



Department of Buildings and General Services
Office of Purchasing & Contracting
133 State Street, 5th Floor | Montpelier VT 05633-8000
802-828-2211 phone | 802-828-2222 fax
<http://bgs.vermont.gov/purchasing>

Agency of Administration

SEALED BID

REQUEST FOR PROPOSAL

SPORTS WAGERING

ISSUE DATE	July 19, 2023
QUESTIONS DUE	July 31, 2023 – 4:00 PM (EST)
RFP RESPONSES DUE BY	August 28, 2023 – 4:00 PM (EST)

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND ADDENDUMS ASSOCIATED WITH THIS RFP WILL BE POSTED AT:

<http://www.bgs.state.vt.us/pca/bids/bids.php>

THE STATE WILL MAKE NO ATTEMPT TO CONTACT INTERESTED PARTIES WITH UPDATED INFORMATION. IT IS THE RESPONSIBILITY OF EACH BIDDER TO PERIODICALLY CHECK THE ABOVE WEBPAGE FOR ANY AND ALL NOTIFICATIONS, RELEASES AND ADDENDUMS ASSOCIATED WITH THIS RFP.

STATE CONTACT: Deborah Damore
E-MAIL: SOV.ThePathForward@vermont.gov

1. OVERVIEW

- 1.1. **SCOPE AND BACKGROUND:** Through this Request for Proposal (RFP) the VERMONT DEPARTMENT OF LIQUOR AND LOTTERY (hereinafter the “State”) is seeking to establish contracts with one or more companies that can provide SPORTS WAGERING SOLUTION AND RELATED SERVICES AND PRODUCTS.
- 1.2. **CONTRACT PERIOD:** Any Contract(s) arising from this RFP will be for a period of 3 YEARS plus initial implementation time-period with an option to renew for up to two additional 1-year period. The State anticipates the start date for such contract(s) will be January 1, 2024.
- 1.3. **SINGLE POINT OF CONTACT:** All communications concerning this RFP are to be addressed in writing to the State Contact listed on the front page of this RFP. Actual or attempted contact with any other individual from the State concerning this RFP is strictly prohibited and may result in disqualification.
- 1.4. **BIDDERS’ CONFERENCE:** A bidders’ conference is not required for this RFP. The Request for Proposal and clarifications will suffice for proposal preparation.
- 1.5. **QUESTION AND ANSWER PERIOD:** Any bidder requiring clarification of any section of this RFP or wishing to comment on any requirement of the RFP must submit specific questions in writing no later than the deadline for question indicated on the first page of this RFP. Questions may be e-mailed to the point of contact on the front page of this RFP. Questions or comments not raised in writing on or before the last day of the question period are thereafter waived. At the close of the question period a copy of all questions or comments and the State's responses will be posted on the State’s web site <http://www.bgs.state.vt.us/pca/bids/bids.php> . Every effort will be made to post this information as soon as possible after the question period ends, contingent on the number and complexity of the questions.
- 1.6. **CHANGES TO THIS RFP:** Any modifications to this RFP will be made in writing by the State through the issuance of an Addendum to this RFP and posted online at <http://www.bgs.state.vt.us/pca/bids/bids.php> . Modifications from any other source are not to be considered.

2. DETAILED REQUIREMENTS/DESIRED OUTCOMES

Pursuant to 2023 Act No. 63, effective June 14, 2023, the Vermont Department of Liquor and Lottery (“DLL”) has been authorized to operate sports wagering within the State of Vermont through contracted Operators.”. This legislation empowers the Commissioner to negotiate and contract a minimum of two but not more than six operators to operate a sportsbook in Vermont through a mobile sports wagering platform. If the competitive bidding process fails to produce a sufficient number of qualified bidders, the DLL may decline to authorize any operators or authorize a single operator to conduct a sportsbook.

Bidders will be asked to provide full-service solutions. Bidder must have an established sports betting software platform that is currently in use in at least three jurisdictions. The DLL considers full service to include hardware, software, with fully integrated sports book services including market creation, market and event management, risk management, player acquisition and customer relationship management (CRM), responsible gaming program and integrity monitoring. All such services must include Know Your Customer (KYC), Anti-Money Laundering (AML), and geo-location services. All servers initiating wagers for the sports wagering platform must be located within the State of Vermont and the agent(s) must ensure that data relating to sports wagering remains within the State of Vermont.

The successful Bidder(s) must be responsible for providing all ancillary services required to operate the Sportsbook including event creation, market creation, odds compilation and management, risk management, content management and bet settlement. The Bidder must provide relevant customer support and sales support for sports wagering, including a call center. In addition, the successful

Bidder(s) will be responsible for providing real-time or near real-time player analytics, business intelligence reporting and tailored CRM services informed by those analytics.

It is the DLL's intent to begin offering sports wagering as soon as practical after execution of the contract(s).

The Bidder must provide the following in their RFP response:

- (1) An estimate of the Bidder's potential adjusted gross sports wagering revenue and the percentage of adjusted gross sports wagering revenue from mobile sports wagering the Bidder will pay to the State if selected to be an operator.
- (2) The number of individually branded websites the operator proposes to use for its sports wagering operations in Vermont.
- (3) The Bidder's responsible gaming plan and a description of responsible gaming safeguards that the Bidder currently employs.
- (4) A list of all jurisdictions where the Bidder and any parent companies are currently authorized to conduct sports wagering operations.
- (5) The Bidder's player acquisition model, advertising and affiliate programs, and marketing budget, including details on how the Bidder will convert customers from wagering through illegal channels to wagering legally in the State.
- (6) The estimated time frame for implementing the Bidder's sports wagering operations.
- (7) The Bidder's integrity monitoring systems, including any current affiliations related to integrity monitoring.
- (8) The Bidder's plan for maximizing sustainable, long-term revenue for the State, including a detailed market analysis.

