

**COMMONWEALTH OF MASSACHUSETTS
MASSACHUSETTS GAMING COMMISSION**

In the Matter of)
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)
Application of Betfair Interactive US LLC for a)
Temporary Untethered Category 3 Sports Wagering Operator)
License)
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**DECISION DEEMING BETFAIR INTERACTIVE US LLC
ELIGIBLE TO REQUEST A TEMPORARY
UNTETHERED CATEGORY 3 SPORTS WAGERING OPERATOR LICENSE¹**

I. Introduction

Betfair Interactive US LLC (“FanDuel”) applied to the Massachusetts Gaming Commission (“MGC” or “Commission”) for an Untethered Category 3 Sports Wagering License. Under G.L. c. 23N, the Commission may issue an Untethered Category 3 Sports Wagering License (“License”) to an entity that offers sports wagering through a mobile application or other digital platform that meets the requirements of c. 23N and the rules and regulations of the Commission. For the following reasons, the Commission hereby deems FanDuel eligible to request a License.

II. Procedural History

On November 21, 2022, the Commission received FanDuel’s Sports Wagering License Application (“Application”), including the \$200,000 application fee. *See* G.L. c. 23N, § 7(A) and 205 CMR 214.01. The MGC Division of Licensing reviewed the Application for administrative sufficiency and determined that the Application was sufficient. *See* 205 CMR 218.03. On January 3, 2023, the Commission held a virtual public meeting to hear public comments on all Untethered Category 3 Sports Wagering applications, *see* 205 CMR 218.05 and 205 CMR 218.06, which are contained in the Commission’s public record. On January 9 and 19, 2023, the Commission held virtual public meetings to determine whether to issue FanDuel a preliminary finding of suitability, which included hearing informal presentations from FanDuel and the Commission’s consultants. *See* 205 CMR 218.04(1)(a)-(b), 218.05(1)(b) and 218.06(1). The Commission deliberated on the Application at its January 19, 2023, meeting, *see* 205 CMR 218.06(4)-(5), and at that same meeting found FanDuel preliminarily suitable and deemed FanDuel eligible to request a License. *See* 205 CMR 215.01(2)(c)-(d) and 218.07(1)(a).

III. Findings and Evaluation

In evaluating whether to issue a License to FanDuel, the Commission considered: all information in the Application submitted by FanDuel; the public comments made on January 3, 2023; the

¹ All facts referenced in this decision were current as of the date of the respective hearings referenced in the Procedural History for this applicant.

presentations made by FanDuel and the Commission’s external consultants² on January 9, 2023; and a written report prepared by the Investigations and Enforcement Bureau (“IEB” or “Bureau”) in accordance with 205 CMR 215.01(2)(b).

In accordance with 205 CMR 218.06(5), in determining whether to deem FanDuel eligible to request a Temporary License, the Commission evaluated all materials and information in the record to determine whether a license award would benefit the Commonwealth, and considered the following factors:

205 CMR 218.06(5)

- a) FanDuel’s experience and expertise related to Sports Wagering, including:
 - 1. FanDuel’s ability to offer Sports Wagering in the Commonwealth;
 - 2. A description of FanDuel’s proposed Sports Wagering Platform;
The technical features & operation of FanDuel’s proposed Sports Wagering Platform;
- b) The economic impact and other benefits to the Commonwealth if FanDuel is awarded a License, including:
 - 1. Employment opportunities within the Commonwealth;
 - 2. The projected revenue from wagering operations, and tax revenue to the Commonwealth;
 - 3. Community engagement;
- c) FanDuel’s proposed measures related to responsible gaming, including:
 - 1. FanDuel’s responsible gaming policies;
 - 2. FanDuel’s advertising and promotional plans;
 - 3. FanDuel’s history of demonstrated commitment to responsible gaming;
- d) A description of FanDuel’s willingness to foster racial, ethnic, and gender diversity, equity, and inclusion, including:
 - 1. Within FanDuel’s workforce;
 - 2. Through FanDuel’s supplier spend;
 - 3. In FanDuel’s corporate structure;
- e) The technology that FanDuel intends to use in its operation, including:
 - 1. Geofencing;
 - 2. Know-your-customer measures; and
 - 3. Technological expertise and reliability;

² The consultants include RSM US LLP (“RSM”), which presented on FanDuel’s financial projections; Gaming Laboratories International LLC (“GLI”), which presented on technology considerations; and the Commission’s Investigations and Enforcement Bureau, which presented on FanDuel’s suitability.

