

**ORDER 2021-42
IN RE SETTLEMENT AGREEMENT**

**RUSH STREET INTERACTIVE, LP
21-RS-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 23rd DAY OF MARCH, 2021.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)
) **SETTLEMENT**
RUSH STREET INTERACTIVE, LP) **21-RS-01**
)

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Sara Gonso Tait and Rush Street Interactive, LP (“Rush Street”), (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. Chapter 1, Section 16(2) of the Emergency Rules for Sports Wagering defines a prohibited sports wagering participant as an individual listed on the commission's exclusion list kept under 68 IAC 6-1 or that has a voluntarily excluded person status as defined under 68 IAC 6-3.
2. 68 IAC 6-3(a) provides each casino licensee and casino license applicant shall establish internal control procedures for compliance with this rule, which shall be submitted and approved under 68 IAC 11. (b) The internal controls must, at a minimum, address the following: (3) Refuse wagers from and deny gaming privileges to any voluntarily excluded person.
3. Rush Street’s approved internal control procedures, N-1 (online), describe the procedures for prohibited sports wagering participants.
4. On October 21, 2020, the Commission’s Sports Wagering Division became aware of a sports wagering prohibited participant violation by Rush Street.
5. On October 22, 2020 and again on December 2, 2020, Rush Street provided incident reports to the Commission on this violation and advised that fourteen (14) accounts were not flagged from the period of April 2020 to October 2020. Six (6) of the accounts had activity during this period.
6. A review of the incident report determined that nine (9) individuals were Voluntary Exclusion Program (VEP) participants and Internet Self-Restriction Program (ISRP) participants. Two (2) of which had activity after exclusion.

COUNT II

7. 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.
8. Chapter 7, Section 1(a) of the Emergency Rules for Sports Wagering 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 be contrary to the public policies of the state.
 - (b) The commission will post approved event categories to its website.
9. On July 23, 2019, the Commission issued a directive on approved events for sports wagering which indicated that collegiate events shall be limited to NCAA Division I sports.
10. On December 7, 2020, the Commission's Sports Wagering Division became aware that Rush Street requested a Rush Street special to include basketball games for UConn, Kansas and Florida all to win on December 3, 2020. The Kansas game should not have been offered since they were playing Washburn, a Division II college basketball team.

TERMS AND CONDITIONS

Commission staff alleges that the acts or omissions of Rush Street by and through its agents as described herein constitute a breach of IC 4-38, 68 IAC, the Emergency Rules for Sports Wagering, and/or Rush Street's approved internal control procedures. The Commission and Rush Street hereby agree to a monetary settlement of the alleged violations described herein in lieu of the Commission pursuing formal disciplinary action against Rush Street.

Rush Street shall pay to the Commission a total of \$9,500 (\$9,000 for Count I and \$500 for Count II) and ensure that all wagers placed on all unapproved events are voided and the original wager is returned to the player 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, Rush Street agrees to: 1) promptly remit payment in the amount of \$9,500; 2) ensure that all wagers placed on all unapproved events are voided and the original wager is returned to the player; and 3) 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 Rush Street.

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

Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Date

DocuSigned by:
Richard Schwartz
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Richard Schwartz, President
Rush Street Interactive, LP

18-Mar-2021

Date

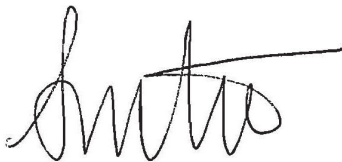
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Sara Gonso Tait, Executive Director
Indiana Gaming Commission

Richard Schwartz, President
Rush Street Interactive, LP

3/23/21

Date

Date