Note: The Technical and Revenue proposals must be separated and divided into two separately sealed and clearly marked envelopes. The technical proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Technical Proposal." A separately sealed revenue proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Revenue Proposal."

2.1. The State of Vermont is interested in obtaining bids to meet the following business need(s):

The DLL has the following objectives for issuing this RFP and entering into a Contract for the implementation and operation of a sports betting system.

- A. Maximize net proceeds for the State of Vermont.
- B. Enter into a contract with clearly defined and measurable service level agreements or quality and performance that will result in high player satisfaction.
- C. Install a flexible System that will meet Vermont's sports wagering needs for the term of the Contract.
- D. Obtain sales channels that are operationally sound, incorporate the highest level of integrity and security, and minimize risk for the DLL.
- E. Ensure that all proposed systems and services are ready to be operational by the agreed-upon schedule.

Fulfillment of these objectives is consistent with the RFP evaluation criteria cited in this RFP.

3. GENERAL REQUIREMENTS

- 3.1. **REVENUE** Bidders must provide a revenue proposal based on a percentage share of net gaming revenue from sports betting being paid to the Department.
 - 3.1.1. Percentage share of net gaming revenue from sports betting being paid to the Department shall remain firm for the initial term of the contract. Revenue proposals must be separated and submitted in a separately sealed and clearly marked envelope. The revenue proposal must be marked with the Bidder's name and "Vermont Sports Wagering RFP Revenue Proposal."
- 3.2. **STATEMENT OF RIGHTS:** The State shall have the authority to evaluate Responses and select the Bidder(s) as may be determined to be in the best interest of the State and consistent with the goals and performance requirements outlined in this RFP. The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Failure of bidder to respond to a request for additional information or clarification could result in rejection of that bidder's proposal. To secure a project that is deemed to be in the best interest of the State, the State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause, and to waive technicalities in submissions. The State also reserves the right to make purchases outside of the awarded contracts where it is deemed in the best interest of the State.
 - 3.2.1. **Best and Final Offer (BAFO).** At any time after submission of Responses and prior to the final selection of Bidder(s) for Contract negotiation or execution, the State may invite Bidder(s) to provide a BAFO. The state reserves the right to request BAFOs from only those Bidders that meet the minimum qualification requirements and/or have not been eliminated from consideration during the evaluation process.
 - 3.2.2. **Presentation.** A remote webinar presentation by the Bidder may be required by the State if it will help the State's evaluation process. The State will factor information presented during presentations into the evaluation. Bidders will be responsible for all costs associated with providing the presentation.
- 3.3. **WORKER CLASSIFICATION COMPLIANCE REQUIREMENTS:** In accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), Bidders must comply with the following provisions and requirements.
 - 3.3.1. Self Reporting: For bid amounts exceeding \$250,000.00, Bidder must complete the appropriate section in the attached Certificate of Compliance for purposes of self-reporting information relating to past violations, convictions, suspensions, and any other information related to past performance relative to coding and classification of workers. The State is requiring information on any violations that occurred in the previous 12 months.
 - 3.3.2. Subcontractor Reporting: For bid amounts exceeding \$250,000.00, Bidders are hereby notified that upon award of contract, and prior to contract execution, the State shall be provided with a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54). This requirement does not apply to subcontractors providing supplies only and no labor to the overall contract or project. This list MUST be updated and provided to the State as additional subcontractors are hired. A sample form is available online at <http://bgs.vermont.gov/purchasing-contracting/forms>. **The subcontractor reporting form is not required to be submitted with the bid response.**
- 3.4. **EXECUTIVE ORDER 05-16: CLIMATE CHANGE CONSIDERATIONS IN STATE PROCUREMENTS:**

For bid amounts exceeding \$25,000.00 Bidders are requested to complete the Climate Change Considerations in State Procurements Certification, which is included in the Certificate of Compliance for this RFP.

After consideration of all relevant factors, a bidder that demonstrates business practices that promote clean energy and address climate change as identified in the Certification, shall be given favorable consideration in the competitive bidding process. Such favorable consideration shall be consistent with and not supersede any preference given to resident bidders of the State and/or products raised or manufactured in the State, as explained in the Method of Award section. But, such favorable consideration shall not be employed if prohibited by law or other relevant authority or agreement.

3.5. **METHOD OF AWARD:** Awards will be made in the best interest of the State. The State may award one or more contracts and reserves the right to make additional awards to other compliant bidders at any time if such award is deemed to be in the best interest of the State. All other considerations being equal, preference will be given first to resident bidders of the state and/or to products raised or manufactured in the state, and then to bidders who have practices that promote clean energy and address climate change, as identified in the applicable Certificate of Compliance.

3.5.1. **Evaluation Criteria Link to Evaluation Criteria on Website:** Consideration shall be given to the Bidder’s project approach and methodology, qualifications and experience, ability to provide the services within the defined timeline, cost, and/or success in completing similar projects, as applicable, and to the extent specified below.

