



Eilers&Krejcek
Gaming

Daily Fantasy Sports Tracker | October 2018

Contents

- I. [Quick Takes](#)
- II. [Numbers To Notice](#)
- III. [News And Notes](#)
- IV. [Analysis: DraftKings Sports Betting Partnership Intrigue](#)
- V. [DraftKings vs. FanDuel – The Battle For Sports Betting Supremacy](#)
- VI. [Legislative Landscape](#)
- VII. [Regulatory Landscape](#)
- VIII. [DFS Data Points](#)

Authors



Chris Grove

Managing Director, Sports & Emerging Verticals
cgrove@ekgamingllc.com



Chris Krafcik

Managing Director, Political & Regulatory Markets
ckrafcik@ekgamingllc.com



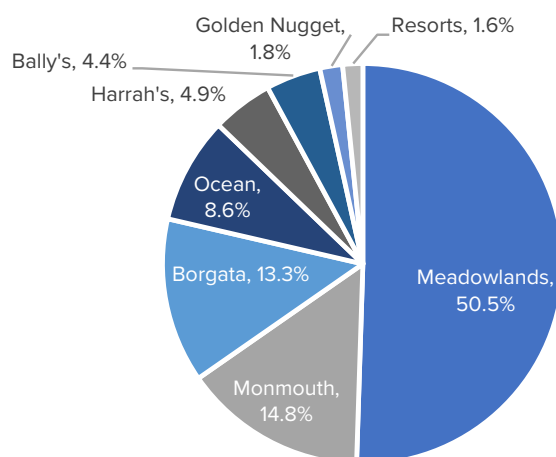
Matt Kaufman

Consultant, Sports & Emerging Verticals
mkaufman@ekgamingllc.com

Chart Of The Month | DFS Brands Dominant In New Jersey Sports Betting

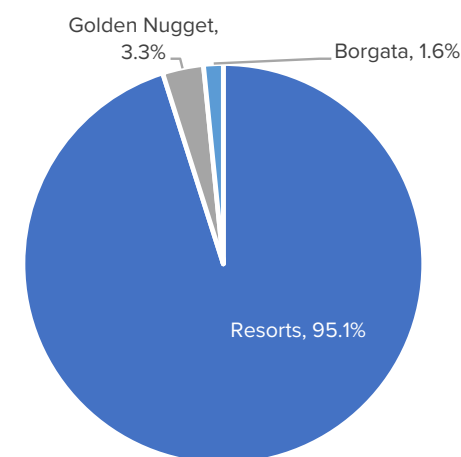
Source: FanDuel / Eilers & Krejcik Gaming LLC

August 2018: NJ Retail Market Shares



In August, DFS brands led the way in New Jersey's retail and online sports betting segments. On the retail side, FanDuel (Meadowlands) accounted for 50.5% of monthly revenue, while on the online side, DraftKings (Resorts) accounted for 95.1% of revenue. FanDuel clearly benefited from the Meadowlands' proximity to New York City, while DraftKings – which had the market largely to itself in August – reaped the rewards of first-mover advantage.

August 2018: NJ Online Market Shares



I. Daily Fantasy Sports: Quick Takes (1/2)

Miscellaneous notes, chatter, and rumors related to the daily fantasy sports industry.

2018 LOOKING BETTER THAN EXPECTED FOR FANTASY.

A number of emerging factors – including the widespread launch of single-game contests, the return of college football, and the potential upside from sports betting – have put daily fantasy sports sites on track toward the bull case of our projections. We'll be revising our outlook and updating for next month's report.

CAN FANDUEL WALK THE TIGHTROPE BETWEEN "JOES" AND "PROS"?

The company's [latest change](#) to NBA contests – aimed at improving the experience for casual players – elicited a torrent of criticism from [the DFS community](#) and appeared to solidify a growing attitude that DraftKings is the preferred home for "serious" DFS players. Both companies are under tremendous pressure to reduce player churn and acquire as large of an engaged user base as possible over the next few quarters, so we're unlikely to have seen the last of significant product changes aimed at simplifying the DFS experience.

WITH PRODUCT PIVOT COMES PAYMENT PAIN?

For several years, fantasy has enjoyed a relatively stable payment processing climate, at least when compared to other forms of online gambling. But the blurred lines resulting from the expansion of DraftKings and FanDuel in the direction of traditional sports betting could roil those calm waters.

Payments expert Jerry Rau recently [told GamblingCompliance](#) that he expects the move into sports betting will result in card issuers rethinking the merchant ID code for DFS transactions, a change that could significantly hamper the industry's ability to accept payments. If DFS transactions were coded as online gambling transactions, credit card rejection rates would easily exceed 50% - a tough hurdle for an industry looking to mainstream in a hurry.

THE LEGAL WRANGLING OVER THE SALE OF FANDUEL ...

... appears set to expand. Sources close to the process say that a number of additional parties – including early employees and other common shareholders – are joining [the suit](#) filed by FanDuel founders over the sale of the company to Paddy Power Betfair.

Specifics of the case aside, the central premise – that FanDuel should have been worth more after the SCOTUS decision than it was before – is feeling more and more credible amidst a wave of high-dollar deals all revolving around the U.S. sports betting market.

I. Daily Fantasy Sports: Quick Takes (2/2)

Miscellaneous notes, chatter, and rumors related to the daily fantasy sports industry.

DRAFTKINGS, FANDUEL LIKELY READYING FOR TEXAS LOBBYING OFFENSIVE.

After having already messed with Texas, what do DraftKings and FanDuel – which are now both operating there despite a negative AG opinion – have in store for the Lone Star State’s 2019 legislative session? We think the two operators will likely deploy [the small army of Texas lobbyists](#) they’ve long retained to 1) seek legislation that would authorize DFS (and, potentially, sports betting) and 2) ensure the legal status quo for DFS does not become any more unfavorable.

If the 2017 session – which may (or may not) have included a [pro-DFS push](#) from former Dallas Cowboys quarterback Tony Romo and even a bit of [anti-DFS astroturf lobbying](#) – was any indication, we think it’s reasonable to expect fireworks in Austin in the New Year. (Indeed, [a recent deal](#) between Cowboys owner Jerry Jones and an Oklahoma gaming tribe is fueling speculation about a potential Jones-backed push for sports betting expansion.) But is it reasonable to expect legislative action favorable to DFS / sports betting? [Unclear](#) ... for now, though, call us skeptical.

II. Daily Fantasy Sports: Numbers To Notice

Significant digits from the wide world of DFS.

80%

The percentage of DFS players that were betting on sports with black market operators prior the U.S. Supreme Court ruling that overturned PASPA, according to DraftKings CEO Jason Robins. Robins' figures suggest that DraftKings and FanDuel have a potentially significant opportunity to cross-sell their DFS players to their regulated sports betting offerings.

Source: [GamblingCompliance](#)

64

The number of Louisiana parishes (counties) that will vote next month on whether to permit DFS. Per our research, the 15 largest parishes account for about 70% of the state's population. We roughly estimate that if parishes representing between 50% and 80% of state's population vote Yes on DFS, the Louisiana DFS market would generate between \$2.59mm and \$4.14mm in annual revenue at / around maturity.

