

**ORDER 2021-215
IN RE SETTLEMENT AGREEMENT**

**INDIANA SPORTS GAMING, LLC
21-BI-01**

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

APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

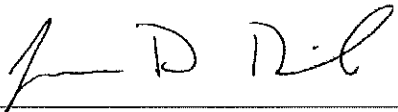
IT IS SO ORDERED THIS THE 21st DAY OF DECEMBER, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

STATE OF INDIANA

INDIANA GAMING COMMISSION
DISCIPLINARY ACTION

IN THE MATTER OF:)
)
INDIANA SPORTS GAMING, LLC) CASE NO.: 2021-BI-01
d/b/a BETINDIANA)
MS-VEN-001-BI)

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is between Indiana Sports Gaming, LLC d/b/a BetIndiana ("Licensee") and the Indiana Gaming Commission ("Commission") (collectively referred to as "the Parties"). This Agreement shall be effective upon approval by the Commission at a quarterly public business meeting and is based on the following:

RECITALS

1. In 2019, Licensee submitted an application to the Commission for a vendor license and was granted a temporary vendor license (MS-VEN-001-BI) on or about January 13, 2020 (the "Temporary License").
2. In April of 2020, Licensee's Chief Financial Officer and Chief Technology Officer resigned from employment, neither of which positions have been filled.
3. In December of 2020, Licensee's Director of Compliance resigned and has not been replaced.
4. Applicant has not begun the lower-level licensing process or any processes with the Commission's sports wagering staff to launch Licensee's sportsbook.
5. In January of 2021, the President of Licensee communicated with the Commission's Director of Financial Investigations via telephone, indicating that Licensee's funding had fallen through in 2020 and the entire staff had been furloughed. At that time, Licensee discussed additional investors that would be acquiring ownership interests in Licensee; however, to date, no new investors have been brought forward to the Commission.
6. On or about August 18, 2021, Licensee's President of Sportsbook Operations contacted the Commission's Background and Financial Investigations Division and confirmed that Licensee lacked certain sports wagering operator fundamentals. Commission staff inquired about Licensee's status, and the individual confirmed that Licensee had not been pursuing any immediate operations in Indiana at that time.
7. The individual further provided that Licensee was currently seeking funding to adequately finance its prospective operation.

8. On or about August 18, 2021, outside counsel for Licensee provided Commission with correspondence disputing some of the facts stated above. In that correspondence, counsel did not dispute that Licensee lacked the fundamentals of a sports wagering operator. Nevertheless, outside counsel stated that Licensee's prospective sports wagering platform is operational, has adequate funding in place, and that Licensee maintains a valid market access agreement.
9. Since that time, the Commission and Licensee's counsel have been in ongoing discussions and reached a settlement agreement on or about December 8, 2021.
10. Given the above information, Licensee's original application is now incomplete and lacks the fundamentals and key people necessary to maintain its Temporary License. Further, the application originally submitted by Licensee is now over two (2) years old and contains outdated information.

AGREEMENT

Based on the Recitals, the Parties agree as follows:

- I. Subject to the provisions of Paragraph 4 of this Agreement, below, upon the execution of this Agreement, the Licensee's Temporary License shall be suspended (the "Agreed Suspension") until (i) the Licensee provides the Commission with the following items and (ii) the Commission's staff deems the Licensee's corresponding submissions to be satisfactory:
 - A. A new sports wagering vendor application;
 - B. Full and complete PD-1 applications for the new key individuals with which Licensee is currently in employment discussions, proposed managing member, and any other individual identified by the Commission upon review of application submission;
 - C. True and accurate organization charts;
 - D. Updated PD-1 applications for all four individuals who still have active licenses;
 - E. Updated contact information for Licensee in order for the Commission to be able to contact a Licensee representative;
 - F. Information and materials sufficient to demonstrate Licensee's financial viability, including, but not limited to, proof of Licensee's \$5 million in reserves and ability to add additional funds if necessary;
 - G. A fully executed Letter of Intent from Internet Sports International, LTD ("ISI") as well as submission of the Commission's supplier inquiry reflecting its desire, willingness, and qualifications, to assist Licensee in providing sports wagering vendor related services, as well as the proposed agreement between ISI and

Licensee which would be executed upon ISI's receipt of the necessary licensure from the Commission; AND

- H. Information updating the Commission regarding ongoing Chief Financial Officer and leadership related discussions;
2. While Licensee's Temporary License is suspended, Licensee may not engage in any action or provide any services in Indiana which may only be engaged in and/or performed by a holder of a valid sports wagering vendor license.
3. Failure by Licensee to provide full, complete, and satisfactory responses to the materials outlined in Section 1 by February 1, 2022, may result in further discipline, up to and including the revocation of Licensee's Temporary License.
4. Upon the submission of all the materials and information outlined above in Paragraph 1 of this Agreement (the "Requested Information"), Commission staff will review the Requested Information to ensure accuracy and completion. If all the Requested Information is deemed accurate, complete, and satisfactory by Commission staff, the Commission will lift the Agreed Suspension of the Licensee's Temporary License and the restrictions described in Paragraph 2, pursuant to Ind. Code 4-38-6-7. If the Commission, during the course of its review of Licensee's submission of the Requested Information, however, determines that any of the submitted Requested Information is unsatisfactory, insufficient, and/or incomplete (a "Deficiency"), the Commission shall notify the Licensee of such Deficiency, and the Licensee shall have ten (10) business days, or other time frame agreed upon by the Parties, from receipt of notification to submit additional materials and/or information sufficient to cure the Deficiency. Failure of Licensee to submit additional materials/information within the time provided in this Paragraph entitles the Commission to take further action under 68 IAC 13. This Agreement extends only to the matters described in the Recitals. If the Commission subsequently discovers facts that give rise to additional or separate violations not described in the Recitals, the Commission may pursue disciplinary action for such violations even if the violations are similar or related to an incident described in the Recitals.
5. This Agreement shall be governed by and construed under the laws of the State of Indiana without regard to any conflict of laws principle, and this Agreement shall be construed without any presumption or rule requiring construction against the Party causing the agreement to be drafted.
6. The Commission agrees that settlement of this matter is in the best interest of the public and gaming industry.
7. Both Parties agree that any invalidation of any part of this Agreement does not affect the remainder of the Agreement.
8. Upon execution and approval of this Agreement, Licensee waives all rights to an administrative hearing under 68 Ind. Admin. Code 13 and judicial review with respect to the suspension of its Temporary License which – pursuant to Paragraph 1 of this Agreement – shall occur upon the execution of this Agreement. Nothing in this Paragraph

or this Agreement shall impair either Party's right(s) and/or ability to seek enforcement of the terms of this Agreement. This Agreement is subject to the approval of the Commission. This Agreement shall be binding upon the Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement and Release to be executed and hereby represent that they have full authority to sign this Agreement on behalf of the Party they represent.

Indiana Gaming Commission

Greg Small
Greg Small, Executive Director

Date: 12/20/2021

Licensee—Indiana Sports Gaming, LLC d/b/a BetIndiana

By: [Signature]
Printed: Frank Ignatius

12-18-2021
Date

By: [Signature]
Printed: Marcus Goering

12-17-2021
Date