Sports Wagering RFP Evaluation Criteria		
Technical Criteria		Points
Company Experience, Resources, Financial Stability		100
Company Integrity and Ethics		80
General Design and Implementation of the Sports Betting Product		120
Strength of the Sports Betting Hardware and Software Solutions		140
Strength of the Bidder’s Sports Betting Services		140
Bidder’s Compliance Program		60
Responsible Gaming		140
Accounting and Audit Program		20
Maximum cumulative score to be awarded for Technical Criteria		800
Revenue Criteria		Points
Estimated Potential Gross and Adjusted Gross Wagering Revenue and rationale		100
Adjusted gross sports wagering revenue from mobile sports wagering the applicant will pay to the State if selected to be an operator.		100
From 20 percent to 30 percent	-	25 points
From 31 percent to 40 percent	-	50 points
From 41 percent to 50 percent	-	75 points
51 percent or more	-	100 points
Total cumulative score to be awarded for Revenue Criteria		200
TOTAL POTENTIAL MAXIMUM POINTS AWARDED		1000

- 3.6. **CONTRACT NEGOTIATION:** Upon completion of the evaluation process, the Commissioner may select one or more bidders with which to negotiate a contract, based on the evaluation findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State. In the event Commissioner is not successful in negotiating a contract with a selected bidder, the State reserves the option of negotiating with another bidder, or to end the proposal process entirely.
- 3.7. **COST OF PREPARATION:** Bidder must be solely responsible for all expenses incurred in the preparation of a response to this RFP and shall be responsible for all expenses associated with any presentations or demonstrations associated with this request and/or any proposals made.
- 3.8. **CONTRACT TERMS:** The selected bidder(s) will be expected to sign a contract with the State, including the Standard Contract Form and Attachment C as attached to this RFP for reference.
- 3.8.1. **Business Registration.** To be awarded a contract by the State of Vermont a bidder (except an individual doing business in his/her own name) must be registered with the Vermont Secretary of State's office <https://sos.vermont.gov/corporations/registration/> and must obtain a Contractor's Business Account Number issued by the Vermont Department of Taxes <http://tax.vermont.gov/>.
- 3.8.2. The contract will obligate the bidder to provide the services and/or products identified in its bid, under the bid terms.
- 3.8.3. **Quality.** If applicable, all products provided under a contract with the State will be new and unused, unless otherwise stated. Factory seconds or remanufactured products will not be accepted unless specifically requested by the purchasing agency. All products provided by the contractor must meet all federal, state, and local standards for quality and safety requirements. Products not meeting these standards will be deemed unacceptable and returned to the contractor for credit at no charge to the State.
- Detailed terms and conditions can be found in Appendix A – Terms and Conditions.
- 3.9. **DEMONSTRATION:** A remote webinar demonstration by the Bidder may be required by the State if it will help the State's evaluation process. The State will factor information presented during demonstrations into the evaluation. Bidder will be responsible for all costs associated with the providing the demonstration.

4. CONTENT AND FORMAT OF RESPONSES

The content and format requirements listed below are the minimum requirements for State evaluation. These requirements are not intended to limit the content of a Bidder's proposal. Bidders may include additional information or offer alternative solutions for the State's consideration. However, the State discourages overly lengthy and costly proposals, and Bidders are advised to include only such information in their response as may be relevant to the requirements of this RFP.

- 4.1. The bid shall include a Cover Letter and Technical Response and Price Schedule.
- 4.2. **COVER LETTER:**
- 4.2.1. Confidentiality. To the extent your bid contains information you consider to be proprietary and confidential, you must comply with the following requirements concerning the contents of your cover letter and the submission of a redacted copy of your bid (or affected portions thereof).
- 4.2.2. All responses to this RFP will become part of the contract file and will become a matter of public record under the State's Public Records Act, 1 V.S.A. § 315 et seq. (the "Public Records Act"). If your response must include material that you consider to be proprietary and confidential under the Public Records Act, your cover letter must clearly identify each page or section of your response that you consider proprietary and confidential. Your cover letter must also include a written explanation **for each marked section**

explaining why such material should be considered exempt from public disclosure in the event of a public records request, pursuant to 1 V.S.A. § 317(c), including the prospective harm to the competitive position of the bidder if the identified material were to be released. Additionally, you must include a redacted copy of your response for portions that are considered proprietary and confidential. Redactions must be limited so that the reviewer may understand the nature of the information being withheld. It is typically inappropriate to redact entire pages, or to redact the titles/captions of tables and figures. Under no circumstances may your entire response be marked confidential, and the State reserves the right to disqualify responses so marked.

4.2.3. Exceptions to Contract Terms and Conditions. If a Bidder wishes to propose an exception to any terms and conditions set forth in the Standard Contract Form and its attachments, such exceptions must be included in the cover letter to the RFP response. Failure to note exceptions when responding to the RFP will be deemed to be acceptance of the State contract terms and conditions. If exceptions are not noted in the response to this RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State. Note that exceptions to contract terms may cause rejection of the proposal.

4.3. **TECHNICAL RESPONSE.** In response to this RFP, a Bidder must:

4.3.1. Provide details concerning your form of business organization, company size and resources.

4.3.2. Describe your capabilities and particular experience relevant to the RFP requirements.

4.3.2.1. Identify all current or past State projects.

4.3.3. Identify the names of all subcontractors you intend to use, the portions of the work the subcontractors will perform, and address the background and experience of the subcontractor(s), as per RFP section 4.3.2 above.

4.4. **REVENUE RESPONSE.** Bidder must provide an estimate of the Bidder's potential adjusted gross sports wagering revenue and the percentage of adjusted gross sports wagering revenue from mobile sports wagering the Bidder will pay to the State if selected to be an operator.