Source: Eilers & Krejcik Gaming

1.8%

The percentage of September DFS handle (total market) that was attributable to college football. DraftKings (August) and FanDuel (September) recently reintroduced college football contests, ending a voluntary college sports drought at the two companies stretching back to March 2016.

Source: Eilers & Krejcik Gaming

1

The number of NFL games that must be played in order for DraftKings or FanDuel to offer an NFL contest in a given day. Single-game contests have already resulted in big increases in NFL handle in September (relative to September 2017), as Monday and Thursday night games can now have their own contests.

Source: Eilers & Krejcik Gaming

III. Daily Fantasy Sports: News And Notes

A roundup of key DFS news developments.



DRAFTKINGS, FANDUEL TAKE AIM AT FLORIDA BALLOT MEASURE

According to reporting from [Politico](#) and [Florida Politics](#), DraftKings and FanDuel are urging Florida fantasy players to oppose [Amendment 3](#), a ballot measure that would put future decisions about casino gaming expansion – including, potentially, sports betting – in the hands of Florida voters.

If Amendment 3 passes, and if it is deemed to apply to sports betting, at least 60% of Florida voters would have to approve any future sports betting ballot measure – a very tall order in a historically conservative state where recent attempts to expand casino gaming have fallen short.

CORE TRENDS

DFS / SPORTS BETTING LOBBYING CROSSOVER

DFS BATTLEGROUND STATES



STUDY: 40% OF DFS PLAYERS AT HIGH RISK OF PROBLEM GAMBLING

A [recent study](#) of New Jersey residents by researchers at Rutgers University and the University of Sydney found that nearly 40% of surveyed DFS players were at high risk of developing a gambling problem, compared with only a 3.9 percent risk for other gamblers, [per reporting from GamblingCompliance](#).

Researchers, citing the “high-action” nature of DFS, said that the findings were not unexpected.

DraftKings, for its part, said that it disagreed with the study’s findings, while the FSTA said it was still reviewing the study.

CORE TRENDS

SOCIAL IMPACTS OF DFS / SPORTS BETTING CROSS-SELL



ILLINOIS POLS SET TO DISCUSS DFS, SPORTS BETTING NEXT WEEK

Rep. Bob Rita, Illinois’ gaming policy point man, is scheduled to convene an informational hearing on DFS, sports betting and iGaming [on October 17](#) in the House Gaming Subcommittee he chairs.

Rita intends to use the hearing [to build consensus](#) on the three issues ahead of the six-day November veto session, during which legislation that would expand gambling may be considered.

Populous Illinois and nearby Michigan – in which DraftKings and FanDuel are both operational – are the only states where DFS bills are still in play.

CORE TRENDS

DFS / SPORTS BETTING LOBBYING CROSSOVER

DFS BATTLEGROUND STATES

IV. Analysis: DraftKings Sports Betting Partnership Intrigue

Source: Eilers & Krejcik Gaming LLC / U.S. Census Bureau

WHO'S IT GONNA BE? With FanDuel out front in the all-important race for sports betting market access, DraftKings is undoubtedly looking to play catch-up. But with the list of potential casino operating partners getting smaller – seemingly by the week – which partner, or partners, could help DraftKings close the gap on FanDuel? We've listed several below.

Commercial Casino Chains



Caesars has yet to signal whether it will follow rivals such as Boyd and El Dorado in agreeing to provide sports betting market access to a partner or partners. Caesars has commercial casinos in 10 states (21% of U.S. population) and a racetrack in one state (1%).



Churchill Downs has commercial casinos in six states (16% of U.S. population) and racetracks in a further 2 states (5%), making it a potentially attractive partner. Still, Churchill is using its BetAmerica brand for retail / online sports betting, which may limit potential opportunities for DraftKings.



Penn National has commercial casinos in 16 states (27% of U.S. population) and racetracks in a further 2 states (15%). Penn has already partnered with William Hill in MS, PA and WV, but will the company throw open its door to additional partners as more sports betting markets open?

Other Key Strategic Targets



The Seminole Tribe of Florida operates six tribal casinos in Florida (6% of U.S. population). The tribe also owns the Hard Rock franchise, which has commercial casinos in 5 states (10%). Hard Rock has already partnered with William Hill in MS. Is there still a way in for DraftKings?



Cordish Companies owns Maryland's second-largest casino by revenue and has an ownership stake in a forthcoming casino in Philadelphia. The addition of MD and PA (6% of U.S. population) would expand DraftKings' sports betting footprint to 4 contiguous states.



Genting Group has two commercial casinos in NY (6% of U.S. population), including a prize for any prospective sports betting operator: Resorts World NYC. It is the Empire State's largest casino by revenue, and is the only casino located in densely-populated New York City.

V. DraftKings VS. FanDuel – The Battle For Sports Betting Supremacy (1/2)

The two DFS titans are duking it out in a new arena: sports wagering. Slides updated monthly.

Source: Eilers & Krejcik Gaming LLC / U.S. Census Bureau / Company News



VS.



DraftKings Overview

States to Which DK Has Access via Publicized Agreements	2
Total Population of States Covered by DK Agreements	28,885,043
% of U.S. Population Addressable by DK Sports Betting Ventures	8.9%

DK State-Level Developments

NJ	Went live w/ own-brand online sportsbook on 8/1/2018.
NY	Partnered w/ Del Lago Resort Casino.*

*Del Lago is one of four NY casinos authorized to offer sports wagering under a 2013 NY law.

FanDuel Overview

States to Which FD Has Access via Publicized Agreements	15
Total Population of States Covered by FD Agreements	117,318,993
% of U.S. Population Addressable by FD Sports Betting Ventures	36.0%