- f) The suitability of FanDuel and its qualifiers, including:
1. Corporate integrity;
 2. The integrity of FanDuel's individual qualifiers;
 3. FanDuel's financial stability, integrity, and background;
 4. FanDuel's history of compliance with gaming or sports wagering licensing requirements in other jurisdictions; and
- g) Any other appropriate factor, in the Commission's discretion.

Further, the Commission decided whether each section of FanDuel's Application addressing these factors met, exceeded, or failed to meet, expectations.

After its review and consideration of all these factors, the Commission finds there is substantial evidence in the record to conclude that FanDuel's proposed Sports Wagering operation meets the requirements set forth in G.L. c.23N and 205 CMR 218. The Commission further finds there is substantial evidence to adopt the following specific findings of fact and conclusions of law related to the Application.

A. Experience and Expertise Related to Sports Wagering

FanDuel was founded in 2009 as a fantasy sports company. In 2018, FanDuel merged with the U.S. arm of Flutter Entertainment, a U.K. online sports betting company, and launched its first sports betting book in New Jersey. FanDuel reported that it is the largest online betting operator in the United States, operating its sports books in 18 states and the province of Ontario. FanDuel holds 46% of the U.S. market share of online revenue, which is greater than the combined market share of its next three largest competitors, and the number one market share in 13 states. FanDuel discussed how it has demonstrated its ability to grow successfully since its entrance into online sports betting in 2018, by offering a diverse suite of online and retail offerings and continuing to expand its offerings. During its presentation, FanDuel discussed how its platform offers users more choice and agency to place bets. The company has made a long-term commitment to expanding the U.S. market for online sports betting.

At the time of its presentation, FanDuel was leading the market in Maryland, the most recent state where it had launched. FanDuel attributes its success in the market to its ability to acquire customers more efficiently than its competitors, retain customers through product innovation and customer app experience, and grow customer value. FanDuel noted that it has the top-rated sports betting app by customers and experts.

FanDuel demonstrated that it has the experience and expertise required to develop and operate a successful Sports Wagering operation. Therefore, FanDuel's proposal in the experience and expertise category meets expectations.

SUMMARY OF EVALUATION BY CRITERIA

Criteria	Finding
<p>FanDuel’s ability to offer Sports Wagering in the Commonwealth</p>	<p>FanDuel was founded in 2009 as a fantasy sports company. In 2018, FanDuel launched its online sports betting platform in NJ.</p> <p>FanDuel operates online sportsbooks in eighteen U.S. jurisdictions (NY, PA, CT, NJ, LA, VA, IL, WV, AZ, MI, IN, TN, IA, CO, WY, KS, OH and MD), and the province of Ontario. FanDuel has 46% of the U.S. market share of online revenue in sports betting. FanDuel’s market share is greater than the next three largest operators combined – DraftKings (21%), BetMGM (15%) and Caesars (7%). FanDuel holds the number one revenue market share position in 13 out of 15 states included in a recent Eilers analysis. In addition, FanDuel has a strong position in northeast states – NY (54%), PA (52%), CT (52%) and NJ (50%).</p> <p>FanDuel has received industry recognition as “Digital Operator of the Year.” And FanDuel’s CEO, Amy Howe, was named “American Executive of the Year” in 2022.</p> <p>FanDuel is owned by Flutter Entertainment PLC (“Flutter”). Flutter is the largest real-money gaming operator in the world.³ Flutter has decades of experience building a sports wagering business across multiple jurisdictions. FanDuel has the benefit of Flutter’s decades of experience, financial resources, product knowledge, technological capabilities, and innovation. Many long-tenured employees from other Flutter divisions have moved to the U.S. to support FanDuel across key positions including: Chief Financial Officer, Head of Risk & Trading; VP of Information Technology; Head of VIP; and Sportsbook General</p>

³ “Real-Money Gaming” means users playing games for real money.

