18 holes, the match is tied then:
- if the tournament allows for sudden death or playoff hole(s), then the market will be settled on the result of the sudden death or playoff hole(s); or
- if the tournament allows for halved matches, then the market will be settled as a "half"; or
- if the tournament allows for halved matches, and there is no half/tie/draw option offered, then stakes on the match betting will be refunded.
- For team matchplay events, bets on the winner of any singles match will be void if that match does not reach its natural conclusion. A match will be deemed not to have reached its natural conclusion if, for example, the applicable players agree to a half because the overall team contest has already been determined.

#### **10.11.** Strokeplay Hole-by-Hole Markets (i.e. performance of a named player on a given hole)

- Should a hole not be completed for any reason all bets on that hole will be void unless the market has been unconditionally determined.
- Markets are settled on completion of the hole and any subsequent penalties or disqualification will not be taken into account.

## **10.12.** Matchplay Hole-by-Hole Markets (i.e. performance of players against each other on a given

#### hole)

- Any player or team withdrawing or being disqualified having played a stroke on that hole will be settled as a loser providing at least one other player completes that hole.
- If any player or team does not play a stroke on a hole all bets will be void.
- Markets are settled on completion of the hole and any subsequent penalties or disqualification will not be taken into account.

#### 10.13. Big X v. The Field

• If any of the players quoted as part of the Big "X" are non runners, bets will be void on this market.

#### 10.14. Total Majors Won/To Win a Major

• Players must play all four majors for bets to stand.

#### 10.15. "To Qualify" Markets

 In any 'To Qualify' market for any tournament the winners are the number of golfers that qualify for the tournament, whether they compete in the tournament or not. Markets will be settled after the qualifying stage and any subsequent disqualification or amendment to results will not count.

#### 10.16. Victory Margin Markets

• 'Victory Margin' markets will be settled on the official tournament result NOT including any playoff.

#### 10.17. Straight/Dual Markets



- For Straight Forecasts, players must come 1st and 2nd in the specified order, and in Dual Forecasts players must come 1st or 2nd in either order. Dead-heat rules may apply.
- Both players must tee off for bets to stand, otherwise bets will be made void on that selection.
- In the event of a tie for 2nd place, Dead-heat rules will apply, i.e. a 4 way tie for 2nd place will mean the bet will be settled at 1/4 of the original stake.

#### 10.18. Hole in One Markets

- Should the tournament be reduced to 36 holes or less then all bets on this market will be void, unless the market has been unconditionally determined.
- If the original card of the course is adjusted in any manner that affects the initial overall par of the course, then bets on hole in one related markets will be void.
- In a specified player to make a hole in one market, said player must tee off for bets to stand.

#### 10.19. Closest/Distance to the Pin

- Bets are on the ball closest to the pin/hole in regulation shots for the hole being played (1 shot for a par 3, 2 shots for a par 4 etc.).
- For group betting, at least one ball must be on the green in the regulated number of shots for the par of the hole to count, otherwise bets will be void.
- For individual player pin markets (e.g. Tee shot to finish within "X" Feet of the pin) the ball must be on the green to qualify.

#### 10.20. Longest Drive Markets

- Balls must finish on the fairway or green to qualify. If no balls finish on the fairway, then bets will be void.

#### 10.21. Putting Markets

- Putts are counted as all shots after the 1st shot where the lie is green (even if subsequent lie is not green)
- To Make Putt markets will be void if putt not hit.

#### **10.22.** Player Performance Bets (Bogey Free/Birdie or Better/etc.)

- Any Eagles or better will count for the birdies, and any Double Bogeys or worse will count for the bogeys.
- Any change of Hole par during the round, then all bets are void.
- The selected player must complete the nominal 18 holes for bets to stand. Any withdrawal or disqualification during the round, then bets will be made void on that player.
- Bets are on the stipulated round only. Playoffs do not count as part of the bet.

#### 10.23. OddsBoosts

- For any "OddsBoost" which involve a player to win a tournament, if that player shares the same lowest score in the tournament as another player and there is no play-off, the relevant part of the "Special" will be settled according to our normal dead heat rules.
- In the event of a play-off, the result of the play-off will determine the winner of the tournament. Even if
  three or more contestants take part in a play-off, such a play-off has, for the purposes of any "OddsBoost",
  the sole purpose of determining the winner of the tournament (meaning that the relative finishing
  positions, within the tournament, of unsuccessful play-off contestants is not affected by their placing in
  the play-off).
- Any players who withdraw from a tournament after completing a stroke are considered as having played in the tournament and, therefore, any "OddsBoost" bets placed on those players will be deemed to be losing bets.
- For any "OddsBoost" which involve a player that has withdrawn before they have completed a stroke, the bet in question will be voided in its entirety.
- Any "OddsBoost" involving a player to finish in the top 5/10/15/20 (or similar) will (unless otherwise stated) be deemed successful if the player finishes in a tie for the last named place. For example, if a



"OddsBoost" bet is placed on a player to finish in the top 10 and the player finishes in tied 10th position, the "OddsBoost" bet will be settled as a winning bet.

#### 10.24. Tourney Specials Bets

- The rules in this sub-section apply specifically to the settlement of any golf bets which are placed via Tourney Specials tab in Golf. All other settlement rules which are included in this "Golf Rules" section or elsewhere on this website (including in FanDuel and Regulations) will also apply to the settlement of Specials bets unless they contradict, or conflict with, those included in this sub-section (in which case, the rules in this sub-section shall take precedence).
- For any Specials bets which involve a player to win a tournament, if that player shares the same lowest score in the tournament as another player and there is no play-off, the relevant part of the Special bet will be settled according to our normal dead heat rules.
- In the event of a play-off, the result of the play-off will determine the winner of the tournament. Even if
  three or more contestants take part in a play-off, such a play-off has, for the purposes of any Specials
  bets, the sole purpose of determining the winner of the tournament (meaning that the relative finishing
  positions, within the tournament, of unsuccessful play-off contestants is not affected by their placing in
  the play-off).
- Any players who withdraw from a tournament after completing a stroke are considered as having played in the tournament and, therefore, any Specials bets placed on those players will be deemed to be losing bets.
- For any Specials bets which involve a player that has withdrawn before they have completed at least one stroke, the bet in question will be voided in its entirety.
- Where an obvious pricing error has occurred, we reserve the right to cancel any Specials bets placed at the incorrect price (and, in such circumstances, we will offer the Special bet to be re-placed at the correct price).
- Any Special bets involving a player to finish in the top 5/10/15/20 (or similar) will (unless otherwise stated) be deemed successful if the player finishes in a tie for the last named place. For example, if a Special bet is placed on player to finish in the top 10 and the player finishes in tied 10th position, the Special bet will be settled as a winning bet.
- For any obvious wording errors, we reserve the right to cancel any Special bets placed on that selection (and, in such circumstances, we will offer the Special bet to be re-placed with the correct wording).

## From:

## To: Addition pg.43

#### 13.2 Overview of Specific Markets (US Ice Hockey)

- Money Line/Puck Line/Total Goals/Alternates Includes overtime and any subsequent shootout for settlement purposes. In the event of the total being the exact index quoted, bets will result in a push.
- Moneyline/Total Goals Parlay: For settlement purposes this market excludes overtime and any subsequent shootout.
- 60 Minute Markets Where indicated 60 minute markets exclude overtime and shootout goals. If game goes to overtime, the "tie" selection will be the winner.
- 65 minute Markets Inclusive of all overtime and shootout goals where applicable.
- Period Markets Settled on the exact score of the specified period (e.g., wagers on 2nd period correct score markets will be settled based solely on the goals scored during the 2nd period, without regard to the game score up to that point in the competition). For settlement purposes, the 3rd period does not include any overtime played. Dead heat rules apply to the Highest Scoring Period market.
- Double Result Settled on the score of the game at the end of the 1st and 3rd Periods.



- Race to xth Goal The winner will be the team to achieve the number of specified goals first. Should
  neither team reach the target, pre-match bets will be void. This market includes Over-time. It does not
  include Shootout.
- Number of Goals/Total Goals Odd/Even Includes overtime (and any subsequent shootout) for settlement purposes.
- Number of Home/Away Goals This market is settled on the basis of 60 minutes of play only and does
  not include overtime or shootouts.
- Team to Score xth Goal The winner will be the team to score the specified goal number first. This market
  is settled on the basis of 60 minutes of play only and does not include overtime or shootouts.
- 1st team to score market The winner will be the team to score the first goal. This market includes Overtime but does not include Shootouts. If the game goes to a shootout and no goal has been scored, bets on this market will be void.
- All markets are subject to their respective pre-match rules for the purposes of Live Betting.
- Regular Season Points/Wins: For wagers to be action, teams must complete 80 scheduled regular season games. Should a team not complete the required number of games, all wagers on regular season points/wins markets will be void, unless the result is pre-determined, prior to an interruption or shortening of season.
- Series Leading Goal Scorer/Points Leader All in betting, dead heat rules apply in the event of a tie.
- Series Specials Any player that receives ice time in any game of a series will be considered action.

#### 13.3 Player Props (US Ice Hockey)

- Players must receive time on ice per the governing body box score to be considered as action. If a player
  does not receive any time on the ice, then all bets on the player will be void.
- All proposition markets are graded on the inclusion of regulation and overtime, unless otherwise explicitly stated that markets are for a specified period or 60 minutes. Player Shootout attempts/stats do not contribute unless market specifically states shootouts.
- Player Performance Parlays/Popular Parlays/Player Performance Doubles/Any market including Players: If
  a selection contains a player that is void, then the entire bet will be void. There is no bet payout with any
  legs being void.
- Player Shots Any market containing a player shots selection is resulted on the governing bodies official box score for shots on goal.
- Overtime specific Markets: Any wager made on markets explicitly stated for overtime in games that do
  not reach overtime are void. A player must take the ice in overtime for bets to have action.

#### 13.4 European Ice Hockey and IIHF International Competitions

- In case of a match being postponed, it will be voided unless it takes place within 36 hours of the initial scheduled starting time.
- Bets will be settled according to the result declared by the relevant governing body at the end of the match. In the absence of consistent, independent evidence or in the presence of significant conflicting evidence, bets will be settled based on our own statistics.
- All markets will be settled with the result at the end of regular time (60 minutes) unless otherwise stated.
- 2-Way Match Betting/Moneyline will be settled on result after overtime (including any subsequent shootout).
- Should a match be abandoned, all markets will be voided unless the outcome has been unequivocally decided.
- All Outright markets include playoffs where applicable.

#### 13.5 Overview of Specific Markets (European Ice Hockey and IIHF International Competitions)

 Period Markets – Settled on the exact score of the specified period (e.g., wagers on 2nd period correct score markets will be settled based solely on the goals scored during the 2nd period, without regard to



the game score up to that point in the competition). For settlement purposes, the 3rd period does not include any overtime played. Dead heat rules apply to the Highest Scoring Period market.

## From:

14.	Lacrosse	pg.45
		<b>C</b>

- 4.1 General Rules
  - If 60 minutes a game is postponed and is not completed played within 48 hours of the official start time (local time) then all bets will be void, except those voided.
  - If a game that has started is suspended due to a rain delay or other deferral and resumes within 48 hours of the originally scheduled start time (local time), then all wagers will stand. If the game is delayed beyond 48 hours of the originally scheduled start time, then all bets on the market for the game will be void. Except for bets on any markets that have been unconditionally determined. If an official result is declared by the relevant governing body, all bets will stand.
  - <u>ShouldIn the event of a match be abandonedvenue change</u>, all <u>marketsbets on the impacted game</u> will be <u>voidvoided</u>.
  - Premier Lacrosse League games are considered complete after 48 minutes of regulation gameplay unless the outcome of that market has been unequivocally decidedscore is tied at the end of regulation.
  - National Lacrosse League & NCAA Lacrosse games are considered complete after 60 minutes of regulation gameplay unless the score is tied at the end of regulation.
  - In the event of a tie at the end of regulation, the game is considered complete upon the first goal in overtime.
  - Overtime counts for all markets unless stated otherwise.
  - Second half markets include overtime.
  - Fourth quarter markets do not include overtime.
  - All Outright markets are All-in (see section 6.1)
  - For markets that specify number of goals a goal shot from behind the two-point line counts as one goal.

## 14.2 Player Props

- For player proposition markets, if the selected player does not take the field, wagers placed on the player will be voided.
- For season long player proposition bets, the nominated player must participate in at least one game during the regular season for bets to stand.

## <u>To</u>:

#### 14. Lacrosse

#### 14.1 General Rules

- If a game is postponed and is not played within 48 hours of the official start time (local time) then all bets will be voided.
- If a game that has started is suspended due to a rain delay or other deferral and resumes within 48 hours
  of the originally scheduled start time (local time), then all wagers will stand. If the game is delayed beyond
  48 hours of the originally scheduled start time, then all bets on the market for the game will be void.
  Except for bets on any markets that have been unconditionally determined. If an official result is declared
  by the relevant governing body, all bets will stand.
- In the event of a venue change, all bets on the impacted game will be voided.
- Premier Lacrosse League games are considered complete after 48 minutes of regulation gameplay unless the score is tied at the end of regulation.



- Sports Wagering Division
- National Lacrosse League & NCAA Lacrosse games are considered complete after 60 minutes of regulation gameplay unless the score is tied at the end of regulation.
- In the event of a tie at the end of regulation, the game is considered complete upon the first goal in overtime.
- Overtime counts for all markets unless stated otherwise.
- Second half markets include overtime.
- Fourth quarter markets do not include overtime.
- All Outright markets are All-in (see section 6.1)
- For markets that specify number of goals a goal shot from behind the two-point line counts as one goal.

#### 14.2 Player Props

- For player proposition markets, if the selected player does not take the field, wagers placed on the player will be voided.
- For season long player proposition bets, the nominated player must participate in at least one game during the regular season for bets to stand.

#### From:

#### 19.1Rugby Union Rules pg. 49

•••

Line: Any extra time will be counted for settlement purposes.

## <u>To</u>:

Deleted

#### From:

22. Soccer pg.54

#### 22.1. General Information

• • •

#### 22.2.2 Assist Markets

First & Anytime assists

- As determined by FanDuel's settlement guidelines, Goalan assist means is defined by the final touch (pass, pass-come-shot or any other touch) leading to the recipient of the ball scoring a goal.
- If the final touch (as defined above) is deflected by an opposition player, the initiator is only given a goalan assist if the receiving player was the likely to receive the ball withoutintended destination of the touch before the deflection having taken place. Own goals, directly taken free kicks, direct corner goals and penalties do not get an assist awarded. Only one.
  - If a shot on goal is blocked by an opposition player can be awarded an assist, is saved by a goalkeeper, or hits the woodwork, and a goal is scored directly from the rebound, then an assist is awarded, unless the resulting goal is scored by the same player who had the initial shot, in which case no assist is awarded.
- Where there is no result for<u>If a player shoots or passes</u> the assist of<u>ball and forces an</u> opposing player to put the 1st goalball in their own net (Own Goal), then the betting will



Sports Wagering Division

apply for the 2nd goal and continue to the 3rd goal etc. until an <u>an</u> assist is awarded for a <u>goal to the attacking player</u>.

- If a player winsFor a penalty or a free\_kick-that leads to a goal, the player winning the penalty or free-kick (by being fouled or causing a handball) is awarded an assist if a goal is directly scored, but not if they take it does not count as anthemselves, in which case no assist is awarded.
- Bets taken on first assist will be void if that player does not take part in the game or if he comes on after the first goal is scored (and where an assist is awarded for that goal).
- For the first assist market only, if a player enters the field of play after the first goal is scored (and where an assist is awarded for that goal), the bet will be voided. If a player is sent off or substituted before the first goal is scored (and where an assist is awarded for that goal) bets on that selection are deemed as losers.

<u>To</u>:

22. Soccer pg.54 22.1. General Information

• • •

#### 22.2.2 Assist Markets

- First & Anytime assists
  - As determined by FanDuel's settlement guidelines, an assist is defined by the final touch (pass, pass-come-shot or any other touch) leading to the recipient of the ball scoring a goal.
  - If the final touch (as defined above) is deflected by an opposition player, the initiator is only given an assist if the receiving player was the likely intended destination of the touch before the deflection.
  - If a shot on goal is blocked by an opposition player, is saved by a goalkeeper, or hits the woodwork, and a goal is scored directly from the rebound, then an assist is awarded, unless the resulting goal is scored by the same player who had the initial shot, in which case no assist is awarded.
  - If a player shoots or passes the ball and forces an opposing player to put the ball in their own net (Own Goal), then an assist is awarded to the attacking player.
  - For a penalty or a free-kick, the player winning the penalty or free-kick (by being fouled or causing a handball) is awarded an assist if a goal is directly scored, but not if they take it themselves, in which case no assist is awarded.
  - Bets taken on first assist will be void if that player does not take part in the game or if he comes on after the first goal is scored (and where an assist is awarded for that goal).
  - For the first assist market only, if a player enters the field of play after the first goal is scored (and where an assist is awarded for that goal), the bet will be voided. If a player is sent off or substituted before the first goal is scored (and where an assist is awarded for that goal) bets on that selection are deemed as losers.



TO:	Chair Cathy Judd-Stein Commissioner Bradford R. Hill Commissioner Jordan Maynard Commissioner Eileen O'Brien Commissioner Nakisha Skinner
FROM:	Bruce E. Band Director, Sports Wagering
CC:	Karen Wells – Executive Director
DATE:	May 16, 2023
RE:	Category3 Requests for a Sports Wagering Operation Certificate

"Before a Sports Wagering Operator may conduct Sports Wagering, [] a Sports Wagering Operator must request and obtain from the Commission an Operation Certificate. 205 CMR 251.01(1). , The following applicants have submitted such requests:

• **FBG Enterprises Opco, LLC** - (Fanatics Betting & Gaming)

In accordance with 205 CMR 251.01(3), as applicable to category 3 operators, "[a]n Operation Certificate shall not issue unless the Sports Wagering Operator has demonstrated to the Commission that it has complied with all requirements of M.G.L. c. 23N, 205 CMR, and all applicable laws. Such compliance includes, but is not limited to:

- (a) Approval of its system of internal controls including implementation of all approved policies and procedures required;
- (b) Provision of a current list of all Sports Wagering employees, Sports wagering Vendors, and Non-Sports Wagering Vendors;

\*\*\*

(f) Compliance with any other condition imposed by the Commission to secure the objectives of M.G.L. c. 23N and 205 CMR.

There are number of other requirements in this section that only apply to category 1 and category 2 operators. I note that the internal control process includes approval of the house rules (205 CMR 238.02(7)(k)) and responsible gaming plan (205 CMR 238.19) including voluntary self-exclusion protocols (205 CMR 233.06(6)).