FD State-Level Developments

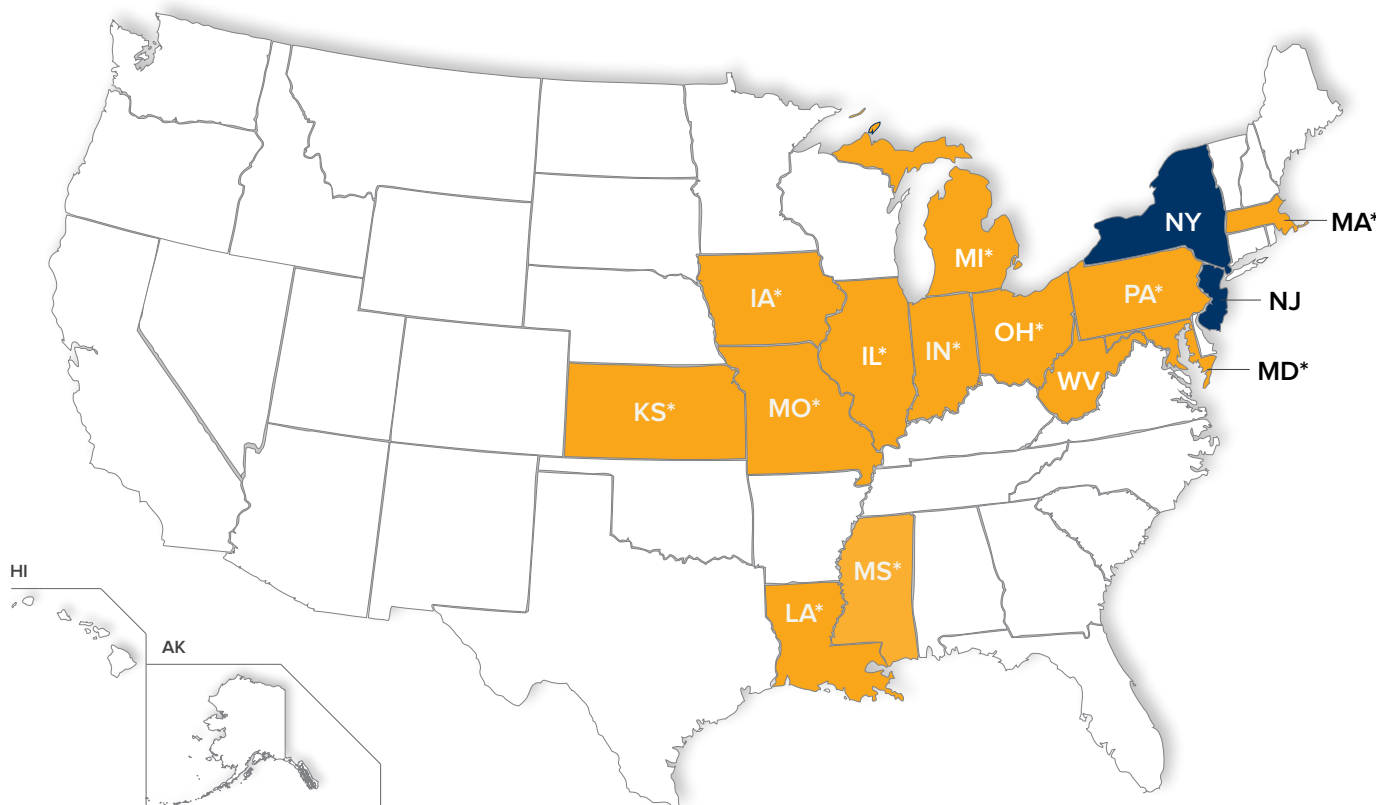
NJ	Went live w/ own-brand online sportsbook on 9/1/2018.
NY	Partnered w/ Tioga Downs Casino Resort.*
WV	Partnered w/ Greenbrier Hotel Casino.
12 More States	Partnered w/ Boyd. Access to states covered by Boyd-MGM JV .

*Tioga Downs is one of four NY casinos authorized to offer sports wagering under a 2013 NY law.

V. Analysis: DraftKings VS. FanDuel – The Battle For Sports Betting Supremacy (2/2)

● DK has agreement for sports betting
 ● FD has agreement for sports betting
 ● DK and FD have agreements for sports betting

Source: Eilers & Krejcik Gaming LLC / U.S. Census Bureau / Company News



State	Sports Betting Status
IL	Bill still active in 2018
IN	Legislative effort anticipated in 2019
IA	Legislative effort anticipated in 2019
KS	Legislative effort anticipated in 2019
LA	Legislative effort anticipated in 2019
MD	Legislative effort anticipated in 2019
MA	Legislative effort anticipated in 2019
MI	Bill still active in 2018
MS	Legal / Operational
MO	Legislative effort anticipated in 2019
NJ	Legal / Operational
NY	Legal / Not Yet Operational
OH	Bill still active in 2018
PA	Legal / Not Yet Operational
WV	Legal / Not Yet Operational

9%

% of U.S. population with access to actual / potential DK sports betting offering.

36%

% of U.S. population with access to actual / potential FD sports betting offering.

9%

% of U.S. population with access to actual / potential DK and FD sports betting offering.

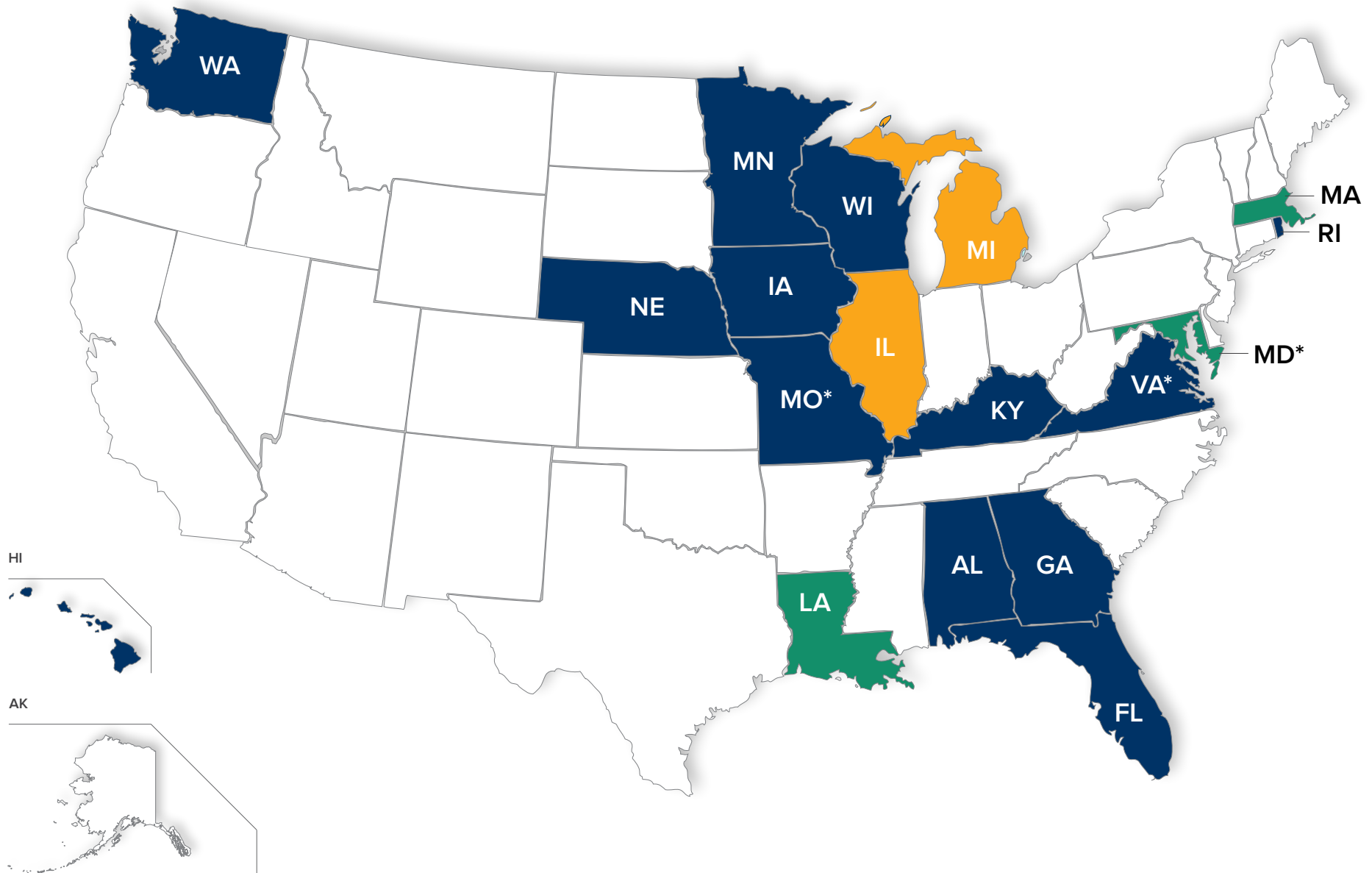
36%

% of U.S. population with access to actual / potential DK or FD sports betting offering.

