

BetOnSports CEO remains in custody

St. Louis – Former online gambling executive David Carruthers remained in federal custody Monday as his attorneys worked to finalize the terms of his bond.

A spokeswoman for U.S. Judge Mary Ann Medler said Carruthers had not met all the terms of his bond by the close of business Monday. She said Carruthers could be released as early as Tuesday morning.

Carruthers' bail is set at USD 1 million. If released, Carruthers would be required to stay in the St. Louis area until his trial on racketeering and fraud charges. Medler's office would not say what terms of the release had not been met Monday.

Carruthers was arrested nearly a month ago as part of a 22-count indictment against London-based BetOnSports PLC being prosecuted by U.S. Attorney Catherine Hanaway in St. Louis. Carruthers was chief executive of the company until shortly after his arrest, when he was fired.

The case is one of the largest U.S. prosecutions of an online gambling company and has caused BetOnSports to close all of its U.S.-focused operations.

Carruthers' attorney Scott Rosenblum met Monday afternoon with federal prosecutors and Judge Medler in a closed-door session. They did not enter the courtroom and comment afterward. Rosenblum had said Friday he reached a deal with prosecutors on the terms of Carruthers' release, and was simply waiting for the \$ 1 million bond to be posted.

In a separate hearing Monday in U.S. District Court in St. Louis, Judge Carol Jackson extended a federal restraining

order barring BetOnSports from taking bets that originate in the United States.

It's unclear what effect the restraining order still has. BetOnSports announced last week it closed its offices in Costa Rica and Antigua that took bets from the United States. Spokesman Kevin Smith said the company will focus its business on Asia and South American operations.

That issue wasn't addressed during Monday's hearing. Jackson said she would extend the restraining order so U.S. prosecutors could have more time to properly notify BetOnSports that it was being prosecuted in federal court.

The company has not sent attorneys to any hearings in St. Louis regarding the restraining order. Smith said the company wasn't sending attorneys for „jurisdiction“ issues, because it is based overseas.

Hanaway said earlier this month that BetOnSports executives intentionally structured the company to make it as difficult as possible to prosecute in U.S. courts.

Hanaway said BetOnSports's decision to close its offices does not absolve it from taking illegal bets in the past.