

ATTORNEY GENERAL OF THE STATE OF NEW YORK
BUREAU OF INTERNET & TECHNOLOGY

In the Matter of

Assurance No. 26-052

Investigation by
LETITIA JAMES,
Attorney General of the State of New York, of

VGW HOLDINGS PTY. LTD.,
VGW LUCKYLAND INC.,
VGW MALTA LIMITED, and
VGW GP LIMITED

Respondents.

ASSURANCE OF DISCONTINUANCE

The Office of the Attorney General of the State of New York (“NYAG”) commenced an investigation pursuant to Executive Law § 63(12) into online “sweepstakes” casinos operated by respondents. This Assurance of Discontinuance (“Assurance”) contains the findings of the investigation and the relief agreed to by the NYAG and VGW Holdings Pty. Ltd. (f/k/a VGW Holdings Ltd.), VGW Luckyland Inc., VGW Malta Limited and VGW GP Limited (collectively “VGW” or “Respondents”), whether acting through their respective directors, officers, employees, representatives, agents, affiliates, or subsidiaries (collectively, the “Parties”).

NYAG FINDINGS

1. Respondents VGW Malta Limited, VGW Luckyland Inc., and VGW GP Limited operate several casino-themed online games through their Chumba Casino, LuckyLand Slots, and Global Poker brands, respectively. Chumba Casino was first offered to persons in New York in 2012, Global Poker in 2016, and LuckyLand Slots in 2018.

2. These sites offer online versions of games that simulate traditional casino games, such as slot machines and table games, like blackjack, roulette and craps.

3. New York users of these games purchased and played games with virtual coins, which could only be used in the game platforms. Respondents offered two types of virtual coins: gold coins and sweeps coins. Both gold coins and sweeps coins could be played in the games. However, only sweeps coins were eligible to be redeemed for cash or gift cards.

4. Respondents offered users gold coins and sweeps coins together in certain specially marked packages. In most of those packages, the number of sweeps coins the user received would be roughly equivalent to the dollar amount of the purchase price. For example, a user that paid \$5 would receive 5.05 sweeps coins and 1,000,000 gold coins; a user that paid \$50 would receive 51.50 sweeps coins and 15,000,000 gold coins. Respondents characterized these transactions as sales of gold coins, with sweeps coins included for “free.”

5. Respondents also provided users a mechanism to obtain five sweeps coins at no cost by obtaining a code from the website and then mailing a hand-written request, which was required to conform to numerous requirements related to postcard and envelope size, information required, and postcard format. When a user obtained a code, a five minute timer would begin and, at its expiration, the user could obtain another code.

6. Respondents placed no limit on the number or frequency of packages that users could purchase to obtain additional gold and sweeps coins.

7. Respondents widely advertised their games in New York, including through social media and podcast advertisements.

8. Certain of Respondents’ advertisements featured descriptions of users winning

large amounts of money. For example, the image below shows a social media post from the Chumba Casino Facebook account, depicting a player holding a check from Chumba Casino for \$1,098,973.95 with comments from the account owner stating that the player’s win on a slot game called Aztec Quest “is redeemable for \$1,098,973.95” and congratulating the player for becoming “ChumbaCasino.com’s 50th millionaire.”



9. As Chumba Casino gained popularity, several other operators began offering similar platforms in New York and other states that appear to have been designed similarly to VGW’s dual-coin model.

10. On April 25, 2025, NYAG issued a letter to VGW warning that most “sweepstakes” casinos are illegal in New York and demanding that VGW cease all prohibited gambling activity in the state. On June 2, 2025, VGW voluntarily stopped offering sweeps coins to residents of New York. VGW has represented that prior to terminating all functions related to sweeps coins, it

notified its New York customers of the phase-out process and a deadline of August 1, 2025, to redeem any sweeps coins. VGW has also cooperated with NYAG's investigation.