VI. Legislative Landscape: Fantasy Contest Bill Tracker (1/3)

● Bill Passed in 2018 ● Bill Pending ● Bill(s) Died / Defeated In 2018

Source: Eilers & Krejcik Gaming LLC / State Legislatures & Regulators
*Indicates state in which fantasy sports legislation was enacted prior to 2018



VI. Legislative Landscape: Fantasy Contest Bill Tracker (2/3)

The table below provides additional notes and context for the map on the preceding slide.

Source: Eilers & Krejcik Gaming LLC / State Legislatures & Regulators

State	Bill	In Session?	Notes
Alabama	S 325	No	State AG opined in 2016 that DFS is illegal under state law and entered into settlement agreements shortly thereafter with DraftKings and FanDuel. The two companies, pursuant to those agreements, exited the market. Regulatory bills introduced since state AG action have not advanced.
Florida	S 374	No	Florida is complex due to a lack of clarity on whether DFS 1) violates state gambling law (a 1991 state AG opinion found that operation of or participation in a paid-entry fantasy sports league is illegal) and 2) violates exclusivity provisions in the state's compact with the Seminole Tribe of Florida. Despite legal uncertainty, major operators continue to serve.
Georgia	H 118	No	Major operators continue to serve despite a negative informal advisory opinion from the state AG that was issued in 2016. H 118 passed the House in 2017, but the bill did not clear the Senate this year before adjournment.
Hawaii	S 204	No	No major operators serve. State AG opined in 2016 that DFS is illegal under state law.
Illinois	H 479	Yes	Contentious battle as DFS interests butt up against powerful casino lobby. Major operators continue to serve state despite negative AG opinion that was issued in 2015. H 479 includes iGaming and DFS. It passed the Senate in 2017 but did not advance in the House before regular session ended in May. The state's six-day veto session begins in November, during which H 479 is eligible for action.
Iowa	H 613	No	No major operator serves the state, whose gambling laws are thought to prohibit DFS.
Kentucky	H 248	No	Legislative efforts came up short in 2017 and again this year.
Louisiana	H 484	No	No major operators serve. State AG opined in 1991 that certain pay-to-play fantasy contests operated by telephone constitute illegal gambling. But favorable legal change is afoot. H 484, which was signed by Governor John Bel Edwards in May, will put the question of whether to permit DFS to a public vote in each of the state's 64 parishes this fall. Following those referenda, separate legislation, which would establish a licensing, regulatory and tax structure for DFS, must be enacted.

VI. Legislative Landscape: Fantasy Contest Bill Tracker (3/3)

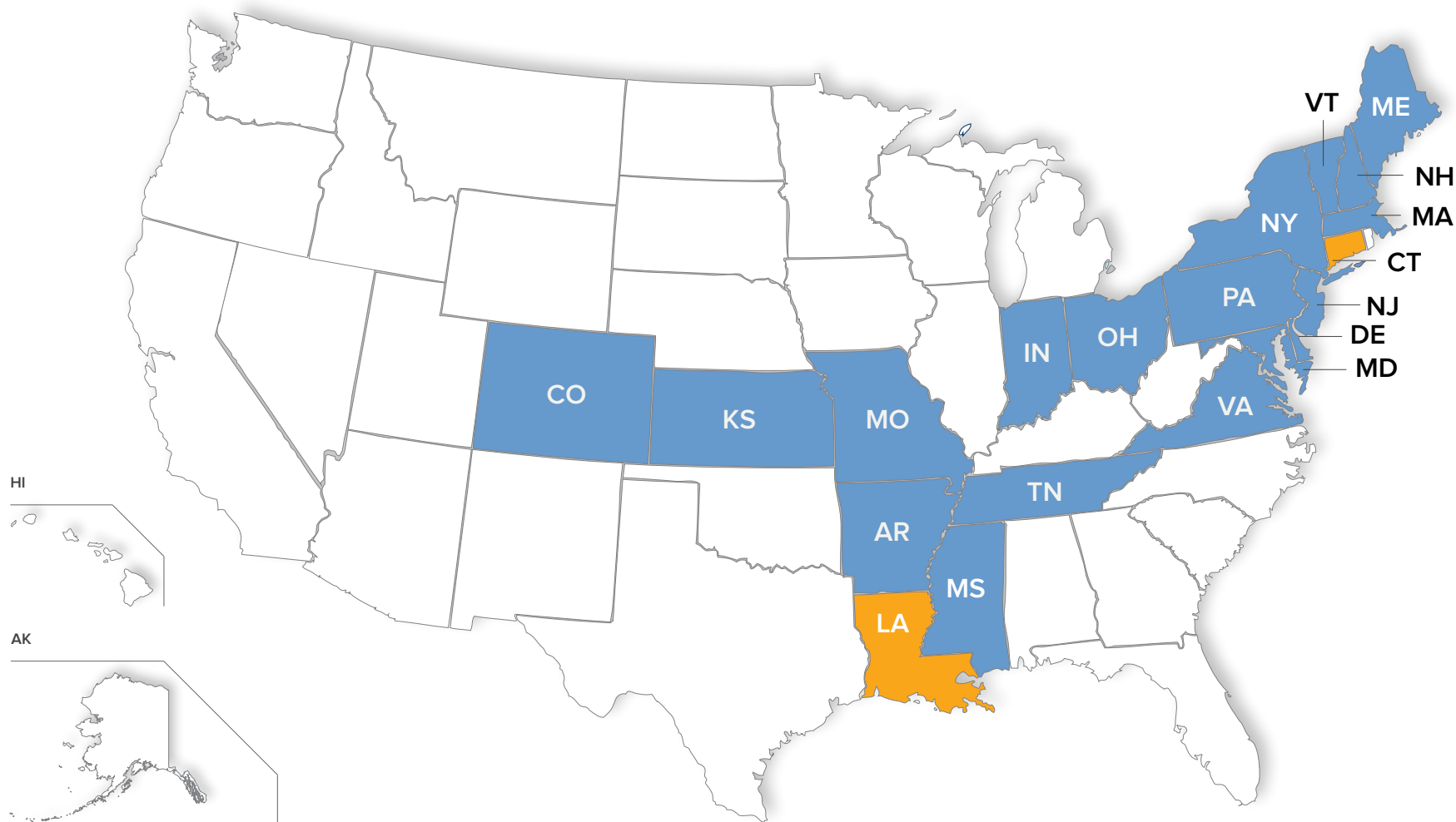
Source: Eilers & Krejcik Gaming LLC / State Legislatures & Regulators

State	Bill	In Session?	Notes
Maryland	S 900	No	Bill that puts fantasy sports under the purview of the MD Lottery and Gaming Control Commission and bans land-based fantasy sports kiosks. Enacted in May without Governor Larry Hogan's signature.
Massachusetts	H 4800	No	Enacted in August as part of state's FY19 budget. Struck sunset language from the state's 2016 DFS law, which carved DFS out from MA gambling laws but did not impose fee-and-tax requirements on DFS operators.
Michigan	S 461 / 462	Yes	Complicated legislative and stakeholder climate and presence of online gambling push may make Michigan a difficult target, but state remains in play.
Minnesota	H 1415	No	Bill that would regulate DFS and carve out the activity from state gambling laws. Similar bills, which have been in play since 2015, have attracted opposition from the state's influential tribal gaming interests and anti-gambling groups.
Missouri	H 1390	No	Bill amends an existing fantasy law, reducing operator costs and adding minor regulations.
Nebraska	L 469	No	Tribal opposition will likely continue to stymie legislative efforts here.
North Carolina	H 279	No	Bill that would regulate DFS and carve out the activity from state gambling laws.
Rhode Island	H 7825	No	State AG opined in 2016 that DFS is legal under state law.
Virginia	S 424	No	Establishes the Virginia Gaming Commission and places it in charge of charitable gaming and fantasy contests.
Washington	S 5169	No	No major operators serve the state, whose gambling laws are thought to prohibit DFS. Bill would have carved out the activity from state gambling prohibitions.
Wisconsin	A 526	No	Max \$10k initial license fee, 3% tax on net revenue from players in state as renewal fee.

