

**ORDER 2021-173  
IN RE SETTLEMENT AGREEMENT**

**BETFAIR INTERACTIVE US, LLC  
d/b/a FANDUEL SPORTSBOOK  
21-FD-02**

After having reviewed the attached Settlement Agreement, the Indiana Gaming Commission hereby:

**APPROVED**


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APPROVES OR DISAPPROVES

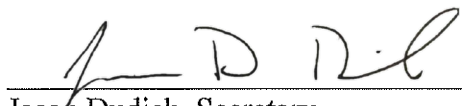
the proposed terms of the Settlement Agreement.

**IT IS SO ORDERED THIS THE 29<sup>th</sup> DAY OF SEPTEMBER, 2021.**

**THE INDIANA GAMING COMMISSION:**

  
\_\_\_\_\_  
Michael B. McMains, Chair

ATTEST:

  
\_\_\_\_\_  
Jason Dudich, Secretary

**STATE OF INDIANA  
INDIANA GAMING COMMISSION**

<b>IN RE THE MATTER OF:</b>	)	
	)	<b>SETTLEMENT</b>
<b>BETFAIR INTERACTIVE US, LLC</b>	)	<b>21-FD-02</b>
<b>d/b/a FANDUEL SPORTSBOOK</b>	)	

**SETTLEMENT AGREEMENT**

The Indiana Gaming Commission (“Commission”) by and through its Executive Director Greg Small and Betfair Interactive US, LLC d/b/a FanDuel Sportsbook (“FanDuel”), (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. 68 IAC 27-12-1 provides (a) a sports wagering operator shall limit each patron to one (1) active and continuously used sports wagering account and username.  
(b) A sports wagering operator shall implement rules and publish procedures to terminate all accounts of any sports wagering account patron that establishes, or seeks to establish, multiple active accounts, whether directly or by use of another person as a proxy.
2. FanDuel’s approved internal controls describe the procedures for Patron Accounts.
3. On April 9, 2021, the Commission received an incident report from a Regulatory Manager at FanDuel detailing instances of potential duplicate account creations on FanDuel’s platform. The incident report provided that, following a code change affecting read and write database operations, an unanticipated error occurred and FanDuel’s Know Your Customer (“KYC”) verification service experienced a replication lag between March 11, 2021 and March 29, 2021. This replication lag created a gap in the process that identifies and prevents multiple accounts with the same patron credentials. There were 219 instances of potential duplicate account creations in Indiana during this timeframe.
4. On March 29, 2021, FanDuel corrected the replication lag affecting the KYC verification service and advised that it would immediately suspend any confirmed duplicate accounts identified.
5. On April 26, 2021, the Commission requested additional information from FanDuel.
6. On May 2, 2021, FanDuel provided the information requested and noted that, of the 219 duplicate accounts created from this gap, 111 had betting activity.

## TERMS AND CONDITIONS

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

FanDuel shall pay to the Commission a total of \$3,000 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, FanDuel agrees to promptly remit payment in the amount of \$3,000 and waive all rights to further administrative or judicial review.

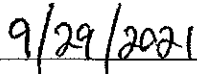
This Agreement constitutes the entire agreement between the Parties. No prior or subsequent understandings, agreements, or representations, oral or written, not specified or referenced within this document will be valid provisions of this Agreement. This Agreement may not be modified, supplemented, or 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 FanDuel.

IN WITNESS WHEREOF, the Parties have signed this Agreement on the date and year as set forth below.

  
\_\_\_\_\_  
Greg Small, Executive Director  
Indiana Gaming Commission

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Carolyn Renzin, Chief Risk &  
Compliance Officer  
FanDuel

9.24.21  
\_\_\_\_\_  
Date