4.5. **REFERENCES.** Provide the key contact names, addresses, and phone numbers of at least three states where you currently operate a mobile sports book. You must include contact names who can talk knowledgeably about performance.

4.6. **REPORTING REQUIREMENTS:** Provide a sample of any reporting documentation that may be applicable to the Detailed Requirements of this RFP.

4.7. **CERTIFICATE OF COMPLIANCE:** This form must be completed and submitted as part of the response for the proposal to be considered valid.

4.8. **GLI-33 CERTIFICATION:** Each bidder must be certified under Gaming Laboratories International's GLI-33: Standards for Event Wagering Systems and shall provide a copy of such certification as an attachment to its proposal.

5. **SUBMISSION INSTRUCTIONS**

5.1. **CLOSING DATE:** Bids must be received by the State by the due date specified on the front page of this RFP. Late bids will not be considered.

5.1.1. The State may, for cause, issue an addendum to change the date and/or time when bids are due. If a change is made, the State will inform all bidders by posting at the webpage indicated on the front page of this RFP.

5.1.2. There will not be a public bid opening. However, the State will record the name, city and state for any and all bids received by the due date. This information will be posted as promptly as possible following the due date online at: <https://bgs.vermont.gov/content/opc-bid-tabulation-sheets-0> . Bidders are hereby notified to review the information posted after the bid opening deadline to confirm receipt of bid by the State. Any bidder that submitted a bid, and is not listed on the bid tabulation sheet, shall promptly notify the State Contact listed on the front page of this RFP. Should a bidder fail to notify the State Contact listed on the front page of this RFP within two weeks of posting the bid tabulation sheet, the State shall not be required to consider the bid.

5.2. **BID DELIVERY INSTRUCTIONS:**

5.2.1. ELECTRONIC: Electronic bids will be accepted.

5.2.1.1. E-MAIL BIDS. Emailed bids will be accepted. Bids will be accepted via email submission to SOV.ThePathForward@vermont.gov. Bids must consist of a single email with a single, digitally searchable PDF attachment containing all components of the bid. Multiple emails and/or multiple attachments will not be accepted. There is an attachment size limit of 40 MB. It is the Bidder's responsibility to compress the PDF file containing its bid if necessary in order to meet this size limitation.

6. **BID SUBMISSION CHECKLIST**

- ✓ Cover Letter
- ✓ Redacted Technical Response, if applicable
 - Technical Response
 - Revenue Response
 - References
 - Certificate of Compliance
 - Multi-Jurisdictional Disclosure Form

7. **ATTACHMENTS**

- 7.1. Certificate of Compliance
- 7.2. Worker Classification Compliance Requirement; Subcontractor Reporting Form
- 7.3. Sample Standard Contract for Services
- 7.4. Standard State Contract with its associated attachments, including but not limited to, Attachment C: Standard State Provisions for Contracts and Grants (December 15, 2017)
- 7.5. Attachment D – Other Provisions for IT Systems Implementation (Revised 03-10-2023)
- 7.6. Attachment E – Enhanced Procedures
- 7.7. Attachment F – Multi-Jurisdictional Disclosure Form

CERTIFICATE OF COMPLIANCE

For a bid to be considered valid, this form must be completed in its entirety, executed by a duly authorized representative of the bidder, and submitted as part of the response to the proposal.

- A. **NON COLLUSION:** Bidder hereby certifies that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant investigation of the bid/contract process by the Office of the Attorney General, bidder understands that this paragraph might be used as a basis for litigation.
- B. **CONTRACT TERMS:** Bidder hereby acknowledges that is has read, understands and agrees to the terms of this RFP, including Attachment C: Standard State Contract Provisions, and any other contract attachments included with this RFP.
- C. **WORKER CLASSIFICATION COMPLIANCE REQUIREMENT:** In accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), the following provisions and requirements apply to Bidder when the amount of its bid exceeds \$250,000.00.

Self-Reporting. Bidder hereby self-reports the following information relating to past violations, convictions, suspensions, and any other information related to past performance relative to coding and classification of workers, that occurred in the previous 12 months.

Summary of Detailed Information	Date of Notification	Outcome

Subcontractor Reporting. Bidder hereby acknowledges and agrees that if it is a successful bidder, prior to execution of any contract resulting from this RFP, Bidder will provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), and Bidder will provide any update of such list to the State as additional subcontractors are hired. Bidder further acknowledges and agrees that the failure to submit subcontractor reporting in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54) will constitute non-compliance and may result in cancellation of contract and/or restriction from bidding on future state contracts.

D. Executive Order 05 – 16: Climate Change Considerations in State Procurements Certification

Bidder certifies to the following (Bidder may attach any desired explanation or substantiation. Please also note that Bidder may be asked to provide documentation for any applicable claims):

1. Bidder owns, leases or utilizes, for business purposes, space that has received:
 - Energy Star® Certification
 - LEED®, Green Globes®, or Living Buildings ChallengeSM Certification
 - Other internationally recognized building certification:

2. Bidder has received incentives or rebates from an Energy Efficiency Utility or Energy Efficiency Program in the last five years for energy efficient improvements made at bidder's place of business. Please explain:

3. Please Check all that apply:
 - Bidder can claim on-site renewable power or anaerobic-digester power ("cow-power"). Or bidder consumes renewable electricity through voluntary purchase or offset, provided no such claimed power can be double-claimed by another party.
 - Bidder uses renewable biomass or bio-fuel for the purposes of thermal (heat) energy at its place of business.
 - Bidder's heating system has modern, high-efficiency units (boilers, furnaces, stoves, etc.), having reduced emissions of particulate matter and other air pollutants.
 - Bidder tracks its energy consumption and harmful greenhouse gas emissions. What tool is used to do this? _____
 - Bidder promotes the use of plug-in electric vehicles by providing electric vehicle charging, electric fleet vehicles, preferred parking, designated parking, purchase or lease incentives, etc..
 - Bidder offers employees an option for a fossil fuel divestment retirement account.
 - Bidder offers products or services that reduce waste, conserve water, or promote energy efficiency and conservation. Please explain:

4. Please list any additional practices that promote clean energy and take action to address climate change:

E. Executive Order 02 – 22: Solidarity with the Ukrainian People

- By checking this box, Bidder certifies that none of the goods, products, or materials offered in response to this solicitation are Russian-sourced goods or produced by Russian entities. If Bidder is unable to check the box, it shall indicate in the table below which of the applicable offerings are Russian-sourced goods and/or which are produced by Russian entities. An additional column is provided for any note or comment that you may have.

Provided Equipment or Product	Note or Comment

Bidder Name: _____ Contact Name: _____

Address: _____ Fax Number: _____

_____ Telephone: _____

_____ E-Mail: _____

By: _____ Name: _____
 Signature of Bidder (or Representative) (Type or Print)

END OF CERTIFICATE OF COMPLIANCE

SUBCONTRACTOR REPORTING FORM

This form must be completed in its entirety and submitted prior to contract execution and updated as necessary and provided to the State as additional subcontractors are hired.

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total project costs exceeding \$250,000.00 requires bidders to comply with the following provisions and requirements.

Contractor is required to provide a list of subcontractors on the job along with lists of subcontractor's subcontractors and by whom those subcontractors are insured for workers' compensation purposes. Include additional pages if necessary. This is not a requirement for subcontractor's providing supplies only and no labor to the overall contract or project.

Subcontractor	Insured By		Subcontractor's Sub	Insured By

Date: _____

Name of Company: _____

Contact Name: _____

Address: _____

Title: _____

Phone Number: _____

E-mail: _____

Fax Number: _____

By: _____

Name: _____

Failure to adhere to Act 54, Section 32 of the Acts of 2009 and submit Subcontractor Reporting: Worker Classification Compliance Requirement will constitute non-compliance and may result in cancellation of contract and/or forfeiture of future bidding privileges until resolved.

Send Completed Form to: Office of Purchasing & Contracting
 133 State Street, 5th Floor Montpelier, VT 05633-8000

STANDARD CONTRACT FOR SERVICES

1. **Parties.** This is a contract for services between the State of Vermont, [REDACTED] (hereinafter called “State”), and [REDACTED], with a principal place of business in [REDACTED], (hereinafter called “Contractor”). Contractor’s form of business organization is [REDACTED]. It is Contractor’s responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.

2. **Subject Matter.** The subject matter of this contract is services generally on the subject of Sports Wagering. Detailed services to be provided by Contractor are described in Attachment A.

4. **Contract Term.** The period of Contractor’s performance shall begin on January 1, 2024 and end on December 31, 2026 with an option to renew for up to two additional 1-year period.

5. **Prior Approvals.** This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Termination for Convenience.** This contract may be terminated by the State at any time by giving written notice at least thirty (30) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.

8. **Attachments.** This contract consists of [REDACTED] pages including the following attachments which are incorporated herein:

Attachment A - Statement of Work

Attachment B - Payment Provisions

Attachment C – “Standard State Provisions for Contracts and Grants” a preprinted form (revision date 12/15/2017) Attachment D - Other Provisions for IT Systems Implementation (Revised 03-10-2023)

Attachment E: Enhanced Procedures

Attachment F – Multi-Jurisdictional Disclosure Form

9. **Order of Precedence.** Any ambiguity, conflict or inconsistency between the documents comprising this contract shall be resolved according to the following order of precedence:

- (1) Standard Contract
- (2) Attachment D
- (3) Attachment C (Standard Contract Provisions for Contracts and Grants)
- (4) Attachment A
- (5) Attachment B
- (6) Attachment E: Enhanced Procedures

(7) Attachment F – Multi-Jurisdictional Disclosure Form

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the State of Vermont:

By the Contractor:

Date: _____

Date: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

ATTACHMENT A – STATEMENT OF WORK

The Contractor shall:

ATTACHMENT B – PAYMENT PROVISIONS

1. Prior to commencement of work, Contractor shall submit to the State:
 - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
 - b. a current IRS Form W-9 (signed within the last six months).

**ATTACHMENT C: STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS
REVISED DECEMBER 15, 2017**

“Attachment C: Standard State Provisions for Contracts and Grants” (revision version dated December 15, 2017) constitutes part of this Agreement and is hereby incorporated by reference as if fully set forth herein and shall apply to the purchase of all goods and/or services by the State under this Agreement. A copy of this document is available online at: <https://bgs.vermont.gov/purchasing-contracting/forms>.

ATTACHMENT D
INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION
TERMS AND CONDITIONS (rev. 03/10/2023)

1. MODIFICATIONS TO CONTRACTOR DOCUMENTS

The parties specifically agree that the Contractor Documents are hereby modified and superseded by Attachment C and this Attachment D.

“Contractor Documents” shall mean one or more document, agreement or other instrument required by Contractor in connection with the performance of the products and services being purchased by the State, regardless of format, including the license agreement, end user license agreement or similar document, any hyperlinks to documents contained in the Contractor Documents, agreement or other instrument and any other paper or “shrinkwrap,” “clickwrap,” “browsewrap” or other electronic version thereof.