"Prior to the issuance of an Operation Certificate, a Sports Wagering Operator shall successfully complete an evaluation and test period in accordance with such terms and conditions as are reasonably calculated by the Commission to allow the Commission to assess whether the licensee is in compliance with G.L. c. 23N and this 205 CMR 251." 205 CMR 251.02(1). This process was conducted by GLI and included a review of geofencing capabilities. "Upon the successful completion of the test period in accordance with 205 CMR 251.02 the Commission shall establish the effective date of the Operation Certificate and the scope of the Sports Wagering Operator's authority to conduct Sports Wagering." 205 CMR 251.03(1). "Each certificate, once issued, shall remain in effect throughout the term of the Sports Wagering Operator License under such terms and conditions as the Commission." 205 CMR 251.03(2). "Each Sports Wagering licensee to which an Operation Certificate is issued shall conduct Sports Wagering strictly in accordance with the terms of its original Operation Certificate and shall not change any of the items to which the Operation Certificate applies except as otherwise approved by the Commission." 205 CMR 251.03(3).

Listed below are the results of the applicant:

## FBG Enterprises Opco, LLC - (Fanatics Betting & Gaming)

- <u>Internal Controls</u> Passed No major findings in their submission.
- <u>Staffing Vendors Non SW Vendors</u> Approved
- <u>Compliance with any other condition imposed by the Commission to secure the</u> <u>objectives of M.G.L. c. 23N and 205 CMR.</u> - Conditional upon FBG Enterprises Opco, LLC – (Fanatics Betting & Gaming) Sportsbook, completing Operational Audits of Wagering Procedures and Practices and Technical Security Controls as required by the Commission's technical standards governing sports wagering within 90 days of the commencement of sports wagering operations.
- <u>Geofencing capabilities –</u> Approved GLI tested
- <u>Player Management System</u> Approved GLI tested
- <u>Responsible gaming plan (205 CMR 238.19) including voluntary self-exclusion</u> protocols (205 CMR 233.06(6). - As required by statute sport wagering operators are

required to annually submit a problem gaming plan for approval by the commission, in consultation with the department of public health. Each category 3 sports wagering operator has submitted their problem gambling/responsible gaming plan and it's been delivered to the Department of Public Health for feedback. Each operator includes the basic elements of the desired plan that aligns with the MGC Responsible Gaming Framework. Each operator included information on their role in administering the MA sports wagering voluntary self-exclusion program.

## • Approval of the house rules (205 CMR 238.02(7)(k))- Approved

## 251.03 Operation Certificate: Effective Date: Duration

- (1) Upon the successful completion of the test period in accordance with <u>205 CMR</u> <u>251.02</u> the Commission shall establish the effective date of the Operation Certificate and the scope of the Sports Wagering Operator's authority to conduct Sports Wagering.
- (2) Each certificate, once issued, shall remain in effect throughout the term of the Sports Wagering Operator License under such terms and conditions as the Commission may impose, but may be revoked, suspended, limited, or otherwise altered by the Commission.
- (3) Each Sports Wagering licensee to which an Operation Certificate is issued shall conduct Sports Wagering strictly in accordance with the terms of its original Operation Certificate and shall not change any of the items to which the Operation Certificate applies except as otherwise approved by the Commission.



# **REPORT** ON THE INITIAL ASSESSMENT OF THE

# **INTERNAL CONTROLS MATRIX OF FANATICS**

# **BETTING & GAMING FOR MOBILE**

# **SPORTS WAGERING**

CONDUCTED FOR

MASSACHUSETTS GAMING COMMISSION

DURING

MARCH 20 - APRIL 24, 2023

Gaming Laboratories International, LLC World Headquarters 600 Airport Road Lakewood, NJ 08701 Phone: 732.942.3999 Fax: 732.942.0043

Initial Evaluation Report	
Document Reference:	CS-00-MHG-23-10
Revision Date:	April 25, 2023

## GAMING LABORATORIES INTERNATIONAL®

DOCUMENT DETAILS				
Title	Report on the initial assessment of the Internal Controls Matrix of Fanatics Betting & Gaming for Mobile Sports Wagering			
Project Leader	Ryan Jacobson			
Report Author	Ryan Jacobson			
Quality Review By	Ryan Jacobson			
Classification	Confidential			

## DISTRIBUTION LIST

Ms. Karen Wells - Executive Director, Massachusetts Gaming Commission

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## **1. GENERAL INFORMATION**

#### **Client Information**

Organization:	Massachusetts Gaming Commission
Address:	101 Federal Street, 12th Floor, Boston, Massachusetts, 02110.
Phone:	617-979-8400
Website:	www.massgaming.com
Contacts:	Bruce Band, Sports Wagering Division Director
E-mail:	Bruce.Band@massgaming.gov
Authorized by:	Ms. Karen Wells – Executive Director

#### **1.1 Project Details**

#### 1.1.1 Purpose

In order to assist in achieving compliance with Massachusetts Gaming Commission (MGC) regulations relating to sports wagering for entities seeking to be approved as providers of sports wagering in the state of Massachusetts, MGC engaged Gaming Laboratories International (GLI) to provide consulting services for the review of sports wagering candidates' documented internal controls.

The purpose of this assessment was for GLI to perform a review of the sports wagering internal controls of Fanatics Betting & Gaming for compliance with the MGC regulations.

#### **1.1.2 Referenced Standards**

The assessment was based on the following standards:

• Massachusetts Gaming Commission Regulations Related to Sports Wagering (see Appendix 2 for the controls reviewed).

## 1.1.3 Key Dates

On-site visit Date:	No on-site visit was performed	
Draft Report Issue Date:	April 25, 2023	
Initial Report Issue Date:	April 25, 2023	
Final Report Issue Date:	Pending	

## 1.1.4 Assessment Team

Ryan Jacobson	Project Leader, Director, Software QA & Testing Practice	
Cordero Woods	Assessor, Management Consultant, Software QA & Testing Practice	

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#### 2. EXECUTIVE SUMMARY

#### 2.1 Background

Sports wagering was recently approved in Massachusetts. The MGC has engaged GLI to provide consulting services to the MGC, for the review of internal control documentation presented by entities applying for a sports wagering license in that state.

This report details GLI's initial conclusions and findings, arising from the review of Fanatics Betting & Gaming Internal Control Standard (ICS) framework and controls for compliance with MGC regulations related to sports wagering.

#### 2.2 Scope

The purpose of this engagement was for GLI to conduct a review of Fanatics Betting & Gaming documented ICS for its compliance to the MGC regulations related to sports wagering.

This included the review of each control standard, to evaluate if the Fanatics Betting & Gaming control design is adequate to meet the control objectives of the MGC regulations related to sports wagering.

As part of the scope, the Fanatics Betting & Gaming ICS framework and controls were assessed for compatibility with MGC audit requirements and workflow.

#### 2.3 Approach and Methodology

GLI was provided with the documented internal controls for Fanatics Betting & Gaming. These control standards were reviewed to confirm that the control objectives of the MGC regulations related to sports wagering were satisfied by the controls' design.

Documents originating from Fanatics Betting & Gaming were provided.

In addition to reviewing the controls themselves, the framework of Fanatics Betting & Gaming internal controls was evaluated for compatibility with MGC's audit requirements and workflow.

This work was carried out according to the requirements detailed in the Massachusetts Standard Contract form for "Gaming Laboratories International to provide consulting services to the Commission relating to the Internal Control Standards (ICS) review by entities applying for a sports wagering license in accordance with Addendum A", (MMARS ID: 2023GAMINGLAB0000ICS), dated November 11<sup>th</sup> 2022, which details the scope and deliverables and applicable terms and conditions.

Consistent with the engagement agreed upon with the client, this assessment was conducted remotely, being carried out solely through the review of documentation and information provided by Fanatics Betting & Gaming. No sampling or on-site assessment was made to confirm if controls are actually implemented, or if they are effective.

### **3. CONCLUSION**

The assessment of Fanatics Betting & Gaming Internal Controls against the MGC regulations related to sports wagering is currently under review.

At the time of this report GLI identified no Major non-conformities (high risk), no Minor non-conformities (medium risk) and no Observations (low risk).

Within the finding section below all of the currently reviewed and passed Fanatics Betting & Gaming Internal Controls have been identified along with all of the Fanatics Betting & Gaming Internal Controls under review.

The findings in this report are conditional upon Fanatics Betting & Gaming, completing Operational Audits of Wagering Procedures and Practices and Technical Security Controls as required by the MGC's technical standards governing sports wagering within 90 days of the commencement of sports wagering operations.

#### 4. FINDINGS

#### 4.1 Summary of Findings

No non-conformities were identified during the review.

Major non-conformities, (which are considered to be high risk), identified during the assessment include:

• No major non-conformities were identified during the review.

Minor non-conformities, (which are considered to be medium risk), identified during the assessment include:

• No minor non-conformities were identified during the review.

**Observations**, (which are considered to be low risk), identified during the assessment include:

• No minor non-conformities were identified during the review.

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## 4.2 Compliance Results

The following table details the compliance status of assessed controls. See Appendix 2 – Controls Reviewed for the comprehensive list of controls evaluated in each group.

Control Area	Affected Control	Determination	Comments
	Massachusetts Internal Co	ontrols	
Massachusetts Sports Wagering Technical Security	201 CMR 17.03(1-2)	Pass	
Massachusetts Sports Wagering Technical Security	201 CMR 17.04	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 133.06(3-5,9)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.04(1-2,4(a-b),5,7)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.05(1-2)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.06(1-3)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.09(1(a-d))	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.10(1-7)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.13(2-4)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.65(1)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.72(1-6)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 138.73(1-8)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 152.06(5)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 233.06(1-7)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.02(7-8,14)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.03	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.04(1-7)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.05(1-2)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.06(1-3)	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 238.07(1-7)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.08(1-2)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.09(1,2(a-b),3-6)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.10	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.11(1-3)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.12(1(M.G.L. c. 23N, § 12(a)(vii)),2-5)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.13	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.14(1-3)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.15(1-2)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.16(1-3)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.17	Pass	

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	205 CMR 238.18(1,2(M.G.L. c.	Pass	
	23N, § 11(e) M.G.L. c. 23N, §	1 400	
	12(a)(i) M.G.L. c. 23N, §		
	12(a)(ii)),3(M.G.L. c. 23N, §		
	11(f)),4-6,7(M.G.L. c. 23N, §		
	11(i-j)),8(M.G.L. c. 23N, §		
Massachusetts Sports Wagering Procedures and Practices	11(h)),9)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.19(1-2)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.20	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.22(1-8)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.23(1-2)	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.24	Pass	
	205 CMR 238.25(1-11)	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.26(1-3)	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.27 (1-3) M.G.L. c.	Pass	
Massachusetts Sports Wagering Procedures and Practices	23N, § 4(d)(2)(viii)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.28	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.29	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.30	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.31	Pass	
	205 CMR 238.32(1(M.G.L. c.	Pass	
	23N, § 11(a)(i) M.G.L. c. 23N, §		
	13(f)),2(M.G.L. c. 23N, §		
	11(a)(iii)),3(M.G.L. c. 23N, §		
	11(a)(ii)),4(M.Gl.L. c. 23N, §		
Massachusetts Sports Wagering Procedures and Practices	11(a)(iv)))		
	205 CMR 238.33(1-4)	Pass	
Massachusetts Sports Wagering Procedures and Practices			
	205 CMR 238.34(1(M.G.L. c.	Pass	
Massachusetts Sports Wagering Procedures and Practices	23N, § 13(c)),2-3)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.35(1-10)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.36(1)	N/A	Category 3 Sports Wagering Operator
* <del>*</del> *	205 CMR 238.37 M.G.L. c. 23N,	Pass	
Massachusetts Sports Wagering Procedures and Practices	§ 12(a)(v)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.38	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.39	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.40	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.41	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.42	Pass	
	205 CMR 238.43	Pass	
	M.G.L. c. 23N, § 12(a)(viii)		
Massachusetts Sports Wagering Procedures and Practices	M.G.L. c. 23N, § 12(a)(ix)		
	205 CMR 238.44(1,2(M.G.L. c.	Pass	
Massachusetts Sports Wagering Technical Security	23N, § 11(a)(v)),3(a-b))		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.45(1-2)	Pass	
	205 CMR 238.46	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices			

Report on the assessment of the Internal Controls Matrix of Fanatics Betting & Gaming for Mobile Sports Wagering CS-00-MHG-23-10 – CONFIDENTIAL

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Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.47(1-4)	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.48(1-6)	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.49	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Procedures and Practices	205 CMR 238.50	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 243.01(1)(aa) B.7.6	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 243.01(1)(bb) B.9.5	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 243.01(1)(s) A.1.2(a- g)	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 243.01(1)(x) B.1.2(a,e)	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 243.01(1)(y) B.2.2	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 243.01(1)(z) B.4.5	N/A	Category 3 Sports Wagering Operator
Massachusetts Sports Wagering Technical Security	205 CMR 244.03(2(b-c))	Pass	
Massachusetts Sports Wagering Technical Security	205 CMR 248.03(4)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 250.01(1(M.G.L. c. 23N, § 12(a)(x) M.G.L. c. 23N, § 13(d)(i)),5-6)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 250.04	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 252.06(3)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 252.08(1)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 254.02(1-6)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 254.03(1-4)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 254.04	Pass	
Massachusetts Sports Wagering Technical Security	206 CMR 243.01(1)(x) B.1.2(a)	Pass	
Massachusetts Sports Wagering Procedures and Practices	205 CMR 256.04(1-6)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 256.05(1-7)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 256.06(1-2)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 256.07(1-3)		
Massachusetts Sports Wagering Procedures and Practices	205 CMR 256.09(1-2)		

## **5. APPENDICES**

### 5.1 Appendix 1 – Documents Reviewed

The following table details the documents reviewed by GLI to perform the Internal Controls Matrix assessment.

#	Document/Evidence	Document Type
1	(DRAFT) FBG - Privacy Policy	docx
2	Exhibit - Massachusetts Terms of Service [DRAFT - Revised 04.18.23]	docx
3	Exhibit 238.04 - Table of Organization (Revised - 04.07.23)	pdf
4	Exhibit 238.10 - Jobs Compendium (Fanatics)	pdf
5	Exhibit 238.19 - Responsible Gaming Plan (Fanatics - DRAFT) (Revised - 04.07.23)	docx
6	Fanatics - Account Registration Limit Setting	png
7	Fanatics - Patron Problem Gambling Material	pdf
8	Fanatics Sportsbook - 238.00 - Uniform Standards of Accounting Procedures and Internal Controls	docx
9	Fanatics Sportsbook - 238.02 - Sports Wagering Operator's System of Internal Controls	docx
10	Fanatics Sportsbook - 238.03 - Records Regarding Company Ownership	docx
11	Fanatics Sportsbook - 238.04 - Sports Wagering Operator's Organization	docx
12	Fanatics Sportsbook - 238.05 - System for Ensuring Employees Are Properly Licensed or Registered	docx
13	Fanatics Sportsbook - 238.06 - System for Business Dealings with Sports Wagering Vendors	docx
14	Fanatics Sportsbook - 238.07 - Information Security Responsibilities	docx
15	Fanatics Sportsbook 238.08 - Accounting Records	docx
16	Fanatics Sportsbook 238.09 - Retention, Storage and Destruction Records	docx
17	Fanatics Sportsbook 238.10 - Jobs Compendium Submission	docx
18	Fanatics Sportsbook - 238.11 - Personnel Assigned to the Operation and Conduct of Sports Wagering	docx
19	Fanatics Sportsbook - 238.12 - Reserve Requirement (04.18.23)	docx
20	Fanatics Sportsbook - 238.13 - Complimentary Services or Items and Promotional Gaming Credits	docx
20	Fanatics Sportsbook - 238.14 - Risk Management Framework (Revised - 04.18.23)	docx
21	*	docx
22	Fanatics Sportsbook - 238.15 - Taxation Requirement	docx
23	Fanatics Sportsbook - 238.16 - Bank Secrecy Act Compliance	docx
	Fanatics Sportsbook - 238.17 - Anti-Money Laundering (AML) Monitoring (Revised - 04.18.23)	docx
25	Fanatics Sportsbook - 238.18 - Integrity Monitoring_Suspicious Behavior	docx
26	Fanatics Sportsbook - 238.19 - Responsible Gaming and Problem Gaming Plan Exactly Sportsbook - 238.20 - Protection of Minors and Undersea Vouth (Pavingd, 04.07.22)	docx
27	Fanatics Sportsbook - 238.20 - Protection of Minors and Underage Youth (Revised - 04.07.23)	docx
28	Fanatics Sportsbook - 238.21 - Patron Protection Information (Clean - 04.24.23)	docx
29	Fanatics Sportsbook - 238.22 - Complaints Pertaining to Sports Wagering (Revised - 04.07.23)	docx
30	Fanatics Sportsbook - 238.23 - Sports Wagering Counter	docx
31	Fanatics Sportsbook - 238.24 - Gaming Day	docx
32	Fanatics Sportsbook - 238.25 - Accounting Controls within the Sports Wagering Counter	docx
33	Fanatics Sportsbook - 238.26 - Procedures for Acceptance of Tips or Gratuities from Patrons	docx
34	Fanatics Sportsbook - 238.27 - Prohibition of Credit Extension	docx
35	Fanatics Sportsbook - 238.28 - Events, Odds and Result Management	uoux

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36	Fanatics Sportsbook - 238.29 - Monitoring the Sports Wagering Activities	docx
37	Fanatics Sportsbook - 238.30 - Acceptance of Sports Wagers	docx
38	Fanatics Sportsbook - 238.31 - In-Game or In-Play Wagering	docx
39	Fanatics Sportsbook - 238.32 - Restricted Patrons	docx
40	Fanatics Sportsbook - 238.33 - Prohibited Persons (Revised - 04.07.23)	docx
41	Fanatics Sportsbook - 238.34 - Layoff Wagers	docx
42	Fanatics Sportsbook - 238.35 - Cancelled or Voided Wagersv	docx
43	Fanatics Sportsbook - 238.36 - Accounting Controls for Sports Wagering Kiosks	docx
44	Fanatics Sportsbook - 238.37 - Sports Wagering Equipment (Revised - 04.07.23)	docx
45	Fanatics Sportsbook - 238.38 - Change Management	docx
46	Fanatics Sportsbook - 238.39 - Sports Wagering Accounts (Clean - 04.24.23)	docx
47	Fanatics Sportsbook - 238.40 - Test Accounts	docx
48	Fanatics Sportsbook - 238.41 - Sports Wagering Accounting Requirements	docx
49	Fanatics Sportsbook - 238.42 - Commission Access to Sports Wagering Data (Revised - 04.07.23)	docx
50	Fanatics Sportsbook - 238.43 - Reports of Sports Wagering Operations	docx
51	Fanatics Sportsbook - 238.44 - Data and Network Security Requirements	docx
52	Fanatics Sportsbook - 238.45 - Personally Identifiable Information Security (Revised - 04.07.23)	docx
53	Fanatics Sportsbook - 238.46 - Reprints of Sports Wagering Tickets and Vouchers	docx
54	Fanatics Sportsbook - 238.47 - Validation and Payout of Sports Wagering Tickets and Vouchers	docx
55	Fanatics Sportsbook - 238.48 - Expiration of Sports Wagering Tickets and Vouchers; Payment to the Sports Wagering Control Fund	docx
	Fanatics Sportsbook - 238.49 - Entertainment, Filming, Photography within the Sports Wagering Area or	docx
56	Sports Wagering Facility Fanatics Sportsbook - 238.50 - Policies and Procedures for Ensuring a Workplace Free from Unlawful	docx
57	Discrimination, Harassment and Retaliation (Revised - 04.18.23)	
58	Fanatics Sportsbook - 243.00 - Sports Wagering Equipment	docx
59	Fanatics Sportsbook - 256.00 - Sports Wagering Advertising (Revised - 04.07.23)	docx
60	Fanatics Sportsbook House Rules (Clean - 04.17.23)	docx
61	FBG - MA Jobs Compendium (04.18.23)	pdf
01	1 DO - MA 3005 Compension (04.10.23)	1

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## 5.2 Appendix 2 – Controls Reviewed

GLI performed the Internal Controls Matrix assessment with reference to the MGC regulations listed in this table (see working papers for evaluated subsections).

