

**BEFORE THE CASINO CONTROL COMMISSION
STATE OF OHIO**

IN THE MATTER OF :
 : **Case No. 2022-SGR-001**
Penn Sports Interactive, LLC, :
Advertising Violations. :

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between the Penn Sports Interactive, LLC (“PSI”) and the Ohio Casino Control Commission (“Commission”) for the purpose of resolving Commission Case No. 2022-SGR-001. Together, PSI and the Commission are referred to as “the parties.”

WHEREAS, the Commission is responsible for the administration and enforcement of R.C. Chapters 3772 and 3775 and the rules adopted thereunder, which regulate the conduct of sports gaming in the State of Ohio;

WHEREAS, PSI is a Mobile Management Services Provider (“MMSP”) and Management Services Provider (“MSP”) Licensee in Ohio;

WHEREAS, the Commission, pursuant to its authority to regulate, investigate, and penalize MMSP or MSP licensees, discovered violations of Ohio law;

WHEREAS, as a result of this discovery, the Commission issued a Notice of Violation and Opportunity for Hearing (“Notice”), dated December 9, 2022, to PSI, pursuant to and in accordance with R.C. Chapters 119, 3772, and 3775 and Ohio Adm.Code Chapters 3775-1 and 3775-4;

WHEREAS, the Commission procedurally complied with R.C. Chapters 119, 3772, and 3775 and established jurisdiction over this matter;

WHEREAS, PSI timely requested a hearing on Commission Case No. 2022-SGR-001 and no hearing on the matter has yet been held; and

WHEREAS, Commission Case No. 2022-SGR-001 has not yet been brought before the Commission for final adjudication, as required by R.C. Chapters 119, 3772, and 3775, and the parties enter this Agreement in lieu of further hearings or the issuance of a final adjudicatory order by the Commission.

NOW THEREFORE, in consideration of the mutual promises expressed herein, and with intent to be legally bound, the parties **AGREE** as follows:

1. PSI Admissions

A. Commission staff discovered an incident that violated Ohio law.

B. As a result, the Commission issued the Notice, Case No. 2022-SGR-001, providing PSI with an opportunity for a hearing to contest the allegations.

C. Advertising Violations:

i. On November 22, 2022, the Barstool College Football Show (“Show”) was broadcast from a location on the University of Toledo’s campus. The Show was recorded in front of a live audience of approximately 700 individuals and broadcast in real time via YouTube. During the broadcast, an advertisement was read promoting pre-registration for the Barstool Sportsbook including the offering of bonus cash for the Barstool Sportsbook and “mycash” for PENN Entertainment casinos related to Barstool Sportsbook pre-registration. This particular advertisement by PSI directly promoting the Barstool Sportsbook constitutes an “advertisement” under Ohio Adm.Code 3775-16-08;

ii. The presentation of the Show was live before an audience on the University of Toledo college campus in Ohio, was open to those on campus, and there were likely individuals below 21 present. As such, the particular advertisement read during the Show constituted violations of Ohio Adm.Code 3775-16-08(E) or (I) and R.C. 3775.02(A)(10)(c) or Ohio Adm.Code 3775-16-08(B)(2) or (I).

iii. The availability of the Show through YouTube does not negate the advertisement made to the live audience at the University of Toledo college campus.

iv. The violation is not the failure of PSI to inform the Commission regarding the radio show, but that the advertisement read during the Show violated Ohio law.

D. Mitigating and Remedial Measures:

i. The set for the show did not contain any Barstool sportsbook signage;

ii. The advertisement was accompanied by a responsible gaming message when it was read; and

- iii. If the Show is held on an Ohio college campus in the future, in addition to ensuring no sportsbook advertisements occur on that campus, PSI will also not permit persons under 21 to be a part of the Show's live audience.
2. Pursuant to this Agreement, Commission Case No. 2022-SGR-001 is **ADMINISTRATIVELY CLOSED**. Accordingly, the Commission makes no specific findings regarding the allegations described in the Notice.
3. The Admissions contained in Paragraph 1 of this Agreement by itself will not be a basis for future action against PSI, except as set forth in Paragraph 4 of this Agreement. The Commission makes no further statements or representations with respect to the admissions referenced or PSI's compliance with Ohio law.
4. Nothing in this Agreement precludes the Commission from:
 - a. Investigating and prosecuting PSI for violations of or non-compliance with this Agreement or for separate violations of or non-compliance with R.C. Chapter 3775 or the rules adopted thereunder; or
 - b. Limits the Commission's exercise of authority and discretion with respect to imposing additional conditions upon or taking further action against PSI under R.C. Chapter 3775 and the rules adopted thereunder for matters not contemplated in this Agreement.
5. PSI will pay a monetary fine in the amount of \$250,000.00.
6. PSI will ensure, and demonstrate to the Commission, that its personnel are properly trained on all laws and company policies or procedures relevant to each employee's individual function, as it relates to the admissions in Paragraph 1.
7. Upon the date of the last signature of the parties, this Agreement is effective and binding upon the parties and any and all successors, assigns, subsidiaries, agents, employees, or representatives of the parties or any other affiliates.
8. The parties have read and understand this Agreement and have entered into the same knowingly, voluntarily, and with the opportunity to gain advice of counsel.
9. This Agreement is entered into by the parties and may be executed in counterparts or facsimiles, each of which will be deemed an original and all of which will constitute the same instrument.
10. This Agreement contains the entire agreement between the parties with respect to the subject matter and supersedes all prior agreements and understanding, oral or written,

with respect to such matters. This Agreement may be modified only by a further writing that is duly executed by the parties.

11. The provisions of this Agreement are severable and independent; and, if any provision is determined to be unenforceable, in whole or in part, the remaining provisions and any partially enforceable portion of the subject is nevertheless binding and enforceable.
12. This Agreement is governed by and construed in accordance with the laws of the State of Ohio, and the exclusive venue for any cause of action arising from it will be a court of competent jurisdiction in the State of Ohio, County of Franklin.

(Remainder of page intentionally left blank; Signature page follows)

IN WITNESS WHEREOF, the parties to this **SETTLEMENT AGREEMENT** have either executed it or caused it to be executed by their duly authorized representatives:

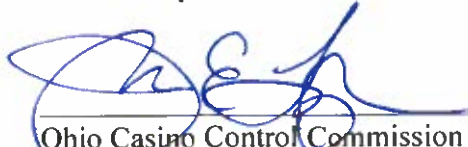
Accepted by:



Penn Sports Interactive, LLC
By: Christopher Soriano, Vice President &
Chief Compliance Officer

February 8, 2023

Date



Ohio Casino Control Commission
By: June E. Taylor, Chair

Feb. 15, 2023

Date