Arizona Department of Gaming

Event Wagering Operator Application



Arizona Department of Gaming
100 N. 15th Ave, Suite 202
Phoenix, AZ 85007
(602) 771-4263

APPLICATION FEE:

Event Wagering Operator

Application Fee: **$100,000**
Initial License Fee: **$750,000**
Annual Renewal Fee: **$150,000**

THE FOLLOWING FORMS MUST BE COMPLETED AND RETURNED WITH APPLICATION FEE TO BEGIN PROCESSING

Additional Information:

- Event Wagering Operator means:
  - An owner or operator of an Arizona professional sports team or franchise, an operator of a sports facility in this state that hosts an annual tournament on the PGA Tour or a promoter of a national association for stock car auto racing national touring race in this state, or the Designee of such an owner, operator or promoter, who is licensed to offer event wagering under this chapter. If an owner, operator or promoter that qualified for an Event Wagering Operator license appoints a Designee, the Designee will be considered the Event Wagering Operator and the Licensee with respect to the applicable license for the purposes of this chapter **A.R.S § 5-1301(7)(a)**
  - An Arizona Indian Tribe or an entity fully owned by an Arizona Indian Tribe, or its Designee, licensed to operate only mobile event wagering outside the boundaries of its Indian lands and throughout this state if it has signed the most recent Tribal-State Gaming Compact and any applicable appendices or amendments. If an Indian Tribe that qualified for an event wagering license appoints a Designee, the Designee will be considered the event wagering operator and the licensee with respect to the applicable license for the purposes of this chapter **A.R.S § 5-1301(7)(b)**
- Notification of Change of Principals. After an Event Wagering Operator is Licensed, the Event Wagering Operator shall report any change to the information regarding ownership included in its application with the Department within thirty (30) days after the change is effective. **A.R.S § 5-1305(E)**
- An applicant for licensure may not withdraw an application without the written permission of the Department. The Department may not unreasonably withhold permission to withdraw an application. **A.A.C. R-19-4-105(K)**
- A License issued…may not be transferred to another person or entity without prior approval of the Department. The Department shall work with applicants and Licensees to ensure there is no gap in the validity of the License. **A.R.S. § 5-1305(I)**
- You are advised that this application is an official document and false or incomplete answers could result in criminal prosecution and the denial, or subsequent revocation, of an Event Wagering Operator License.
- In addition to this application, applicants shall provide information, documentation, and assurances concerning financial background and resources of the applicant or its Management Services Provider to establish by clear and convincing evidence the financial stability, integrity, and responsibility of the applicant or its Management Services Provider. This includes, but is not limited to, proof of meeting the following standards **(A.R.S. § 5-1304(B))**:

- The ability to ensure the financial integrity of event wagering operations by maintaining a bankroll or equivalent provisions adequate to pay winning wagers to bettors when due. **A.R.S. §5-1304(B)(6)(a)**

- The ability to meet ongoing operating expenses. **A.R.S. § 5-1304(B)(6)(b)**

- The ability to pay, as and when due, all state and federal taxes. **A.R.S. § 5-1304(B)(6)(c)**

- Information establishing sufficient business ability and gaming experience. **A.R.S. § 5-1304(B)(7)**

- Information on the amount of adjusted gross event wagering receipts and associated adjusted gross receipts that the applicant expects to generate. **A.R.S. § 5-1304(B)(9)**

Application Packet Checklist

On receipt of a completed application and the required fee, the Department shall conduct the necessary background investigations to determine if the applicant meets the qualifications for licensure. The applicant agrees to provide access to the following information and/or documents and to provide copies, as requested. This information includes, but is not limited to, the following:

Please verify all items are checked-off and included in the application packet in order to avoid a rejected application.