	<p>Manager. These key personnel bring experience from a global marketplace.</p> <p>For the reasons stated above, the Commission unanimously agreed that FanDuel has sufficient ability to offer Sports Wagering in the Commonwealth.</p>
<p>Description of FanDuel’s proposed Sports Wagering Platform</p>	<p>FanDuel’s mobile application is rated number one in the category by customers in the Apple App Store and Google Play Store (as of October 2022).</p> <p>FanDuel has heavily invested in customer promotions and offers since it launched its first online sportsbook in 2018. FanDuel provides promotional offers such as, “Bet \$X Get \$Y,” “No Sweat First Bet,” “Refer a Friend,” and “VIP Deposit Match.”</p> <p>FanDuel also offers live streaming which allows customers to watch and wager on their favorite events. FanDuel currently streams select NHL games, Tennis, Soccer, and Table Tennis. FanDuel was the first U.S. sportsbook to offer such in-app live streaming of games.</p> <p>The Commission was satisfied with FanDuel’s proposed Sports Wagering platform.</p>
<p>Technical features and operation of FanDuel’s proposed Sports Wagering Platform</p>	<p>FanDuel offers a single account and wallet for all of its products. FanDuel described its app as simple, intuitive and easy to navigate. Users can use their account balance to play all of the products that FanDuel offers. When users go to different states, the app prompts them to agree to abide by all of the rules and regulations of the state. FanDuel’s product offerings in the app reflect the compliance rules and regulations of each state that it operates in.</p>

B. Economic Impact

FanDuel noted that in the first six months of 2022, it accounted for 47% of all operator tax revenue in the states it operates in. FanDuel also noted that it is an online company and does not have enough employees based in Massachusetts for a physical office. As such, FanDuel discussed other ways in which the company will have an economic impact on the Massachusetts economy. FanDuel has official partnerships with many sports agencies.

The Commission asked about FanDuel’s long-term efforts to engage the local community. The Commission also asked about how FanDuel plans to bring revenue to the Commonwealth. Consistent with published market guidance, FanDuel estimates that Massachusetts will see a total market of \$700 million by year five (5) post launch, with \$200 million in Sportsbook tax

revenue. FanDuel estimates it will contribute over a quarter of a billion dollars to Massachusetts, between tax revenue and its investments. FanDuel stated it plans to invest \$50 million in local media in its first five years of operation, and that it plans to engage with local venues, vendors, and staffing firms to organize large-scale events in the Commonwealth to support the launch of FanDuel’s online sports book and promote its brand before consumers. The Commission had questions about the financial projections and trends FanDuel included in its application and the contrast with RSM’s projections, which were discussed with FanDuel in executive session. The Commission was satisfied with the responses FanDuel provided.

The Commission raised concerns about the projected revenue from FanDuel’s advertisements in the Commonwealth. FanDuel acknowledged the tension between growing the market and wanting to bring people over from the illegal market, and the intensity and frequency of advertising. FanDuel noted that it is continuously working on improving the number and timing of its ads. FanDuel discussed its plans to focus its ads exclusively on the 21+ demographic.

FanDuel did not provide any information in its application on its plans to engage with the Massachusetts State Lottery (the “Lottery”). The Commission noted that it expects licensees to interact with the Lottery. FanDuel confirmed it has plans to interact with the Lottery; however, it did not wish to publicly disclose its plans. Specifics of FanDuel’s plans were discussed in executive session to the satisfaction of the Commission.

