

**ORDER 2025-56  
IN RE SETTLEMENT AGREEMENT**

**EDF COMPLIANCE, LLC  
25-EDF-01**

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

**APPROVED**

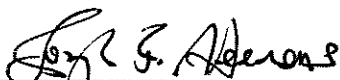
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APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 23<sup>RD</sup> DAY OF JUNE, 2025.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Joseph R Heerens, Chair

ATTEST:

  
\_\_\_\_\_  
Michael E Williams, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

**IN RE THE MATTER OF:**

**EDF COMPLIANCE, LLC**

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**SETTLEMENT**

**25-EDF-01**

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission ("Commission") by and through its Executive Director Joe B. Hoage and EDF Compliance, LLC ("EDF"), (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. 68 IAC 1-1-86(1) defines a "Substantial owner" as a person who is not an institutional investor, who holds any direct, indirect, or attributed legal or beneficial interest, and whose combined direct, indirect, or attributed interest is five percent (5%) or more ownership interest in a business entity.
2. 68 IAC 5-2-1(c) provides a person that is not a publicly traded corporation may transfer a direct or indirect ownership interest of five percent (5%) or greater in a casino licensee, a casino license applicant, or a supplier licensee only in accordance with this rule.
3. 68 IAC 5-2-2(a) provides that the commission must approve the transfer prior to the applicant obtaining an ownership interest in a casino licensee, a casino license applicant, or a supplier licensee.
4. On January 14, 2025, EDF's Executive Assistant submitted the quarterly ownership report for the 4<sup>th</sup> quarter of 2024 to the Commission. The EDF's counsel was copied on the email submission. The Commission reviewed the ownership chart and determined that EDF had a change in ownership since the 3<sup>rd</sup> quarter ownership chart was submitted. This change in ownership was not previously disclosed to the Commission.
5. On January 14, 2025, the Commission reached out to EDF about the ownership changes and specifically requested to know when two (2) of the owners divested their shares and by what mechanism they used to divest their shares and who/what entity acquired their shares.
6. On January 22, 2025, EDF provided that its parent company ended employment with the previous CEO in August 2024 and that separation involved a series of transactions over many months. It was EDF's belief that no new substantial owners were created when the previous CEO's shares were absorbed by the company's existing stockholders. Thus, EDF did not believe notification was required to be made to the Commission and no approval was required. The other individual removed from the ownership chart was

previously shown as 9.04% but that included unexercised options and warrant rights and unless or until they are exercised, this individual held less than 5%. For this reason, EDF updated their chart to remove him as an owner of 5% or more.

7. The Commission was notified in August 2024 that the previous CEO was departing from the company, however, there was no mention to the Commission of any plans regarding his ownership interests. In addition, EDF noted in its letter that the previous CEO's divestiture did not result in any new Substantial Owners as defined by 68 IAC 1-1-86; however, the changes in ownership do constitute a transfer of ownership as defined by 68 IAC 5-2-1. Shares were transferred from the former CEO to other persons and although a new Substantial Owner may not have been created, EDF was still under obligation to reach out to the Commission with further explanation as to what was occurring and to inquire whether any notice or prior approval was required before the shares were transferred.

### **TERMS AND CONDITIONS**

Commission staff alleges that the acts or omissions of EDF by and through its Agents as described herein constitute a breach of IC 4-33, IC 4-38, and/or 68 IAC. The Commission and EDF hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against EDF.

EDF shall pay to the Commission a total of \$10,000 in consideration for the Commission foregoing disciplinary action based on the facts specifically described 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, EDF agrees to promptly remit payment in the amount of \$10,000 and shall waive all rights to further administrative or judicial review.

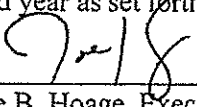
This Agreement may be executed in multiple counterparts, each of which shall be deemed an original agreement and both of which shall constitute one and the same agreement. The counterparts of this Agreement may be executed and delivered by electronic mail, facsimile, or other electronic signature by 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 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 shall be binding upon the Commission and EDF.

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

  
\_\_\_\_\_  
Joe B. Hoage, Executive Director  
Indiana Gaming Commission

Date

6/17/2025

Signed by:

  
\_\_\_\_\_  
Eric Frank, President  
EDF Compliance, LLC

6/17/2025

Date