



## Remedial Direction issued under subsection 64F(2) of the Interactive Gambling Act 2001

TO: Grant Royston Lynch (ABN 93 269 280 153) trading as Grant Lynch Bookmaking Services, operator of LightningBet (**LightningBet**)

OF: [REDACTED]

### Direction

The Australian Communications and Media Authority (**the ACMA**) is satisfied that Grant Royston Lynch (ABN 93 269 280 153) (**LightningBet**), a licensed interactive wagering service provider, has contravened subsections 61KA(3) and 61MA(2) of the *Interactive Gambling Act (the IGA)*, details of which are found within the ACMA's investigation report into LightningBet, dated 29 April 2025 (**the investigation report**) and attached to this Remedial Direction; and

HEREBY directs LightningBet under subsection 64F(2) of the IGA, to take the actions specified below, directed towards ensuring that LightningBet does not contravene subsections 61KA(3) and 61MA(2) of the IGA, or is unlikely to contravene those provisions in the future.

### Definitions

1. Unless the contrary intention appears, terms used in this Remedial Direction have the same meanings as are ascribed to those terms in section 61GB of the IGA

### Independent audit

2. Within 30 days from the date of this direction, LightningBet must, for the purposes of paragraph 6, provide the following to the ACMA for approval:
  - (a) the name and qualifications of an independent auditor which LightningBet proposes be engaged to conduct the audit and prepare the written audit report required by this direction; and
  - (b) the draft terms of reference for the independent auditor which must comply with paragraph 5.
3. At the same time as providing the information required under paragraph 2, LightningBet must also provide the ACMA with a statement addressing whether LightningBet has a prior or existing relationship with any proposed auditor and advise of any potential conflicts of interest that may affect the performance of the duties of the proposed auditor (or their employer). The statement must also include a description of the proposed auditor's relevant experience.
4. Should the ACMA not approve the independent auditor proposed by LightningBet in accordance with paragraph 2, LightningBet must, within 30 days from when the ACMA gives written notice to that effect, propose an alternative independent auditor under

paragraph 2. This process continues until the ACMA has provided notice that it has approved the appointment of the independent auditor.

#### *Terms of reference*

5. The terms of reference for the approved independent auditor must include:
  - (a) a requirement to assess the extent to which LightningBet's systems, processes and practices are directed towards ensuring LightningBet's compliance with sections 61KA and 61MA of the IGA – this will include (but is not limited to) the auditor assessing the functioning of the systems (including third party systems used by LightningBet), processes and practices, and conducting a review of the contraventions identified in the Investigation Report to ascertain the factors which contributed to those contraventions;
  - (b) an assessment of how LightningBet uses third party suppliers and systems to assist and support its compliance with sections 61KA and 61MA of the IGA, including in relation to:
    - i. recording instances where an individual is prevented from opening an account because they are identified as a registered individual;
    - ii. verifying the information of new customers before making requests to the Register operator under section 61NC of the IGA; and
    - iii. after having identified an individual as a registered individual, identifying and linking this information to future attempts by that individual to open a licensed interactive wagering service account;
  - (c) assessment of the quality and effectiveness of remedial actions that LightningBet has taken to date to address contraventions of sections 61KA and 61MA of the IGA, including (but not limited to) the contraventions identified in the investigation report;
  - (d) recommendations as to the improvement or maintenance of LightningBet's systems, processes and practices to ensure best practice compliance with sections 61KA and 61MA of the IGA; andmay also include:
  - (e) any other terms of reference which are considered to be appropriate by LightningBet or the independent auditor to assist in assessing LightningBet's capability to comply with Part 7B of the IGA, so long as these do not in any way limit the scope of the terms of reference in subparagraphs (a) to (d).

#### *Timeframes and Reports*

6. LightningBet must require that the independent audit be completed in accordance with the terms of reference, and the independent auditor's written report be provided to LightningBet, no later than 3 months after the day that LightningBet is provided with approval as contemplated in paragraph 2 (the **independent audit report**).
7. LightningBet must provide a copy of the independent audit report to the ACMA within 10 days of LightningBet receiving the independent audit report.
8. LightningBet must implement all audit recommendations within 6 months of receiving the independent audit report (**audit recommendations**).
9. LightningBet must provide a written report to the ACMA within 30 days after the end of the 6-month period referred to in paragraph 8, which includes LightningBet's responses to all audit recommendations (the **implementation report**).

10. If there are any audit recommendations that LightningBet cannot reasonably implement in the timeframe in paragraph 8, LightningBet should record its reasons in the implementation report and specify the time period within which it proposes to implement the recommendation(s) (**delayed implementation**). If there are any recommendations that LightningBet does not consider are reasonable to implement, it must record its reasons in the implementation report.
11. For each audit recommendation where there is a delayed implementation, LightningBet must notify the ACMA in writing within 10 days after the recommendation has been implemented and include the date of implementation in its notification.