Based on the foregoing, the Commission determined there is substantial evidence that FanDuel’s proposal in the economic impact category meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Employment opportunities	<p>FanDuel is an online company. It has approximately eighteen (18) full-time employees in Massachusetts who reside in Massachusetts and work remotely. FanDuel noted it would like to have an office in Massachusetts in the future.</p> <p>The Commission was satisfied with this employment arrangement.</p>
Projected revenue from wagering operations, and tax revenue	<p>FanDuel estimates that Massachusetts will see a total market of \$700 million by year five (5) post launch, with \$200 million in Sportsbook tax revenue. FanDuel estimates it will contribute over a quarter of a billion dollars to Massachusetts, between tax revenue and its investments.</p> <p>The Commission found FanDuel’s projected revenue satisfactory.</p>
Community engagement	<p>FanDuel plans to create partnerships for community engagement, economic development and tourism opportunities by partnering with local and regional entities including the Massachusetts Office of Business Development, Chambers of Commerce,</p>

	<p>Regional Tourism Councils, and the Massachusetts Marketing Partnership.</p> <p>The Commission was satisfied with FanDuel’s proposed plans for community engagement.</p>
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C. Responsible Gaming

FanDuel introduced a dedicated responsible gaming campaign in March 2022. FanDuel plans to continue with its responsible gaming advertising campaign built internally by the company. The multi-media campaign titled “The System” airs throughout the year and is backed by a significant media investment. To reach users with proactive responsible gaming messaging, FanDuel promotes responsible gaming on all access points for new users and continues educational and specific engagement with individual users and cohorts of users on a targeted basis. FanDuel does its best to identify at risk customers and remove them from its platforms. FanDuel has designed analytical tools to track risky behavior. Once risky behavior is identified, the individual’s gaming history is escalated for review.

The Commissioners noted that FanDuel’s responsible gaming commercials have appeared on local sports news. The Commissioners applauded the work done to date on FanDuel’s responsible gaming marketing.

The Commission inquired about FanDuel’s pre-regulation settlements in 2016 – 2017 and what practices the company changed as a result of the settlements. FanDuel discussed how daily fantasy sports was unregulated in 2015. FanDuel worked closely with the Massachusetts Attorney General on the first set of regulations that were issued in the country. Over twenty states ended up passing laws on daily fantasy sports, most of which adopted in whole or in part the regulations Massachusetts promulgated. Pursuant to the settlements, FanDuel paid a fine and was in compliance with the regulations by the time they became effective.

The Commission had questions on other litigation in which FanDuel was involved. Given that the information related to the cases was confidential, the Commission and FanDuel discussed them in executive session. The Commission was satisfied with FanDuel’s explanations provided in executive session.

On an annual basis, FanDuel agreed to provide the Commission with a report detailing its integrity monitoring services that summarizes unusual betting activity or other suspicious wagering activity notifications issued in the prior year.

Overall, there is substantial evidence that FanDuel’s responsible gaming measures meets expectations.

SUMMARY OF EVALUATION BY CRITERIA

Criteria	Finding
Responsible Gaming Policies	<p>FanDuel’s sports wagering platform has responsible gaming user-operated tools such as limits that can be set on deposits, wagers, and time spent on the platform. FanDuel also provides in-product tools such as self-exclusion resources, timeouts and engagement after certain deposit metrics are hit.</p> <p>FanDuel trains its employees to recognize potential responsible gaming issues and to direct its users to responsible gaming information and tools.</p> <p>FanDuel is the first online operator to partner with the American Gaming Association in its “have a Game Plan” initiative. As part of the initiative, FanDuel became the first U.S. sports betting operator to offer users “GamBan,” a product that allows users to exclude themselves from accessing any gaming apps or websites.</p> <p>FanDuel was the first operator to sign up for PlayPause, a national customer database to enable operators to collaborate across platforms to assist at-risk users.</p> <p>FanDuel also has a compliance team and compliance program designed to safeguard the integrity of their product offerings.</p> <p>FanDuel verifies that all users are 21 years of age. FanDuel also verifies that users are not self-excluded or otherwise prohibited from participating in sports betting at the time of account creation. If there should be a match, the account will be blocked from creation.</p> <p>FanDuel’s Responsible Gaming team plans to maintain a copy of the Massachusetts self-exclusion list, in the same manner as it does in other states.</p> <p>FanDuel screens all users against the OFAC lists during the identity verification process and on a periodic basis thereafter. If a user is found to be a match to the OFAC list during onboarding, an account will not be opened. If a user becomes sanctioned during the pendency of the account and is identified as such during periodic screening, FanDuel will freeze the</p>

