

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

IN THE MATTER OF	:	
	:	Case No. 2022-FLIC-005
Two Nine Sports, Inc.	:	
d/b/a StatHero	:	
Fantasy Contest Violations	:	
	:	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Two Nine Sports, Inc., d/b/a StatHero (“StatHero”) and the Ohio Casino Control Commission (“Commission”) for the purpose of resolving Commission Case No. 2022-FLIC-005. Together, StatHero 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 3774 and the rules adopted thereunder, which regulate the conduct of fantasy contest operators in the State of Ohio;

WHEREAS, Two Nine Sports, Inc. is a Fantasy Contest Operator that owns and operates StatHero, a fantasy contest platform;

WHEREAS, on November 7, 2019, StatHero applied for a Fantasy Contest Operator License and was granted licensure by the Commission on February 19, 2020.

WHEREAS, the Commission, pursuant to its authority to regulate, investigate, and sanction fantasy contest operators, discovered violations of Ohio law related to StatHero operating “against the house” fantasy contests in Ohio, advertising fantasy contests that are against Ohio law, and failing to adequately respond to the Commission’s investigation and directives related to Stat Hero’s contest offerings.

WHEREAS, the Commission issued a Notice of Violation and Opportunity for Hearing (“Notice”), dated May 05, 2022, to StatHero, pursuant to and in accordance with R.C. Chapters 119, 3772, and 3774 and Ohio Adm.Code rules 3772-74-17 and 3772-74-18;

WHEREAS, the Commission procedurally complied with R.C. Chapters 119, 3772, and 3774 and established jurisdiction over this matter;

WHEREAS, on June 1, 2022, StatHero requested an administrative hearing based on the allegations contained in the Notice.

WHEREAS, in lieu of the administrative process related to Case Number 2022-FLIC-005, the Parties intend to resolve this matter in the manner set forth below.

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

1. StatHero Admissions
 - A. The Commission demanded that StatHero cease its “Rivals” offering on March 3, 2021, as violative of R.C. 3774.01.
 - B. StatHero consented and confirmed, in writing, a total cessation of operations in Ohio on March 8, 2021.
 - C. Despite StatHero’s confirmation of total cessation of operations in Ohio, StatHero continued to advertise “against the house” fantasy contests in Ohio, via its national website, including the “Head 2 Head” and “Pick’Em” contests in violation of Ohio Adm. Code 3772-74-16, and offered Survivor contests to Ohio patrons, which was advertised by StatHero as an “against the house” contest.
 - D. As a result, the Commission issued the Notice, Case No. 2022-FLIC-005, providing StatHero with an opportunity for a hearing to contest the allegations.
 - E. Upon receipt of the Notice and communication with the Commission, StatHero removed advertising of fantasy contests in contravention of Ohio law and has now ceased its fantasy contest operations in Ohio.
2. Upon the date of the last signature of the parties, StatHero will voluntarily surrender its Ohio Fantasy Contest License and cease its fantasy contest operations in Ohio.
3. StatHero may not reapply for a Fantasy Contest License in Ohio for a period of three years, commencing on the date of the last signature of the parties.
4. Ninety days prior to submitting a fantasy contest operator license application to the Commission, StatHero will seek Commission review of its planned fantasy contest offerings in Ohio. StatHero will not submit an application for licensure unless the Commission approves of the planned offerings.
5. StatHero will not restart its Ohio fantasy contest operations unless or until it has applied for and been granted a fantasy contest operator license.
6. StatHero will ensure its advertisements comply with Ohio Adm.Code 3772-74-16.
7. Any future instances of advertising or offering illegal fantasy contests in Ohio, for

the three years, commencing on the date of the last signature of the parties, will be considered an aggravating factor for purposes of the administrative process.

8. Pursuant to this Agreement, Commission Case No. 2022-FLIC-005 is **ADMINISTRATIVELY CLOSED**.
9. The Admissions contained in Paragraph 1 of this Agreement by itself will not be a basis for future action against StatHero.
10. Nothing in this Agreement precludes the Commission from:
 - a. Investigating and prosecuting StatHero for violations of or non-compliance with this Agreement or for separate violations of or non-compliance with R.C. Chapters 3772 and 3774 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 StatHero under R.C. Chapters 3772 and 3774 and the rules adopted thereunder for matters not contemplated in this Agreement.
11. Upon the date of the last signature of the parties, this Agreement is effective and binding upon the parties and any and all successors, assignees, subsidiaries, agents, employees, or representatives of the parties or any other affiliates.
12. 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.
13. 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.
14. 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.
15. 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.
16. 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.

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:

DocuSigned by:

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10/25/2022

Two Nine Sports, Inc.
By: Jason Jaramillo, CEO

Date:



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



Date