2. NO SUBSEQUENT, UNILATERAL MODIFICATION OF TERMS BY CONTRACTOR

Notwithstanding any other provision or other unilateral license terms which may be issued by Contractor during the Term of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for the products and services being purchased by the State, as applicable, the components of which are licensed under the Contractor Documents, or the fact that such other agreement may be affixed to or accompany the products and services being purchased by the State, as applicable, upon delivery, the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

3. TERM OF CONTRACTOR’S DOCUMENTS; PAYMENT TERMS

Contractor acknowledges and agrees that, to the extent a Contractor Document provides for alternate term or termination provisions, including automatic renewals, such sections shall be waived and shall have no force and effect. All Contractor Documents shall run concurrently with the term of this Contract; provided, however, to the extent the State has purchased a perpetual license to use the Contractor’s software, hardware or other services, such license shall remain in place unless expressly terminated in accordance with the terms of this Contract. Contractor acknowledges and agrees that, to the extent a Contractor Document provides for payment terms which differ from the payment terms set forth in Attachment B, such sections shall be waived and shall have no force and effect and the terms in Attachment B shall govern.

4. OWNERSHIP AND LICENSE IN DELIVERABLES

4.1 Contractor Intellectual Property. Contractor shall retain all right, title and interest in and to any work, ideas, inventions, discoveries, tools, methodology, computer programs, processes and improvements and any other intellectual property, tangible or intangible, that has been created by Contractor prior to entering into this Contract (“Contractor Intellectual Property”). Should the State require a license for the use of Contractor Intellectual Property in connection with the development or use of the items that Contractor is required to deliver to the State under this Contract, including Work Product (“Deliverables”), the Contractor shall grant the

State a royalty-free license for such development and use. For the avoidance of doubt, Work Product shall not be deemed to include Contractor Intellectual Property, provided the State shall be granted an irrevocable, perpetual, non-exclusive royalty-free license to use any such Contractor Intellectual Property that is incorporated into Work Product.

4.2 State Intellectual Property. The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, “State Intellectual Property”).

Contractor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

4.3 Work Product. All Work Product shall belong exclusively to the State, with the State having the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name and/or for its own benefit, all patents and copyrights, and all applications and registrations, renewals and continuations thereof and/or any and all other appropriate protection. To the extent exclusive title and/or complete and exclusive ownership rights in and to any Work Product may not originally vest in the State by operation of law or otherwise as contemplated hereunder, Contractor shall immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein.

“Work Product” means any tangible or intangible ideas, inventions, improvements, modifications, discoveries, development, customization, configuration, methodologies or processes, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, work of authorship, specifications, operating instructions, procedures manuals or other documentation, technique, know-how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection), that is specifically made, conceived, discovered or reduced to practice by Contractor, either solely or jointly with others, pursuant to this Contract. Work Product does not include Contractor Intellectual Property or third party intellectual property.

To the extent delivered under this Contract, upon full payment to Contractor in accordance with Attachment B, and subject to the terms and conditions contained herein, Contractor hereby (i) assigns to State all rights in and to all Deliverables, except to the extent they include any Contractor Intellectual Property; and (ii) grants to State a perpetual, non-exclusive, irrevocable, royalty-free license to use for State’s internal business purposes, any Contractor Intellectual Property included in the Deliverables in connection with its use of the Deliverables

and, subject to the State's obligations with respect to Confidential Information, authorize others to do the same on the State's behalf. Except for the foregoing license grant, Contractor or its licensors retain all rights in and to all Contractor Intellectual Property.

The Contractor shall not sell or copyright a Deliverable without explicit permission from the State.

If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor Intellectual Property or Contractor Intellectual Property developed outside of this Contract with no assistance from State.

4.1 Contractor Intellectual Property.

As between the parties, and subject to the terms and conditions of this Contract, Contractor and its third-party suppliers will retain ownership of all intellectual property rights in the [System], and any and all derivative works made to the [System] or any part thereof, as well as all Work Product provided to the State ("**Contractor Proprietary Technology**"). The State acquires no rights to Contractor Proprietary Technology except for the licensed interests granted under this Contract. The term "**Work Product**" means all other materials, reports, manuals, visual aids, documentation, ideas, concepts, techniques, inventions, processes, or works of authorship developed, provided or created by Contractor or its employees or contractors during the course of performing work for the State (excluding any State Data or derivative works thereof and excluding any output from the [System] generated by the State's use of the [System], including without limitation, reports, graphs, charts and modified State Data, but expressly including any form templates of such reports, graphs or charts by themselves that do not include the State Data).

Title, ownership rights, and all Intellectual Property Rights in and to the [System] will remain the sole property of Contractor or its suppliers. The State acknowledges that the source code is not covered by any license hereunder and will not be provided by Contractor. Except as set forth in this Contract, no right or implied license or right of any kind is granted to the State regarding the [System] or any part thereof. Nothing in this Contract confers upon either party any right to use the other party's trade names and trademarks, except for permitted license use in accordance with this Contract. All use of such marks by either party will inure to the benefit of the owner of such marks, use of which will be subject to specifications controlled by the owner.

4.2 State Intellectual Property; User Name

The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators,

State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, “**State Intellectual Property**”).

Contractor may not collect, access or use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

5. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING

5.1 For purposes of this Contract, confidential information will not include information or material which (a) enters the public domain (other than as a result of a breach of this Contract); (b) was in the receiving party’s possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of confidential information; (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party; or (e) is not exempt from disclosure under applicable State law.