	<p>account. FanDuel will investigate and report findings to OFAC.</p> <p>FanDuel’s user terms and conditions prohibit athletes, coaches and other team management, team support personnel, and team owners from participating in any FanDuel contests in the sport or sports with which they are associated. Team owners, referees, league employees, sports commissioners, and other individuals who through an ownership interest or game-related employment can influence the gameplay are likewise prohibited.</p> <p>FanDuel partners with nonprofits to address responsible gaming.</p> <p>The Commission was satisfied with FanDuel’s responsible gaming policies.</p>
<p>Advertising and Promotional Plans</p>	<p>FanDuel will make investments in local media. It plans to spend \$50 million on locally based marketing.</p> <p>FanDuel also intends to engage local venues, vendors and staffing firms to organize and execute large-scale events.</p> <p>The Commission was satisfied that FanDuel’s advertising and promotional plans will adhere to its responsible gaming policies.</p>
<p>History of Dedicated Commitment to Responsible Gaming</p>	<p>FanDuel maintains Responsible Gaming pages on all websites and apps that includes information on Responsible Gaming tools, local resources, helpline information, other responsible gaming and problem gambling resources.</p> <p>FanDuel developed a central resource for responsible gaming and problem gambling resources, outside of the FanDuel platforms (www.fanduel.com/playwell).</p> <p>In 2022, FanDuel launched a new campaign to promote responsible gaming.</p> <p>FanDuel created a responsible gaming ambassador team to encourage customers to play within a budget and never chase losses.</p> <p>The Commission was satisfied with FanDuel’s history of commitment to responsible gaming.</p>

D. Diversity, Equity, and Inclusion

The Commission included Diversity, Equity, and Inclusion as a stand-alone consideration to demonstrate the value it places on this category of an applicant’s application.

During its presentation, FanDuel discussed how women account for 42% of FanDuel’s senior leadership roles. FanDuel is the only U.S. operator in this space with a female CEO. FanDuel stated that 18% of the members of its C-Suite are underrepresented minorities. The Commission asked about FanDuel’s internal job training programs targeted to minority or disadvantaged individuals akin to its internal Women Leadership Development Program. FanDuel explained that its Women Leadership Development Program was a new program that it was piloting, which it would use to develop other programs. FanDuel discussed other mentoring programs that it currently has for the development and growth of various diverse groups.

FanDuel, through its charitable giving initiative, has made investments into community organizations in connection with its launch in various cities and it is identifying potential recipients in Massachusetts.

FanDuel did not provide specific numbers for its diversity spend goals. The Commission mentioned different avenues that FanDuel could consider looking into to help increase its diversity spend, such as the Massachusetts Operational Services Division (OSD). FanDuel acknowledged that it is has a lot of work to do in terms of diversity spend. In recognition of that fact, it has hired a Head of Diversity, Equity and Inclusion to further support its diversity efforts.

The Commission asked about the \$1 million investment that FanDuel committed to making across various cities; FanDuel clarified that this investment is specific to Massachusetts. FanDuel was still evaluating whether the investment would be made to one organization or to multiple organizations. The Commission encouraged FanDuel to engage with local establishments including both the Lottery and W/MBE businesses.

There is therefore substantial evidence that FanDuel’s diversity, equity, and inclusion efforts proposal meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
DEI within the workforce	FanDuel recently hired a Head of DE&I. FanDuel has built a diverse pipeline by attending recruiting events at AFROTech (Austin, TX) and Society of Hispanic Professional Engineers (Charlotte, NC). FanDuel has a partnership with Atlanta University Center and other historically black colleges and universities. FanDuel has recruited at “Women in Sports and Events Multiplier Summit” (Boston, MA).