Massachuse	etts Regulations Related to Sports Wag	ering Assessed
201 CMR 17.03(1-2)	205 CMR 238.15(1-2)	205 CMR 238.42
201 CMR 17.04	205 CMR 238.16(1-3)	205 CMR 238.43 M.G.L. c. 23N, § 12(a)(viii) M.G.L. c. 23N, § 12(a)(ix)
205 CMR 133.06(3-5,9)	205 CMR 238.17	205 CMR 238.44(1,2(M.G.L. c. 23N, § 11(a)(v)),3(a-b))
205 CMR 138.04(1-2,4(a-b),5,7)	205 CMR 238.18(1,2(M.G.L. c. 23N, § 11(e) M.G.L. c. 23N, § 12(a)(i) M.G.L. c. 23N, § 12(a)(ii)),3(M.G.L. c. 23N, § 11(f)),4-6,7(M.G.L. c. 23N, § 11(i- j)),8(M.G.L. c. 23N, § 11(h)),9)	205 CMR 238.45(1-2)
205 CMR 138.05(1-2)	205 CMR 238.19(1-2)	205 CMR 238.46
205 CMR 138.06(1-3)	205 CMR 238.20	205 CMR 238.47(1-4)
205 CMR 138.09(1(a-d))	205 CMR 238.22(1-8)	205 CMR 238.48(1-6)
205 CMR 138.10(1-7)	205 CMR 238.23(1-2)	205 CMR 238.49
205 CMR 138.13(2-4)	205 CMR 238.24	205 CMR 238.50
205 CMR 138.65(1)	205 CMR 238.25(1-11)	205 CMR 243.01(1)(aa) B.7.6
205 CMR 138.72(1-6)	205 CMR 238.26(1-3)	205 CMR 243.01(1)(bb) B.9.5
205 CMR 138.73(1-8)	205 CMR 238.27 (1-3) M.G.L. c. 23N, § 4(d)(2)(viii)	205 CMR 243.01(1)(s) A.1.2(a-g)
205 CMR 152.06(5)	205 CMR 238.28	205 CMR 243.01(1)(x) B.1.2(a,e)
205 CMR 233.06(1-7)	205 CMR 238.29	205 CMR 243.01(1)(y) B.2.2
205 CMR 238.02(7-8,14)	205 CMR 238.30	205 CMR 243.01(1)(z) B.4.5
205 CMR 238.03	205 CMR 238.31	205 CMR 244.03(2(b-c))
205 CMR 238.04(1-7)	205 CMR 238.32(1(M.G.L. c. 23N, § 11(a)(i) M.G.L. c. 23N, § 13(f)),2(M.G.L. c. 23N, § 11(a)(iii)),3(M.G.L. c. 23N, § 11(a)(ii)),4(M.G.L. c. 23N, § 11(a)(iv)))	205 CMR 248.03(4) 205 CMR 250.01(1(M.G.L. c. 23N, §
205 CMR 238.05(1-2)	205 CMR 238.33(1-4)	12(a)(x) M.G.L. c. 23N, § $13(d)(i)$ ,5-6)
205 CMR 238.06(1-3)	205 CMR 238.34(1(M.G.L. c. 23N, § 13(c)),2-3)	205 CMR 250.04
205 CMR 238.07(1-7)	205 CMR 238.35(1-10)	205 CMR 252.06(3)
205 CMR 238.08(1-2)	205 CMR 238.36(1)	205 CMR 252.08(1)
205 CMR 238.09(1,2(a-b),3-6)	205 CMR 238.37 M.G.L. c. 23N, § 12(a)(v)	205 CMR 254.02(1-6)
205 CMR 238.10	205 CMR 238.38	205 CMR 254.03(1-4)
205 CMR 238.11(1-3)	205 CMR 238.39	205 CMR 254.04
205 CMR 238.12(1(M.G.L. c. 23N, § 12(a)(vii)),2-5)	205 CMR 238.40	206 CMR 243.01(1)(x) B.1.2(a)
205 CMR 238.13	205 CMR 238.41	205 CMR 256.04(1-6)
205 CMR 238.14(1-3)		205 CMR 256.05(1-7)
		205 CMR 256.06(1-2)
		205 CMR 256.07(1-3)
		205 CMR 256.09(1-2)

#### 5.3 Appendix 3 – Scoring The Risks With ISO/IEC 31010:2009 Risk Management - Assessment Techniques

ISO/IEC 31010:2009 Risk Management – Risk assessment techniques is an industry standard for assessing the severity of security threats. It attempts to establish a measure of how much concern a threat warrants, so efforts can be prioritized. The score is based on a series of measurements (called metrics) based on expert assessment.

**Base Metrics:** for qualities intrinsic to vulnerability. There are six Base Metrics, which represent the most fundamental, immutable qualities of vulnerability:

- Access Vector: measures how remote an attacker can be to attack a target;
- Access Complexity: measures the complexity of attack required to exploit the vulnerability, once an attacker has gained access to the target system;
- Authentication: measures the number of times an attacker must authenticate to the target system in order to exploit the vulnerability;
- Confidentiality Impact: measures the impact on confidentiality of a successful exploit of the vulnerability on the target system;
- Integrity Impact: measures the impact on integrity of a successful exploit of the vulnerability on the target system; and
- Availability Impact: measures the impact on availability of a successful exploit of the vulnerability on the target system.

**Temporal Metrics:** for characteristics that evolve over the lifetime of vulnerability. There are three Temporal Metrics, which represent the time dependent qualities of vulnerability:

- Exploitability: measures how complex the process is to exploit the vulnerability in the target system;
- Remediation Level: measures the level of an available solution; and
- Report Confidence: measures the degree of confidence in the existence of the threats and the credibility of its report.

### Severity Rankings

Severity	Score	Action Required
High	Major Non-Conformity	High to Critical threat that needs immediate resolution.
Medium	Minor Non-Conformity	Moderate risk that needs to be investigated.
	Observation	Issue that needs to be reviewed to ensure good practices.

### **Risk Impact Ranking**

Risk	Impact	Example
	Technical Impact	
	Loss of confidentiality	All data disclosed (9)
		Extensive critical data disclosed (7)
High	Loss of integrity	All data totally corrupted (9)
, i i i i i i i i i i i i i i i i i i i		Extensive seriously corrupted data (7)
	Loss of availability	All services completely lost (9)
		extensive primary services interrupted (7)
	Loss of accountability	Completely anonymous (9)
	Business Impact	
	Financial damage	Bankruptcy (9)
	Reputation damage	Brand damage (9)
	Non-compliance	High profile violation (7)
	Privacy violation	Millions of people (9)
		Thousands of people (7)
	Technical Impact	
	Loss of confidentiality	Minimal critical data disclosed (6)
Ŏ		extensive non-sensitive data disclosed (6)
Medium	Loss of integrity	Extensive slightly corrupted data (5)
	Loss of availability	Minimal primary services interrupted (5)
		extensive secondary services interrupted (5)
	Loss of accountability	Possibly traceable (6)
	Business Impact	
	Financial damage	Significant effect on annual profit (6)
	Reputation damage	Loss of goodwill (5)
		Loss of major accounts (4)
	Non-compliance	Clear violation (5)
	Privacy violation	Hundreds of people (5)
	Technical Impact	
	Loss of confidentiality	Minimal non-sensitive data disclosed (2)
<u> </u>	Loss of integrity	Minimal seriously corrupted data (3)
Low		Minimal slightly corrupted data (1)

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Loss of availability	Minimal secondary services interrupted (1)
Loss of accountability	Fully traceable (1)
Business Impact	
Financial damage	Minor effect on annual profit (3) Less than the cost to fix the vulnerability (1)
Reputation damage	Minimal damage (1)
Non-compliance	Minor violation (2)
Privacy violation	One individual (3)

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### 6. TERMS AND CONDITIONS

#### **6.1** Warranties

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For full terms and conditions please consult the GLI website: https://gaminglabs.com/images/pdfs/TermsandConditions.pdf Authentication of Gaming Laboratories International, LLC's Initial Report on the assessment of the Internal Controls Matrix of Fanatics Betting & Gaming for Sports Wagering:

Christine M. Gallo Senior Vice President, Quality Assurance and Technical Compliance



## MASSACHUSETTS GAMING COMMISSION

## **MEMORANDUM**

To: Chair Judd-Stein and Commissioners Hill, Maynard, O'Brien and Skinner
From: Karen Wells, Executive Director and Derek Lennon, CFAO
Date: 5/16/2023
Re: Fiscal Year 2023 (FY23) Third Budget Update

### Summary:

After two quarterly updates, the approved FY23 budget for the Gaming Control Fund was \$35.97M, composed of \$29.61M in regulatory costs and \$6.36M in statutorily required costs. The Gaming Control Fund required an initial assessment of \$30.5M on licensees. After the first two quarterly updates, the assessment was revised to \$29.88M.

This quarterly update, staff is recommending increasing the Gaming Control Fund by a total of \$353.17K. The increase is for invoices for the independent monitor received and paid in the third quarter. The independent monitor expense is revenue neutral, so we are also increasing revenue estimates by \$353.17K.

After two quarterly updates the total FY23 projected budget for sports wagering was \$4.74M. The MGC received \$3.2M in initial background investigation fees from applicants. ~\$2.54M of the anticipated FY23 Sports Wagering Control Fund budget would be funded by the fees, and the remaining ~\$2.2M would be assessed on the sports wagering licensees. We are not making any adjustments to spending projections, however, we are increasing revenue projections by \$921.4K which accounts for an additional \$1.04M in licensing revenue and a decrease in the assessment of \$118.5K.

## **Gaming Control Fund**

## Spending Update:

The costs of the independent monitor were not included in the FY23 budget, as that item is revenue neutral (each dollar of expense is offset by a corresponding dollar of revenue). We are increasing the spending projection by 353.17K for the independent monitor bills paid between 1/1/2023 and 3/31/2023. We are increasing the revenue projection by that same amount.

The Commission approved the FY23 budget with the bare minimum set aside for litigation costs, as required by our insurance policy, as well as a flat funding level for GEU OT. As of this third update, both of those funding levels are sufficient.

#### Revenue Update:

The FY23 Budget for the Gaming Control Fund relies on fees from licensing and slot machines, as well as an assessment to maintain regulatory oversight of the gaming operations. We are increasing revenue projections for the gaming control fund by \$353.17K, to recognize the independent monitor revenue that will offset the costs incurred in the third quarter.

## \*\*\*\*

Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

## **Sports Wagering Control Fund**

## Spending Update:

The Commission approved an initial budget for the sports wagering control fund of \$2.193M, in a public meeting in September. In a subsequent meeting, the Commission approved an additional \$210K in costs for updates to the VSE database, as well as \$150K for a statutorily required study on sports wagering kiosks, thus raising the approved sports wagering budget to \$2.4M. In the second quarterly update Commission approved an additional \$2.32M to bring the sports wagering budget to \$4.75M. We continue to experience delays in hiring some of the staff to support the Commission's sports wagering operations. We have no recommendations for changing the sports wagering anticipated spending through the end of FY23.

## Revenue Update:

The FY23 Budget for the Sports Wagering Control Fund relies on fees from initial suitability reviews and an assessment to maintain regulatory oversight of the sports wagering operations. We received \$3.2M in initial application fees for suitability reviews. The Commission has generated \$1.04M in licensing revenue that was not part of the initial projections. During the second quarterly update, the Commission approved an assessment of \$2.236M for costs of regulating sports wagering operations in the Commonwealth that are not covered by suitability investigation fees. We are decreasing the assessment by \$118.5K for two (2) operators who did not choose to move forward with sports wagering operations in the Commonwealth.

## **Conclusion:**

We are increasing the Gaming Control Fund spending and revenue projections by \$353.17K for the independent monitor costs incurred in the third quarter of FY23. We will continue to monitor all spending and revenue activity with attention to litigation costs, GEU overtime costs, and payroll turnover savings.

We are increasing revenue projections for the Sports Wagering Control fund by \$921.4K which encompasses the increase in licensing revenue and the decrease in the assessment.

Attachment A to this document shows the initial budgets, actual spending, and revenue for all accounts under the control of the MGC through the third quarter of FY23, as well as the recommended adjustments contained in this memorandum.

Attachment A: FY23 Actuals Spending and Revenue as of 4/1/2023.

\*\*\*\*

2023													
Row Labels		nitial Projection	FY22 Balance Forward	· · · · · · · · · · · · · · · · · · ·		Proposed Adjustments		Current Budget (Initial+Apvd Adjmts)		Actuals To Date ) Total		%Spent	% BFY Passed
10500001Gaming Control Fund													
MGC Regulatory Cost													
AA REGULAR EMPLOYEE COMPENSATION	\$	7,982,768.03		\$	127,623.77	\$	-	\$	8,110,391.80	\$	6,160,650.68	76%	75%
BB REGULAR EMPLOYEE RELATED EXPEN	\$	81,197.00		\$	-	\$	-	\$	81,197.00	\$	17,047.54	21%	75%
CC SPECIAL EMPLOYEES	\$	248,022.52		\$	-	\$	-	\$	248,022.52	\$	209,631.58	85%	75%
DD PENSION & INSURANCE RELATED EX	\$	3,198,108.43		\$	53,461.60	\$	-	\$	3,251,570.03	\$	2,513,833.38	77%	75%
EE ADMINISTRATIVE EXPENSES	\$	634,974.92		\$	-	\$	-	\$	634,974.92	\$	272,776.95	43%	75%
FF PROGRAM, FACILITY, OPERATIONAL SUPPIES	\$	20,000.00		\$	-	\$	-	\$	20,000.00	\$	7,460.53	37%	75%
GG ENERGY COSTS AND SPACE RENTAL	\$	1,347,958.08		\$	-	\$	-	\$	1,347,958.08	\$	1,012,064.37	75%	75%
HH CONSULTANT SVCS (TO DEPTS)	\$	818,500.00		\$	83,380.20	\$	353,175.97	\$	1,255,056.17	\$	1,054,875.92	84%	75%
JJ OPERATIONAL SERVICES	\$	10,510,400.56		\$	-	\$	-	\$	10,510,400.56	\$	4,304,288.11	41%	75%
KK Equipment Purchase	\$	62,000.00		\$	-	\$	-	\$	62,000.00	\$	2,106.23	3%	75%
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	41,707.90		\$	-	\$	-	\$	41,707.90	\$	24,171.94	58%	75%
NN NON-MAJOR FACILITY MAINTENANCE REPAIR	\$	25,000.00		\$	-	\$	-	\$	25,000.00	\$	1,945.40	8%	75%
PP STATE AID/POL SUB/OSD	\$	150,000.00		\$	-	\$	-	\$	150,000.00			0%	75%
TT PAYMENTS & REFUNDS	\$	-		\$	-	\$	-	\$	-	\$	253,754.76		75%
UU IT Non-Payroll Expenses	\$	4,222,914.03		\$	-	\$	-	\$	4,222,914.03	\$	2,844,664.09	67%	75%
MGC Regulatory Cost Subtotal:	\$	29,343,551.47		\$	264,465.57	\$	353,175.97	\$	29,961,193.01	\$	18,679,271.48	62%	75%
EEIndirect Costs	\$	2,419,852.48	\$-	r \$	-	\$	-	\$	2,419,852.48	\$	1,353,400.80	56%	75%
Office of Attorney General													
ISA to AGO	\$	2,927,384.00		\$	-	\$	-	\$	2,927,384.00	\$	1,523,139.71	52%	75%
TT Reimbursement for AGO 0810-1024	\$	-						\$	-	\$	-		
AGO State Police	\$	939,113.12						\$	939,113.12	\$	221,270.33	24%	75%
Office of Attorney General Subtotal:	\$	3,866,497.12	\$-	\$	-	\$	-	\$	3,866,497.12	\$	1,744,410.04	45%	75%
ISA to ABCC	\$	75,000.00	\$-	\$	-	\$	-	\$	75,000.00	\$	74,682.70	100%	75%
Gaming Control Fund Total Costs	\$	35,704,901.07	\$ -	\$	264,465.57	\$	353,175.97	\$	36,322,542.61	\$	21,851,765.02	60%	75%

				Rev	venue Projections		Revenue Projections										
Revenues	Ir	Initial Projection			Approved Adjustments	,	Proposed Adjustments		Current Budget tial+Apvd Adjmts)	ł	Actuals To Date Total						
Gaming Control Fund Beginning Balance 0500	\$	-		\$		\$	-	\$	1,437,053.08	\$	1,437,053.08						
Independent Monitor	\$	1,200,000.00		\$	(1,116,619.80)		353,175.97	\$	83,380.20	\$	515,311.54						
EBH Security fees 0500	\$	-		\$	-	\$	108,000.00	\$	-	\$	62,840.15						
Category/Region Collection Fees 0500	\$	-		\$	-	\$	-	\$	-								
Prior Year Independent Monitory Fees 500	\$	-		\$	401,316.12	\$	-	\$	401,316.12	\$	401,316.09						
EB background / investigative collections 0500	\$	125,000.00				\$	125,000.00	\$	125,000.00	\$	250,995.00						
Phase 1 Refunds 0500				\$	-	\$	-	\$	-								
Phase 2 Category 1 Collections (restricted) 0500	\$	-		\$	-	\$	-	\$	-								
Region C Phase 1 Investigation Collections 0500	\$	-		\$	-	\$	-	\$	-								
Region C Phase 2 Category 1 Collections 0500	\$	-		\$	-	\$	-	\$	-								
Grant Collections (restricted) 0500	\$	-		\$	-	\$	-	\$	-								
Region A slot Machine Fee 0500	\$	1,596,600.00		\$	-	\$	-	\$	1,596,600.00	\$	1,650,000.00						
Region B Slot Machine Fee 0500	\$	912,600.00		\$	-	\$	-	\$	912,600.00	\$	930,000.00						
Slots Parlor Slot Machine Fee 0500	\$	542,400.00		\$	-	\$	-	\$	542,400.00		615,000.00						
Gaming Employee License Fees (GEL) 3000	Ś	300,000.00		Ś	-	Ś	-	\$	300,000.00		153,600.00						
Key Gaming Executive (GKE) 3000	Ś	10,000.00		Ś	-	Ś	-	Ś	10,000.00	Ś	5,000.00						
Key Gaming Employee (GKS) 3000	Ś	50,000.00		Ś		\$	7,000.00	\$	50,000.00	Ś	57,000.00						
Non-Gaming Vendor (NGV) 3000	Ś	50,000.00		ś		Ś	-	Ś	50,000.00		21,100.00						
/endor Gaming Primary (VGP) 3000	\$	225,000.00		ç		ŝ	(200,000.00)	Ŷ	225,000.00	Ŷ	21,100.00						
Vendor Gaming Secondary (VGS) 3000	ŝ	15,000.00		ç		ŝ	(200,000.00)	Ś	15,000.00	ć	15,000.00						
Gaming School License (GSB)/LIQ	ŝ	15,000.00		ې د	-	ş Ś	- (15,000.00)	Ŷ	15,000.00	Ş	13,000.00						
Gaming Service Employee License (SER) 3000	ş Ş	,		ې د	-	ş Ś	(15,000.00)	ş S	75,000.00	ć	21 675 00						
		75,000.00		Ş	-	·	-	Ŧ		Ş	21,675.00						
Subcontractor ID Initial License (SUB) 3000	\$	15,000.00		Ş	-	\$ \$	(15,000.00)		15,000.00								
Temporary License Initial License (TEM) 3000	\$	10,000.00		Ş	-	τ.	(10,000.00)		10,000.00								
Assessment for PHTF	\$	5,000,000.00		Ş	-	\$	-	\$	5,000,000.00								
Tranfer PHTF Assessment to PHTF	\$	(5,000,000.00)		Ş	-	\$	-	\$	(5,000,000.00)								
Veterans Initial License (VET) 3000	\$	-		Ş	-	\$	-	\$	-								
Transfer of Licensing Fees to CMF 0500	\$	-		Ş	-	\$	-	\$	-								
Assessment 0500	\$	30,523,901.07		\$	(638,369.20)	\$	-	\$	29,885,531.87	\$	22,270,748.91						
Misc/MCC Grant	\$	25,000.00		\$	-	\$	-	\$	25,000.00								
Miscellaneous 0500	\$	11,000.00		\$	-	\$	-	\$	11,000.00								
Bank Interest 2700	\$	3,400.00		\$	-	\$	-	\$	3,400.00	\$	4,036.90						
Grand Total	\$	35,704,901.07	\$-	\$	83,380.20	\$	353,175.97	\$	35,788,281.27	\$	28,410,676.67						
2023				Bu	dget Projections												
			FY22 Balance		Approved		Proposed		Current Budget		Actuals To Date		% BFY				
Row Labels	h	nitial Projection	Forward		Adjustments	1	Adjustments		tial+Apvd Adjmts)		Total	%Spent					
4000-1101 Research and Responsible Gaming/Public Health Trust Fund																	
AA REGULAR EMPLOYEE COMPENSATION	\$	313.023.39		\$	-	\$	-	\$	313,023.39	Ś	172.508.01	55%	75				
	Ý	010,010.00								Ý	1, 2,000.01	3370	75				

