

**ORDER 2023-89
IN RE SETTLEMENT AGREEMENT
RUSH STREET INTERACTIVE, LLC
23-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.

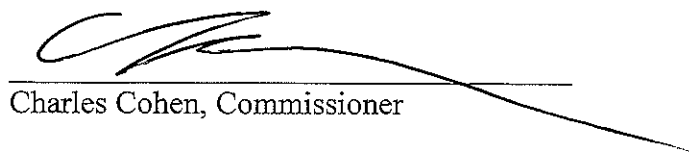
IT IS SO ORDERED THIS THE 15th DAY OF JUNE, 2023.

THE INDIANA GAMING COMMISSION:



Milton O. Thompson, Chair

ATTEST:



Charles Cohen, Commissioner

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

| | | |
|-------------------------------------|---|-------------------|
| IN RE THE MATTER OF: |) | |
| |) | SETTLEMENT |
| RUSH STREET INTERACTIVE, LLC |) | 23-RS-01 |
| d/b/a BETRIVERS |) | |

SETTLEMENT AGREEMENT

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Rush Street Interactive, LLC d/b/a BetRivers (“BetRivers”), (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 November 15, 2022, the Commission received a separation from service notification from BetRivers through LAM, the Commission’s occupational licensing system. The notification provided that a VP of iGaming had a separation date of July 1, 2022. The Commission was not notified in a timely manner and the notification exceeded fifteen (15) days.
5. On October 11, 2022, the Commission received a separation from service notification from BetRivers through LAM, the Commission’s occupational licensing system. The notification provided that a Server Engineer had a separation date of July 13, 2022. The Commission was not notified in a timely manner and the notification exceeded fifteen (15) days.
6. On November 15, 2022, the Commission received a separation from service notification from BetRivers through LAM, the Commission’s occupational licensing system. The notification provided that a VP of Content had a separation date of July 1, 2022. BetRiver changed this position to a non-gaming job description on July 2022, however, BetRivers failed to notify the Commission of the change and complete the separation of service

notification until November 15, 2022. The Commission was not notified in a timely manner and the notification exceeded fifteen (15) days.

7. On December 13, 2022, the Commission received a separation from service notification from BetRivers through LAM, the Commission's occupational licensing system. The notification provided that the VP of Legal had a separation date of September 19, 2022. The Commission was not notified in a timely manner and the notification exceeded fifteen (15) days.

COUNT II

8. 68 IAC 27-2-16(a) provides all key persons and substantial owners of a sports wagering operator applicant must obtain a Level 1 occupational license.
9. 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.
10. 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.
11. 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.
12. On December 21, 2020, the Commission issued a directive to all Sports Wagering Operators on Sports Wagering Occupational Licensing that outlined the requirements for occupational licensing for Sports Wagering Operators.
13. On July 1, 2022, BetRivers appointed a new VP of Marketing which required a level one license. The due date of the PD1 was August 1, 2022.
14. On November 3, 2022, BetRivers inquired about the requirement to hold licensure for certain positions.
15. On November 15, 2022, the Commission responded to BetRivers that a PD1 would be due within thirty (30) days of appointment for the VP of Marketing. BetRivers advised that the VP of Marketing was working on his PD1.
16. On December 12, 2022, BetRivers submitted the PD1 for the VP of Marketing. The Commission subsequently inquired about the appointment date for the VP of Marketing. BetRivers responded accordingly. The Commission reminded BetRivers of the Gaming

Entity Licensing Guidance, specifically pointing out that PD1's are due thirty (30) days after appointment to a position.

17. On December 15, 2022, BetRivers acknowledged that they misunderstood the deadline and thought they had to submit the PD1 within thirty (30) days from that date of the November 15, 2022, email communication from the Commission. The Commission advised BetRivers that the email correspondence did not state such information and that all requirements were in the Gaming Entity Licensing Guidance Policy.
18. On December 16, 2022, the Commission advised BetRivers that there were discrepancies in the PDI, including a lack of fingerprints. BetRivers acknowledged the email and provided that his fingerprint cards would be sent by mail and that they would correct the deficiencies identified.
19. On December 19, 2022, BetRivers was able to submit all of the PD1 deficiencies to the Commission, however, the Commission was still waiting on the arrival of the fingerprints.
20. On January 19, 2023, the Commission inquired of the status of the fingerprint cards. BetRivers responded that they would check their records as they thought the fingerprint cards were sent in December.
21. On January 20, 2023, BetRivers provided that the fingerprint cards would go out today and arrive at the Commission office the following week.
22. On January 24, 2023, the Commission received the fingerprints, the final piece of the PD1. The complete PD1 was submitted 172 days late.

TERMS AND CONDITIONS

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

BetRivers shall pay to the Commission a total of \$4,500 (\$1,500 for Count I and \$3,000 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, BetRivers agrees to promptly remit payment in the amount of \$4,500 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 BetRivers.

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
6/6/2023
Date

DocuSigned by:
Richard Schwartz
AF450D6167A5408...
Richard Schwartz, President
Rush Street Interactive, LLC d/b/a
BetRivers
03 March 2023
Date