VII. Regulatory Landscape: States That Have Passed Bills / Regs (1/2)

Source: Eilers & Krejcik Gaming LLC / State Legislatures & Regulators

20 STATES AND COUNTING. The map below shows states that have passed bills legalizing and / or regulating real-money fantasy contests. No new states have passed a DFS authorization bill since December 2017. **Connecticut's** bill doesn't take effect until a negotiation is completed involving related amendments to the state's tribal compacts. **Louisiana** passed a DFS bill in May but is still several steps away from actual legalization. **Massachusetts** passed a bill in August that keeps the state's 2016 DFS statute – which was scheduled to expire this year – in place.



VII. Regulatory Landscape: States That Have Passed Bills / Regs (2/2)

The following table provides additional information relating to the map on the preceding slide.

Source: Eilers & Krejcik Gaming LLC / State Legislatures And Regulators

State	Date	License Req'd.	State Oversight Body	Tax Rate	License Fees	Law	Regs	State Site
AR	April 2017	No	Dept. of Finance and Administration	8%	N/A	Here	N/A	Here
CO	June 2016	Yes	Dept. of Regulatory Agencies	N/A	Not listed	Here	Here	Here
CT*	June 2017	Yes	Comm. of Consumer Protection	10.5%	\$15k or 10% of revenue generated from CT	Here	N/A	N/A
DE	July 2017	Yes	Div. of Gaming Enforcement	15.5% or highest enacted by another state	\$50k	Here	Here	Here
IN	March 2016	Yes	Gaming Comm.	N/A	\$50k	Here	Here	Here
KS	May 2015	No	None	N/A	N/A	Here	N/A	N/A
LA**	May 2018	Yes	Gaming Control Board	TBD	TBD	Here	TBD	Here
ME	August 2017	Yes	Dept. of Pubic Safety	10% on operators w/ revenue > \$100k	\$0 or \$2.5k	Here	TBD	Here
MD	May 2012	No	Lottery and Gaming Comm.	N/A	N/A	Here	Here	Here
MA	August 2018	No	Attorney General's Office	N/A	N/A	Here	Here	Here
MS	May 2016	Yes	Gaming Comm.	8%	\$5k	Here	Here	Here
MO	June 2016	Yes	Gaming Comm.	11.5%	Lesser of \$10k or 10% of revenue	Here	Here	Here
NH	July 2017	Yes	Lottery Comm.	N/A	N/A	Here	Here	Here
NJ	August 2017	Yes	Div. of Consumer Affairs	10.5%	\$5k to \$50k	Here	TBD	Here
NY	August 2016	Yes	State Gaming Comm.	15.5%	.50% of revenue capped at \$50k	Here	TBD	Here
OH	December 2017	Yes	Casino Control Comm.	N/A	≤ \$10k	Here	TBD	Here
PA	October 2017	Yes	Gaming Control Board	15%	\$50k	Here	Here	Here
TN	April 2016	Yes	Sec. of State's Office	6%	\$1k to \$75k	Here	Here	Here
VT	June 2017	Yes	Sec. of State's Office / Att. General's Office	N/A	\$5k	Here	TBD	Here
VA	March 2016	Yes	Dept. of Agriculture and Consumer Services	N/A	\$50k	Here	N/A	Here

* The law cannot take effect until associated fantasy sports amendments to CT tribal gaming compacts and memoranda of understanding are approved by the U.S. Dept. of Interior and the CT Legislature.

** Legalization / implementation of DFS is contingent on local referenda that will be conducted this fall.

VIII. DFS Data Points: Google Trends (1/2)

Source: Eilers & Krejcik Gaming LLC / Google Trends

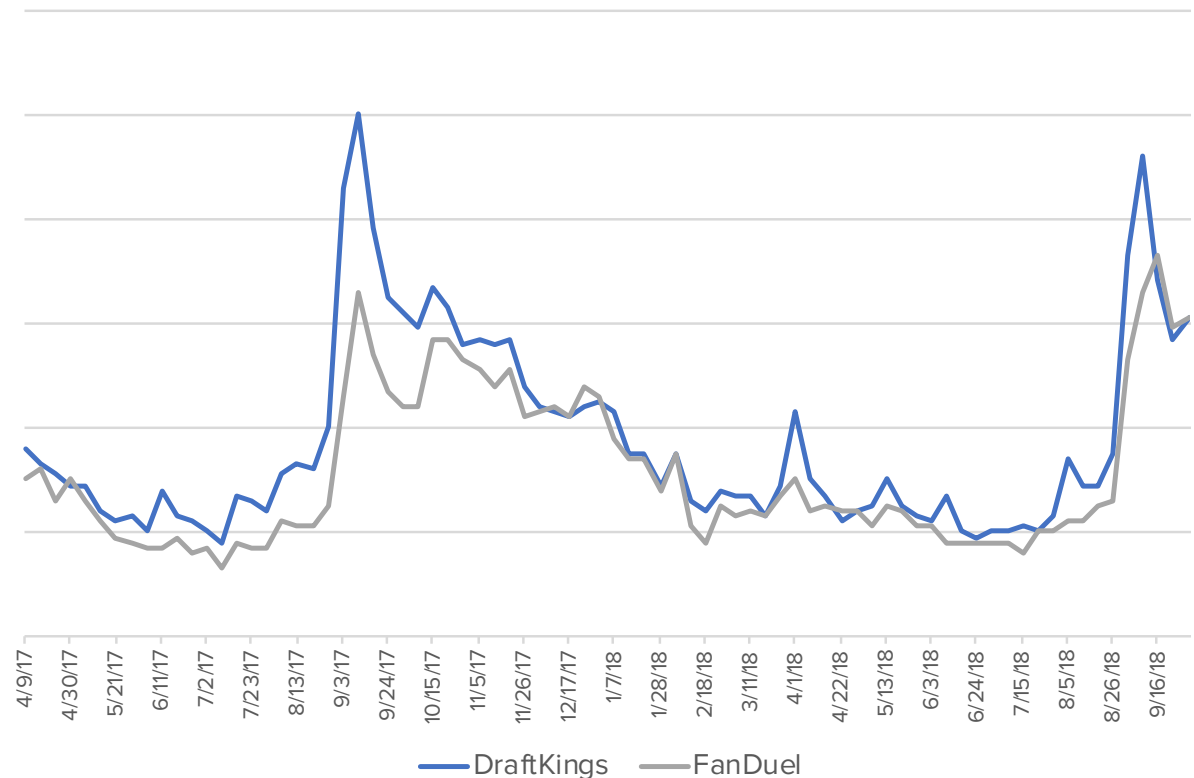
OBSERVATIONS

While Google Trends can be skewed by non-indicative events (like news developments), we still find it useful to compare broad interest in the two brands.