				_	nue Projection								
IT LOANS AND SPECIAL PAYMENTS	\$	-		\$	-	\$	-	\$	-				75%
10500002													
Row Labels	In	itial Projection	FY22 Balance Forward		Approved djustments		Proposed djustments		Current Budget (Initial+Bal d+Apvd Adjmts)	Α	actuals To Date Total	%Spent	% BFY Passed
Public Health Trust Fund ISA	\$	5,267,001.23		\$	-			\$	5,267,001.23				
Revenues		itial Projection		A	Approved djustments		Proposed djustments	(Init	Current Budget ial+Apvd Adjmts)		Actuals To Date Total		
				Rever	nue Projection	s							
	Ŧ	-,,	•	Ŧ		•		Ŧ	-,,	Ţ	-,,		
Fund Subtotal:	Ś	5,267,001.23	s -	Ś	-	Ś	-	\$	5,267,001.23	Ś	3,201,821.57	61%	75%
SA to DPH Research and Responsible Gaming/Public Health Trust	Ş	39,225.00		Ş	-	Ş	-	Ş	39,225.00			0%	75%
JU IT Non-Payroll Expenses	Ş	2,000.00		Ş	-	Ş	-	\$	2,000.00	Ş	50,070.49	2504%	75%
PP STATE AID/POL SUB	\$	1,360,000.00		\$	-	\$	-	\$	1,360,000.00		514,749.15	38%	75%
MM PURCHASED CLIENT/PROGRAM SVCS	\$	-		\$	-	\$	-	\$	-			0%	75%
IJ OPERATIONAL SERVICES	\$	10,000.00		\$	-	\$	-	\$	10,000.00	\$		0%	75%
HH CONSULTANT SVCS (TO DEPTS)	\$	3,051,775.00		ŝ	-	\$	-	\$	3,051,775.00	\$	2,134,575.34	70%	75%
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	ś	-		ś	-	ś	-	Ş	-	Ŷ	255,002.55	0%	75%
EE ADMINISTRATIVE EXPENSES	Ś	352,602.34		ç	_	ç	-	\$		Ś	255,802.35	73%	75%
DD PENSION & INSURANCE RELATED EX	\$	- 131,125.50		ې د		\$ \$	-	\$ \$	- 131,125.50	ć	70,470.12	0% 54%	75% 75%

		Revenue Projections													
Revenues	Initi	Initial Projection				••			Proposed Adjustments		Current Budget (Initial+Apvd Adjmts)		ctuals To Date Total	%Spent	% BFY Passed
Greyhound Balance Forward Simulcast 7200	\$	-			\$			\$		\$	-	\$	685,532.32		
Plainridge Greyhound Import Simulcast 7200	\$	20,000.00			\$			\$	-	\$	20,000.00	\$	14,657.19		
Raynham Greyhound Import Simulcast 7200	\$	50,000.00			\$			\$	-	\$	50,000.00	\$	36,831.30		
Suffolk Greyhound Import Simulcast 7200	\$	15,000.00			\$			\$	-	\$	15,000.00	\$	-		
TVG Greyhound Import Simulcast 7200	\$	25,000.00			\$			\$	-	\$	25,000.00	\$	5,590.73		
TWS Greyhound Import Simulcast 7200	\$	10,000.00								\$	10,000.00	\$	7,951.34		
Wonderland Greyhound Import Simulcast 7200	\$	1,500.00			\$			\$	-	\$	1,500.00	\$	502.69		
	\$	121,500.00	\$	-	\$			\$	-	\$	121,500.00	\$	751,065.57		

				Bue	dget Projectior	าร							
								Current Budget					
			FY22 Balance		Approved		Proposed		(Initial+Bal		ctuals To Date		% BFY
Row Labels	In	itial Projection	Forward		Adjustments		Adjustments	Fv	/d+Apvd Adjmts)		Total	%Spent	Passed
1050003													
AA REGULAR EMPLOYEE COMPENSATION	\$	955,163.30		\$	-	\$	-	\$	955,163.30	\$	516,440.78	54%	75%
BB REGULAR EMPLOYEE RELATED EXPEN	\$	13,000.00		\$	-	\$	-	\$	13,000.00	\$	1,194.55	9%	75%
CC SPECIAL EMPLOYEES	\$	468,000.00		\$	-	\$	-	\$	468,000.00	\$	250,138.13	53%	75%
DD PENSION & INSURANCE RELATED EX	\$	409,038.88		\$	-	\$	-	\$	409,038.88	\$	218,175.82	53%	75%
EE ADMINISTRATIVE EXPENSES	\$	42,385.00		\$	-	\$	-	\$	42,385.00	\$	22,787.02	54%	75%
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	42,000.00		\$	-	\$	-	\$	42,000.00	\$	185.62	0%	75%
HH CONSULTANT SVCS (TO DEPTS)	\$	25,000.00				\$	-	\$	25,000.00	\$	5,498.00	22%	75%
JJ OPERATIONAL SERVICES	\$	773,122.26		\$	-	\$	-	\$	773,122.26	\$	368,929.37	48%	75%
KK EQUIPMENT PURCHASES	\$	-		\$	-	\$	-	\$	-			#DIV/0!	75%
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	915.00		\$	-	\$	-	\$	915.00			0%	75%
MM PURCHASED CLIENT/PROGRAM SVCS	\$	85,000.00		\$	-	\$	-	\$	85,000.00			0%	75%
NN INFRASTRUCTURE:	\$	-		\$	-	\$	-	\$	-			#DIV/0!	75%
TT LOANS AND SPECIAL PAYMENTS	\$	-		\$	-	\$	-	\$	-	\$	304,145.68	#DIV/0!	75%
UU IT Non-Payroll Expenses	\$	15,000.00		\$	-	\$	-	\$	15,000.00	\$	2,254.28	15%	75%
EEIndirect Costs	\$	209,178.18		\$	-	\$	-	\$	209,178.18	\$	114,121.92	55%	75%
ISA to DPH	\$	70,000.00		\$	-	\$	-	\$	70,000.00			0%	75%
Grand Total	\$	3,107,802.62		\$	-	\$	-	\$	3,107,802.62	\$	1,803,871.17	58%	75%

Revenues	Ini	tial Projection	 roved tments	oposed Istments	urrent Budget al+Apvd Adjmts)	Actuals To Date Total	
Racing Oversight and Development Balance Forward							
0131	\$	-	\$ -	\$ -	\$ -	\$1,006,209.74	
Plainridge Assessment 4800	\$	75,000.00	\$ -	\$ -	\$ 75,000.00	\$ 44,317.93	
Plainridge Daily License Fee 3003	\$	120,000.00	\$ -	\$ -	\$ 120,000.00	\$ 88,570.00	
Plainridge Occupational License 3003/3004	\$	50,000.00	\$ -	\$ -	\$ 50,000.00	\$ 14,240.06	
Plainridge Racing Development Oversight Live 0131	\$	20,000.00	\$ -	\$ -	\$ 20,000.00	\$ 7,924.17	
Plainridge Racing Development Oversight Simulcast 0131	\$	100,000.00	\$ -	\$ -	\$ 100,000.00	\$ 64,077.80	
Raynham Assessment 4800	\$	50,000.00	\$ -	\$ -	\$ 50,000.00	\$ 38,609.08	
Raynham Daily License Fee 3003	\$	85,000.00	\$ -	\$ -	\$ 85,000.00	\$ 69,600.00	
Raynham Racing Development Oversight Simulcast 0131	\$	85,000.00	\$ -	\$ -	\$ 85,000.00	\$ 58,856.66	
Suffolk Assessment 4800	\$	620,000.00	\$ -	\$ -	\$ 620,000.00	\$ 371,587.15	

Suffolk Commission Racing Development Oversight					L			
Simulcast 0131	\$ 10,000.00	\$	-	\$ -	\$	10,000.00	\$ 50,499.58	
Suffolk Daily License Fee 3003	\$ 85,000.00	\$	-	\$ -	\$	85,000.00	\$ 42,300.00	
Suffolk Occupational License 3003/3004	\$ 5,000.00	\$	-	\$ -	\$	5,000.00		
Suffolk Racing Development Oversight Live 0131	\$ -	\$	-	\$ -	\$	-		
Suffolk TVG Commission Live 0131	\$ -	\$	-	\$ -	\$	-		
Suffolk TVG Commission Simulcast 0131	\$ 500,000.00	\$	-	\$ -	\$	500,000.00	\$ 230,551.61	
Suffolk Twin Spires Commission Live 0131	\$ -	\$	-	\$ -	\$	-		
Suffolk Twin Spires Commission Simulcast 0131	\$ 220,000.00	\$	-	\$ -	\$	220,000.00	\$ 115,186.83	
Suffolk Xpress Bet Commission Live 0131	\$ -	\$	-	\$ -	\$	-		
Suffolk Xpress Bet Commission Simulcast 0131	\$ 100,000.00	\$	-	\$ -	\$	100,000.00	\$ 49,437.31	
Suffolk NYRA Bet Commission Live 0131	\$ -	\$	-	\$ -	\$	-		
Suffolk NYRA Bet Commission Simulcast 0131	\$ 120,000.00	\$	-	\$ -	\$	120,000.00	\$ 65,250.41	
Transfer to General Fund 10500140 0000	\$ -	\$	-		\$	-		
Wonderland Assessment 4800	\$ 5,000.00	\$	-	\$ -	\$	5,000.00	\$ 339.17	
Wonderland Daily License Fee 3003	\$ 60,000.00	\$	-	\$ -	\$	60,000.00	\$ 31,800.00	
Wonderland Racing Development Oversight Simulcast								
0131	\$ 2,000.00	\$	-	\$ -	\$	2,000.00	\$ 314.02	
Plainridge fine 2700	\$ 25,000.00	\$	-	\$ -	\$	25,000.00	\$ 20,375.00	
Suffolk Fine 2700	\$ -	\$	-	\$ -	\$	-		
Plainridge Unclaimed wagers 5009	\$ 180,000.00	\$	-	\$ -	\$	180,000.00		
Suffolk Unclaimed wagers 5009	\$ 250,000.00	\$	-	\$ -	\$	250,000.00		
Raynham Unclaimed wagers 5009	\$ 150,000.00	\$	-	\$ -	\$	150,000.00		
Wonderland Unclaimed wagers 5009	\$ 5,000.00	\$	-	\$ -	\$	5,000.00		
Return of Unclaimed wagers	\$ (585,000.00)	\$	-	\$ -	\$	(585,000.00)		
Misc/Bank Interest 0131	\$ 500.00	\$	-	\$ 	\$	500.00		
Grand Total	\$2,337,500.00	\$0.00	\$0.00	\$0.00		\$2,337,500.00	\$2,370,046.52	

					Bu	udget Projections								
Row Labels		nitial Projection	I	FY22 Balance Forward		Approved Adjustments		Proposed Adjustments		Current Budget (Initial+Bal vd+Apvd Adjmts)	А	ctuals To Date Total	%Spent	% BFY Passed
10500004	•	inter rojection		Torward		Aujustinents		Aujustinents				10tai	/ospent	russeu
AA REGULAR EMPLOYEE COMPENSATION	\$	170,463.12	\$	-	\$	-	\$	-	\$	170,463.12	\$	109,345.87	64%	75%
BB REGULAR EMPLOYEE RELATED EXPEN	\$	5,000.00	\$	-	\$	-	\$	-	\$	5,000.00	\$	696.00	14%	75%
DD PENSION & INSURANCE RELATED EX	\$	71,407.00	\$	-	\$	-	\$	-	\$	71,407.00	\$	45,214.52	63%	75%
EE ADMINISTRATIVE EXPENSES	\$	20,687.22	\$	-	\$	-	\$	-	\$	20,687.22	\$	10,934.60	53%	75%
GG ENERGY COSTS AND SPACE RENTAL	\$	2,500.00	\$	-	\$	-	\$	-	\$	2,500.00			0%	75%
PP STATE AID/GRANTS	\$	10,000,000.00	\$	-	\$	-	\$	-	\$	10,000,000.00	\$	1,635,764.58	16%	75%
UU IT Non-Payroll Expenses	\$	40,000.00	\$	-	\$	40,000.00	\$	-	\$	80,000.00	\$	56,153.02	70%	75%
Grand Total	\$	10,310,057.34	\$	-	\$	40,000.00	\$	-	\$	10,350,057.34	\$	1,858,108.59	18%	75%
					Rev	venue Projections	5							
			I	FY22 Balance		Approved		Proposed		Current Budget	А	ctuals To Date		
Revenues	- b	nitial Projection		Forward		Adjustments		Adjustments	(Ini	tial+Apvd Adjmts)		Total		
Balance forward prior year	\$	-	\$	-	\$	-	\$	-	\$	-		\$40,371,307.30		75%
Grand Total	\$	-	\$	-	\$	-	\$	-	\$	-				

			Budget Projection	IS	_		
Row Labels	Initial Proje	FY22 Balance ection Forward	Approved Adjustments	Proposed Adjustments	Current Budget (Initial+Bal Fwd+Apvd Adjmts)	Actuals To Date Total	% BFY %Spent Passed
10500005 TT LOANS AND SPECIAL PAYMENTS (Race Horse Dev Fund)	\$	- \$ -	\$-	\$-	\$ -	\$ 13,109,894.83	#DIV/0! 759
			<b>Revenue Projectio</b>	ns	-		
Revenues	Initial Proje	FY22 Balance ction Forward	Approved Adjustments	Proposed Adjustments	Current Budget (Initial+Apvd Adjmts)	Actuals To Date Total	
Balance forward prior year 3003 Race Horse Development Fund assessment 3003 Grand Total	\$ 20,000, \$ <b>20,000</b> ,	000.00 <b>\$</b> -	\$ -	\$ -	\$ - \$ 20,000,000.00 \$ 20,000,000.00	\$ 21,522,593.49	
10500008							
Row Labels	Initial Proje	FY22 Balance ection Forward	Approved Adjustments	Proposed Adjustments	Current Budget (Initial+Bal Fwd+Apvd Adjmts)	Actuals To Date Total	% BFY %Spent Passed
Casino forfeited money MGC Trust MGL 267A S4	\$	•			\$ -	\$7,229.00	#DIV/0! 75%
Grand Total	\$	- \$ -	\$-	\$-	\$-		
			Budget Projection	_			
			Budget Projection	15	Current Budget		
Row Labels	Initial Proje	FY22 Balance ection Forward	Approved Adjustments	Proposed Adjustments	(Initial+Bal Fwd+Apvd Adjmts)	Actuals To Date Total	% BFY %Spent Passed
10500012/ P promo TT LOANS AND SPECIAL PAYMENTS	Ş	- \$ -	\$ -	\$ -	\$ -	\$ 26,000.00	#DIV/0! 75%
			Revenue Projectio	ns			
						-	

Revenues	Init	ial Projection		roved tments		roposed ustments		rrent Budget I+Apvd Adjmts)	-	tuals To Date Total
Plainridge Import Harness Horse Simulcast 0131	\$	18,000.00	¢	-	ج	-	¢	18,000.00		8,456.69
Plainridge Racing Harness Horse Live 0131	Ś	10,000.00	Ś	-	ś	-	Ś	10,000.00		7,254.11
Raynham Import Plainridge Simulcast 0131	ŝ	5,000.00	Ś	-	ŝ	-	Ś	5,000.00		3,108.16
Suffolk Import Plainridge Simulcast 0131	\$	2,000.00	\$	-	\$	-	\$	2,000.00		721.55
Plainridge Racecourse Promo Fund Beginning Balance										
7205	\$	-	\$	-	\$	-	\$	-	\$	270,274.76
TVG Live 0131	\$	-	\$	-	\$	-	\$	-		
TVG Simulcast 0131	\$	20,000.00	\$	-	\$	-	\$	20,000.00	\$	10,177.25
Twin Spires Live 0131	\$	-	\$	-	\$	-	\$	-		
Twin Spires Simulcast 0131	\$	10,000.00	\$	-	\$	-	\$	10,000.00	\$	4,451.30
Xpress Bets Live 0131	\$	-	\$	-	\$	-	\$	-		
Xpress Bets Simulcast 0131	\$	5,000.00	\$	-	\$	-	\$	5,000.00	\$	2,117.50
NYRA Live 0131	\$	-	\$	-	\$	-	\$	-		
NYRA Simulcast 0131	\$	5,000.00	\$	-	\$	-	\$	5,000.00	\$	2,231.02
Grand Total	\$	75,000.00	\$	-	\$	-	\$	75,000.00	\$	308,792.34