	<p>FanDuel recently implemented a pilot Women’s Leadership Development Program. This is a six-month internal professional development program for emerging women leaders within the company. FanDuel plans to extend this type of program to other diverse categories.</p> <p>All FanDuel employees are required to take a DE&I learning & training course.</p> <p>FanDuel has established four employee resource groups (ERGs): TWEE (for female employees), BOLD (for Black employees), SPEAK (for Asian and Pacific American employees), and the Outfield (for LGBTQIA+ employees). There are also two developing interest groups focusing on the veterans/military community and on the Latinx community which will likely become ERGs.</p> <p>The Commission was satisfied with FanDuel’s workforce goals.</p>
<p>DEI through supplier spend</p>	<p>FanDuel is committed to identifying and engaging minority-owned, women-owned, and veteran owned businesses in support of its external diversity efforts. FanDuel is working on its procurement efforts and intends to use diverse firms where it can. It will contact the Massachusetts Operation Services Division to identify opportunities for diverse spending.</p> <p>The Commission was satisfied with FanDuel’s proposed goals for supplier spend.</p>
<p>DEI in corporate structure</p>	<p>Women account for 42% of FanDuel’s senior leadership roles. FanDuel is the only U.S. operator in this space with a female CEO. 18% of its C-Suite is comprised of underrepresented minorities.</p> <p>The Commission was satisfied with FanDuel’s DEI in corporate structure.</p>

E. Technology

FanDuel developed its technology in-house, rather than relying on third parties. FanDuel stated that its technology can accept sports wagering and generate electronic wagering tickets all in-house. The Commission noted that technology has been an issue for many companies in this space, and applauded FanDuel for its ability to develop its product in-house.

FanDuel’s mobile sports wagering platform offers a “cash out” option. Cash out allows FanDuel users the option to get paid for a wager before the result of the event is complete. A user can elect to take partial winnings before the event is complete, should they want to take a profit on a previously placed wager, without the added risk. FanDuel also offers bet tracking flow on its platform. Bet tracking allows users to see their open bets. Users can view the live score and cash out offers.

FanDuel also offers streaming on its platform to live stream games including the NHL, select MLB games, tennis, soccer, and table tennis.

FanDuel discussed how customers can manage their play by setting time limits, temporarily stopping use (“cooling off”), and through self-exclusion. The Commission had questions about the time limit and cool off period options in the app. FanDuel described how customers can set a daily time limit. However, the app did not have a feature to set specific hours during the day for play, only a total number of hours during the day. If a customer sets a time out, FanDuel does not give affirmative notice to the customer that the time out period has expired; the customer has to initiate re-engagement.

The Commission also inquired about parental controls in the app. FanDuel explained that it completes thorough KYC checks on customers to confirm their age. Beyond that, FanDuel provides information to customers that they can install parental control software to prevent access to the app if they have shared computers and other devices that minors may have access to.

The Commission asked about how FanDuel’s app works across its three platforms to distinguish age requirements for certain products, such as daily fantasy sports vs. sports betting. FanDuel confirmed that its technology can distinguish and apply the applicable rules to a customer based on the customer’s age and the requirements in a particular jurisdiction.

The Commission asked about reality checks in the app. The app does not allow customers to disengage reality checks if it is required by the jurisdiction. A user can do a more frequent reality check; however, they cannot do a shorter period of time. FanDuel noted that some jurisdictions require it to log customers out of the app after a certain amount of time.

There is substantial evidence that FanDuel’s technology meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Geofencing	FanDuel utilizes the GeoComply geolocation security system. GeoComply is licensed in all jurisdictions in which FanDuel operates a mobile sports wagering platform. The integration between GeoComply’s software and FanDuel’s mobile sports wagering platform is tested and verified by an independent testing laboratory before FanDuel launches its mobile sports wagering platform in a given state.