September marked the beginning of the NFL season, and search traffic for both leading DFS brands saw the annual spikes that are to be expected. Of substantial note is that DraftKings' search traffic peak was lower than last year's, but FanDuel's 2018 peak was greater than it was in 2017.

After accounting for seasonal scheduling differences, search volume for both brands combined was nearly identical for the start of the NFL season this year compared to last year.

U.S. Relative Search Volumes For “DraftKings” vs. “FanDuel”, Last 18 Months



VIII. DFS Data Points: Google Trends (2/2)

Source: Eilers & Krejcik Gaming LLC / Google Trends

OBSERVATIONS

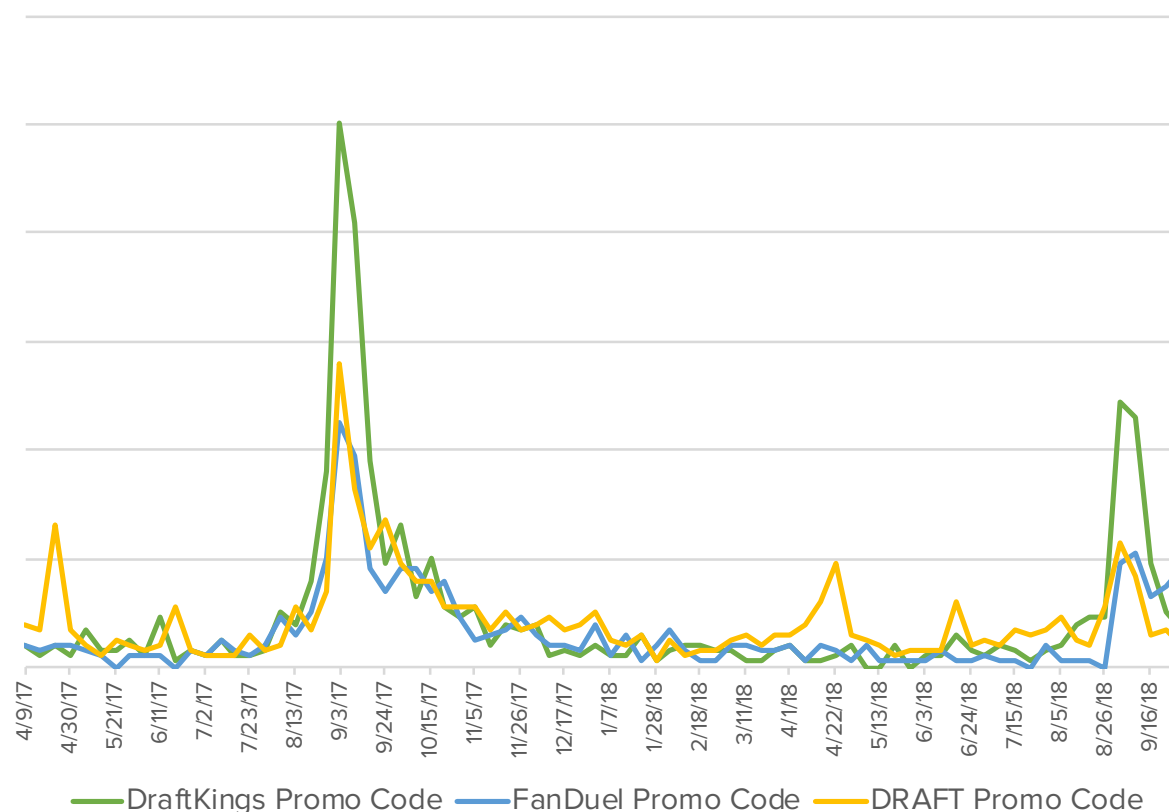
We believe this specific set of terms is indicative of new customer interest in each brand, as these terms are only searched for once a consumer is ready to create an account.

The seasonal spike in promo code traffic for all three brands due to the start of the NFL season is substantially lower this year than it was in 2017.

Year-over-year for September, promo code traffic is down the most at DraftKings and the least at FanDuel.

The relative stability of the terms “DraftKings” and “FanDuel” year-over-year compared to the instability of these promo code terms suggests that most NFL contest participants from last year are returning to play DFS this season, but the number of new players may be noticeably lower.

U.S. Relative Search Volumes For “DraftKings Promo Code” vs. “FanDuel Promo Code” vs. “DRAFT Promo Code”, Last 18 Months

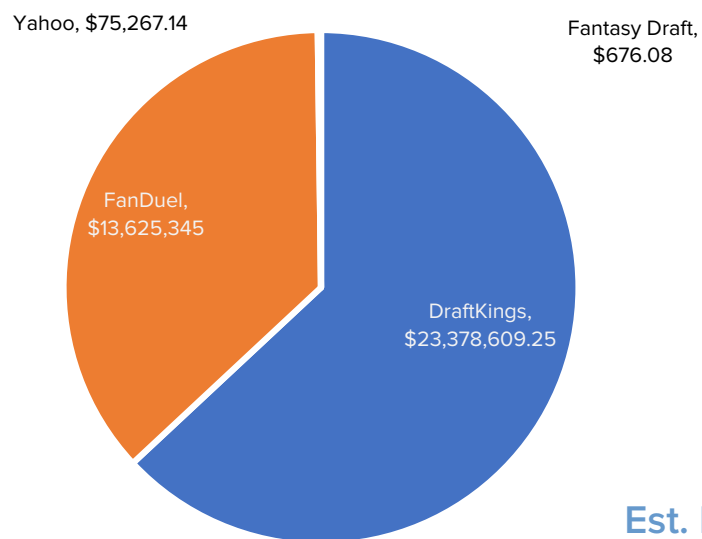


VIII. DFS Data Points: Revenue / Entry Fees

Source: Eilers & Krejcik Gaming LLC

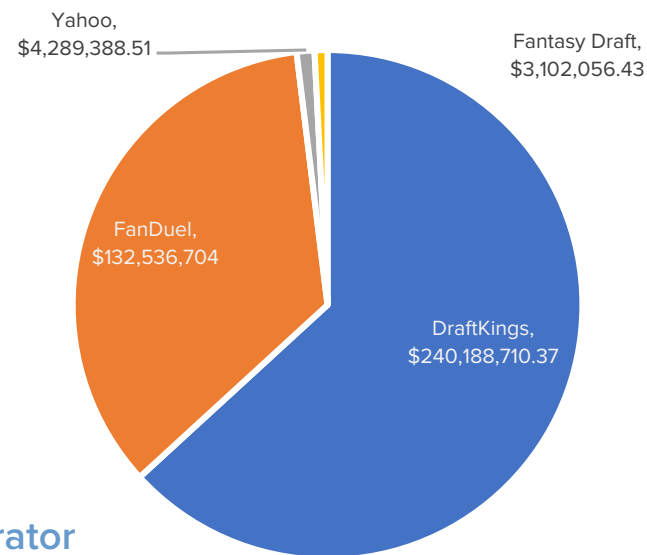
NOTE. We believe these four sites account for some 97% of the market. The only other material operator missing from our tracking is DRAFT.