				Bu	dget Projections	5							
			FY22 Balance		Approved		Proposed	С	urrent Budget (Initial+Bal		ctuals To Date		% BFY
Row Labels	Init	tial Projection	Forward		Adjustments		Adjustments	Fwo	+Apvd Adjmts)		Total	%Spent	Passed
10500013/ P Cap		-			-		-						
TT LOANS AND SPECIAL PAYMENTS	\$	-	\$-	\$	-	\$	-	\$	-			#DIV/0!	75%
				Rev	enue Projection	IS							
					Approved		Proposed	c	urrent Budget	Δ	ctuals To Date		
Revenues	Init	tial Projection			Adjustments		Adjustments		al+Apvd Adjmts)		Total		
Plainridge Import Harness Horse Simulcast 0131	\$	25,000.00		\$	· .	\$	· .	\$	25,000.00		16,327.04		
Plainridge Racing Harness Horse Live 0131	\$	20,000.00		\$	-	\$	-	\$	20,000.00	\$	12,851.13		
Raynham Import Plainridge Simulcast 0131	\$	7,000.00		\$	-	\$	-	\$	7,000.00	\$	5,081.86		
Suffolk Import Plainridge Simulcast 0131	\$	5,000.00		\$	-	\$	-	\$	5,000.00	\$	1,545.59		
Plainridge Capital Improvement Fund Beginning Balance													
7205	\$	-		\$	-	\$	-	\$	-		\$798,697.92		
TVG Live 0131	\$	-		\$	-	\$	-	\$	-				
TVG Simulcast 0131	\$	50,000.00		\$	-	\$	-	\$	50,000.00	\$	24,579.65		
Twin Spires Live 0131	\$	-		\$	-	\$	-	\$	-				
Twin Spires Simulcast 0131	\$	25,000.00		\$	-	\$	-	\$	25,000.00	\$	12,012.26		
Xpress Bets Live 0131	\$	-		\$	-	\$	-	\$	-				
Xpress Bets Simulcast 0131	\$	10,000.00		\$	-	\$	-	\$	10,000.00	\$	3,833.99		
NYRA Live 0131	\$	-		\$	-	\$	-	\$	-				
NYRA Simulcast 0131	\$	15,000.00		\$	-	\$	-	\$	15,000.00	\$	7,413.92		
Grand Total		\$157,000.00			\$0.00	)	\$0.00		\$157,000.00		\$882,343.36		

				Bu	dget Projections							
Row Labels	Init	tial Projection	FY22 Balance Forward		Approved Adjustments		Proposed Adjustments	Current Budget (Initial+Bal rd+Apvd Adjmts)	А	ctuals To Date Total	%Spent	% BFY Passed
10500021/ S promo TT LOANS AND SPECIAL PAYMENTS	\$	-	\$-	\$	-	\$	-	\$ -			#DIV/0!	75%
				Rev	enue Projection	s						
Revenues	Init	ial Projection			Approved Adjustments		Proposed Adjustments	Current Budget ial+Apvd Adjmts)		ctuals To Date Total		
Plainridge Import Suffolk Simulcast 0131	\$	25,000.00		\$	-	\$	-	\$ 25,000.00	\$	14,996.89		
Raynham Import Suffolk Simulcast 0131	\$	20,000.00		\$	-	\$	-	\$ 20,000.00	\$	11,515.83		
Suffolk Import Running Horse Simulcast 0131	\$	30,000.00		\$	-	\$	-	\$ 30,000.00	\$	14,616.50		
Suffolk Racing Running Horse Live 0131	\$	-		\$	-	\$	-	\$ -				
Suffolk Promotional Fund Beginning Balance 7205	\$	-		\$	-	\$	-	\$ -		\$786,113.53		
TVG Live 0131	\$	-		\$	-	\$	-	\$ -	\$	-		
TVG Simulcast 0131	\$	125,000.00		\$	-	\$	-	\$ 125,000.00	\$	72,544.04		
Twin Spires Live 0131	\$	-		\$	-	\$	-	\$ -				
Twin Spires Simulcast 0131	\$	75,000.00		\$	-	\$	-	\$ 75,000.00	\$	35,001.81		
Xpress Bets Live 0131	\$	-		\$	-	\$	-	\$ -				
Xpress Bets Simulcast 0131	\$	-		\$	-	\$	-	\$ -				
NYRA Live 0131	\$	-		\$	-	\$	-	\$ -				
NYRA Simulcast 0131	\$	50,000.00		\$	-	\$	-	\$ 50,000.00	\$	20,755.89		
Grand Total		\$325,000.00	\$0.00	)	\$0.00	)	\$0.00	\$325,000.00		\$955,544.49		

			Budget Projections	;	-			
Row Labels	Initial Projection	FY22 Balance Forward	Approved Adjustments	Proposed Adjustments	Current Budget (Initial+Bal Fwd+Apvd Adjmts)	Actuals To Date Total	%Spent	% BFY Passed
10500022/ S Cap TT LOANS AND SPECIAL PAYMENTS	\$-	\$ -	\$-	\$ -	\$ -		#DIV/0!	75%
			<b>Revenue Projection</b>	s				
Revenues	Initial Projection		Approved Adjustments	Proposed Adjustments	Current Budget (Initial+Apvd Adjmts)	Actuals To Date Total		

#### FY23 Actuals Spending and Revenue 4-1-2023

Plainridge Import Suffolk Simulcast 0131	Ś	100,000.00	Ś		Ś	- 1	Ś	100,000.00	Ś	48,506.92
Raynham Import Suffolk Simulcast 0131	\$	70,000.00	\$	-	\$	-	\$	70,000.00		36,481.33
Suffolk Import Running Horse Simulcast 0131	\$	150,000.00	\$	-	\$	-	\$	150,000.00	\$	50,131.09
Suffolk Racing Running Horse Live 0131	\$	-	\$	-	\$	-	\$	-		
Suffolk Capital Improvement Fund Beginning Balance										
7205	\$	-	\$	-	\$	-	\$	-	\$	5,260,377.61
TVG Live 0131	\$	-	\$	-	\$	-	\$	-		
TVG Simulcast 0131	\$	450,000.00	\$	-	\$	-	\$	450,000.00	\$	230,900.29
Twin Spires Live 0131	\$	-	\$	-	\$	-	\$	-		
Twin Spires Simulcast 0131	\$	225,000.00	\$	-	\$	-	\$	225,000.00	\$	120,609.44
Xpress Bets Live 0131	\$	-	\$	-	\$	-	\$	-		
Xpress Bets Simulcast 0131	\$	-	\$	-	\$	-	\$	-		
NYRA Live 0131	\$	-	\$	-	\$	-	\$	-		
NYRA Simulcast 0131	\$	150,000.00	\$	-	\$	-	\$	150,000.00	\$	70,455.08
Grand Total		\$1,145,000.00	\$0.00	\$0.00		\$0.00		\$1,145,000.00		\$5,817,461.76

			Bud	get Projections	5						
		FY22 Bala		Approved		roposed	(	Irrent Budget (Initial+Bal	Actuals To Date		% BFY
Row Labels	Initial Projection	Forwar	d A	djustments	Adj	ustments	Fwd	+Apvd Adjmts)	Total	%Spent	Passed
10500140											
TT LOANS AND SPECIAL PAYMENTS	\$ 1,112,591.00	\$	- \$	-	\$	-	\$	1,112,591.00	\$ 467,226.70	42%	5 75%

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				Bu	dget Projections								
			FY22 Balance		Approved		Proposed		urrent Budget (Initial+Bal	4	Actuals To Date		% BFY
Row Labels	In	itial Projection	Forward		Adjustments		Adjustments	Fwe	d+Apvd Adjmts)		Total	%Spent	Passed
10501384													
AA REGULAR EMPLOYEE COMPENSATION	\$	794,970.77		\$	-	\$	-	\$	794,970.77	\$	-	0%	75%
BB REGULAR EMPLOYEE RELATED EXPEN	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
CC SPECIAL EMPLOYEES	\$	393,600.00		\$	-	\$	-	\$	393,600.00	\$	-	0%	75%
DD PENSION & INSURANCE RELATED EX	\$	336,002.01		\$	-	\$	-	\$	336,002.01	\$	-	0%	75%
EE ADMINISTRATIVE EXPENSES	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
FF PROGRAMMATIC FACILITY OPERATONAL SUPPLIES	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
HH CONSULTANT SVCS (TO DEPTS)	\$	500,000.00		\$	1,730,000.00	\$	-	\$	2,230,000.00	\$	1,697,556.28	76%	75%
JJ OPERATIONAL SERVICES	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
KK EQUIPMENT PURCHASES	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
LL EQUIPMENT LEASE-MAINTAIN/REPAR	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
NN INFRASTRUCTURE:	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
TT LOANS AND SPECIAL PAYMENTS	\$	-		\$	-	\$	-	\$	-	\$	-	#DIV/0!	75%
UU IT Non-Payroll Expenses	\$	-		\$	592,100.00	\$	-	\$	592,100.00	\$	108,412.16	18%	75%
EEIndirect Costs	\$	168,857.08		\$	232,210.00	\$	-	\$	401,067.08	\$	185,894.88	46%	75%
Grand Total	\$	2,193,429.86		\$	2,554,310.00	\$	-	\$	4,747,739.86	\$	1,991,863.32	42%	75%
				Rev	enue Projections	5							
					Approved		Proposed		urrent Budget		Actuals To Date		

				Approved		Proposed		Current Budget	A	Actuals To Date	
Revenues*	In	itial Projection		Adjustments	4	Adjustments	(Ini	tial+Apvd Adjmts)		Total	
CATERGORY 1	\$	600,000.00	\$	-	\$	-	\$	600,000.00	\$	600,000.00	
CATERGORY 2	\$	200,000.00	\$	-	\$	-	\$	200,000.00	\$	200,000.00	
CATEROGRY 3 (TETHERED)	\$	1,200,000.00	\$	-	\$	-	\$	1,200,000.00	\$	1,200,000.00	
CATERGORY 3 (UNTETHERED)	\$	1,200,000.00	\$	-	\$	-	\$	1,200,000.00	\$	1,200,000.00	
SW GAMING CONTROL FUND BALANCE 0500	\$	-	\$	-	\$	-	\$	-	\$	-	
EMPLOYEE LICENSING FEES 3000	\$	-	\$	-	\$	-	\$	-	\$	-	
VENDOR SW FEES 3000	\$	-	\$	-	\$	1,039,931.00	\$	-	\$	1,039,931.00	
FANTASY FEES 3000	\$	-	\$	-	\$	-	\$	-	\$	-	
ASSESSMENT 0500	\$	-	\$	2,236,453.60	\$	(118,532.04)	\$	2,236,453.60	\$	961,675.06	
FINES & PENALTIES 2700	\$	-	\$	-	\$	-	\$	-	\$	-	
MISC 0500	\$	-	\$	-	\$	-	\$	-	\$	-	
IEB BACKGROUND/INVESTIGATIVE FEES 3000	\$	-	\$	-	\$	-	\$	-	\$	-	
BANK INTEREST SW	\$	-	\$	-	\$	-	\$	-	\$	2,384.51	
Grand Total		\$3,200,000.00	\$0.00	\$2,236,453.60		\$921,398.96		\$5,436,453.60		\$5,203,990.57	



- TO: Cathy Judd-Stein, Chair Eileen O'Brien, Commissioner Brad Hill, Commissioner Nakisha Skinner, Commissioner Jordan Maynard, Commissioner
- FROM: Carrie Torrisi, Deputy General Counsel Caitlin Monahan, Deputy General Counsel Mina Makarious, Anderson & Krieger Paul Kominers, Anderson & Krieger Annie Lee, Anderson & Krieger
- DATE: May 15, 2023
- RE: 205 CMR 222 and 239

Enclosed for the Commission's review are the following proposed regulations:

- 205 CMR 222, Capital Investment and Monitoring of Project Construction
- 205 CMR 239: Continuing Disclosure and Reporting Obligations of Sports Wagering Licensees

## 205 CMR 222

This regulation sets out how the Commission will oversee the construction of retail Category 2 operations and monitors construction-related promises made by operators during the licensing phase. It also sets out how the Commission assesses whether Category 2 operators have made the full \$7.5M investment required by G.L. c. 23N, § 3.

This regulation was first presented to the Commission on April 13, 2023, and again on May 4, but was not voted on at either meeting. Besides minor tweaks, the latest version of the regulation contains the following changes made in response to discussion at the May 4 meeting:

## \*\*\*\*

Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com • In 205 CMR 222.02(2), the regulation now provides that the Commission "shall not unreasonably withhold approval of elements of the Licensee's project plan that are consistent with information disclosed to and approved by the Commission during the Commission's licensing proceedings."

This gives prospective operators additional predictability, while reserving discretion to the Commission in the event that aspects of the proposed project look different in light of subsequent events or newly-disclosed information.

• In 205 CMR 222.02(2)(b), the A&F Bulletin Number 14 standards have been reinserted. However, a licensee may deviate from those standards upon a showing of "good cause."

This sets out a clear standard while giving the Commission and the operators flexibility. Note that a "deviation" may mean not just a deviation downwards, but a decrease in some categories balanced by an increase in others.

• In 205 CMR 222.07(2)(g), costs relating to simulcasting equipment may now be included in the calculation of the mandatory capital investment. However, they are capped at one-half of the costs associated with sports wagering equipment.

# 205 CMR 239

We are recommending only minor clarifying and stylistic changes to 205 CMR 239.

# 205 CMR 222: CAPITAL INVESTMENT AND MONITORING OF PROJECT CONSTRUCTION

# Section

222.01:	Definitions
222.02:	Project Plans and Reporting
222.03:	Design Review Process
222.04:	Inspection of Construction and Related Records
222.05:	Certification that Licensee Has Met Expenditure Requirement
222.06:	Grounds for Discipline
222 07	

222.07: Capital Investment

# 222.01: Definitions

<u>Minority Business Enterprise (MBE)</u>. A minority owned business that has been certified by either the Massachusetts Supplier Diversity Office, the Greater New England Minority Supplier Development Council, or both.

<u>Project</u>. Construction of or on the Category 2 Sports Wagering Facility in order to meet the required capital investment. For purposes of 205 CMR 222.00, Project may also include construction of on or off-site infrastructure required by a permitting or licensing authority (including the Commission) for the construction of the Sports Wagering Facility.

Small Business. An entity, including all of its affiliates combined that:

- (a) Has its principal place of business in Massachusetts;
- (b) Employs a combined total at all locations of 50 or fewer full-time employees;
- (c) Has been in business at least one year; and
- (d) Has gross revenues of \$40 million or less based on a three-year average, and meets all legal obligations for tax status and required registration in the Commonwealth.

<u>Veteran's Business Enterprise (VBE)</u>. A Veteran Business Enterprise shall be any entity certified as a "Veteran-owned small business concern" by the U.S. Department of Veterans Affairs, or certified as such by the Massachusetts Supplier Diversity Office; provided, that vendors, registrants, or subcontractors verified by the Licensing Division will continue to be recognized as such until the end of their existing contract.

<u>Women's Business Enterprise (WBE)</u>. A women-owned business that has been certified by either the Massachusetts Supplier Diversity Office, the Women's Business Enterprise National Council or both.

# 222.02: Project Plans and Reporting

- (1) The Commission may create guidelines under 205 CMR 222.00 to aid the Commission in its review and monitoring of each project. Any such guidelines will be shared with the Category 2 Sports Wagering Licensees and may be amended as necessary by the Commission.
- (2) The Commission shall approve for each Category 2 Sports Wagering Licensee a project plan for the Licensee's capital investment in its Sports Wagering Facility and related infrastructure. The Commission shall not unreasonably withhold approval of elements of the Licensee's project plan that are consistent with information disclosed to and approved by the Commission during the Commission's licensing proceedings. The project plan shall include:
  - (a) A detailed project schedule, consistent with any representations or commitments made to the Commission while the licensee was applying for a Sports Wagering License or in accordance with 205 CMR 222.03, which includes all major stages of design and construction; and
  - (b) An affirmative action program of equal opportunity whereby the licensee establishes specific goals for the utilization of minorities, women and veterans on construction jobs and for contracting with minority, women or veteran owned businesses during either design or construction; provided, however that <u>unless the licensee demonstrates that there is good cause</u> otherwise, such goals shall be equal to or greater than the goals contained in Executive Office of Administration and Finance Administrative Bulletin Number 14, and consistent with or greater than any representations made to the Commission while the licensee was applying for a Sports Wagering License.
  - (c) A narrative describing the project, and including both a pictorial representation of the project design concept and a narrative description of the project.
- (3) If unforeseen or changed circumstances necessitate a change to an approved project plan which will affect the date when the Sports Wagering Licensee expects to meet the minimum capital investment required by 205 CMR 222.07(1), or would make the project inconsistent with a representation or commitments made to the Commission during the licensing process or in accordance with 205 CMR 222.03, the Sports Wagering Licensee may submit to the Commission for its approval a revised project plan, with a detailed statement of the unforeseen changed circumstances which justify the revised project plan. If the Commission approves such revised project plan, it shall substitute and supersede the previously approved project plan.

- (4) To ensure adherence to the approved project plan, the Sports Wagering Licensee shall submit to the Commission in a media, format and level of detail acceptable to the Commission, biannually a status report including:
  - (a) If the Commission has not yet approved in accordance with 205 CMR 222.05(3) a certification that the licensee has met the minimum capital investment requirement:
    - 1. a report regarding expenditures made in accordance with the approved project plan and 205 CMR 222.07 in the prior six months and the licensee's progress towards the minimum capital investment required by 205 CMR 222.07(1); and
    - 2. a copy of all design and construction contracts executed within the prior six months that are to be included in the required capital investment.
  - (b) A status report reflecting the progress of construction. In the event that the progress of construction does not comply with the approved project plan, the Licensee shall submit a detailed plan to bring the progress of construction into compliance with the approved project plan or submit a request for a revised project plan pursuant to 205 CMR 222.02(3).
  - (c) A statistical report on the number, gender and race, and veteran status of individuals by job classifications hired to perform labor as part of the construction of the Sports Wagering Facility and related infrastructure, and a comparison of this report with the goals established by the Sports Wagering Licensee and Commission pursuant to 205 CMR 222.02(b). In the event the hiring of the aforementioned persons does not comply with the goals established, the Licensee shall submit within 20 days of a request by the Commission a response as to why the goals have not been achieved, identify any good faith efforts that have been undertaken to achieve those goals, and provide a plan to bring the hiring into compliance with the goals.
  - (d) A report describing the number of contracts, total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises for design and construction of the Sports Wagering Facility and related infrastructure, and the total number and value of all subcontracts awarded to a minority, women and veteran owned business, and a comparison of these reports with the goals established by the Sports Wagering Licensee and Commission pursuant to 205 CMR 222.02(b). In the event the Licensee's hiring of the aforementioned entities does not comply with the goals established the Licensee shall submit within 20 days of a request by the Commission a response as to why the goals have not been achieved,

identify any good faith efforts that have been undertaken to achieve those goals, and provide a plan to bring the dollar amount contracted and spent into compliance with the goals.

- (5) The Licensee shall have a continuing obligation to timely provide to the Commission all documents and information listed in 205 CMR 120.01(1), as applicable, such that the Commission is continuously apprised of all material developments with respect to all permits and approvals required for the project.
- (6) In furtherance of specific goals for the utilization of minorities, women and veterans on construction jobs, the Licensee shall send and provide a copy to the Commission, and to each labor union or representative of workers with which the Licensee has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or workers' representative of the Licensee's commitments pursuant to its Sports Wagering License and 205 CMR 222.02(2)(b).

