SERVICE PROVIDER & ACCOUNT DEPOSIT WAGERING - LICENSE APPLICATION

NORTH DAKOTA RACING COMMISSION

SFN 53785 (05-2016)

North Dakota Racing Commission
500 N 9th Street, Bismarck, ND 58501-4509
Telephone: (701) 328-4633 Fax: (701) 328-4280
//racingcommission.nd.gov

Date	Year	☐ New ☐ Renewal

Applicants for renewal of an existing license must complete all questions contained in this application.

License Fee - nonrefundable

First time or lapsed license application $7,500.00
Renewal of an existing license $2,500.00

Payable to: North Dakota Racing Commission

FOR OFFICE USE ONLY	
Date of Issue	NDRC Director's Approval
License Fee $	Paid By ☐ Wire ☐ Check
Receipt Number	NDRC License Number

Official, Legal Name of Organization (Do Not Abbreviate)		Type of Business ☐ Corporation ☐ Partnership ☐ Other		
Business Address (Physical Street Address)	City	State	ZIP Code	Country
Mailing Address (if different than above)	City	State	ZIP Code	Country
Federal Taxpayer ID Number	Website			

Name of Contact Person		Title		
Mailing Address (if different than above)	City	State	ZIP Code	Country
Telephone Number	Email Address			

Board Members

Name	Address

List all officers, directors, partners, and shareholders or entities which have a proprietary interest in the ownership structure of the applicant.

Full Name	Address	Social Security Number	Date of Birth	Federal Employer ID Number	Percent of Ownership

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Full Name	Address	Social Security Number	Date of Birth	Federal Employer ID Number	Percent of Ownership

Key Employees

Name	Relationship to Operating Plan

Provide a summary statement of the purpose and planned activities of the applicant. Include, as an attachment, a detailed Operating Plan including a description of all wagering and verifications systems with diagrams of connections, where applicable.

Name of Totalizator Provider to be Utilized in Communicating Wagers to the Licensed Racing Associations

List all written agreements between the Organization and all parties assisting in providing services, and provide each agreement as an attachment.

Provide a list of all websites and simulcast locations with corresponding TRA codes. Physical addresses of simulcast locations should be included, when applicable.

NOTE: All "white label" sites must be identified as such and an additional Service Provider & Account Deposit Wagering - License Application should be submitted as an attachment to this application for each entity contracting for "white label" services. All contracts between the Organization and the entity contracting for "white label" services shall be provided with the application.

Estimated Date of Beginning Operation	Estimated Date of Acquiring Horse Race Track Content
Schedule of Operations Wagering Activities	

Provide the following as attachments *(place corresponding number on document to track)*:

- ☐ 1. A Business Plan demonstrating revenues and costs expected from operations including full disclosure of all fees and other financial considerations related to the operation of simulcasting and/or account deposit wagering, i.e., a pro forma operating statement for the anticipated license year.
  NOTE: Applicant may be required, after consideration of applications by the North Dakota Racing Commission, to submit an independent CPA audit and may require a SAS 70 audit including the year-end prior to issuance of license.
- ☐ 2. A description of all "Know Your Customer" and Anti-Money Laundering policies and procedures. The description must detail all systems and procedures used to validate identity, age and jurisdiction of legal residence of account holders including checking account holders against the specially designated nationals list maintained by the United States Department of Treasury and the designated foreign terrorist organizations list maintained by the United States Department of State. Where services are rendered by a third party, that third party must be identified and a description included of all processes and procedures for the services provided.
- ☐ 3. A detailed description of all payment processing systems and procedures. Where services are rendered by a third party, that third party must be identified and a description included of all processes and procedures for the services provided.
- ☐ 4. The procedures to ensure the legality of wagers accepted including the current legal status of each jurisdiction from which customers may wager.
- ☐ 5. A description of the processes and procedures implemented by the Organization or in conjunction with tracks and other industry stakeholders to address potential odds manipulation through placing large bets on small pools, the cancellation of wagers, and other methods.
- ☐ 6. A copy of rules governing the acceptance and management of accounts, and copy of any changes in such rules at least thirty days prior to the effective date.
- ☐ 7. All bank accounts and bank account numbers used to maintain a separate record of all revenues collected by the applicant and the distribution of such revenues. The principal address of the bank and contact information for the bank employee overseeing the accounts must be included.
- ☐ 8. A copy of Certificate of Incorporation.
- ☐ 9. The applicant's history and experience in gaming and wagering activities. This statement must include any rulings, fines, penalties, or investigation in regard to the applicant or principal officers of the applicant.
- ☐ 10. A brief biographical history of the owners and managers of the operation. It should include professional and employment background.
- ☐ 11. A list of any arrests, misdemeanor or felony history, if such exists.

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☐ 12. Provide, as an attachment(s), a Financial Statement of the applicant including, but not limited to, the following:

- ☐ Balance sheet through the quarters:
  - ended June 30 of the current year
  - ended June 30 of the previous year
  - ended June 30 of the two (2) years previous
- ☐ Income and expense statements through the quarter ended June 30 of the current year and for the year ended previous December 31.
- ☐ Copies of any loans or other operating agreements between the applicant and persons or entities having a proprietary or other interest in the applicant which are not reflected in the applicant's financial statement.

List all current licenses covering wagering operations in any other jurisdiction. Identify all websites, simulcast sites, and any other wagering operations associated with those jurisdictions. A physical copy of each license must be included as an attachment.

If the applicant is associated with racing in the state, explain that association.

Is there any impairment with applicant that would result in a failure to register with the North Dakota Secretary of State?
☐ Yes ☐ No

I certify that the foregoing information is true and correct to the best of my knowledge. I further certify the following:

- Prompt ND Racing Commission access to reports, logs, wagering transaction detail and customer account detail, in printed form or standard electronic format as approved by the ND Racing Commission.
- Prompt ND Racing Commission access to all records relating to customer identity, age and residency in hard copy or standard electronic format as approved and requested by the ND Racing Commission.
- Prompt ND Racing Commission access to customer account detail in hard copy or standard electronic format approved by the Commission for persons the Commission has reason to investigate based on possible placing of wagers for persons other than the account holder, wagers that may be related to the investigation of any race or wagering pattern or relevant to any other investigation as may be determined by the Commission.
- Secure retention of all records related to wagering and customers accounts for a period of not less than three years or such longer period specified by the Commission.

On behalf of the Organization and its principles, I hereby provide authorization for the ND Racing Commission to obtain credit reports from bureaus, lenders, suppliers and vendors.

I acknowledge that failure to provide complete and accurate information, or submission of false information, may be grounds for disqualification.

Name of Preparer	Title	Telephone Number
Signature		Date

Name of President/Chairman	Name of Organization	Telephone Number
Signature		Date