**Est. Revenue* By Operator
September 2018**

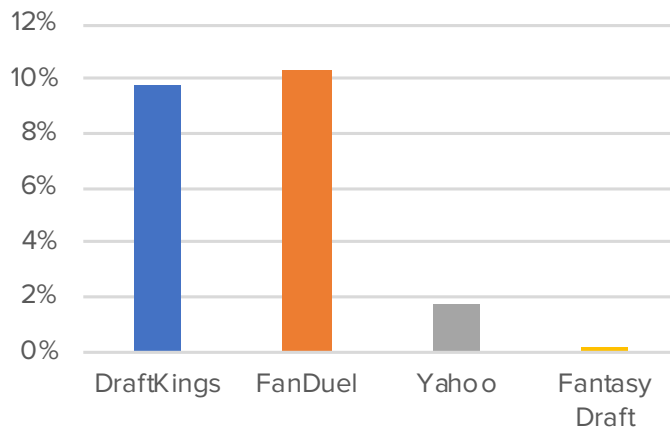


*Revenue refers to entry fees less prizes paid out

**Est. Entry Fees By Operator
September 2018**



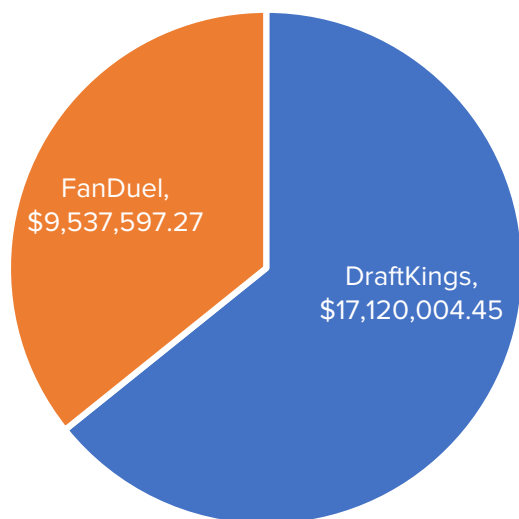
**Est. Hold Percentage By Operator
September 2018**



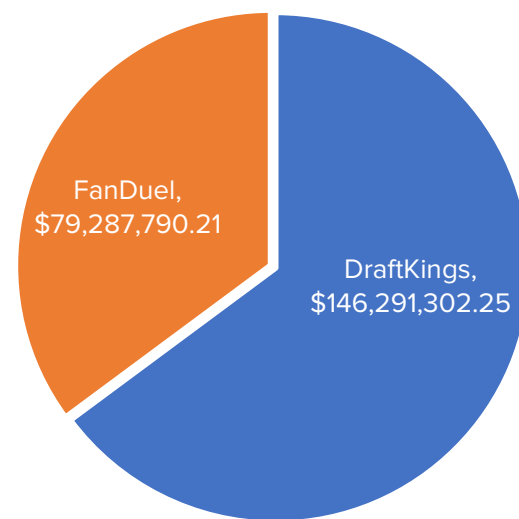
VIII. DFS Data Points: NFL Results At DraftKings & FanDuel

Source: Eilers & Krejcik Gaming LLC

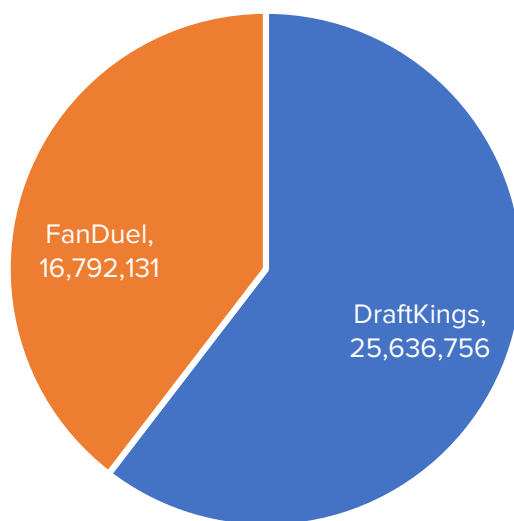
Est. NFL Revenue By Operator
September 2018



Est. NFL Entry Fees By Operator
September 2018



Est. NFL Entries By Operator
September 2018



VIII. DFS Data Points: DraftKings By-Sport Breakdown

Source: Eilers & Krejcik Gaming LLC

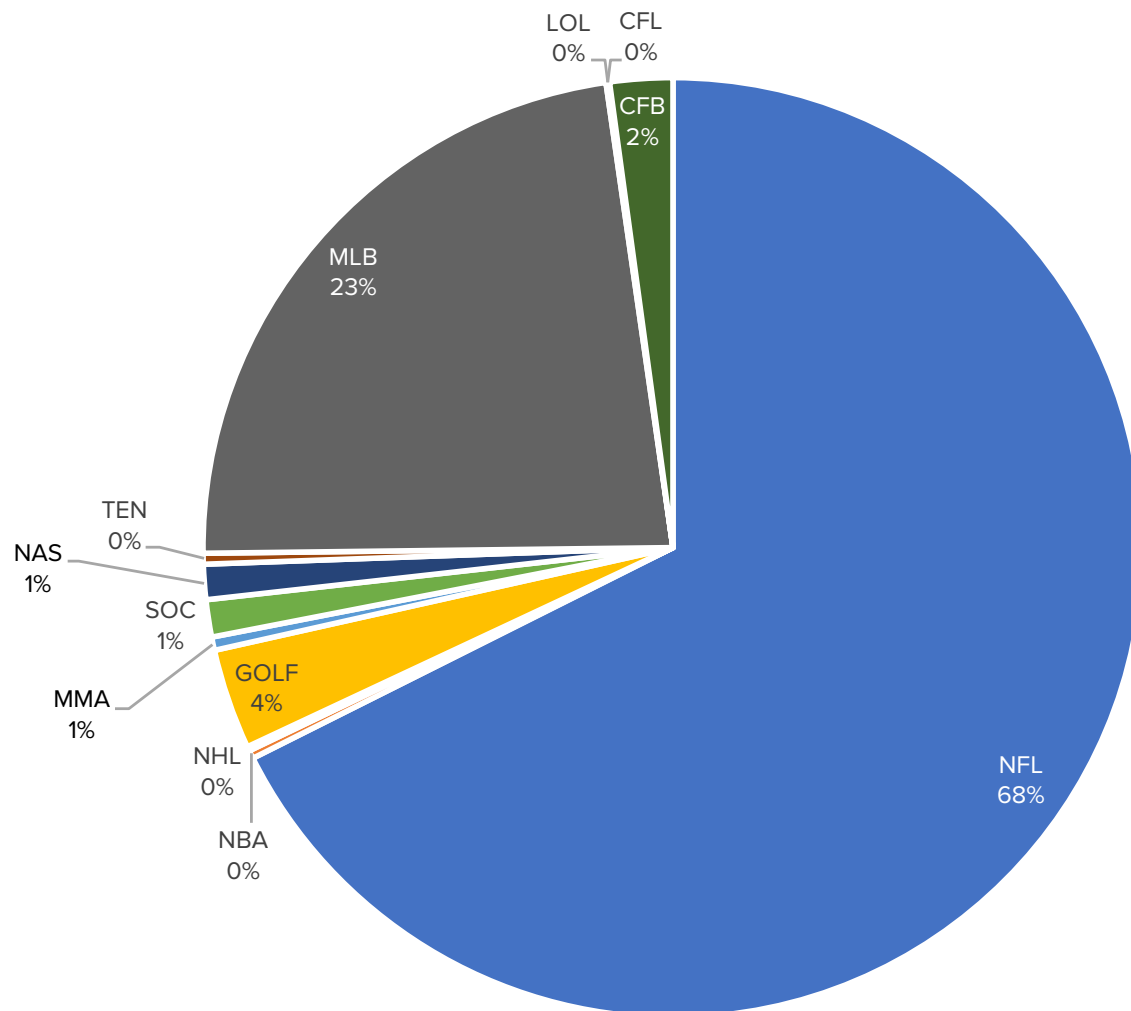
OBSERVATIONS

DraftKings' September hold was 9.73%, slightly higher than it has been over the last few months.