✓ ***Application – Do NOT staple applications***

- ☐ EWFS-EWO Business Application
- ☐ ADG-903 Release Form
- ☐ ADG-906 Authorization to Release Credit Information
- ☐ **ALL** Applications requested for Individuals
- ☐ Articles of Incorporation or Organization/Partnership Agreement and all amendments
- ☐ Bylaws
- ☐ Certification of Good Standing from Registered State
- ☐ Current Litigation List
- ☐ List of all Gaming Licenses
- ☐ Updated – Detailed Internal and External Organizational charts
- ☐ **Payment** – https://adgpay-ewfs.az.gov/- Please Provide a Copy of Payment Confirmation

Financial Information – 3 Years for Initial Application*

- ☐ Audited Financial Statements to include, but not be limited to:
  - ☐ Annual Reports
  - ☐ Income Statement
  - ☐ Balance Sheet
  - ☐ Statement of Cash Flows
  - ☐ Notes to Financial Statements
- ☐ Last **three (3) years** of tax returns
- ☐ List of past and current SEC violations

Pursuant to A.R.S §41-1030:
...B. An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

...D. This section may be enforced in a private civil action and relief may be awarded against the state. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.
E. A state employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the agency's adopted personnel policy.
F. This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02.

Applicants Initials_____

ARIZONA DEPARTMENT OF GAMING
EVENT WAGERING OPERATOR APPLICATION

Date: _____

1. Entity Name: _____ Phone: _____
Trade Name/ dba Name: _____ Fax: _____
Physical Address: _____
City: _____ State: _____ Country: _____ Zip Code: _____
Mailing Address: _____
City: _____ State: _____ Country: _____ Zip Code: _____
Company Headquarters? ☐ Yes ☐ No Website:

2. Parent Company: _____ Phone: _____
Mailing Address: _____ Fax: _____
City: _____ State: _____ Country: _____ Zip Code: _____
Company Headquarters? ☐ Yes ☐ No

3. Contact Person: _____ Phone: _____
Position: _____ Fax: _____
Email address: _____

4. Accounting Contact Person _____ Phone: _____
Email address: _____ Fax: _____
Mailing Address: _____
City: _____ State: _____ Country: _____ Zip Code: _____

5. Entity Type: ☐ Corporation ☐ S-Corp ☐ Partnership
☐ Sole Proprietor ☐ Limited Liability Company
☐ Other: _____

6. Ownership: ☐ Private ☐ Public Ticker Symbol _____ Exchanges on which traded _____

7. Accounting Year ☐ Calendar Year ☐ Fiscal Year Year End Date: _____

8. Federal Tax Id Number / Employer Id Number: _____
Social Security Number if Sole Proprietor: _____

9. Complete the following: (if the applicant is a partnership or limited liability company, furnish comparable information)

(a) State of incorporation / organization: _____ Date of Incorporation: _____
(If incorporated out of state, you must attach a letter of good standing from the state where incorporated)

10. (a) A general description of the nature of the business. (Attach a separate page, if necessary)

(b) A Description of any physical facility operated by the Applicant in Arizona. (Attach a separate page, if necessary)

(c) Please attach a detailed organizational chart listing all employees and titles. Please label as "Item 10c."

11. List all individuals and/or entities who holds a 5% or more ownership stake in the company.

State all titles or positions currently held with the business.
Each of the persons named below are required to complete and file all required application forms and fingerprint impressions.

☐ Check here if you attached a list. Please label list as "Item 11"

Full Name	Title	# of Shares	% of Ownership
			%
			%
			%
			%

12. Is the business regulated by any other state or federal agencies? List all that apply:

☐ Check here if you attached a list. Please label list as "Item 13"

13. List gaming licenses issued or pending with other jurisdictions:

☐ Check here if you attached a list. Please label list as "Item 14"

Agency	Agency City, State	Type of License	Dated Issued	Date Expired	Status

14. List any past or current letters of concern, violations, hearings or settlements in relation to obtaining a license and/or permit to conduct business in any gaming jurisdiction in or outside of the United States.

☐ Check here if you attached a list. Please label list as "Item 15"

Agency	Agency City, State	Date of Violation	Violation	Status

15. Is there past or current litigation (civil or criminal) involving the Applicant?

☐ Yes (Explain Below) ☐ No ☐ Check here if you attached a list. Please label list as "Item 16"

*If you answered "**Yes**", you must provide the following details below. List all cases <u>WITHOUT EXCEPTION.</u>*

Plaintiff	Defendant	Case Number	Date Filed
Court Holding Jurisdiction	City / State	Current Status	Date of Last Action

Description of Litigation:

Plaintiff	Defendant	Case Number	Date Filed
Court Holding Jurisdiction	City / State	Current Status	Date of Last Action

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Description of Litigation:

16. **Cash in Bank**

List below **ALL** bank accounts, domestic and/or foreign.

