

**ORDER 2022-163
IN RE SETTLEMENT AGREEMENT**

**CROWN IN GAMING LLC
d/b/a DRAFTKINGS
22-DK-03**

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

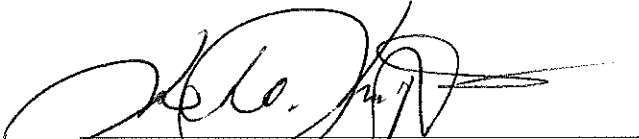
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 27th DAY OF SEPTEMBER, 2022.

THE INDIANA GAMING COMMISSION:



Milton Thompson, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
CROWN IN GAMING LLC)	22-DK-03
d/b/a DRAFTKINGS)	

SETTLEMENT AGREEMENT

The Indiana Gaming Commission ("Commission") by and through its Executive Director Greg Small 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

COUNT I

1. 68 IAC 27-2-16(d) provides 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.
2. 68 IAC 2-3-9.2(b)(1) requires the occupational licensee to notify the Commission of separation on a form prescribed or approved by the Commission.
3. 68 IAC 2-3-9.2(c) requires the notification must be submitted to the Commission within fifteen (15) days of the occurrence of the change or action.
4. On July 5, 2022, the Commission received a separation from service notification through the occupational licensing system from DraftKings for a Customer Experience Associate, showing a separation date of January 27, 2022. The Commission was not notified in a timely manner.

COUNT II

5. IC 4-38-5-4(a) provides a certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission, and other events as approved by the commission. A certificate holder or vendor may use data selected in a manner approved by the commission to determine whether a wager is a winning wager.
6. 68 IAC 27-7-1 provides before accepting wagers on any event category from patrons, a sports wagering operator must receive event category approval from the executive director or the executive director's designee. The sports wagering operator shall provide

notice to the executive director or the executive director's designee, and such notice shall include the name of the sports governing body and a description of its policies and procedures regarding event integrity. The commission reserves the right to prohibit the acceptance of any wagers, and may order the cancellation of wagers and require refunds on any event for which wagering would negatively impact the integrity of sports wagering in the state.

7. On July 15, 2022, DraftKings submitted an incident report notifying the Commission that between July 6, 2022, and July 8, 2022, DraftKings accepted wagers on the NBA Summer League MVP. The NBA Summer League was not an approved market. DraftKings has an internal trading catalog, which indicated which markets were available per jurisdiction. While reviewing upcoming Summer League markets, the outright MVP market was inadvertently marked as approved by Indiana by the Trading Compliance team. As a result, the market was enabled once the Summer League markets were being created for other jurisdictions. In total, 375 wagers were accepted. All wagers were voided.

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, 68 IAC, and/or DraftKings' approved internal control procedures. 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 \$1,500 (\$500 for Count I and \$1,000 for Count II) 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 \$1,500 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.

Greg Small
Greg Small, Executive Director
Indiana Gaming Commission

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

9/20/2022
Date

09/19/2022
Date