

**ORDER-2021-99
IN RE SETTLEMENT AGREEMENT**

**RUSH STREET INTERACTIVE, LP
21-RS-02**

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 25th DAY OF MAY, 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-02**
)

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

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 October 9, 2020, Rush Street’s Director of Regional Compliance advised the Commission that a new individual would be filling the Chief Financial Officer (CFO) position. At this time, Commission policy still required sports wagering vendors to submit job descriptions for review and approval.
6. On November 5, 2020, Rush Street provided a job description submission for approval.
7. On November 20, 2020, the Commission approved the positions submitted including the CFO position. The submission approval requires the submission of the PD1 for the CFO

within thirty (30) days of the approval making the due date of the PD1 December 20, 2020.

8. On December 20, 2020, the Commission had not received the PD1 or a request for an extension from Rush Street.
9. On January 5, 2021, an Executive Assistant for Rush Street submitted an incomplete application for the CFO.
10. On January 8, 2021, the Commission advised the Executive Assistant what documents were missing from the PD1 and requested to know when this information would be submitted.
11. On January 12, 2021, the Commission received more information; however, the payment was not received. When the Commission reached out regarding the missing payment, Rush Street advised that it would wire the payment and provide proof of payment.
12. On February 2, 2021, the Commission followed up with Rush Street to obtain the status of the payment for the PD1, and Rush Street provided the payment.
13. On February 3, 2021, the Commission followed up regarding the rest of the incomplete application. Rush Street advised they were still missing a form and it should be delivered on February 8, 2021.
14. On February 19, 2021, the Commission advised Rush Street that the form submitted was the incorrect version and the correct version needed to be submitted.
15. On March 5, 2021, the Commission followed up on the incorrect form. The Executive Assistant advised that she missed the email upon returning to work from a vacation and subsequently provided the correct form. The PD1 was fifty-seven (57) days late.

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 \$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, Rush Street agrees to: 1) promptly remit payment in the amount of \$2,500; and 2) 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

19-May-2021

Date

disciplinary action for such violations even if the subsequent violations are similar or related to an incident described in the findings above.

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Sara Gonso Tait, Executive Director
Indiana Gaming Commission

5/24/21

Date

Richard Schwartz, President
Rush Street Interactive, LP

Date