Accounts should include, but are not limited to:

General/Operation Checking, A/P, Payroll, 401K, Sweep Accounts, Investment Funds, A/R, Savings, Deposits, etc.

A sampling of all disbursements and cash receipts may be reviewed on site prior to the issuance of Tribal licensing or State certification.

Name and Address of Bank or Financial Institution	Account No.	Purpose of Account	Balance as of (Date)_____
			$
			$
			$
			$
			$
			$
			$
			$
			$

State of _____)
) ss.
County of _____)

I, _____, being duly sworn, depose and say that this application is true and correct to the best of my knowledge and belief and that this oath is executed with the knowledge that false or incomplete answers could result in criminal prosecution and the denial, or subsequent revocation, of state certification by the Arizona Department of Gaming. Further, that I am voluntarily submitting this application under oath and with full knowledge that it will be reviewed by appropriate State authorities charged by law with granting gaming licenses.

_____

Signature of Applicant

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20 _____

_____

Notary Public

My commission expires _____

APPLICANT'S REQUEST TO RELEASE INFORMATION

TO _____
Leave Blank - To Be Completed By the Department of Gaming

FROM _____
Name of Business Entity

1. I hereby authorize and request all persons to whom this request is presented having information relating to or concerning me to furnish such information to a duly appointed agent of the Arizona Department of Gaming, whether or not such information would otherwise be protected from disclosure by any constitutional, statutory or common law privilege.

2. I hereby authorize and request all persons to whom this request is presented having documents relating to or concerning me to permit a duly appointed agent of the Arizona Department of Gaming to review and copy any such documents, whether or not such documents would otherwise be protected from disclosure by any constitutional, statutory, or common law privilege.

3. If the person to whom this request is presented is a brokerage firm, bank, savings and loan, or other financial institution or an officer of the same, I hereby authorize and request that a duly appointed agent of the Arizona Department of Gaming be permitted to review and obtain copies of any and all documents, records or correspondence pertaining to me, including but not limited to past loan information, notes co-signed by me, checking account records, savings deposit records, safe deposit records, passbook records, and general ledger folio sheets.

4. This authorization ends eighteen (18) months from the date of execution.

5. I have filed with the Arizona Department of Gaming an "application" for Certification/License. I understand that I am seeking the granting of a privilege and acknowledge that the burden of proving my qualifications for a favorable determination is at all times on me.

6. I do, for myself, my heirs, executors, administrators, successors and assignees, hereby release, remise, and forever discharge the person to whom this request is presented, and his agents and employees from all manner of actions, causes of action, suits, debts, judgments, executions, claims, demands whatsoever, known or unknown, in law or equity, which I ever had, now have, may have, or claim to have against the person to whom this request is presented or his agents or employees arising out of or by reason of complying with this request.

7. I agree to indemnify and hold harmless the person to whom this request is presented and his agents and employees from and against all claims, damages, losses, and expenses, including reasonable attorneys' fees arising out of or by reason of complying with this request.

8. A reproduction of this request by photo copy or similar process shall be for all intents and purposes as valid as the original.

I have executed this request at _____ on the _____ day of _____, 20 _____.
City and State

_____
Signature of Officer, Member, Partner or Owner

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20 _____.

_____
Notary Public

Signature of Arizona Department of Gaming Agent
Presenting this request:

County of _____, State _____

_____

My commission expires _____

Date _____

APPLICANT'S AUTHORIZATION TO RELEASE CREDIT INFORMATION

To: The Arizona Department of Gaming

From: _____
Name of Business Entity

RE: Licensure with the Arizona Department of Gaming

1. In accordance with the Fair Credit Reporting Act, section 604(a)(2) & (3)(D), I hereby authorize and request all persons to whom this authorization is presented having information relating to or concerning me to furnish a consumer report of such information to duly appointed agents of the Arizona Department of Gaming, whether or not such information would otherwise be protected from disclosure by any constitutional, statutory or common law privilege.