5.2 Confidentiality of Contractor Information. The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State’s receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys’ fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor’s attempts to prevent or unreasonably delay public disclosure of Contractor’s information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor’s attempts to prevent public disclosure of Contractor’s information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor

information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

5.3 Confidentiality of State Information. In performance of this Contract, and any exhibit or schedule hereunder, the Contractor acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. ("State Data").

State Data shall not be stored, accessed from, or transferred to any location outside the United States.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all State Data. The Contractor agrees that (a) it will use the State Data only as may be necessary in the course of performing duties or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information; (c) it will not publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form orally or in writing to any third party unless it has received written approval from the State and that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the State's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor's possession to only those employees on its staff who must have the information on a "need to know" basis. The Contractor shall not retain any State Data except to the extent required to perform the services under this Contract.

Contractor shall not access State user accounts or State Data, except in the course of data center operations, response to service or technical issues, as required by the express terms of this Contract, or at State's written request.

Contractor may not share State Data with its parent company or other affiliate without State's express written consent.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

6. SECURITY OF STATE INFORMATION

6.1 Security Standards. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include, but not be limited to, encryption at rest and multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

6.2 Security Breach Notice and Reporting. The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below, which shall be made available to the State upon request.

In the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (a “Security Breach”), the Contractor shall notify the State within 24 hours of its discovery. Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State. Contractor shall analyze and document the incident and provide all notices required by applicable law.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or, if applicable, Vermont Department of Financial Regulation (“DFR”), within fourteen (14) business days of the Contractor’s discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor’s subcontractors, affiliates or agents which may be “data collectors” hereunder.

The Contractor agrees to fully cooperate with the State and assume responsibility at its own expense for the following, to be determined in the sole discretion of the State: (i) notice to affected consumers if the State determines it to be appropriate under the circumstances of any particular Security Breach, in a form recommended by the AGO; and (ii) investigation and remediation associated with a Security Breach, including but not limited to, outside investigation, forensics, counsel, crisis management and credit monitoring, in the sole determination of the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

6.3 Security Policies. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to the State. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.4 Operations Security. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor shall cause an SSAE 18 SOC 2 Type 2 audit report to be conducted annually. The audit results and the Contractor's plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor's receipt of the audit results. Further, on an annual basis, within 90 days of the end of the Contractor's fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

6.5 Redundant Back-Up. The Contractor shall maintain a fully redundant backup data center geographically separated from its main data center that maintains near realtime replication of data from the main data center. The Contractor's back-up policies shall be made available to the State upon request. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.6 Vulnerability Testing. The Contractor shall run quarterly vulnerability assessments and promptly report results to the State. Contractor shall remediate all critical issues within 90 days, all medium issues within 120 days and low issues within 180 days. Contractor shall obtain written State approval for any exceptions. Once remediation is complete, Contractor shall re-perform the test.

7. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

7.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

- (i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.
- (ii) There is no outstanding litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.
- (iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.
- (iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the Deliverables as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the Deliverables or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (v) The Contractor has adequate resources to fulfill its obligations under this Contract.
- (vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

7.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

- (i) All Deliverables will be free from material errors and shall perform in accordance with the specifications therefor for a period of at least one year.
- (ii) Contractor will provide to the State commercially reasonable continuous and uninterrupted access to the Service, and will not interfere with the State's access to and use of the Service during the term of this Contract;
- (iii) The Service is compatible with and will operate successfully with any environment (including web browser and operating system) specified by the Contractor in its documentation;
- (iv) Each and all of the services shall be performed in a timely, diligent, professional and skillful manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.
- (v) All Deliverables supplied by the Contractor to the State shall be transferred free and clear of any and all restrictions on the conditions of transfer, modification,

licensing, sublicensing and free and clear of any and all liens, claims, mortgages, security interests, liabilities and encumbrances or any kind.

- (vi) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.
- (vii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

7.3 Limitation on Disclaimer. The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

7.4 Effect of Breach of Warranty. If, at any time during the term of this Contract, software or the results of Contractor's work fail to perform according to any warranty of Contractor under this Contract, the State shall promptly notify Contractor in writing of such alleged nonconformance, and Contractor shall, at its own expense and without limiting any other rights or remedies of the State hereunder, re-perform or replace any services that the State has determined to be unsatisfactory in its reasonable discretion. Alternatively, with State consent, the Contractor may refund of all amounts paid by State for the nonconforming deliverable or service

8. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

- 9. In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of REFER TO PAGES 34 AND 35 OF THIS RFP per claim, REFER TO PAGES 34 AND 35 OF THIS RFP aggregate; and (b) first party Breach Notification Coverage of not less than REFER TO PAGES 34 AND 35 OF THIS RFP.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the foregoing minimum coverages are in effect.

10. LIMITATION OF LIABILITY.

CONTRACTOR'S LIABILITY FOR DAMAGES TO THE STATE ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT SHALL NOT EXCEED THREE TIMES THE MAXIMUM AMOUNT PAYABLE UNDER THIS CONTRACT. LIMITS OF LIABILITY

FOR STATE CLAIMS SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE; (B) CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS TO THE STATE; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT; OR (E) VIOLATIONS OF THE STATE OF VERMONT FRAUDULENT CLAIMS ACT. IN NO EVENT SHALL THIS LIMIT OF LIABILITY BE CONSTRUED TO LIMIT CONTRACTOR'S LIABILITY FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACT.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, DAMAGES WHICH ARE UNFORESEEABLE TO THE PARTIES AT THE TIME OF CONTRACTING, DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, SUCH AS LOSS OF ANTICIPATED BUSINESS, OR LOST PROFITS, INCOME, GOODWILL, OR REVENUE IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement.

