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Michigan Gaming Control Board issues cease-and-desist letter to Papaya Gaming, based in Israel, for illegal gambling activities

DETROIT, Oct. 3, 2024 — The Michigan Gaming Control Board (MGCB) has taken decisive action against illegal gambling activities by issuing a cease-and-desist letter to **Papaya Gaming** based in Tel Aviv, Israel. This action follows an investigation initiated by the agency after receiving an anonymous tip.

The investigation revealed that Papaya Gaming is operating illegal gambling by offering the following mobile applications within the state of Michigan: 21 Cash, Bingo Cash, Bubble Cash, and Solitaire Cash. These apps allow players to buy-in and win real money through gameplay.

"The Michigan Gaming Control Board firmly believes in a regulated and safe gaming environment," **MGCB Executive Director Henry Williams** said. "Illegal gambling is not tolerated in Michigan, and we will take all necessary actions to protect our residents from such unlawful practices."

Due to their unregulated and unlicensed online gaming offerings, Papaya Gaming is in violation of the following Michigan gaming laws, including the:

- <u>Lawful Internet Gaming Act</u>, which states that internet gaming may only be offered by a licensed internet gaming operator. Only casinos that are currently licensed under the Michigan Gaming Control and Revenue Act and federally authorized tribal casinos within Michigan can apply for an internet gaming operator license. Additionally, only licensed internet gaming platform providers can provide gaming software for a licensed internet gaming operator.
- <u>Michigan Gaming Control and Revenue Act</u>, which prohibits a party from conducting a gambling operation without a license issued by the MGCB. A party who operates an unlicensed gambling operation is guilty of a felony punishable by imprisonment for up to 10 years or a fine of up to \$100,000, or both.
- <u>Michigan Penal Code</u>, which broadly prohibits any form of unauthorized gambling involving consideration, prize, and chance. For example, accepting money, or anything of value, with the understanding that money, or anything of value, will be paid to any person based on the outcome of an uncertain event is prohibited.

Papaya Gaming has 14 days from receipt of the letter to take steps to prevent Michigan residents from gambling on their apps or the MGCB will take legal action.

The MGCB encourages anyone with additional information regarding illegal gambling activities to come forward and report their concerns, as the agency remains vigilant in its mission to uphold the state's gaming laws and ensure a fair and lawful gaming landscape in Michigan. Tips can be reported to the MGCB by calling 1-888-314-2682 or sending a message to MIGamblingTip@michigan.gov.

Residents are also urged to exercise caution when engaging in online gaming activities and to verify the legality of gaming sites before participating. <u>A list of licensed internet gaming providers</u> can be found on the agency's website at Michigan.gov/MGCB.

Gambling in any form is for entertainment purposes only. If you or someone you know may have a gambling problem, contact the National Problem Gambling Helpline at **1-800-GAMBLER**, text 800GAM, or visit <u>www.1800gamblerchat.org</u>. Help is available 24/7 and is free and confidential. Michigan citizens can also visit the <u>Responsible Gaming page of the MGCB website</u> for information on self-exclusion programs including the Disassociated Persons List and the Internet Gaming and Sports Betting Responsible Gaming Database, and <u>DontRegretTheBet.org</u> for additional tools to game responsibly.

The Michigan Gaming Control Board shall ensure the conduct of fair and honest gaming to protect the interests of the citizens of the state of Michigan. Learn more at <u>Michigan.gov/MGCB</u>.