2. I have filed with the Arizona Department of Gaming an application for state license recommendation, of which this document is a part thereof. I understand that I am seeking the granting of a privilege and acknowledge that the burden for proving my qualifications for a favorable determination is at all times on me. I accept any risk of adverse public notice, embarrassment, criticism or other financial loss which may result from the action with respect to this application.

3. I hereby authorize the Arizona Department of Gaming to use the information contained in the consumer report and/or the consumer report for License purposes, including but not limited to investigation, licensing, certification, any court or administrative proceeding and any and all other procedures set forth in A.R.S. §§ 5-1201 through 1213 & A.R.S. §§ 5-1301 through 1321 and A.A.C. Title 19, Chapter 4.

4. A reproduction of this request by photo copy or similar process shall be for all intents and purposes as valid as the original.

I have executed this authorization on the _____ day of_____, 20____.

_____
Applicant's Signature

State of _____)
) ss.
County of _____)

Subscribed and sworn to (or affirmed) before me this _____ day of_____, 20___.

_____
Notary Public

My commission expires:_____

Arizona Department of Gaming

Event Wagering Operator Supplemental Allocation Application

Arizona Department of Gaming
100 N. 15th Ave, Suite 202
Phoenix, AZ 85007
(602) 771-4263

ARIZONA DEPARTMENT OF GAMING
EVENT WAGERING OPERATOR – SUPPLEMENTAL ALLOCATION APPLICATION

If more than ten (10) tribes and/or more than ten (10) professional sports teams qualify for an Event Wagering Operator license, the Department shall allocate the licenses among the qualifying tribes and/or qualifying professional sports teams and ensure an equal opportunity for all qualified applicants required by A.R.S. § 5-1305(C) by considering criteria pursuant to A.A.C. R19-4-106(E).

Please demonstrate below how you meet each criterion. Responses may include answers and details relative to the event wagering operator applicant, a designee, and/or a management services provider. You may attach additional documentation to support your application. Please note, this application will only be used if there are more qualified applicants than available Event Wagering Operator licenses.

1. Please describe your business ability, experience, and track record, both local and international which establishes the ability to create and maintain a successful event wagering operation.

2. Please describe your experience and track record, both local and international, in the operation of gaming or related activity.

3. Please provide details regarding contributions to the surrounding community (to include consideration of the size of the community, use of revenue to assist the community, and the extent to which the community has already, or may in the future, benefit from gaming).

4. Please describe your standing in terms of obtaining and maintaining licenses/permits in all markets.

5. Please provide details regarding your vision, willingness, and commitment to make local investments in Arizona, or on tribal lands, to include similar behavior in other states, if applicable.

6. Please provide details regarding your culture of player protection, investments in player protection, and governance program.

7. Please describe the responsiveness, approachability, and involvement of local management.

8. Please describe your competency to conduct event wagering, including proposed internal controls, and the maximization of privilege fees to the State.

9. Please provide details regarding your plans to begin operating event wagering within six (6) months after obtaining a license.

10. Please provide details regarding your financial stability, resources, integrity, business ability, and business acumen.

11. Please provide details regarding your regulatory compliance and cooperation with regulatory authorities.

12. If applicable, please describe any potential lack of opportunity to benefit from event wagering type activity in some manner or location without a license.

13. If applicable, please provide details regarding whether the issuance of the license will provide benefits to other qualified applicants through partnerships or other opportunities.

14. Please describe any potential increased employment and enhancement of the labor market in Arizona, or on tribal lands, relative to the issuance of an event wagering license.

15. Please describe whether you will be located and/or headquartered in the State or whether you will use a designee or management services provider, or are partners with an entity located and/or headquartered in the State.

16. Please describe how you would appeal to a unique or unaddressed market or introduce a unique brand or affiliate.

17. Please provide details regarding how the issuance of a license would increase the patron base in the State.

18. Please provide any other information you would like the Department to consider as part of this application.