

**Chapter 51: DEFINITIONS**

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1. The following words and terms shall have the following meanings unless the context indicates otherwise:
  1. "ACH" means the Automated Clearing House network maintained by Nacha that is a nationwide electronic fund transfer (EFT) system that provides for the inter-bank clearing of electronic credit and debit transactions and for the exchange of payment-related information among participating financial institutions.
  2. "Adjusted gross sports wagering receipts" has the same meaning as set forth in 8 M.R.S. §1202
  3. "Adverse action" includes, but is not limited to:
    - A. A condition placed upon an applicant's license, or the operation of an applicant's gambling or gambling-related business resulting from a finding of an administrative, civil or criminal violation by any licensing or administrative agency, or a court, in any jurisdiction in the United States or Canada;
    - B. A suspension or revocation of an applicant or operator's license, by a licensing or administrative agency, or a court in any jurisdiction in the United States or Canada, or
    - C. A voluntary surrender of a license by an applicant or operator to avoid or resolve any civil, criminal, or other pending administrative disciplinary action in any jurisdiction in the United States or Canada.
  4. "Affiliate" means an individual or entity that promotes sport wagering websites in exchange for a commission or fee.
  5. "Age and identity verification" means a method, system, or device used by a sports wagering operator to verify the validity of a patron's age and the patron's identity.
  6. "AML" means anti-money laundering.
  7. "Authentication process" means a method used by a system to verify the validity of software.
  8. "Bond" means a bond held in escrow for the purpose of maintaining adequate reserves to account for losses suffered by an operator and owed to patrons and which cannot be released without consent of the Director.

9. "Cancelled wager" means a wager that has been cancelled due to any issue with a sports event that prevents its occurrence or completion, or that otherwise causes the wager to be unredeemable, or otherwise approved by the Director.
10. "Card" means the list of sports events from which a patron can make selections for a given pool.
11. "Cheating" means:
  - A. Any action taken by any individual, group of two or more individuals, entity, or group of entities that improves the chances of winning or that alters or improves the chances of altering the outcome of a wager or sporting event by deception, interference, or manipulation or use of non-public information.
  - B. Any action taken by any individual, group of two or more individuals entity, or group of entities that improves the chances of winning or that alters the outcome or improves the chances of altering the outcome or payout on a wager by use of any equipment, including software pertaining to or used in relation to a sports wagering system's equipment, used for or in connection with a wager or sports event on which wagers are placed or are invited.
12. "Collegiate sports or athletic event" has the same meaning as set forth in 8 M.R.S. §1202(2).
13. "Combo license" means a license combining a casino employee and a sports wagering employee license.
14. "Commissioner" has the same meaning as set forth in 8 M.R.S. §1202(3).
15. "Counter" means an area specified for the use of wagering cashiers to accept and payout wagers.
16. "Department" has the same meaning as set forth in 8 M.R.S. §1202(4).
17. "Director" has the same meaning as set forth in 8 M.R.S. §1202(5).
18. "Dormant account" means a sports wagering account which has had no patron-initiated activity for a period of one year.
19. "Electronic sports" or "e-sports" means competitions in which the players compete at video games in organized events, at the professional or

collegiate level.

20. "Event number" means a set of alphabetical and/or numerical characters that correspond to a sports event or an event ancillary to a sports event.
21. "Exchange wagering" means a form of wagering in which two or more persons place identically opposing wagers in a given market, allowing patrons to wager on both winning and non-winning outcomes in the same event.
22. "Facility operator" has the same meaning as set forth in 8 M.R.S. §1202(6).
23. "Free bet" means a bet made by patrons using non-cashable vouchers, coupons, electronic credits or electronic promotions provided by sports wagering operators.
24. "Geolocation system" means a process or system to detect the physical, geographical location of a patron when said patron is attempting to access the wagering system and place a wager.
25. "Incompatible function" means a function for accounting control purposes that places any person or department in a position to both perpetrate and conceal errors or irregularities in the normal course of his/her duties. Anyone recording transactions and having access to assets ordinarily is in a position to perpetrate errors or irregularities. Persons shall be deemed to have incompatible functions if such persons are members of departments that have supervisors not independent of each other.
26. "Institutional investor" means (a) a bank as defined in Section 3(a)(6) of the Federal Securities Exchange Act; (b) an insurance company as defined in Section 2(a)(17) of the Investment Company Act of 1940, as amended; (c) an investment company registered under Section 8 of the Investment Company Act of 1940, as amended; (d) an investment advisor registered under Section 203 of the Investment Advisors Act of 1940, as amended; (e) collective trust funds as defined in Section 3(c)(11) of the Investment Company Act of 1940, amended (f) an employee benefit plan or pension fund that is subject to the Employee Retirement Income Security Act of 1974, as amended, excluding an employee benefit plan or pension fund sponsored by a publicly traded corporation affiliated with a operator; (g) a state or federal government pension plan; (h) a group comprised entirely of persons specified in (a) through (g); or (i) such other persons as the Director may determine for reasons consistent with the public policies of the State of Maine.
27. "Integrity monitoring provider or system" means an independent individual, entity or system licensed or approved by the Director through which an operator identifies and reports suspicious wagering activity.

