

**ORDER 2021-96  
IN RE SETTLEMENT AGREEMENT**

**CROWN IN GAMING LLC d/b/a DRAFTKINGS  
21-DK-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

**APPROVED**

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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 25<sup>th</sup> DAY OF MAY, 2021.**

**THE INDIANA GAMING COMMISSION:**



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Michael B. McMains, Chair

ATTEST:



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Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

**IN RE THE MATTER OF:** )  
 ) **SETTLEMENT**  
**CROWN IN GAMING LLC** ) **21-DK-02**  
**d/b/a DRAFTKINGS** )

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Crown IN Gaming LLC d/b/a DraftKings (“DraftKings”) (collectively, the “Parties”) desire to enter into this settlement agreement (“Agreement”) prior to the initiation of a disciplinary proceeding pursuant to 68 IAC 13-1-18(a). The Parties stipulate and agree that the following facts are true:

**FINDINGS OF FACT**

1. Chapter 2, Section 16(a) of the emergency rules for sports wagering provide all key persons and substantial owners of a sports wagering operator applicant must obtain a Level 1 occupational license.
2. Chapter 2, Section 16(d) of the emergency rules for sports wagering provide except as outlined in this section, occupational licensing of an employee, independent contractor, agent, or subagent of a sports wagering operator shall be governed by IC 4-33-8 and 68 IAC 2-3.
3. 68 IAC 2-2-1(d) provides the applicant's key persons, substantial owners, and any other persons deemed necessary to allow the commission to ensure the applicant meets the statutory criteria for licensure set forth in IC 4-33, IC 4-35, and this title must complete and submit a Personal Disclosure Form 1 (PD1) application for occupational license under 68 IAC 2-3-1.
4. 68 IAC 2-2-4(b)(3) provides an application shall be deemed filed when the completed application forms, including all required documents, all personal disclosure forms, materials, photographs, and application fee have been submitted. The commission will not begin its background investigation until the application is filed.
5. On September 22, 2020, the Director of Licensing for DraftKings contacted the Commission to provide notice of an addition to its Board of Directors, effective September 23, 2020.
6. On September 23, 2020, the Commission sent an email requesting the new director to submit a level one (1) licensing application (PD1) within thirty (30) days of the new director’s appointment, or the Commission’s email, which made the due date October 23, 2020.

7. On September 24, 2020, the Director of Licensing confirmed the email sent September 23, 2020, and stated that he would make sure to have the PD1 submitted promptly.
8. On October 23, 2020, the Commission had not received the PD1.
9. On October 28, 2020, the Director of Licensing requested an extension for the application. The Commission approved a thirty (30) day extension which now placed the due date between November 23, 2020, and November 28, 2020.
10. On December 14, 2020, the Commission requested information on the submission. The Director of Licensing requested an extension, which was granted. The new due date was December 31, 2020.
11. On December 31, 2020, the Commission had not received the PD1.
12. On January 14, 2021, the Commission received a PD1 exhibit outline via a secure file share site, but no other documentation was submitted.
13. On January 15, 2021, the Commission received a hard copy of the PD1.
14. On January 21, 2021, the Commission reviewed the PD1 and determined that it was incomplete; it was missing several exhibits and the payment, and had incomplete information. The Commission notified DraftKings.
15. On January 25, 2021, DraftKings provided a response stating that the majority of the identified items were actually complete and that a working draft must have been inadvertently sent to the Commission as the hard copy.
16. On February 15, 2021, DraftKings attempted to send outstanding monthly net-worth statements. The Gaming Administrator received over fifteen (15) emails and was unsure if there was an error occurring with the secure file share site. The Gaming Administrator reached out to DraftKing's outside counsel for assistance.
17. On February 18, 2021, DraftKings provided the fixed file submission containing the outstanding monthly net-worth statements previously sent on February 15, 2021.
18. On February 19, 2021, the Commission was still missing items from the PD1 and the PD1 remained incomplete. The Commission notified DraftKings.
19. On February 24, 2021, DraftKings provided the additional information via the secure file share site.
20. On February 26, 2021, the Commission reviewed the PD1 and determined it was still incomplete.

21. On March 4, 2021, DraftKings provided the final PD1 submission which included all required information.
22. On March 5, 2021, the Commission issued the PD1 license. The PD1 was sixty-three (63) days late based on the extension deadline.

### **TERMS AND CONDITIONS**

As set forth above, Commission staff alleges that the acts or omissions of DraftKings by and through its agents as described herein constitute a breach of IC 4-38, the Emergency Rules for Sports Wagering, and/or 68 IAC. The Commission and DraftKings hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against DraftKings.

DraftKings shall pay to the Commission a total of \$2,500 in consideration for the Commission foregoing disciplinary action based on the facts specifically described in the Findings of Fact contained in this Agreement. This Agreement extends only to those violations and findings of fact specifically alleged in the findings above. If the Commission subsequently discovers facts that give rise to additional or separate violations, the Commission may pursue disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

Upon execution and approval of this Agreement, Commission staff shall submit this Agreement to the Commission for review and final action. Upon approval of the Agreement by the Commission, DraftKings agrees to promptly remit payment in the amount of \$2,500 and waive all rights to further administrative or judicial review.

This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all Parties.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by either of the parties and the receiving party may rely on the receipt of such document so executed and delivered electronically as if the original had been received.

This Agreement shall be binding upon the Commission and DraftKings.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

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Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

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Date

*Karl Gambin*

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Karl Gambin, Director of Regulatory  
Operations  
Crown IN Gaming LLC d/b/a DraftKings

05/19/2021

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Date

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.



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Sara Gonso Tait, Executive Director  
Indiana Gaming Commission

5/24/21

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Date

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Karl Gambin, Director of Regulatory  
Operations  
Crown IN Gaming LLC d/b/a DraftKings

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Date