The return of the NFL regular season, as was to be expected, resulted in NFL contests accounting for 68% of handle at DK for September. Handle is up substantially year-over-year, as this will be the first NFL regular season in which the company features single game contests (they were rolled out for the playoffs last season).

Baseball, which accounted for 23% of handle, had a relatively weak month. Entries were down marginally, but that is itself a bad sign for interest in baseball DFS when considering the introduction of new contest types relative to last year.

Est. Entry Fees By Sport September 2018



VIII. DFS Data Points: FanDuel By-Sport Breakdown

Source: Eilers & Krejcik Gaming LLC

OBSERVATIONS

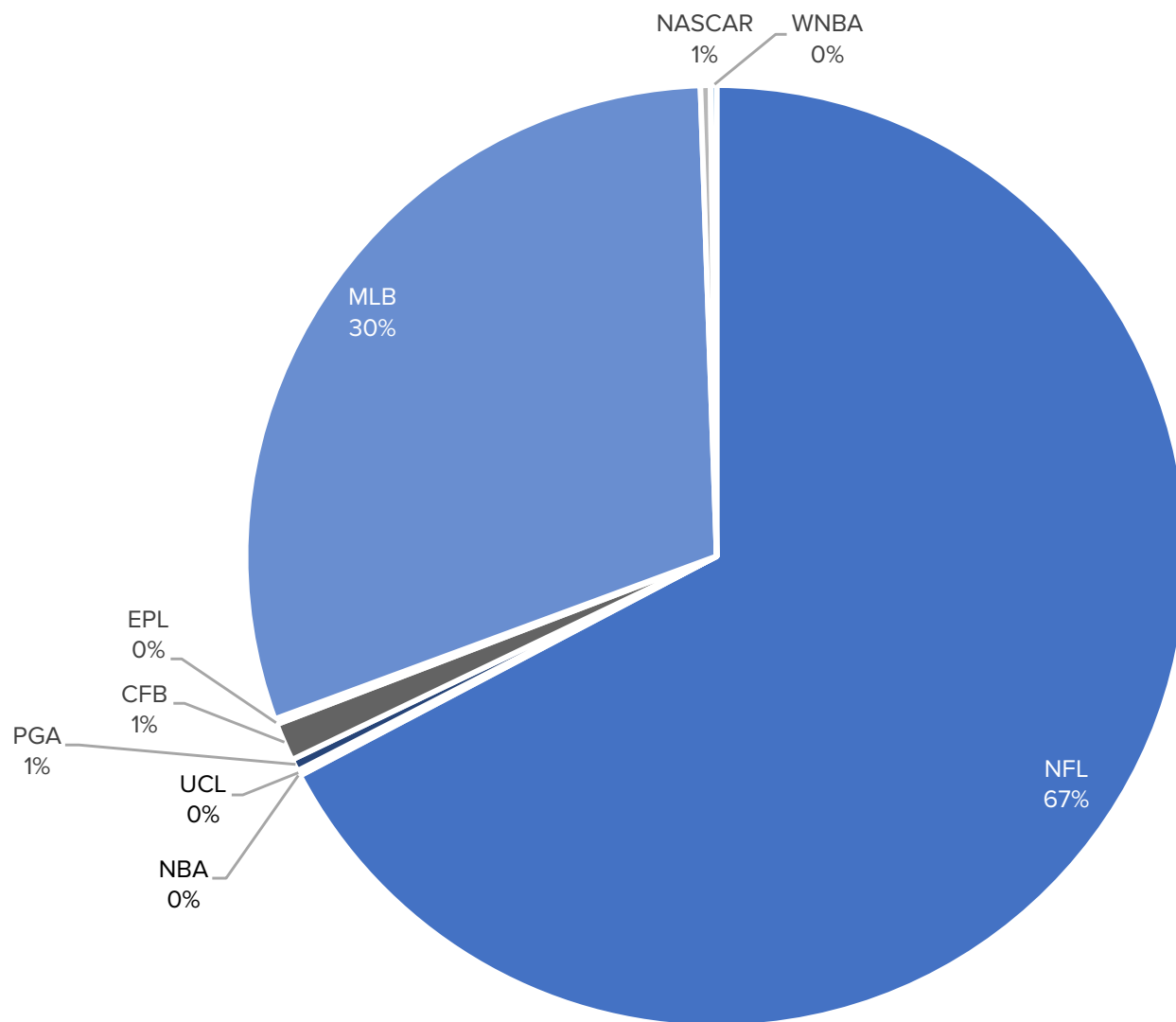
FanDuel's hold for September was 10.28%, marginally up from last month but generally in-line compared to the prior few months.

FD NFL contest performance as a share of the total NFL DFS market is still down marginally compared to last season at this point, but the start of the regular season has been helpful to the company (as they performed substantially worse than their typical market share in the preseason).

FD's lack of strong offerings for non-major sports continues to hurt the company's performance relative to DK, which itself has found sizable revenue streams from golf, college football, and soccer. Non-major sports accounted for less than 3% of total handle for FD this month.

FD's entry fees for September, year-over-year, increased by about 50% thanks to an increasing NFL market and a year-over-year MLB increase which DK did not see.

Est. Entry Fees By Sport September 2018





Eilers&Krejcek
Gaming

1851 EAST FIRST STREET | SUITE 946 | SANTA ANA CA | 92705 | WWW.EKGAMINGLLC.COM

Discosure: Eilers & Krejcek Gaming, LLC is an independent research firm and is neither a registered broker dealer nor a registered investment advisor. No information contained in this report shall constitute as a recommendation or solicitation to buy or sell a security. Individuals receiving this report should consult with an investment advisor or registered representative before making an investment decision related to any information contained in this report. In addition, Eilers & Krejcek Gaming, LLC either does, or may seek to do business with any company mentioned in this report. This report was prepared for and distributed to clients of Eilers & Krejcek Gaming, LLC. If you are not the intended recipient and/or received this report in error, please delete this document and notify Eilers & Krejcek Gaming, LLC at teilers@eilersresearch.com, or call 949-887-7726. This report is also protected by federal copyright law. Any unauthorized review, dissemination, or copying of this communication is strictly prohibited. By accessing, reading, storing, distributing and archiving this research report, you hereby agree, fully, and without dispute, to all terms and conditions outlined above.