11. Subsequently, on December 5, 2025, Governor Hochul signed into law New York Senate Bill S5925A, which amended New York's racing, pari-mutuel wagering, and breeding law (codified as Racing, Pari-Mutuel Wagering, and Breeding Law § 912) to state expressly that the sweepstakes "dual coin" model utilized by VGW is unlawful in New York.

Respondents' Violations

12. NYAG finds that Respondents' conduct violated Penal Law §§ 225.10 and 225.20, which prohibit the promotion of gambling and possession of gambling records. Respondents' conduct also violated Executive Law § 63(12), which prohibits repeated fraudulent or illegal acts.

13. Respondents neither admit nor deny the NYAG's Findings, paragraphs 1-11 above.

14. The NYAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the NYAG is willing to accept this Assurance pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of Executive Law § 63(12), and Penal Law §§ 225.10 and 225.20.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between the Parties:

PROSPECTIVE RELIEF

15. For the purposes of this Assurance, the following definitions shall apply:

- a. "New York Consumer" shall mean any person residing in New York.
- b. "Redeemable Virtual Item" shall mean any virtual currency, coin, or item that can be exchanged for money or property; any token, object or article

exchangeable for money or property; or any form of credit or promise directly or indirectly contemplating transfer of money or property or of any interest therein.

COMPLIANCE WITH NEW YORK LAWS

16. Respondents shall comply with Penal Law §§ 225.05, 225.10, 225.15 and 225.20, and shall not enable a New York Consumer to stake or risk a Redeemable Virtual Item upon the outcome of a contest of chance or a future contingent event not under the Consumer's control or influence upon an agreement or understanding that the Consumer will receive a Redeemable Virtual Item in the event of a certain outcome.

17. In the event Penal Law §§ 225.05, 225.10, 225.15 and 225.20 and Racing, Pari-Mutuel Wagering, and Breeding Law § 912 are expressly repealed, revised, overridden or judicially construed to permit conduct prohibited pursuant to paragraph 16 of this Assurance, Respondents may notify NYAG in writing of this change in law. Within thirty (30) days of receiving such notice, NYAG may send Respondents an objection. In the absence of any objection pursuant to this Paragraph, Paragraph 16 shall no longer prohibit the relevant conduct. In the event NYAG notes an objection pursuant to this Paragraph, Respondents may seek an order by a court of competent jurisdiction that such conduct is not unlawful; provided that, in the absence of such order or agreement with the NYAG, Respondents may not engage in the conduct prohibited pursuant to paragraph 16 of this Assurance.

REQUESTS FOR REDEMPTIONS

18. For one year following the effective date of this Agreement, Respondents shall enable New York Consumers who did not previously receive a notification from VGW, as

described above in Paragraph 10, to submit a request to redeem sweeps coins that were in the Consumer's account with a Respondent as of June 2, 2025. In response to each valid request, Respondents shall redeem the Consumer's sweeps coins that were eligible for redemption as of June 2, 2025, by providing the Consumer fiat currency at the rate of exchange and as otherwise set out in the then-applicable version of Respondents' sweepstakes rules.

MONETARY RELIEF

19. Respondents shall pay to the State of New York eight million dollars (\$8,000,000) in disgorgement, restitution, penalties, and costs. Payment shall be made in full within fourteen (14) days of the effective date of this Assurance.

20. Payments shall be made in accordance with instructions provided by a NYAG representative and shall reference Assurance No. 26-052.

MISCELLANEOUS

21. Respondents expressly agree and acknowledge that NYAG may initiate a subsequent investigation, civil action, or proceeding to enforce this Assurance, for violations of the Assurance, or if the Assurance is voided pursuant to paragraph 28, and agree and acknowledge that in the event the Assurance is voided pursuant to paragraph 28:

- a. any statute of limitations or other time-related defenses are tolled from and after the effective date of this Assurance;
- b. the NYAG may use statements, documents or other materials produced or provided by Respondents prior to or after the effective date of this Assurance;
- c. any civil action or proceeding initiated by the NYAG in connection with this Assurance must be adjudicated by the courts of the State of New York, and that

Respondents irrevocably and unconditionally waive any objection based upon personal jurisdiction, inconvenient forum, or venue; and

- d. evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law pursuant to Executive Law § 63(15).