28. "Internal controls" mean the internal procedures, administration, and accounting controls designed by the operator to conduct sports wagering operations.
29. "Key personnel" has the same meaning as set forth in 8 M.R.S. §1204 (2)C.
30. "Layoff wager" means a wager placed by a facility operator with another facility operator for the purpose of offsetting patron wagers made pursuant to these sports wagering rules.
31. "License" has the same meaning as set forth in 8 M.R.S. §1202(7).
32. "Management services provider" is a person or entity that has been issued a management services license by the Director consistent with the statutory criteria in 8 M.R.S. §§1209, 1204 and 1205.
33. "Mobile sports wagering" means a sports wagering operation in which wagers on sports events are made through computers, mobile devices or other approved interactive devices accepted through a wagering system approved by the Director to operate mobile sports wagering.
34. "Mobile operator" has the same meaning as set forth in 8 M.R.S. §1202(8).
35. "Multi-factor authentication" means a type of authentication that uses two of the following to verify a patron's identity:
  - A. Information known only to the patron, such as a password, pattern, or answers to challenge questions;
  - B. An item possessed by a patron such as an electronic token, physical token or an identification card; or
  - C. A patron's biometric data, such as fingerprints, facial or voice recognition.
36. "Operator" has the same meaning as set forth in 8 M.R.S. §1202(9).
37. "Parlay wager" means a single wager that incorporates two (2) or more individual bets for purposes of earning a higher payout if each bet incorporated within the wager wins.
38. "Patron" means a person who is:
  - A. Twenty-one (21) years of age or older;
  - B. Physically present in the State of Maine when placing a wager;
  - C. Not prohibited from placing a wager under the Maine Statute; and
  - D. Not a prohibited sports wagering participant.
39. "Patron session" means a period of time when a patron is logged on to a

mobile sports wagering system.

40. "Person" or "Persons" means an individual, a group of individuals, a trust, corporation, or other business entity.
41. "Pending wager account" means the account maintained by a sports wagering system that holds the total balance of all wagers pending disposition and all other funds attributable to future sports events.
42. "Pool" means a wagering or promotional offering where patrons may make selections of outcomes on a set number of sports events on a card in order to enter for a chance to win all or a portion of the prize pool.
43. "Prize pool" means the prizing available for an individual pool.
44. "Professional sports or athletic event" has the same meaning as set forth in 8 M.R.S. §1202(10).
45. "Prohibited sports event" has the same meaning as set forth in 8 M.R.S. §1202(11).
46. "Prohibited sports wagering participant" means any individual who is prohibited from making wagers as set forth in 8 M.R.S. §1213, and those individuals described below:
  - A. Any individual whose participation may undermine the integrity of the wagering or the sports event or any person who is prohibited from participating in sports wagering by the Director for good cause shown;
  - B. Any individual placing a wager as an agent or proxy;
  - C. Any individuals on the "unauthorized persons" list under these sports wagering rules;
  - D. Any person who is an athlete, coach, referee, player, or a referee personnel member in or on any sports event overseen by that person's sports governing body based on publicly available information;
  - E. A person who holds a position of authority or influence sufficient to exert influence over the participants in a sports event, including, but not limited to, coaches, managers, handlers, and athletic trainers; a person with access to certain types of exclusive information on any sports event overseen by that person's sports governing body based on publicly available information; and
  - F. Any employee of the Gambling Control Unit or a licensed facility or mobile operator.
47. "Prohibited wager" means a wager or an attempted wager on any sports event or occurrence by any prohibited sports wagering participant which is not permitted under Maine Statute or by these sports wagering rules.
48. "Promotional credit" means free plays, deposit matches, odds boosts, risk-free

bets, and any other bonus that an operator offers or gives to a patron as an incentive to open an account or wager that shall not be accounted for against taxable revenue.