# 222.03: Design Review Process

- (1) The Commission or its representative may participate in any design review process for the design of the project as follows:
  - (a) When the licensee has completed the schematic design phase, the Commission or its representative may request that the licensee submit the schematic design for review. Such schematic design may include descriptions of the external facade of any structures that are part of the project, all the major systems, a floor plan and any off site infrastructure improvements planned by licensee.
  - (b) The Commission or its representative may request for review the final site plan and architectural design package. Such final design package shall be in the form ready for licensee's use in creating construction bid packages.
  - (c) The Commission or its representative may request construction packages for review prior to putting such construction packages out for bid.

# 222.04: Inspection of Construction and Related Records

- (1) At all times the Commission or its representative may physically inspect the progress of construction, subject to reasonable construction site safety rules, to determine the Sports Wagering Licensee's compliance with the <u>approved</u> project plan, the terms and conditions of the license, M.G.L. c. 23N, or 205 CMR.
- (2) The Commission or its representative may request or have access to, at any time, plans, specifications, submittals, contracts, financing documents or other records concerning the construction of the project or related infrastructure. The licensee shall provide the requested materials to the Commission or its representative within ten days of the Commission's request for such documents.

(3) Following an inspection of construction pursuant to 205 CMR 222.04(1) or review of records pursuant to 205 CMR 222.04(2), the Commission or its representative may notify the Sports Wagering Licensee of any non-compliance with the terms of the license or with an approved project plan. Upon receipt of such notification, the Sports Wagering Licensee shall present a plan to the Commission to address such non-compliance to the satisfaction of the Commission.

# 222.05: Certification that Licensee Has Met Expenditure Requirement

- (1) The Sports Wagering Licensee shall certify to the Commission that it has made a capital investment in its project of at least \$7,500,000, and in accordance with an approved project plan.
- (2) Upon receipt of such certification, the Commission or its representative may inspect the construction pursuant to 205 CMR 222.04(1), and request relevant plans, contracts, financing documents or additional records pursuant to 205 CMR 222.04(2).
- (3) The Commission may either approve or disapprove the Sports Wagering Licensee's certification pursuant to 205 CMR 222.05(1). If the Commission disapproves the Licensee's certification, the Commission will notify the Licensee of the reasons for such disapproval.

# 222.06: Grounds for Discipline

- (1) Pursuant to M.G.L. c. 23N, § 3, a Category 2 Sports Wagering Licensee who fails to make a capital investment in its project of at least \$7,500,000, and in accordance with an approved project plan, within three years after receiving a Sports Wagering License shall be subject to discipline in accordance with 205 CMR 232.00, unless the Licensee shows that its failure resulted from extraordinary circumstances. Disciplinary action in accordance with 205 CMR 222.06(1) shall be presumed to include the suspension or revocation of the License, but the Commission may impose other or lesser discipline as it deems appropriate.
- (2) The Commission or Bureau may discipline a Category 2 Sports Wagering Licensee in accordance with 205 CMR 232.00 for other violations of or failing with respect to this 205 CMR 222.05.

# 222.07: Capital Investment

(1) Pursuant to M.G.L. c. 23N, § 3, the minimum capital investment for a Category 2 Sports Wagering Licensee to make on a project in accordance with an approved project plan shall be \$7,500,000. The capital investment shall be calculated in accordance with 205 CMR 222.07(2) and 205 CMR 222.07(3).

- (2) For purposes of calculating the capital investment for a Category 2 Sports Wagering License, the following costs shall be included:
  - (a) Costs related to the actual construction of the Sports Wagering Facility and site including any amenities, and including overhead and indirect costs attributable to the construction activities.
  - (b) Costs related to preparation of the site including, clearing, demolition and abatement.
  - (c) Costs related to the design of the project, including building design, interior design, and exterior site design.
  - (d) Costs associated with consulting and due-diligence necessary to fund studies and devise engineering solutions including traffic studies, environmental studies, and other associated mitigation studies.
  - (e) Costs associated with minimizing the environmental impact of the project including upfront costs aimed at minimizing a carbon footprint or implementing sustainable elements and/or smart growth practices.
  - (f) Costs associated with designing, improving or constructing the infrastructure inside the property boundaries of the site of the Sports Wagering Facility including those related to drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues, sewer, storm water, landscaping, and public transportation.
  - (g) Costs associated with the pre-opening purchase of fixtures; equipment; Sports Wagering Equipment including self-service kiosks; <u>simulcasting</u> equipment, provided that the costs associated with simulcasting equipment included in calculating the capital investment shall not exceed one-half of the costs associated with Sports Wagering Equipment included in calculating the capital investment; information technology equipment; safety, surveillance, and security equipment; software; and personal property to be used within the Sports Wagering Facility and site including those within hotels, restaurants, retail and other service businesses associated with the establishment.
  - (h) Costs associated with applying for federal, state, or municipal permits.
  - Professional and management fees including for engineers, architects, developers, contractors, or operators to the extent that they represent indirect and overhead costs related to the development of the project, and do not represent profits or payout as part of partnership agreements or "home office" overhead (i.e., out of state).

- (j) Costs associated with the safety, training, quality assurance, or testing incurred during the construction of the Sports Wagering Facility and site.
- (3) For purposes of calculating the capital investment for a Category 2 Sports Wagering License, the following costs may not be included:
  - (a) Any expenditures that a Sports Wagering Licensee makes before receiving its Sports Wagering License and applying for the approval of an initial project plan in accordance with 205 CMR 222.02(2).
  - (b) Any expenditures that a Sports Wagering Licensee makes that are not consistent with an approved project plan.
  - (c) Costs associated with the purchase or lease or optioning of land where the Sports Wagering Facility will be located including costs relative to registering, appraising, transferring title, or obtaining title insurance for the land.
  - (d) Carried interest costs and other associated financing costs.
  - (e) Costs associated with mitigating impacts on nearby communities, whether directly attributable to a specific impact or not.
  - (f) Costs associated with designing, improving or constructing the infrastructure outside the property boundaries of the site of the Sports Wagering Facility including those related to drainage, utility support, roadways, interchanges, fill and soil or groundwater or surface water contamination issues, sewer, storm water, landscaping, and public transportation whether or not such costs are required by any regulatory body or as part of the permitting process.
  - (g) Any and all legal fees.
  - (h) Fees and costs paid to the commission in accordance M.G.L. c. 23N, and/or 205 CMR 214.00 or 221.00, and other similar fees and costs paid to municipalities.
  - (i) Licensing costs including any costs payable to the Commission to obtain pre-opening licensing of individuals or vendors.
  - (j) Costs associated with marketing, advertising and promotions.
  - (k) Upfront costs designed to implement workforce development plans.
  - (1) Upfront costs designed to implement efforts to combat problem gambling and/or support the efforts of the commission's research agenda.



# SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2, relative to the proposed adoption of **205 CMR 222, CAPITAL INVESTMENT AND MONITORING OF PROJECT CONSTRUCTION.** 

This regulation is being promulgated as part of the process of promulgating regulations governing sports wagering in the Commonwealth. It sets forth the required disclosure and reporting obligations for Category 2 sports wagering operators as they construct sports wagering facilities.

The proposed 205 CMR 222 applies to potential sports wagering operators and the Commission. Accordingly, this regulation is unlikely to have an impact on small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

Small business are unlikely to be subject to this regulation.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation. This regulation governs sports wagering operators and gaming licensees.

3. State the appropriateness of performance standards versus design standards:

The standards set forth are compliance requirements, akin to performance standards.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com This regulation, which gives the Commission oversight over and the chance to weigh in on how sports wagering operators are procuring design and construction services for capital projects, will support the formation of small businesses in the Commonwealth.

Massachusetts Gaming Commission By:

/s/ Caitlin Monahan Caitlin Monahan, Deputy General Counsel

Dated: April 10, 2023



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com

# <u>5.4.23</u>

# 205 CMR 239: CONTINUING DISCLOSURE AND REPORTING OBLIGATIONS OF SPORTS WAGERING LICENSEES

# Section

- 239.01 Access to and Maintenance and Production of Operator Records
- 239.02 Fiscal Year
- 239.03 Reports and Information to be Filed with the Commission
- 239.04 Reports and Information to Be Compiled and Maintained by the Operator
- 239.05 Quarterly Reports
- Annual Audit and Other Reports
- 239.07 Audit of Operator Operations by Commission
- 239.01 Access to and Maintenance and Production of Operator Records
  - (1) The Commission shall have access to, and may inspect, the premises of a Category 1 Sports Wagering License or Category 2 Sports Wagering License Operator.
  - (2) An Operator shall maintain complete, accurate, and legible records of all transactions pertaining to the revenues and costs associated with its Sports Wagering operation, including those required in accordance with 205 CMR. General accounting records shall be maintained on a double entry system of accounting with transactions recorded on the accrual basis. Detailed, supporting, subsidiary records sufficient to meet the requirements of 205 CMR shall also be maintained.
  - (3) The Commission may request the production of records of an Operator in accordance with the provisions of 205 CMR 142.00 and 205 CMR 241.

# 239.02 <u>Fiscal Year</u>

The Operator shall establish a fiscal year for accounting purposes and shall advise the Commission of such.

239.03 Reports and Information to be Filed with the Commission	220.02 Paparts and Information to be Filed with the Commissi
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- (1) The following reports and information shall be filed with the Commission, or its designee, in the manner and time provided:
  - (a) A detailed annual, and at other times as directed by the Commission, statistical report on the number, job titles, benefits, race, gender, veteran status, and salaries of employees hired and retained in employment in the Commonwealth by the Operator;
  - (b) A detailed annual, and at other times as directed by the Commission, statistical report on the total dollar amounts contracted with and actually paid to minority business enterprises, women business enterprises and veteran business enterprises by the Operator. The annual statistical report shall also identify the

- (c) On an annual basis, and at other times as directed by the Commission, a report explicitly stating the Operator's progress on meeting each of the stated goals and stipulations put forth in its application for a Sports Wagering Operator License;
- (d) Any reports prescribed by the Commission relative to Occupational Licenses;
- (e) Quarterly reports in accordance with 205 CMR 239.05;
- (f) Documents and other materials required to be submitted in accordance with the terms of the Sports Wagering Operator License;
- (g) An Operator's House Rules, system of internal controls, amendments thereto, and any documents or information required to be submitted in accordance with the approved system of internal controls;
- (h) Any declared event of default related to any debt obligation maintained by the Operator, affiliate, holding company or intermediary company thereof shall be immediately reported to the Commission, in writing, along with any plans to address or cure such default;
- (i) A bi-monthly <u>(twice aper month)</u> disbursement report relative to vendors licensed or registered in accordance with 205 CMR 234, which shall contain the same information as is required in a disbursement report filed pursuant to 205 CMR 138.06(2);
- (j) An annual problem gaming plan in accordance with M.G.L. c. 23N, § 4(2)(vii);
- (k) Daily, monthly, and annual Adjusted Gross Sports Wagering Receipts and Adjusted Gross Fantasy Sports Receipts remittance and reconciliation reports as required in accordance with 205 CMR 240.00;
- (1) An underage person report containing the information required in accordance with 205 CMR 250.0405; and
- (m) A quarterly report, covering all complimentary services offered or engaged in by the Operator during the immediately preceding quarter. The reports shall identify regulated complimentary services or items including, but not limited to, food and beverage, hotel and travel accommodations, and promotional Sports Wagering credits. The reports shall be aggregated by, at a minimum, the costs of the complimentary services or items, and the number of people who received each service or item for the quarter. The report shall also document any services or items valued in excess of \$2,000 that were provided to patrons,

including detailed reasons as to why they were provided. Valuation shall be performed in accordance with M.G.L. c. 23K, § 28(c).

- (2) Promptly upon discovery, the Operator shall notify the Commission or its designees assigned to the Operator of any violation, or suspected violation, of M.G.L. c. 23N, 205 CMR, or any Sports Wagering related law and file any requested written report. In accordance with M.G.L. c. 23N, § 12(a)(i), "suspected violations" shall include irregularities in volume or changes in odds that could signal suspicious activities.
- (3) An Operator shall promptly notify the Commission or its designees assigned to the Operator if an individual on the voluntary self-exclusion list established in accordance with 205 CMR 233.00 is found to have engaged in Sports Wagering.

# 239.04: Reports and Information to Be Compiled and Maintained by the Operator

The following reports and information shall be compiled and maintained by the Operator, or where applicable the Operator's holding company, intermediary company, qualifying subsidiary, or entity qualifier thereof, in the manner provided as follows or as required by the governing body responsible for the oversight of the subject information, and shall be made available and provided upon request by the Commission, or its designee:

- (1) Up to date records regarding the business structure, capital structure, and controlling interest of the Operator, where applicable, and the Operator's holding company, intermediary company, qualifying subsidiary, or entity qualifier thereof including, at a minimum:
  - (a) Certified copies of incorporation and formation documents and any amendments thereto;
  - (b) By-laws, shareholders agreements, governing and/or operating agreements or documents, partnership agreement, intercompany transactions, joint venture agreements, merger and acquisition agreements, and other relevant corporate documents
  - (c) Current listing of officers, directors, members, partners;
  - (d) Minutes of all meetings of shareholders;
  - (e) Detailed records regarding all record and beneficial owners of any class of nonpublicly traded securities, including both equity and debt securities, issued by the Operator, its holding company, intermediary company, qualifying subsidiary or entity qualifier thereof, including the names and addresses of record and beneficial owners of such equity or debt securities, date(s) acquired and the number of equity securities held or face amount of debt securities held, as applicable;
  - (f) Detailed records regarding all record and beneficial owners of 5% or more of any class of publicly traded securities, including both equity and debt securities, issued by the Operator, its holding company, intermediary company, qualifying subsidiary

or entity qualifier thereof, including the names and addresses of record and beneficial owners of such equity or debt securities held in street name or other name, date(s) acquired and the number of equity securities held or face amount of debt securities held, as applicable;

- (g) Detailed records regarding distributions to equity holders holding 5% or more of the entity;
- (h) Detailed records regarding all remuneration paid to officers, directors, partners and members;
- (i) (for the Operator only) Detailed records regarding all capital contributions;
- (j) (for the Operator only) Detailed records regarding any equity transfers;
- (k) Essential details of any debt obligations including loans, covenants, borrowings, installment contracts, guarantees, leases, or any other debt; and
- (1) Any other records as the Commission deems appropriate.
- (2) Copies of any securities filings submitted to federal, state, or other domestic or foreign securities regulatory authorities, regarding any of the securities, either in existence or proposed, including, but not limited to, United States Securities and Exchange Commission forms S-1,8-K, 10-Q and 10-K, proxy or information statements and all registration statements filed by the Operator, or holding company, intermediary company, qualifying subsidiary and entity qualifier thereof.
- (3) Copies of any United States Securities and Exchange Commission Schedules 13D or 13G served upon the Operator, or holding company, intermediary company, qualifying subsidiary and entity qualifier thereof.
- (4) Copies of the federal and state tax returns and any related forms filed by the Operator, and its holding company, intermediary company, qualifying subsidiary or entity qualifier thereof.
- (5) The system of financial accounting, in accordance with generally accepted accounting principles, to be utilized by the Operator designed to ensure the accurate recording and reporting its assets, liabilities, equity, revenue and expenses. The Operator's system of financial accounting shall provide a level of detail so as to allow it to accurately compute Adjusted Gross Sports Wagering Receipts, and to report the Operator's drop, win, and hold percentage for each form of Sports Wagering activity, the value of complimentary goods or services and promotional credits issued during the accounting period, and any other information necessary to allow the Commission to understand the Operator's results of operations. The Operator shall maintain detailed information and documentation to support all amounts reported to the Commission as being the Operator's assets, liabilities, equity, revenue and expenses.
- (6) Data derived from the Operator's player card/rewards card/loyalty program, player tracking software, sports wagering equipment or other similar information systems including:

- (a) The amount of money spent and lost on Sports Wagering (excluding the value of promotional credits wagered, but including any amounts that were subject to discretionary discounting for marketing or other similar purposes) by patrons who have been issued a player card or rewards card or sports wagering account, aggregated by, at a minimum, the patron's age, gender and home zip code provided by the patron and compiled on an annual basis or as otherwise directed by the Commission; and
- (b) Information, compiled by year, on player characteristics for patrons of the Operator including, but not limited to, gender, age and region of residence, player behavior including, but not limited to, frequency of wagering, amounts wagered and characteristics of sporting events and wager categories wagered on.
- (7) An annual business plan for the Operator, which will include financial projections in format as prescribed by the Commission no later than 30 days prior to the commencement of the fiscal year.
- (8) A compliance plan and any amendments thereto, for the Operator and its holding company or intermediary company outlining the practices and protocols implemented, or to be implemented, designed to ensure compliance with all applicable federal or state laws.
- (9) Copies of the minutes of all board of directors or equivalent governing authority meetings and committee meetings, for the Operator or holding company or intermediary company thereof.

# 239.05: Quarterly Reports

- (1) On a quarterly basis, the Operator shall create and file with the Commission a report that provides a continuing view of the Operator's financial position including key performance measures, and narrative commentary on operating results. The quarterly report shall be attested to by any two of the following: the Chief Executive Officer, Chief Financial Officer, Treasurer, Financial Director, Controller, or their functional equivalent.
- (2) The quarterly report required in accordance with 205 CMR 239.05(1) shall be accompanied by a statement attested to by the Operator's Chief Financial Officer, or their functional equivalent, that the Operator satisfies the following:
  - (a) It has maintained for the previous quarter, and has the ability to maintain for the upcoming quarter, a gaming bankroll or equivalent provisions adequate to pay winning wagers to Sports Wagering patrons when due.
  - (b) It has paid in the previous quarter and has the ability to pay when due all local, state and federal taxes, including the tax on Adjusted Sports Wagering Receipts imposed and any fees imposed under M.G.L. c. 23N or 205 CMR.
  - (c) It has the ability to pay, exchange, refinance or extend debts, including long-term and short-term principal and interest and capital lease obligations, which will mature or otherwise come due and payable during the license term, or to otherwise

manage such debts and any default with respect to such debts.

