

**ORDER 2022-40
IN RE SETTLEMENT AGREEMENT**

**BETFAIR INTERACTIVE US, LLC
d/b/a FANDUEL SPORTSBOOK
22-FD-01**

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

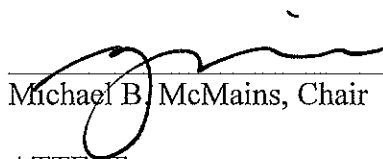
APPROVED

APPROVES OR DISAPPROVES

the proposed terms of the Settlement Agreement.

IT IS SO ORDERED THIS THE 8th DAY OF MARCH, 2022.

THE INDIANA GAMING COMMISSION:



Michael B. McMains, Chair

ATTEST:



Jason Dudich, Secretary

**STATE OF INDIANA
INDIANA GAMING COMMISSION**

IN RE THE MATTER OF:)	
)	SETTLEMENT
BETFAIR INTERACTIVE US, LLC)	22-FD-01
d/b/a FANDUEL SPORTSBOOK)	

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

COUNT I

1. 68 IAC 27-1-2(16) defines a prohibited sports wagering participant as an individual listed on the commission's exclusion list kept under 68 IAC 6-1, that has a voluntarily excluded person (VEP) status as defined under 68 IAC 6-3 or has signed up for the statewide internet self-restriction program (ISRP).
2. 68 IAC 27-13-2(d) provides that sports wagering operators must restrict wagering by statewide Internet self-restriction participants and may not market to statewide Internet self-restricted participants.
3. 68 IAC 6-3(b)(3) provides each casino licensee and casino license applicant shall establish internal control procedures for refusing wagers from and denying gaming privileges to any voluntarily excluded person.
4. FanDuel’s approved internal control procedures, Section 11, describes the procedures for prohibited participants.
5. The Commission’s Sports Wagering Division performed a prohibited participant audit for FanDuel. The results of this audit found one hundred twenty-five (125) prohibited participants had a date of birth discrepancy. FanDuel had added one hundred (100) years to the date of birth, created the data discrepancy. Seven (7) prohibited participants were able to create a sports wagering account and four (4) had wagering activity as of December 3, 2020.
6. On July 30, 2021, FanDuel provided an incident report to the Commission’s Sports Wagering Division. The incident report provided that following a Commission audit in June 2021, FanDuel conducted an internal review in an effort to address the audit results. As a result, FanDuel discovered that two (2) prohibited participants had been able to

engage in wagering. The report provided that the prohibited participants had opened and verified their accounts in Illinois. A gap in the self-exclusion flagging system used between the different states allowed for this wagering to take place. One (1) prohibited participant was able to wager between February 28, 2021, and April 25, 2021, making 1,313 wagers, winning 26 and losing 1,287. The prohibited participant won \$10,156.04 and lost \$3,573.80. The other prohibited participant was able to wager between December 19, 2020, and July 12, 2021, making 117 wagers. The prohibited participant won \$61.92 and lost \$247.47. Both accounts have been flagged.

COUNT II

11. IC 4-38-5-4(a) provides a certificate holder or vendor may accept wagers on professional and collegiate sporting events approved for sports wagering by the commission, and other events as approved by the commission. A certificate holder or vendor may use data selected in a manner approved by the commission to determine whether a wager is a winning wager.
12. 68 IAC 27-7-1 provides before accepting wagers on any event category from patrons, a sports wagering operator must receive event category approval from the executive director or the executive director's designee. The sports wagering operator shall provide notice to the executive director or the executive director's designee, and such notice shall include the name of the sports governing body and a description of its policies and procedures regarding event integrity. The commission reserves the right to prohibit the acceptance of any wagers and may order the cancellation of wagers and require refunds on any event for which wagering would negatively impact the integrity of sports wagering in the state.
13. On July 23, 2019, the Commission issued a directive on approved events for sports wagering which indicated that collegiate events shall be limited to NCAA Division I sports.
14. On September 24, 2021, Fan Duel notified the Commission's Sports Wagering Division that an unapproved event was allowed on its Indiana platform.
15. On September 11, 2021, an NCAA Division III football game was offered, and wagers were taken on the game. The football game was between Lewis & Clark College and Claremont-Mudd-Scripps. Both colleges are Division III. FanDuel accepted two (2) wagers which resulted in a loss to both patrons.
16. On November 24, 2021, FanDuel confirmed that the wagers were not cancelled or refunded.

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 \$6,125 (\$5,125 for Count I and \$1,000 for Count III) and ensure that all wagers placed on all unapproved events are voided, and the original wager is returned to the player 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: 1) promptly remit payment in the amount of \$6,125; 2) ensure that all wagers placed on all unapproved events are voided and the original wager is returned to the player; and 3) 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



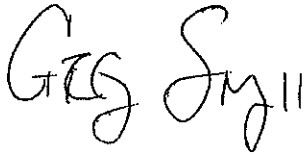
Carolyn Barth Renzin
Chief Risk and Compliance Officer
FanDuel Group

03/04/2022

Date

Date

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

Carolyn Barth Renzin
Chief Risk and Compliance Officer
Betfair Interactive US, LLC d/b/a FanDuel
Sportsbook

3/8/22

Date

Date