

Initial Application for Fantasy Sports Operators



Tre Hargett
Secretary of State

Division of Charitable Solicitations and Gaming

Department of State

State of Tennessee
312 Rosa L. Parks Avenue, 6th Floor
Nashville, Tennessee 37243
Phone: 615-741-2555
Fax: 615-253-5173
sos.tn.gov/charitable

For Office Use Only

_____ \$ _____

Instructions: Please type or print all items on this form. If you are unable to answer in the space provided, you may **attach** additional sheets. A **nonrefundable** application fee of \$300.00 must accompany this application.

1. Name of the applicant: _____

2. Name of the primary contact: _____

3. Principal office or, if no physical office is maintained, name and address of person having custody of financial records (PO Box not acceptable):

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

4. Primary contact/ mailing address (if different from principal). **Note: This is the address the division will use to send official correspondence.:**

Salutation: _____ First Name: _____ Last Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

5. Phone: (_____) _____ Fax: (_____) _____

Email Address: _____ Website: _____

6. List the name(s), address(es), and contact information of each individual who has ownership of the fantasy sports operator as defined by Rule 1360-03-05-.03(1)(d):

A. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

B. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

C. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

D. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

E. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

F. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

G. Salutation: _____ First Name: _____ Last Name: _____

Title: _____

Address: _____

City: _____ State: _____ Zip Code: _____ County: _____

Phone: (_____) _____ Email Address: _____

7. Has any partner, member, director or officer of a non-publicly held corporation, director or officer of a publicly held corporation, or any stockholder of five percent (5%) or more of a corporation, who is involved in the day to day management of fantasy sports contests and operations been convicted of a crime (other than a minor traffic offense)? If yes, provide a detailed explanation (including the nature of the crime, the date, place of conviction, and the legal disposition of the case). Convictions that have been expunged do not need to be disclosed. **Attach** Identity History Summaries for each individual identified above in accordance with Rule 1360-03-05-.03(e).

8. List any additional interest in other fantasy sports operators as defined by Rule 1360-03-05-.03(f):

9. Provide the address(es) and description of any physical facility operated by the fantasy sports operator, including the number of employees and the nature of the facility's business:

10. The applicant must **attach** the following documents:

- A copy of the applicant's policies and procedures for limiting each player to one continuous and active account;
- A copy of the applicant's policies and procedures for limiting individual player deposits to no more than \$2,500 per month;
- A copy of the applicant's policies and procedures for temporarily or permanently increasing a player's deposit limit, at the request of the player, to an amount above \$2,500 per month;
- A copy of the applicant's information and documentation regarding the reserve, segregated account, or Escrow Fund Account established pursuant to Rule 1360-03-05-.08(2);
- A copy of the applicant's policies and procedures adopted to verify the identity of players seeking to establish accounts;
- A copy of the applicant's certificate of tax clearance issued by the Commissioner of the Tennessee Department of Revenue which states that the applicant is current on all taxes, fees, and penalties to the satisfaction of the commissioner; or a statement that the applicant has no current obligation to the commissioner because it is a newly registered entity in Tennessee;

- A statement that the applicant is registered with the Secretary of State's Division of Business Services and the applicant's control number issued by the Division of Business Services;
- The total amount of adjusted revenue earned by the fantasy sports operator for the prior fiscal year;
- A calculation of the resident percentage for the prior fiscal year;
- The total amount of all winnings earned by fantasy sports players (including non-Tennessee consumers) for the prior fiscal year;
- A copy of the applicant's audited financial statements prepared in accordance with the attestation standards established by the American Institute of Certified Public Accountants for the most recent completed fiscal year and audited or unaudited financial statements for the most recent completed fiscal quarter;
- A copy of the applicant's policies and procedures related to the prevention of minor participation in fantasy sports contests;
- A copy of the applicant's policies and procedures related to advertisements, including the policies and procedures related to accurate representations concerning chances of winning and the number of persons winning;
- A copy of the applicant's policies and procedures related to the applicant's compliance with the Federal Trade Commission, Guides Concerning Use of Endorsements and Testimonials in Advertising, compiled in 16 CFR § 225;
- A copy of the applicant's policies and procedures relating to assistance available to problem gamblers;
- A copy of the applicant's policies and procedures relating to implementation and enforcement of self-limitations and self-exclusions requested by players;
- A copy of the applicant's policies and procedures related to protection of player deposits, including prevention of unauthorized withdrawals from player accounts by fantasy sports operators or others, reporting and responding to complaints by a player regarding the handling of the player's account, and closure of player accounts;
- A copy of the applicant's policies and procedures related to account monitoring to prevent misuse of accounts, including detection and prevention of misuse of proxy servers, location verification, prevention of the use of unauthorized scripts, and prevention of the use of preselected teams;
- A copy of the applicant's policies and procedures related to the prevention of unauthorized play by fantasy sports operator employees, fantasy sports operator contractors, any spouse, children, or parents of any sports operator employee or contractor, professional or amateur athletes whose individual statistics or performance may be used to determine any part of the outcome of a fantasy sports contest, any sports agent, team employee, referee, or league official associated with any athletic competition that is the subject of fantasy sports contests;

- A copy of the applicant's policies and procedures relating to fantasy sports contests for beginning players, including an explanation of contest play, identification of highly experienced players (including symbols or other identification used), recommending beginning player only contests and low cost private contests, percentage of contests open only to beginning players and that exclude highly experienced players, prevention of access by highly experienced players to beginner player contests directly or through a proxy, suspension of accounts of highly experienced players who participate in contests for beginning players only, the locking of fantasy sports contests, and the restriction of the number of entries per fantasy sports contest per player;

The secretary of state may inquire regarding additional financial information, or seek additional financial documentation, within his or her discretion.

This document must be signed by an authorized officer and notarized.

My name is _____ and I serve as the _____ of _____. I swear or affirm to the best of my knowledge, information, and belief, that the information submitted on this application is true and correct, and that I have made a good faith effort to verify the information submitted herein.

A. Signature of Authorized Officer: _____

Salutation: _____ First: _____ MI: _____ Last: _____

Position Title: _____ Date: _____

B. Notary Public: _____

My Commission Expires: _____ State of _____, County of: _____

Sworn to before me this _____ day of _____, 20 _____

Signature: _____