#### *Self-reporting*

12. For 12 months from the date of this direction, LightningBet must self-report to the ACMA any potential or alleged non-compliance with sections 61KA and 61MA of the IGA within 30 days after LightningBet becomes aware of it. Any self-report must include:
  - (a) for any potential or alleged non-compliance identified following a complaint made to LightningBet – the details of the complaint, steps taken by LightningBet to investigate the complaint and the outcome; and
  - (b) for any self-identified potential non-compliance – the details of the potential non-compliance, any steps taken to investigate as well as the remediation measures taken to remedy the potential non-compliance.

#### *Record-keeping*

13. For 12 months from the date of this direction, LightningBet must:
  - (a) keep accurate records of:
    - i. requests made to the Register operator under section 61NC of the IGA;
    - ii. licensed interactive wagering service accounts identified as belonging to registered individuals; and
    - iii. attempts by registered individuals to open new licensed interactive wagering service accounts with LightningBet;
  - (b) provide copies of records referred to in subparagraph 13(a) to the ACMA upon written request by the ACMA.

#### **TAKE NOTE**

14. Subsection 64F(1) of the IGA provides that section 64F applies if the ACMA reasonably believes that a person has contravened, or is contravening, a civil penalty provision of the IGA (other than subsection 64(F)(4)).
15. Subsections 61KA(3) and 61MA(2) of the IGA are civil penalty provisions.
16. Under subsection 64F(2) of the IGA, the ACMA may give a person a written direction requiring the person to take specified action directed towards ensuring that the provider does not contravene the provision, or is unlikely to contravene the provision, in the future.
17. Subsection 64F(3) of the IGA provides that a person commits an offence if:
  - (a) the person is subject to a direction under subsection 64F(2); and
  - (b) the person engages in conduct; and
  - (c) the person's conduct contravenes the direction.

18. A contravention of subsection 64F(3) has a penalty of up to 50 penalty units.<sup>1</sup>
19. Subsection 64G(1) of the IGA provides that a person who contravenes subsection 64F(3) commits a separate offence in respect of each day (including a day of conviction for the offence or any later day) during which the contravention continues. Under subsection 64G(2), if an offence against subsection 64F(3) is a continuing offence, the maximum penalty for each day that the offence continues is 10% of the maximum penalty that could be imposed in respect of the principal offence.
20. Subsection 64F(4) of the IGA provides that a person must not contravene a direction to which the person is subject under subsection 64F(2). The civil penalty for a contravention of subsection 64F(4) is up to 75 penalty units.<sup>2</sup>
21. Subsection 64G(3) of the IGA provides that a person who contravenes subsection 64F(4) engages in a separate contravention of that subsection in respect of each day during which the contravention occurs (including the day the relevant civil penalty order is made or any later day). Under subsection 64G(4), if a contravention of subsection 64F(4) is a continuing contravention, the maximum civil penalty for each day that the contravention continues is 10% of the maximum civil penalty that could be imposed in respect of the principal contravention.

## **BACKGROUND ON FINDINGS**

22. On 14 November 2024, the ACMA commenced an investigation into whether LightningBet, a licensed interactive wagering provider, had contravened the IGA following the receipt of a consumer complaint.
23. On 29 April 2025, the ACMA notified LightningBet that the ACMA has reasonable grounds to believe that, between 7 July 2024 and 3 September 2024, LightningBet:
  - (a) opened 1 licensed interactive wagering service account for a registered individual in contravention of subsection 61MA(2) of the IGA; and
  - (b) provided licensed interactive wagering services to a registered individual on 8 occasions in contravention of subsection 61KA(3) of the IGA.
24. Details of the investigation and the basis for the findings are detailed in the ACMA's investigation report.

## **CONTACTING THE ACMA**

25. Should you require further information, please contact:

Rochelle Zurnamer  
Executive Manager  
Gambling & Mis/Disinformation Branch  
Australian Communications and Media Authority  
PO Box Q500, Queen Victoria Building, NSW 1230

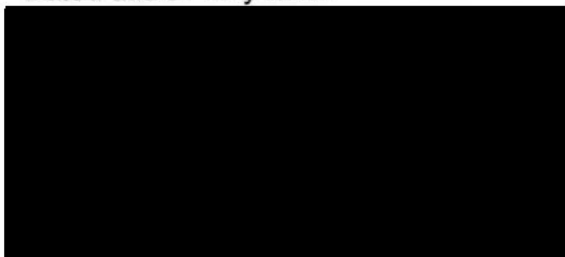


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<sup>1</sup> A total of \$16,500 as of July 2025

<sup>2</sup> A total of \$24,750 as of July 2025

Dated this 31 July 2025



Carolyn Lidgerwood  
Authority Member

Australian Communications and Media Authority