49. "Proposition (Prop) bet" means a wager made regarding the occurrence or nonoccurrence of an event or circumstance during a sports event that is not dependent on the final outcome of the sports event.
50. "Rake" means the fee that is deducted by a sports wagering operator from entry fees paid by patrons who participate in a pool.
51. "Rake adjustment" means an adjustment made by the sports wagering operator to account for any shortfall in connection with a pool.
52. "Secure transaction file" means a file that contains data which cannot be modified without detection.
53. "Shared liquidity pool" means a wagering or promotional offering in Maine and at least one other jurisdiction where patrons may make selections of outcomes on a set number of sports events on a card in order to enter for a chance to win all or a portion of the prize pool.
54. "SOC-2 Type II" means an audit completed by an independent accounting and auditing firm to review and examine an organization's control objectives and activities and tested those controls to ensure that they are operating effectively. SOC 2 Type II is based on internal controls, policies and procedures, communications and monitoring to achieve security, availability, integrity, confidentiality and privacy.
55. "Sports event" has the same meaning as set forth in 8 M.R.S. §1202(12) which does not include horse racing.
56. "Sports governing body" has the same meaning as set forth in 8 M.R.S. §1202(13).
57. "Sports wagering" has the same meaning as set forth in 8 M.R.S. §1202(14).
58. "Sports wagering account" means an account established by a mobile operator or a patron with a mobile operator for an individual patron to use for mobile sports wagering.
59. "Sports wagering area" means an area(s), as designated by an operator and approved by the Director, in which sports wagering is conducted by a licensed facility operator.
60. "Sports wagering kiosk" means an automated device used by patrons to make

wagers on sports events; the kiosk may also be used to obtain sports wagering information, process sports wagering vouchers and sports wagering tickets, and any other automated functions approved by the Director. All self-service sports wagering devices must be located in an approved designated sports wagering area or other location as approved by the Director.

61. "Sports wagering manager" means a qualified management employee of the facility operator, or a qualified management employee of a licensed management services provider that has the power to exercise authority or direct management or policies and procedures of a person or having power to exercise a significant influence over decisions concerning the operations of sports wagering.
62. "Sports wagering system" means all equipment and software used in conjunction with the sports wagering operation, including, but not limited to, the following:
  - A. Sports wagering interactive components, including all hardware, software, and associated equipment that comprise the sports wagering system for the purpose of authorizing sports wagering and online and mobile sports wagering;
  - B. Self-service sports wagering kiosks;
  - C. Ticket or voucher redemption devices; or
  - D. Any other device, service, or system that the Director determines to be related to the sports wagering system.
63. "Sports wagering ticket" means a printed record issued, or an electronic record maintained, by the sports wagering system that evidences a sports wager.
64. "Sports wagering voucher" means a printed record issued by a sports wagering system that may be used to fund a sports wager or may be redeemable for cash according to house rules.
65. "Supplier(s)" means a type of person or entity who holds a supplier license as defined in 8 M.R.S. §1202(7)(C) and issued consistent with 8 M.R.S. §1208 and that fits any of the three criteria below:
  - A. Provides goods and/or services, directly or indirectly, to an operator in connection with sports wagering, but does not accept wagers, including but not limited to the following types of providers of goods and/or services:
    - i. Bookmakers,
    - ii. Geolocation providers,
    - iii. Identity and/or age verification service providers,
    - iv. Risk management providers or odds management providers,
    - v. Integrity monitoring providers,
    - vi. League data providers,

- vii. Marketing affiliates, and
- vii. Payment processors.

B. Directly interfaces or interacts with sports wagering accounts or sports wagering systems and receives payment or compensation based on a revenue sharing agreement in which the supplier receives a percentage of the adjusted gross sports wagering receipts of any operator; or

C. Provides any services similar to those described above that are material to conducting sports wagering.

- 66. "Suspicious wagering activity" means unusual or abnormal wagering activity which cannot be explained, made or attempted to be made by an agent or proxy (i.e., messenger wagering) or is indicative of match fixing, the manipulation of an event, misuse of inside information, sports corruption, cheating, theft, embezzlement, collusion, money laundering or other prohibited activity.
- 67. "Unit" means the Gambling Control Unit within the Department of Public Safety.
- 68. "Voided wager" means a wager voided by a ticket writer with supervisor approval for a specified event within the operator's system of internal controls.
- 69. "Wager" has the same meaning as set forth in 8 M.R.S. §1202.