22. If a court of competent jurisdiction determines that a Respondent has violated the Assurance, Respondents shall pay to the NYAG the reasonable cost, if any, of obtaining such determination and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

23. This Assurance is not intended for use by any third party in any other proceeding. This Assurance is not intended, and should not be construed, as an admission of liability by Respondents.

24. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of a Respondent. Respondent shall include in any such successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Assurance. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of NYAG.

25. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

26. Any failure by the NYAG to insist upon the strict performance by Respondents of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the NYAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by

Respondent.

27. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 26-052, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to Respondents, to:

Company Secretary
VGW Holdings Pty Ltd
Level 10, Australia Place
15-17 William Street
Perth, Western Australia 6000
companysecretary@vgw.co

If to NYAG, to:

Marc Montgomery, Assistant Attorney General, or in his absence,
to the person holding the title of Bureau Chief
Bureau of Internet & Technology
28 Liberty Street
New York, NY 10005

28. NYAG has agreed to the terms of this Assurance based on, among other things, the representations made to NYAG by Respondents and their counsel and the factual investigation of NYAG as set forth in the Findings, paragraphs 1-11 above. Respondents represent and warrant that neither they nor their counsel have made any material representations to NYAG that are inaccurate or misleading. If any material representations by Respondents or their counsel are later found to be inaccurate or misleading, this Assurance is voidable by NYAG in its sole discretion.

29. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by Respondents in agreeing to this

Assurance.

30. Respondents represent and warrant, through the signature below, that the terms and conditions of this Assurance are duly approved.

31. Respondents agree not to make any public statement denying, directly or indirectly, any finding in Paragraphs 1-11 of the Assurance, or stating that the Assurance is without legal or factual basis. Nothing in this paragraph affects Respondents' right to take legal or factual positions in defense of litigation or other legal proceedings to which the NYAG is not a party.

32. Nothing contained herein shall be construed to limit the remedies available to NYAG in the event that Respondents violate the Assurance after its effective date.

33. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.

34. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of NYAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

35. Respondents acknowledge that they have entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

36. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

37. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

38. This Assurance may be executed in multiple counterparts by the Parties hereto. All

counterparts so executed shall constitute one agreement binding upon all Parties, notwithstanding that all Parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original to this Assurance, all of which shall constitute one agreement to be valid as of the effective date of this Assurance. For purposes of this Assurance, copies of signatures shall be treated the same as originals. Documents executed, scanned, and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

39. The effective date of this Assurance shall be August 31, 2026.

LETITIA JAMES ATTORNEY GENERAL OF THE STATE OF NEW YORK By: _____ Marc Montgomery Bureau of Internet and Technology New York State Attorney General 28 Liberty St. New York, NY 10005 Phone: (212) 416-8433 Fax: (212) 416-8369 9/2/2026 _____ Date	VGW HOLDINGS PTY. LTD. DocuSigned by: By: <u>Mats Johnson</u> _____ A5FFB1E8E3AA49F... Mats Johnson, Director 2/9/2026 _____ Date
	VGW LUCKYLAND INC. DocuSigned by: By: <u>Mats Johnson</u> _____ A5FFB1E8E3AA49F... Mats Johnson, Authorized Signatory 2/9/2026 _____ Date

	VGW MALTA LIMITED Signed by: By: Tim Moore-Barton 8618ED6FE6284E2... Timothy Moore-Barton, Director 2/9/2026 Date
	VGW GP LIMITED Signed by: By: Tim Moore-Barton 8618ED6FE6284E2... Timothy Moore-Barton, Director 2/9/2026 Date