	<p>FanDuel will only accept wagers on its mobile sports wagering platform from users who are successfully geolocated within the Commonwealth of Massachusetts.</p> <p>The Commission was satisfied with FanDuel’s Geofencing system.</p>
<p>Know your customer measures</p>	<p>FanDuel has committed KYC resources to guarantee that it is verifying the identity, location, and age of every user on the platform.</p> <p>FanDuel takes steps to ensure that its marketing and advertising is reaching its intended 21+ target audience.</p> <p>In jurisdictions where it has been applicable, FanDuel has allowed users to verify their identity and register an account with FanDuel during the period leading up to launch.</p> <p>A user’s account details will automatically be checked by third-party service providers, which are integrated KYC providers. As part of the FanDuel registration process, a prospective user submits the following personal information: (i) legal name; (ii) date of birth; (iii) residential address; (iv) phone number; (v) active email address; (vi) social security number, or the last four digits thereof, or an equivalent identification number for non-citizen users, such as a passport or taxpayer identification number; and (vii) any other information collected from the user used to verify his or her identity. Once the user’s personal details are received by the KYC providers, the KYC providers validate the data against public and governmental databases. The information requested from users in instances will be universal across the FanDuel platform, except as required by relevant state law or regulations.</p> <p>In instances when a KYC check from a KYC provider returns an error, users may upload identification documents.</p> <p>The Commission found FanDuel’s KYC measures satisfactory.</p>
<p>Technological expertise and reliability</p>	<p>FanDuel’s technology is developed in-house.</p> <p>FanDuel’s sports wagering platform is processing and settling significantly more bets than any other platform in the market and offering more bets than any other platform. FanDuel offers more than 50,000 unique wagering markets on the core U.S. sports (NFL, NBA, MLB, and NHL). FanDuel offers over 50+ features and several more currently are in development. Some examples of these features are “Same Game Parlay,” “In-Play,” “Player Prop Tracking,” and “Early Cash Out.”</p>

	<p>FanDuel’s mobile sports wagering platform has been certified by GLI in AZ, CO, CT, IL, IN, IA, KS, LA, MI, NY, PA, TN, VA, WV, and WY. At the time of its presentation, FanDuel’s mobile sports wagering platform was also under active consideration for regulatory approval in MD and OH. In addition, the mobile sports wagering platform was approved for use in NJ by the NJ Division of Gaming Enforcement, which does not accept independent testing laboratory certifications.</p> <p>FanDuel provides users with a single account and wallet solution that can be used across many of FanDuel’s product offerings.</p> <p>Users may wager on a wide range of markets while events are in-play, including game lines, player props, quarters and half betting. The platform’s in-play offering provides users the ability to track the action for each game as well as live scoreboards and play-by-plays.</p> <p>FanDuel also offers Same Game Parlay (“SGP”). SGP is a product offering that brings multiple elements of an event to life in one wager. SGP allows the user to select as many individual bets as they wish within a single game (e.g., moneyline, spread, over/under, player props, and game props).</p> <p>FanDuel has invested resources and undertaken development work towards improving its user support model. FanDuel’s customer support staff undergo comprehensive front-line training to address user concerns. Users have methods of engaging with customer support staff through integrated links directly within the mobile sports wagering platform, and integrated chat features allow them to connect with FanDuel staff. FanDuel’s customer support portal provides tools and resources to address frequently asked questions and to learn more about FanDuel’s product offerings.</p> <p>The Commission was satisfied with FanDuel’s technological expertise and reliability.</p>
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F. Suitability of FanDuel and its Qualifiers

At the January 9, 2023, presentation, the Commission expressed concern about outstanding tax certifications for entity qualifiers relevant to the suitability applications. FanDuel discussed these concerns with the Commission in executive session. The Commission requested supplemental information, which FanDuel subsequently provided. In light of the discussion in executive session and the supplemental information received, the Commission was satisfied with FanDuel’s response.

The Commission may determine that an applicant or qualifier is suitable to hold a Sports Wagering license based on (1) the applicant and its qualifiers, or the qualifier, certifying to their suitability under the pains and penalties of perjury, and (2) the IEB’s investigative report. *See* 205 CMR 215.01(2)(a). The Commission deliberated on FanDuel’s preliminary suitability during its deliberations on FanDuel’s Application on January 9, 2023. *See* 205 CMR 215.01(2)(c). Based on FanDuel’s and its qualifiers’ certifications and the IEB’s investigative report, the Commission determined that FanDuel and its qualifiers are suitable to hold a Sports Wagering license. *See* 205 CMR 215.01(2)(d)(1). The Commission is satisfied with FanDuel's suitability, and that of its qualifiers. It therefore found FanDuel preliminarily suitable.

