



State of New Jersey

DEPARTMENT OF LAW AND PUBLIC SAFETY
DIVISION OF GAMING ENFORCEMENT
1300 ATLANTIC AVENUE
ATLANTIC CITY, NJ 08401

PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

MATTHEW J. PLATKIN
Attorney General

MARY JO FLAHERTY
Interim Director

April 16, 2025

Jeremy Kleiman, Esq.
Saiber LLC
18 Columbia Turnpike Suite 200
Florham Park, NJ 07932
JKleiman@saiber.com

Re: Action in Lieu of Complaint Prohibited Event

Dear Jeremy Kleiman,

The Division of Gaming Enforcement ("Division") brings this Action in Lieu of Complaint against GW NJ Sports, Inc. ("BetParx") concerning the failure to comply with *N.J.A.C. 13:69N-1.1*, *N.J.A.C. 13:69N-1.11*, and *N.J. Const. art. IV §7, ¶2* by permitting wagering on a National Collegiate Athletic Association ("NCAA") event that involved a New Jersey university.

N.J. Const. art. IV, §7, ¶2 provides, in pertinent part, that "Wagering shall not be permitted on a college sport or athletic event that takes place in New Jersey or on a sport or athletic event in which any New Jersey college team participates regardless of where the event takes place...." *N.J.A.C. 13:69N-1.1* also states in pertinent part "Prohibited sports event" means any single collegiate sports or athletic event that takes place in New Jersey or single sports or athletic event in which any New Jersey college or university team participates, regardless of where the event takes place...." Additionally, *N.J.A.C. 13:69N-1.11* requires that "A sports pool operator shall not accept any wager on a sports event, unless it has provided written notification to the Division of the first time that wagering on a category of wagering event or type of wager is offered to the public."

BetParx self-reported that on March 28, 2022, BetParx permitted wagering on a NCAA basketball game, Purdue University versus St. Peter's University ("St. Peter's"), a New Jersey university, in violation of New Jersey sports wagering regulations and the New Jersey Constitution.

BetParx's internal failures resulted in the St. Peter's game being made available for wagering. Prior to the start of the St. Peter's game, BetParx's Risk and Trading Manager created a promotion "Purdue, Kansas, and Miami ALL to win." This parlay, promotional wager involved the St. Peter's game. Ultimately, Purdue University lost to St. Peter's resulting in the parlay wagers being graded as losses. BetParx accepted two wagers on this parlay market, with a total stake value of \$60.00. Due to the error and with Division approval, BetParx awarded to two impacted patrons cash comps in the amount of



\$81.84 and \$20.92. BetParx advised the Division that in the future all promotions related to NCAA basketball will be approved by their Senior Management staff.

Based upon this incident, BetParx failed to comply with *N.J.A.C. 13:69N-1.1*, *N.J.A.C.13:69N-1.11*, and *N.J. Const. art. IV §7, ¶2*. BetParx's manual error permitted a prohibited event to be made available for wagering. This error is problematic and unacceptable as it resulted in a constitutionally prohibited event being made available for wagering in New Jersey.

The Division therefore accepts the offer of BetParx to render a civil monetary penalty in the total amount of \$5,000. While the Division has agreed that it will not institute further regulatory action beyond this Action in Lieu of Complaint on the above-described matters, any additional violations of *N.J.A.C. 13:69N-1.1*, *N.J.A.C.13:69N-1.11*, and *N.J. Const. art. IV §7, ¶2*, no matter how de minimis, will result in further disciplinary action by the Division.

Sincerely,

A handwritten signature in cursive script that reads "Gina DeAnnuntis".

Gina DeAnnuntis
Deputy Attorney General

Cc: Afshien Lashkari, Technical Services Bureau Chief
File: D-04-22-028