## 239.06: Annual Audit and Other Reports

- (1) On an annual basis an Operator shall, at its own expense, cause an audit to be prepared by an independent certified public accountant of its financial statements relevant to the operation of its Massachusetts Sports Wagering Operations. The Operator may satisfy this requirement by submission of the audit of the consolidated financial statement, including applicable notes, of the Operator's holding company or intermediary company provided that such audit is accompanied by a supplemental information, appendix, or other financial information section specific to the Operator which includes an audited financial statement of cash flows for the Operator. In either event, the independent certified public accountant shall attest to the financial condition of the Operator, disclose whether the accounts, records and control procedures examined are maintained by the Operator as required by M.G.L. c. 23N and 205 CMR, and opine as to whether there are material weaknesses in the Operator's system of internal controls.
- (2) In the event that the audit makes recommendations to improve the system of internal controls, or to increase the Operator's level of compliance, the Operator's Chief Financial Officer shall respond, in writing, to the recommendations of the independent certified public accountant and provide the Commission with a copy of its response.
- (3) To ensure the independence of the annual audit, at least every five years an Operator, whose holding company or intermediary company is not publicly traded, shall rotate the lead (or coordinating) audit partner having primary responsibility for the audit, and the audit partner responsible for reviewing the audit. For an Operator, whose holding company or intermediary company is publicly traded, lead (or coordinating) audit partner rotation shall comply with the requirements of federal law, including the requirements of the United States Securities and Exchange Commission and/or the Public Company Accounting Oversight Board.
- (3) In the event the annual audited financial statements differ from financial statements maintained by the Operator throughout the year, the Operator shall provide a summary of these differences as part of the annual audit.
- (4) The annual audit and associated statements required in accordance with 205 CMR 239.06(1) shall be filed with the Commission within three months following the end of the quarter following the end of the Operator's fiscal year.
- (5) In cases where an Operator's parent or holding company is not publicly traded, in the event the Operator's independent certified public accountant shall resign or be removed as the Operator's principal accountant or auditor, the Operator shall submit a written report to the Commission within 20 days of such resignation or

removal, signed by its Chief Financial Officer and Chair of its Audit Committee, outlining the cause or nature of the resignation or removal, stating whether the resignation or removal was related to material differences between the parties as to financial statement presentation issues, disclosures, or the adequacy of the Operator's system of internal accounting control and, if so, a complete and detailed description of the differences for consideration by the Commission. The Operator shall submit as an exhibit to this report a letter from the former independent certified public accountant stating whether they agree with the statements made by the Operator in the report submitted to the Commission.

- (6) In cases where an Operator's parent or holding company is publicly traded, the Operator shall file with the Commission copies of such information and documents as are required to be filed with the United States Securities and Exchange Commission and/or the Public Company Accounting Oversight Board upon the resignation or removal of the publicly traded holding company's independent certified public accountant.
- (7) To the extent possible, any adjustments resulting from the annual audit required in accordance with 205 CMR 239.06 shall be recorded in the accounting records of the year to which the adjustment relates. In the event the adjustments were not reflected in the Operator's quarterly report for the fourth quarter and the Commission concludes the adjustments are significant, a revised quarterly report for the fourth quarter may be required from the Operator. The revised filing shall be due within 30 calendar days after notification to the Operator, unless an extension is granted by the Commission.

## 239.07: Audit of Operator Operations by Commission

The Commission shall audit on an annual basis, and at other times the Commission, or the Bureau, determines necessary the accounts, programs, activities, and functions of an Operator or any aspect of Sports Wagering Operation and compliance with any provision of the Operator's system of internal controls. To conduct the audit, authorized officers and employees of the Commission shall be given access by the Operator to such accounts at reasonable times and may require the production of books, documents, vouchers and other records relating to any matter within the scope of the audit; provided however, that an Operator's tax returns will not be audited by the Commission. All audits shall be conducted in accordance with generally accepted auditing standards established by the American Institute of Certified Public Accountants and the standards established by the Public Company Accounting Oversight Board. In any audit report of the accounts, funds, programs, activities and functions of an Operator issued by the Commission containing adverse or critical audit results, the Commission may require a response, in writing, to the audit results. Such a response shall be forwarded to the Commission within 15 days of notification by the Commission. Where possible, efforts will be made not to audit areas that were the subject of, and satisfactorily addressed by, the annual audit required in accordance with 205 CMR 239.06.



# SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2, relative to the proposed amendment of **205 CMR 239 CONTINUING DISCLOSURE AND REPORTING OBLIGATIONS OF SPORTS WAGERING LICENSEES.** 

This regulation is being promulgated as part of the process of promulgating regulations governing sports wagering in the Commonwealth, and is primarily governed by G.L. c. 23N, § 4. It sets forth the required disclosure and reporting obligations of sports wagering operators to the Commission.

The proposed 205 CMR 239 applies to potential sports wagering operators and the Commission. Accordingly, this regulation is unlikely to have an impact on small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

This regulation is unlikely to have an impact on small businesses.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation.

3. State the appropriateness of performance standards versus design standards:

No standards applicable to small businesses are set forth.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:

 $\star\star\star\star\star$ 

This amendment is unlikely to have any impact on the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission By:

/s/ Caitlin W. Monahan Caitlin W. Monahan, Deputy General Counsel

Dated: May 10, 2023



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com



- TO: Cathy Judd-Stein, Chair Eileen O'Brien, Commissioner Brad Hill, Commissioner Nakisha Skinner, Commissioner Jordan Maynard, Commissioner
- FROM: Carrie Torrisi, Deputy General Counsel Mina Makarious, Anderson & Krieger
- DATE: May 10, 2023

RE: 205 CMR 256.01(3) and 256.05(1): Sports Wagering Advertising

The Commission's sports wagering advertising regulations at 205 CMR 256 are being presented to address two possible changes.

# **Affiliate Marketing**

First, 256.01(3) currently reads (emphasis added):

No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of **net sports wagering revenue** earned from users that the third party directs or causes to be directed to the Operator.

This language clearly bars an Operator from compensating a third-party marketer based on the amount of wagering **losses**. This prohibition was set to avoid setting an incentive to marketers to steer patrons to riskier bets. However, an Operator has asked for clarification as to whether this language bars agreements pursuant to which a third party would be paid based on the total amount of wagers placed, regardless of whether the patron wins or loses their wager. For instance, may a third-party marketing affiliate enter into an agreement under which an Operator pays it 10% of every dollar wagered by a patron directed by the marketer to the Operator?

The answer to this question turns on the meaning of "net sports wagering revenue." The language was based on language used in New Jersey, but, based on our conversation with regulators in New Jersey, this issue has not been presented to them. If "net" in this phrase means net of the Operator's costs to pay out winning wagers, then a payment scheme based on amount wagered, regardless of wins or losses, would arguably be permissible.

# \*\*\*\*

Massachusetts Gaming Commission 101 Federal Street, 12<sup>th</sup> Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com If that is the Commission's intent with this section, no change to the section is needed. If, however, the Commission would like to bar agreements based on amounts wagered more broadly, while still permitting revenue sharing based on number of patrons signed up or pay-perclick on an Operator website, the language should instead read:

No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of **sports wagering revenue** earned from users that the third party directs or causes to be directed to the Operator.

# Branding

At the Commission's request, the draft for Commission discussion includes language that would require branding consisting of a trademark or logo on stationary signage to include a "21+" notice. This language appears at 205 CMR 256.05(1).

## 205 CMR 256: SPORTS WAGERING ADVERTISING

Section

256.01:	Third Parties
256.02:	Application
256.03:	Internal Controls
256.04:	False or Misleading Advertising
256.05:	Advertising to Youth
256.06:	Advertising to Other Vulnerable Persons
256.07:	Self-Excluded Persons
256.08:	Disruption
256.09:	Endorsement
256.10:	Records
256.11:	Enforcement
256.01:	Third Parties

- (1) Each Sports Wagering Operator shall be responsible for the content and conduct of any and all Sports Wagering advertising, marketing, or branding done on its behalf or to its benefit whether conducted by the Sports Wagering Operator, an employee or agent of the Sports Wagering Operator, or an affiliated entity or a third party pursuant to contract or any other agreement for consideration or remuneration, regardless of whether such party is also required to be licensed or registered as a Sports Wagering Vendor or Non-Sports Wagering Vendor.
- (2) Each Sports Wagering Operator shall provide a copy of the regulations contained herein to all advertising, marketing, branding and promotions personnel, contractors, agents, and agencies retained by the Sports Wagering Operator or its agents and shall ensure and require compliance herewith.
- (3) No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of net-sports wagering revenue earned from users that the third party directs or causes to be directed to the Operator.
- (4) Any advertisement or promotion for Sports Wagering shall disclose the identity of the Sports Wagering Operator and whether a financial relationship exists between any Person providing an endorsement or promotion and the Sports Wagering Operator.

## 256.02: Application

(1) The provisions of this section shall apply to all advertising, marketing, and branding for Sports Wagering aimed at, published, aired, displayed, disseminated, or distributed in the Commonwealth. Nothing herein shall be construed as limiting a Person's obligations to comply with any other federal, state or local law applicable

to advertising, marketing and branding, nor shall anything herein be construed as modifying or limiting in any way any more stringent or additional requirement applicable to advertising, marketing and branding.

- (2) Sports Wagering advertisements may only be published, aired, displayed, disseminated, or distributed in the Commonwealth by or on behalf of Sports Wagering Operators licensed to offer Sports Wagering in the Commonwealth, unless the advertisement clearly states that the offerings are not available in the Commonwealth or otherwise makes clear that the offerings are not intended for use in the Commonwealth. Sports Wagering Operators and their agents, employees, or any third party conducting advertising or marketing on their behalf shall not advertise forms of illegal gambling in the Commonwealth.
- (3) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering on any billboard, or other public signage, which fails to comply with any federal, state or local law.

## 256.03: Internal Controls

Each Sports Wagering Operator shall include in its internal controls submitted pursuant to 205 CMR 138 and 238 provisions to ensure compliance with the requirements of 205 CMR 256.00.

## 256.04: False or Misleading Advertising

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any unfair or deceptive advertising, marketing, or branding for Sports Wagering.
- (2) No Sports Wagering Operator shall obscure or fail to disclose any material fact in its advertising, marketing, or branding for sports wagering or use any type, size, location lighting, illustration, graphic, depiction or color resulting in the obscuring of or failure to disclose any material fact in any advertising, marketing, or branding.
- (3) All Sports Wagering advertisements must clearly convey the material conditions under which Sports Wagering is being offered, including information about the cost to participate and the nature of any promotions, to assist patrons in understanding the odds of winning. Any material conditions or limiting factors must be clearly and conspicuously specified in the advertisement. Additional, non-material terms and conditions may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the additional information.
- (4) No Sports Wagering Operator, Sports Wagering Vendor, or third party marketing or adverting entity required to be licensed or registered pursuant to 205 CMR 234, nor any employee of any of the foregoing, may advise or encourage patrons to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising or promotional activities which may notify a patron

of the need to place a specific wager type, kind, subject, or amount in order for patron to receive a promotional benefit.

- (5) A Sports Wagering Operator that engages in any promotion related to Sports Wagering shall clearly and concisely explain the terms of the promotion and adhere to such terms. If a Sports Wagering Operator offers complimentary items or promotional credit that are subject to terms, conditions or limitations in order to claim the item or redeem the item or credit, the Operator shall fully disclose all material terms, conditions or limitations through the following methods, provided that additional, non-material terms and conditions, may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the non-material information.
  - In all advertisements or inducements where the complimentary item or promotion are advertised;
  - (b) If being added to a Sports Wagering Account, through the use of a pop-up message either while the complimentary item or promotional credit is being added or when the patron next logs in to the Account, whichever is earlier; and
  - (c) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be disclosed in the same size and style of font as the amount of the complimentary item or promotional credit, and the complimentary item or promotional credit shall not be described as free.
- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall:
  - (a) Promote irresponsible or excessive participation in Sports Wagering;
  - (b) Suggest that social, financial, or personal success is guaranteed by engaging in event wagering;
  - (c) Imply or promote Sports Wagering as free of risk in general or in connection with a particular promotion or Sports Wagering offer;
  - (d) Describe Sports Wagering as "free", "cost free" or "free of risk" if the player needs to incur any loss or risk their own money to use or withdraw winnings from the Wager;
  - (e) Encourage players to "chase" losses or re-invest winnings;
  - Suggest that betting is a means of solving or escaping from financial, personal, or professional problems;

- (g) Portray, suggest, condone or encourage Sports Wagering behavior as a rite of passage or signifier of reaching adulthood or other milestones;
- Portray, suggest, condone or encourage Sports Wagering behavior that is socially irresponsible or could lead to financial, social or emotional harm;
- Imply that the chances of winning increase with increased time spent on Sports Wagering or increased money wagered;
- Be placed on any website or printed page or medium devoted primarily to responsible gaming;
- (k) Offer a line of credit to any consumer; or
- (1) Use individuals to provide purported expertise or Sports Wagering advice who are employed by, contracted with, or otherwise compensated by a Sports Governing Body, team, club or athlete on which a wager may be placed.

## 256.05: Advertising to Youth

- (1) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall state that patrons must be twenty-one years of age or older to participate, provided that branding consisting only of a display on an Operator's logo or trademark shall not be required to comply with this provision unless it is, or is intended to be, displayed on signage or a fixed structure in a location where it is likely to be viewed by persons under 21 years of age.
- (2) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed at individuals under twenty-one years of age.
- (3) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall contain images, symbols, celebrity or entertainer endorsements or language designed to appeal primarily to individuals younger than twenty-one years of age.
- (4) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall be published, aired, displayed, disseminated, or distributed:
  - (a) in media outlets, including social media, video and television platforms, where 25% of the audience is reasonably expected to be under twenty-one years of age, unless adequate controls are in place to prevent the display, dissemination or distribution of such advertising, marketing, branding or

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other promotional materials to individuals under twenty-one years of age including by use of age category exclusions and similar mechanisms;

- (b) in other media outlets, including social media, video and television platforms, unless the Operator utilizes all available targeted controls to exclude all individuals under twenty-one years of age from viewing such advertising, marketing, branding, and other promotional materials;
- (c) at events aimed at minors or where 25% or more of the audience is reasonably expected to be under twenty-one years of age;
- (d) at any elementary, middle, and high school, or at any sports venue exclusively used for such schools;
- (e) on any college or university campus, or in college or university news outlets such as school newspapers and college or university radio or television broadcasts, except for advertising, including television, radio, and digital advertising that is generally available, and primarily directed at an audience, outside of college and university campuses as well; or
- (f) to any other audience where 25% or more of the audience is presumed to be under twenty-one years of age.
- (5) No Sports Wagering advertisements, including logos, trademarks, or brands, shall be used, or licensed for use, on products, clothing, toys, games, or game equipment designed or intended for persons under twenty-one years of age.
- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall depict an individual who is, or appears to be, under twenty-one years of age, except live footage or images of professional athletes during sporting events on which sports wagering is permitted. Any individual under the age of twenty-one may not be depicted in any way that may be construed as the underage individual participating in or endorsing sports gaming.
- (7) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall depict students, schools or colleges, or school or college settings.

#### <u>256.06:</u> <u>Advertising to Other Vulnerable Persons</u>

(1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed exclusively or primarily at individuals or groups of people that are at moderate or high risk of gambling addiction. A Sports Wagering Operator shall not use characteristics of

at-risk or problem bettors to target potentially at-risk or problem bettors with advertisements.

- (2) Advertising, marketing, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health or such other responsible gaming information required by the Commission ("Responsible Gaming Messaging").
- (3) Such advertising, marketing, branding and other promotional materials shall not use a font, type size, location, lighting, illustration, graphic depiction or color obscuring or limiting the advertisement of such Problem Gambling Helpline Information.
- (4) Information regarding Responsible Gaming Messaging must also meet the following requirements:
  - (a) For signs, direct mail marketing materials, posters and other print advertisements, the height of the font used to advertise Responsible Gaming Messaging must be the greater of:
    - i. The same size as the majority of the text used in the sign, direct mail marketing material, poster or other print advertisement; or
    - ii. 2% of the height or width, whichever is greater, of the sign, direct mail marketing material, poster or other print advertisement.
  - (b) For billboards, the height of the font used for Responsible Gaming Messaging must be at least 5% of the height or width, whichever is greater, of the face of the billboard.
  - (c) For digital billboards, Responsible Gaming Messaging must be visible for the entire time the rest of the advertisement is displayed.
  - (d) For video and television, Responsible Gaming Messaging must be visible for either:
    - i. The entire time the video or television advertisement is displayed, in which case the height of the font used for Responsible Gaming Messaging must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
    - ii. From the first time Sports Wagering Equipment, a Sports Wagering Facility, a Sports Wagering Area or Sports Wagering is displayed or verbally referenced, and on a dedicated screen shot visible for at least the last three (3) seconds of the video or television advertisement. If the

Operator elects to utilize this option, the height of the font used for Responsible Gaming Messaging:

- 1. During the advertisement must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
- 2. On the dedicated screen shot must be at least 8% of the height or width, whichever is greater, of the image that will be displayed.
- (e) For web sites, including social media sites:
  - i. Responsible Gaming Messaging must be posted in a conspicuous location on each website or profile page and on a gaming related advertisement posted on the webpage or profile page.
  - ii. The height of the font used for Responsible Gaming Messaging must be at least the same size as the majority of the text used in the webpage or profile page.
  - iii. For advertisements posted on the webpage or profile page, the height of the font used for Responsible Gaming Messaging must comply with the height required for signs, direct mail marketing materials, posters and other print advertisements.
- (5) All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.

#### 256.07: Self-Excluded Persons

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233.
- (2) No Sports Wagering Operator shall direct text messages or unsolicited pop-up advertisements on the internet to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions.

## 256.08: Disruption to Viewers

(1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that obscures the game play area at a sporting event.

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(2) Advertisements for Sports Wagering may not be placed by a Sports Wagering Operator at a sports event with such intensity and frequency that they represent saturation of that medium or become excessive.

## 256.09: Endorsements

- An advertisement for Sports Wagering shall not state or imply endorsement by minors, persons aged 18 to 20 (other than professional athletes), collegiate athletes, schools or colleges, or school or college athletic associations.
- (2) An individual who participates in Sports Wagering in the Commonwealth under an agreement with a Sports Wagering Operator for advertising, branding or promotional purposes must disclose the relationship and may not be compensated in promotional credits for additional wagers.
- (3) Endorsements must comply with the Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. Part 255.

## 256.10: Records

- (1) Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials promoting or intended to promote any Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated, for six (6) years. A Sports Wagering Operator shall also grant the Commission access to all social media platforms utilized by or on behalf of the licensee for such purposes, provided that an Operator shall not be required to permit the Commission to control or directly alter such content on such platforms. For all directed or targeted advertising and marketing, a Sports Wagering Operator shall maintain records sufficient to describe all targeting parameters used, as well as efforts undertaking to comply with 205 CMR 256.06(1).
- (2) All advertising, marketing, branding, and other promotional materials related to Sports Wagering and the log described in subsection (1) shall be made available to the Commission or its agents upon request.

## 256.11: Enforcement

(1) A Sports Wagering Operator shall discontinue or modify as expeditiously as possible the use of a particular advertisement, marketing, or branding material in the Commonwealth or directed to residents in this state upon receipt of written notice that the Commission has determined that the advertisement, marketing, or branding material in question does not conform to the requirements of 205 CMR 256.00 or the discontinuance or modification of which is necessary for the immediate preservation of the public peace, health safety, and welfare of the Commonwealth.

- (2) A failure to adhere to the rules of 205 CMR 256.00 may be grounds for disciplinary action under any enforcement method available to the Commission, including emergency enforcement orders to immediately cease and desist such advertising pursuant to 205 CMR 109.
- (3) The Commission may, in addition to, or in lieu of, any other discipline, require an Operator that violates this section 205 CMR 256 to provide electronic copies of all advertising, marketing and promotional materials developed by or on behalf of the Operator to the Commission at least ten (10) business days prior to publication, distribution or airing to the public.

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# SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2, relative to the proposed amendments to **205 CMR 256 SPORTS WAGERING ADVERTISING**.