Overall, there is substantial evidence that FanDuel’s proposal in the suitability category meets expectations.

SUMMARY OF EVALUATION BY CRITERIA	
Criteria	Finding
Corporate integrity	FanDuel is preliminarily suitable to hold a sports wagering license.
Individual qualifier integrity	IEB’s investigative report prepared for the purposes of this temporary license decision has not revealed any disqualifying information concerning FanDuel’s integrity, honesty, good character, or reputation.
FanDuel’s financial stability, integrity, and background	FanDuel’s Independent Audit Report and Material Weakness Statement submitted pursuant to 205 CMR 139.07(1), and its quarterly spending reports, have not revealed any disqualifying information concerning FanDuel or its financial stability, integrity, or background.
FanDuel’s history of compliance with gaming or sports wagering licensing requirements in other jurisdictions	FanDuel is currently licensed to operate an online sportsbook in eighteen (18) jurisdictions: NY, PA, CT, NJ, LA, VA, IL, WV, AZ, MI, IN, TN, IA, CO, WY, KS, OH and MD. ⁴

IV. Award

THE COMMISSION FINDS THAT THERE IS SUBSTANTIAL EVIDENCE IN THE RECORD THAT FANDUEL’S APPLICATION MEETS EXPECTATIONS IN ALL CATEGORIES AND THAT FANDUEL IS ELIGIBLE FOR A TEMPORARY UNTETHERED CATEGORY 3 SPORTS WAGERING LICENSE.

On January 19, 2023, the Commission deemed FanDuel (“Licensee”) eligible to request a Temporary Untethered Category 3 Sports Wagering Operator License (“License”) pursuant to the terms and conditions of this Agreement (“Agreement”). On November 21, 2022, the MGC

⁴ These facts were accurate as of January 9, 2023.

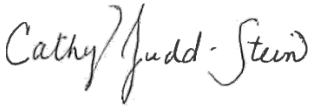
received FanDuel's request for a temporary license, and an initial licensing fee of \$1,000,000 payable to the Commission. *See* 205 CMR 219.02(1). On January 19, 2023, the Commission voted to issue the requested temporary license. *See* 205 CMR 219.02(3).

This License is subject to the following conditions:

1. Compliance with all of the requirements of G.L. c. 23N, as now in effect and as hereafter amended and 205 CMR, as now in effect and as hereafter amended.
2. Compliance with all applicable federal, state, and local laws, rules and regulations, now in effect or as hereafter amended or promulgated.
3. Compliance with the license conditions required by 205 CMR 220, namely:
 - a. That the Licensee obtain an Operation Certificate before conducting any sports wagering in the Commonwealth;
 - b. That the Licensee comply with all terms and conditions of its license and Operation Certificate;
 - c. That the Licensee comply with G.L. c. 23N and all rules and regulations of the Commission;
 - d. That the Licensee make all required payments to the Commission in a timely manner;
 - e. That the Licensee maintain its suitability to hold a Sports Wagering license; and
 - f. That the Licensee conduct sports wagering in accordance with its approved system of internal controls, and in accordance with its approved house rules, in accordance with G.L. c. 23N, § 10(a) and with 205 CMR.
4. The Licensee post the License, in the form prescribed by the Commission, in a location continuously conspicuous to the public on the Licensee's Sports Wagering Platform and website at all times.
5. Payment of assessments made pursuant 205 CMR 221.00 in accordance with that regulation.
6. The Sports Wagering Operation shall substantially conform to the information included in the application filed by the Licensee and abide by all affirmative statements made in the Licensee's application.
7. The term of the temporary License awarded to Licensee commences upon February 23, 2023, and shall expire as set out in 205 CMR 219.03.

SO ORDERED

MASSACHUSETTS GAMING COMMISSION



Cathy Judd-Stein, Chair



Eileen M. O'Brien, Commissioner



Bradford R. Hill, Commissioner



Nakisha L. Skinner, Commissioner



Jordan M. Maynard, Commissioner