This regulation was promulgated as part of the process of promulgating regulations governing sports wagering in the Commonwealth, and is authorized by G.L. c. 23N, §4. It is intended to carry out the Commission's mandate to promulgate regulations governing the advertising of sports wagering pursuant to G.L. c. 23N, § 4(c)(ii). The amendments being made are minor changes to address marketing practices by operators.

This regulation is unlikely to have an impact on small businesses as it governs the behavior of Sports Wagering Operators who are not small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

This regulation is unlikely to have an impact on small businesses.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation.

3. State the appropriateness of performance standards versus design standards:

No standards applicable to small businesses are set forth. Provided standards are performance standards.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com This amendment is unlikely to have any impact on the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission By:

/s/ Carrie Torrisi Carrie Torrisi, Deputy General Counsel

Dated: May 10, 2023



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com



- TO: Cathy Judd-Stein, Chair Eileen O'Brien, Commissioner Brad Hill, Commissioner Nakisha Skinner, Commissioner Jordan Maynard, Commissioner
- FROM: Carrie Torrisi, Deputy General Counsel Mina Makarious, Anderson & Krieger
- DATE: May 10, 2023

RE: 205 CMR 256.01(3) and 256.05(1): Sports Wagering Advertising

The Commission's sports wagering advertising regulations at 205 CMR 256 are being presented to address two possible changes.

# **Affiliate Marketing**

First, 256.01(3) currently reads (emphasis added):

No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of **net sports wagering revenue** earned from users that the third party directs or causes to be directed to the Operator.

This language clearly bars an Operator from compensating a third-party marketer based on the amount of wagering **losses**. This prohibition was set to avoid setting an incentive to marketers to steer patrons to riskier bets. However, an Operator has asked for clarification as to whether this language bars agreements pursuant to which a third party would be paid based on the total amount of wagers placed, regardless of whether the patron wins or loses their wager. For instance, may a third-party marketing affiliate enter into an agreement under which an Operator pays it 10% of every dollar wagered by a patron directed by the marketer to the Operator?

The answer to this question turns on the meaning of "net sports wagering revenue." The language was based on language used in New Jersey, but, based on our conversation with regulators in New Jersey, this issue has not been presented to them. If "net" in this phrase means net of the Operator's costs to pay out winning wagers, then a payment scheme based on amount wagered, regardless of wins or losses, would arguably be permissible.

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Massachusetts Gaming Commission 101 Federal Street, 12<sup>th</sup> Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com If that is the Commission's intent with this section, no change to the section is needed. If, however, the Commission would like to bar agreements based on amounts wagered more broadly, while still permitting revenue sharing based on number of patrons signed up or pay-perclick on an Operator website, the language should instead read:

No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of **sports wagering revenue** earned from users that the third party directs or causes to be directed to the Operator.

# Branding

At the Commission's request, the draft for Commission discussion includes language that would require branding consisting of a trademark or logo on stationary signage to include a "21+" notice. This language appears at 205 CMR 256.05(1).

## 205 CMR 256: SPORTS WAGERING ADVERTISING

Section

256.01:	Third Parties
256.02:	Application
256.03:	Internal Controls
256.04:	False or Misleading Advertising
256.05:	Advertising to Youth
256.06:	Advertising to Other Vulnerable Persons
256.07:	Self-Excluded Persons
256.08:	Disruption
256.09:	Endorsement
256.10:	Records
256.11:	Enforcement
256.01:	Third Parties

- (1) Each Sports Wagering Operator shall be responsible for the content and conduct of any and all Sports Wagering advertising, marketing, or branding done on its behalf or to its benefit whether conducted by the Sports Wagering Operator, an employee or agent of the Sports Wagering Operator, or an affiliated entity or a third party pursuant to contract or any other agreement for consideration or remuneration, regardless of whether such party is also required to be licensed or registered as a Sports Wagering Vendor or Non-Sports Wagering Vendor.
- (2) Each Sports Wagering Operator shall provide a copy of the regulations contained herein to all advertising, marketing, branding and promotions personnel, contractors, agents, and agencies retained by the Sports Wagering Operator or its agents and shall ensure and require compliance herewith.
- (3) No Sports Wagering Operator may enter into an agreement with a third party to conduct advertising, marketing, or branding on behalf of, or to the benefit of, the licensee, in exchange for a percentage of net-sports wagering revenue earned from users that the third party directs or causes to be directed to the Operator.
- (4) Any advertisement or promotion for Sports Wagering shall disclose the identity of the Sports Wagering Operator and whether a financial relationship exists between any Person providing an endorsement or promotion and the Sports Wagering Operator.

## 256.02: Application

(1) The provisions of this section shall apply to all advertising, marketing, and branding for Sports Wagering aimed at, published, aired, displayed, disseminated, or distributed in the Commonwealth. Nothing herein shall be construed as limiting a Person's obligations to comply with any other federal, state or local law applicable

to advertising, marketing and branding, nor shall anything herein be construed as modifying or limiting in any way any more stringent or additional requirement applicable to advertising, marketing and branding.

- (2) Sports Wagering advertisements may only be published, aired, displayed, disseminated, or distributed in the Commonwealth by or on behalf of Sports Wagering Operators licensed to offer Sports Wagering in the Commonwealth, unless the advertisement clearly states that the offerings are not available in the Commonwealth or otherwise makes clear that the offerings are not intended for use in the Commonwealth. Sports Wagering Operators and their agents, employees, or any third party conducting advertising or marketing on their behalf shall not advertise forms of illegal gambling in the Commonwealth.
- (3) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering on any billboard, or other public signage, which fails to comply with any federal, state or local law.

## 256.03: Internal Controls

Each Sports Wagering Operator shall include in its internal controls submitted pursuant to 205 CMR 138 and 238 provisions to ensure compliance with the requirements of 205 CMR 256.00.

## 256.04: False or Misleading Advertising

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any unfair or deceptive advertising, marketing, or branding for Sports Wagering.
- (2) No Sports Wagering Operator shall obscure or fail to disclose any material fact in its advertising, marketing, or branding for sports wagering or use any type, size, location lighting, illustration, graphic, depiction or color resulting in the obscuring of or failure to disclose any material fact in any advertising, marketing, or branding.
- (3) All Sports Wagering advertisements must clearly convey the material conditions under which Sports Wagering is being offered, including information about the cost to participate and the nature of any promotions, to assist patrons in understanding the odds of winning. Any material conditions or limiting factors must be clearly and conspicuously specified in the advertisement. Additional, non-material terms and conditions may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the additional information.
- (4) No Sports Wagering Operator, Sports Wagering Vendor, or third party marketing or adverting entity required to be licensed or registered pursuant to 205 CMR 234, nor any employee of any of the foregoing, may advise or encourage patrons to place a specific wager of any specific type, kind, subject, or amount. This restriction does not prohibit general advertising or promotional activities which may notify a patron

of the need to place a specific wager type, kind, subject, or amount in order for patron to receive a promotional benefit.

- (5) A Sports Wagering Operator that engages in any promotion related to Sports Wagering shall clearly and concisely explain the terms of the promotion and adhere to such terms. If a Sports Wagering Operator offers complimentary items or promotional credit that are subject to terms, conditions or limitations in order to claim the item or redeem the item or credit, the Operator shall fully disclose all material terms, conditions or limitations through the following methods, provided that additional, non-material terms and conditions, may be otherwise made available on a website or application if an advertisement is not of sufficient size or duration to permit inclusion of the non-material information.
  - In all advertisements or inducements where the complimentary item or promotion are advertised;
  - (b) If being added to a Sports Wagering Account, through the use of a pop-up message either while the complimentary item or promotional credit is being added or when the patron next logs in to the Account, whichever is earlier; and
  - (c) If the offer requires the patron to Wager a specific dollar amount to receive the complimentary item or promotional credit, the amount that the patron is required to Wager of the patron's own funds shall be disclosed in the same size and style of font as the amount of the complimentary item or promotional credit, and the complimentary item or promotional credit shall not be described as free.
- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall:
  - (a) Promote irresponsible or excessive participation in Sports Wagering;
  - (b) Suggest that social, financial, or personal success is guaranteed by engaging in event wagering;
  - (c) Imply or promote Sports Wagering as free of risk in general or in connection with a particular promotion or Sports Wagering offer;
  - (d) Describe Sports Wagering as "free", "cost free" or "free of risk" if the player needs to incur any loss or risk their own money to use or withdraw winnings from the Wager;
  - (e) Encourage players to "chase" losses or re-invest winnings;
  - Suggest that betting is a means of solving or escaping from financial, personal, or professional problems;

- (g) Portray, suggest, condone or encourage Sports Wagering behavior as a rite of passage or signifier of reaching adulthood or other milestones;
- Portray, suggest, condone or encourage Sports Wagering behavior that is socially irresponsible or could lead to financial, social or emotional harm;
- Imply that the chances of winning increase with increased time spent on Sports Wagering or increased money wagered;
- Be placed on any website or printed page or medium devoted primarily to responsible gaming;
- (k) Offer a line of credit to any consumer; or
- (1) Use individuals to provide purported expertise or Sports Wagering advice who are employed by, contracted with, or otherwise compensated by a Sports Governing Body, team, club or athlete on which a wager may be placed.

## 256.05: Advertising to Youth

- (1) Advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall state that patrons must be twenty-one years of age or older to participate, provided that branding consisting only of a display on an Operator's logo or trademark shall not be required to comply with this provision unless it is, or is intended to be, displayed on signage or a fixed structure in a location where it is likely to be viewed by persons under 21 years of age.
- (2) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed at individuals under twenty-one years of age.
- (3) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall contain images, symbols, celebrity or entertainer endorsements or language designed to appeal primarily to individuals younger than twenty-one years of age.
- (4) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall be published, aired, displayed, disseminated, or distributed:
  - (a) in media outlets, including social media, video and television platforms, where 25% of the audience is reasonably expected to be under twenty-one years of age, unless adequate controls are in place to prevent the display, dissemination or distribution of such advertising, marketing, branding or

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other promotional materials to individuals under twenty-one years of age including by use of age category exclusions and similar mechanisms;

- (b) in other media outlets, including social media, video and television platforms, unless the Operator utilizes all available targeted controls to exclude all individuals under twenty-one years of age from viewing such advertising, marketing, branding, and other promotional materials;
- (c) at events aimed at minors or where 25% or more of the audience is reasonably expected to be under twenty-one years of age;
- (d) at any elementary, middle, and high school, or at any sports venue exclusively used for such schools;
- (e) on any college or university campus, or in college or university news outlets such as school newspapers and college or university radio or television broadcasts, except for advertising, including television, radio, and digital advertising that is generally available, and primarily directed at an audience, outside of college and university campuses as well; or
- (f) to any other audience where 25% or more of the audience is presumed to be under twenty-one years of age.
- (5) No Sports Wagering advertisements, including logos, trademarks, or brands, shall be used, or licensed for use, on products, clothing, toys, games, or game equipment designed or intended for persons under twenty-one years of age.
- (6) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall depict an individual who is, or appears to be, under twenty-one years of age, except live footage or images of professional athletes during sporting events on which sports wagering is permitted. Any individual under the age of twenty-one may not be depicted in any way that may be construed as the underage individual participating in or endorsing sports gaming.
- (7) No advertising, marketing, branding, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator for Sports Wagering shall depict students, schools or colleges, or school or college settings.

#### <u>256.06:</u> <u>Advertising to Other Vulnerable Persons</u>

(1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that is aimed exclusively or primarily at individuals or groups of people that are at moderate or high risk of gambling addiction. A Sports Wagering Operator shall not use characteristics of

at-risk or problem bettors to target potentially at-risk or problem bettors with advertisements.

- (2) Advertising, marketing, and other promotional materials published, aired, displayed, disseminated, or distributed by or on behalf of any Sports Wagering Operator shall include a link to and phone number for the Massachusetts Problem Gambling Helpline using language provided by the Department of Public Health or such other responsible gaming information required by the Commission ("Responsible Gaming Messaging").
- (3) Such advertising, marketing, branding and other promotional materials shall not use a font, type size, location, lighting, illustration, graphic depiction or color obscuring or limiting the advertisement of such Problem Gambling Helpline Information.
- (4) Information regarding Responsible Gaming Messaging must also meet the following requirements:
  - (a) For signs, direct mail marketing materials, posters and other print advertisements, the height of the font used to advertise Responsible Gaming Messaging must be the greater of:
    - i. The same size as the majority of the text used in the sign, direct mail marketing material, poster or other print advertisement; or
    - ii. 2% of the height or width, whichever is greater, of the sign, direct mail marketing material, poster or other print advertisement.
  - (b) For billboards, the height of the font used for Responsible Gaming Messaging must be at least 5% of the height or width, whichever is greater, of the face of the billboard.
  - (c) For digital billboards, Responsible Gaming Messaging must be visible for the entire time the rest of the advertisement is displayed.
  - (d) For video and television, Responsible Gaming Messaging must be visible for either:
    - i. The entire time the video or television advertisement is displayed, in which case the height of the font used for Responsible Gaming Messaging must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
    - ii. From the first time Sports Wagering Equipment, a Sports Wagering Facility, a Sports Wagering Area or Sports Wagering is displayed or verbally referenced, and on a dedicated screen shot visible for at least the last three (3) seconds of the video or television advertisement. If the

Operator elects to utilize this option, the height of the font used for Responsible Gaming Messaging:

- 1. During the advertisement must be at least 2% of the height or width, whichever is greater, of the image that will be displayed.
- 2. On the dedicated screen shot must be at least 8% of the height or width, whichever is greater, of the image that will be displayed.
- (e) For web sites, including social media sites:
  - i. Responsible Gaming Messaging must be posted in a conspicuous location on each website or profile page and on a gaming related advertisement posted on the webpage or profile page.
  - ii. The height of the font used for Responsible Gaming Messaging must be at least the same size as the majority of the text used in the webpage or profile page.
  - iii. For advertisements posted on the webpage or profile page, the height of the font used for Responsible Gaming Messaging must comply with the height required for signs, direct mail marketing materials, posters and other print advertisements.
- (5) All direct advertising, marketing, or promotional materials shall include a clear and conspicuous method allowing patrons to unsubscribe from future advertising, marketing, or promotional communications.

#### 256.07: Self-Excluded Persons

- (1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for sports wagering that is aimed at persons who have enrolled in a Self-Exclusion Program pursuant to 205 CMR 233.
- (2) No Sports Wagering Operator shall direct text messages or unsolicited pop-up advertisements on the internet to an individual in the Self-Exclusion Program or shall allow any employee or agent of the Sports Wagering Operator, or affiliated entity or a third party pursuant to contract, to take such actions.

## 256.08: Disruption to Viewers

(1) No Sports Wagering Operator shall allow, conduct, or participate in any advertising, marketing, or branding for Sports Wagering that obscures the game play area at a sporting event.

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(2) Advertisements for Sports Wagering may not be placed by a Sports Wagering Operator at a sports event with such intensity and frequency that they represent saturation of that medium or become excessive.

## 256.09: Endorsements

- An advertisement for Sports Wagering shall not state or imply endorsement by minors, persons aged 18 to 20 (other than professional athletes), collegiate athletes, schools or colleges, or school or college athletic associations.
- (2) An individual who participates in Sports Wagering in the Commonwealth under an agreement with a Sports Wagering Operator for advertising, branding or promotional purposes must disclose the relationship and may not be compensated in promotional credits for additional wagers.
- (3) Endorsements must comply with the Federal Trade Commission's Guides Concerning the Use of Endorsements and Testimonials in Advertising, 16 C.F.R. Part 255.

## 256.10: Records

- (1) Each Sports Wagering Operator shall retain a copy of all advertising, marketing, branding and other promotional materials promoting or intended to promote any Sports Wagering within the Commonwealth, including a log of when, how, and with whom, those materials have been published, aired, displayed, or disseminated, for six (6) years. A Sports Wagering Operator shall also grant the Commission access to all social media platforms utilized by or on behalf of the licensee for such purposes, provided that an Operator shall not be required to permit the Commission to control or directly alter such content on such platforms. For all directed or targeted advertising and marketing, a Sports Wagering Operator shall maintain records sufficient to describe all targeting parameters used, as well as efforts undertaking to comply with 205 CMR 256.06(1).
- (2) All advertising, marketing, branding, and other promotional materials related to Sports Wagering and the log described in subsection (1) shall be made available to the Commission or its agents upon request.

## 256.11: Enforcement

(1) A Sports Wagering Operator shall discontinue or modify as expeditiously as possible the use of a particular advertisement, marketing, or branding material in the Commonwealth or directed to residents in this state upon receipt of written notice that the Commission has determined that the advertisement, marketing, or branding material in question does not conform to the requirements of 205 CMR 256.00 or the discontinuance or modification of which is necessary for the immediate preservation of the public peace, health safety, and welfare of the Commonwealth.

- (2) A failure to adhere to the rules of 205 CMR 256.00 may be grounds for disciplinary action under any enforcement method available to the Commission, including emergency enforcement orders to immediately cease and desist such advertising pursuant to 205 CMR 109.
- (3) The Commission may, in addition to, or in lieu of, any other discipline, require an Operator that violates this section 205 CMR 256 to provide electronic copies of all advertising, marketing and promotional materials developed by or on behalf of the Operator to the Commission at least ten (10) business days prior to publication, distribution or airing to the public.

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# SMALL BUSINESS IMPACT STATEMENT

The Massachusetts Gaming Commission ("Commission") hereby files this Small Business Impact Statement in accordance with G.L. c. 30A, §2, relative to the proposed amendments to **205 CMR 256 SPORTS WAGERING ADVERTISING**.

This regulation was promulgated as part of the process of promulgating regulations governing sports wagering in the Commonwealth, and is authorized by G.L. c. 23N, §4. It is intended to carry out the Commission's mandate to promulgate regulations governing the advertising of sports wagering pursuant to G.L. c. 23N, § 4(c)(ii). The amendments being made are minor changes to address marketing practices by operators.

This regulation is unlikely to have an impact on small businesses as it governs the behavior of Sports Wagering Operators who are not small businesses. Under G.L. c.30A, §2, the Commission offers the following responses to the statutory questions:

1. Estimate of the number of small businesses subject to the proposed regulation:

This regulation is unlikely to have an impact on small businesses.

2. State the projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation:

There are no projected reporting, recordkeeping, or other administrative costs required for small businesses to comply with this regulation.

3. State the appropriateness of performance standards versus design standards:

No standards applicable to small businesses are set forth. Provided standards are performance standards.

4. Identify regulations of the promulgating agency, or of another agency or department of the Commonwealth, which may duplicate or conflict with the proposed regulation:

There are no conflicting regulations in 205 CMR, and the Commission is unaware of any conflicting or duplicating regulations of any other agency or department of the Commonwealth.

5. State whether the proposed regulation is likely to deter or encourage the formation of new businesses in the Commonwealth:



Massachusetts Gaming Commission 101 Federal Street, 12th Floor, Boston, Massachusetts 02110 | TEL 617.979.8400 | FAX 617.725.0258 | www.massgaming.com This amendment is unlikely to have any impact on the formation of new businesses in the Commonwealth.

Massachusetts Gaming Commission By:

/s/ Carrie Torrisi Carrie Torrisi, Deputy General Counsel

Dated: May 10, 2023



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