11. TRADE SECRET, PATENT AND COPYRIGHT INFRINGEMENT

The State shall not be deemed to waive any of its rights or remedies at law or in equity in the event of Contractor's trade secret, patent and/or copyright infringement.

11 REMEDIES FOR DEFAULT; NO WAIVER OF REMEDIES

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by the other under this Contract shall impair any such right, power or remedy, or shall be construed as a waiver of any such right, power or remedy, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing.

12 NO ASSUMPTION OF COSTS

Any requirement that the State defend or indemnify Contractor or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or license verification costs of Contractor, is hereby deleted from the Contractor Documents.

13 TERMINATION

Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to the State all State information, State Intellectual Property or State Data (including without limitation any Deliverables for which State has made payment in whole or in part) ("State Materials"), that are in the possession or under the control of Contractor in whatever

stage of development and form of recordation such State property is expressed or embodied at that time.

In the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Materials to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Materials.

Contractor shall reasonably cooperate with other parties in connection with all services to be delivered under this Contract, including without limitation any successor provider to whom State Materials are to be transferred in connection with termination. Contractor shall assist the State in exporting and extracting the State Materials, in a format usable without the use of the Services and as agreed to by State, at no additional cost.

Any transition services requested by State involving additional knowledge transfer and support may be subject to a contract amendment for a fixed fee or at rates to be mutually agreed upon by the parties.

If the State determines in its sole discretion that a documented transition plan is necessary, then no later than sixty (60) days prior to termination, Contractor and the State shall mutually prepare a Transition Plan identifying transition services to be provided.

14. ACCESS TO STATE DATA:

The State may import or export State Materials in part or in whole at its sole discretion at any time (24 hours a day, seven (7) days a week, 365 days a year), during the term of this Contract or for up to [three (3) months] after the Term (so long as the State Materials remain in the Contractor's possession) without interference from the Contractor in a format usable without the Service and in an agreed-upon file format and medium at no additional cost to the State.

The Contractor must allow the State access to information such as system logs and latency statistics that affect its State Materials and or processes.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

15. AUDIT RIGHTS

Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, at reasonable times (and in the case of State or federal regulators, at any time required by such regulators) access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections (including unannounced and

random audits) of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract.

At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

16. DESTRUCTION OF STATE DATA

At any time during the term of this Contract within (i) thirty days of the State's written request or (ii) [three (3) months] of termination or expiration of this Contract for any reason, and in any event after the State has had an opportunity to export and recover the State Materials, Contractor shall at its own expense securely destroy and erase from all systems it directly or indirectly uses or controls all tangible or intangible forms of the State Materials, in whole or in part, and all copies thereof except such records as are required by law. The destruction of State Data and State Intellectual Property shall be performed according to National Institute of Standards and Technology (NIST) approved methods. Contractor shall certify in writing to the State that such State Data has been disposed of securely. To the extent that any applicable law prevents Contractor from destroying or erasing State Materials as set forth herein, Contractor shall retain, in its then current state, all such State Materials then within its right of control or possession in accordance with the confidentiality, security and other requirements of this Contract, and perform its obligations under this section as soon as such law no longer prevents it from doing so.

Further, upon the relocation of State Data, Contractor shall securely dispose of such copies from the former data location and certify in writing to the State that such State Data has been disposed of securely. Contractor shall comply with all reasonable directions provided by the State with respect to the disposal of State Data.

17 CONTRACTOR BANKRUPTCY.

Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

18 SOFTWARE LICENSEE COMPLIANCE REPORT.

In lieu of any requirement that may be in a Contractor Document that the State provide the Contractor with access to its System for the purpose of determining State compliance with the terms of the Contractor Document, upon request and not more frequently than annually, the State will provide Contractor with a certified report concerning the State's use of any software licensed for State use pursuant this Contract. The parties agree that any non-compliance indicated by the report shall not constitute infringement of the licensor's intellectual property rights, and that settlement payment mutually agreeable to the parties shall be the exclusive remedy for any such non-compliance.

19 SOV Cybersecurity Standard Update 2023-01: Contractor confirms that all products and services provided to or for the use of the State under this Agreement shall be in compliance with *State of Vermont Cybersecurity Standard 2023-01*, which prohibits the use of certain branded products in State information systems or any vendor system that is supporting State information systems, and is available on-line at:

<https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>

APPENDIX A – TERMS AND CONDITIONS

This section describes the terms and conditions which apply to the procurement, and which will become part of the Contract executed pursuant to this RFP. By submission of a Proposal, the Bidder agrees to the Terms and Conditions contained herein.

This Contract is by and between the State of Vermont, acting through the DLL (“State”), and Full Contractor Name a State Name Type of business formation (“Contractor”), having its principal place of business at Business Address, City, State, Zip.

The general scope of the project is to provide a full-service sports betting solution as proposed by Contractor in response to Vermont DLL RFP Sports Wagering (Systems and Services).

A.1 Contract Obligation

The contract resulting from this RFP shall be solely the obligation of the DLL and is supported solely out of the income, revenues, and receipts of the DLL. In no event shall the contract resulting from this RFP constitute or create an obligation, either general or special, debt, liability, or moral obligation of the State of Vermont, or any municipality, political subdivision, or governmental unit thereof or constitute or give rise to a pecuniary liability of the State of Vermont, or any municipality, political subdivision, or governmental unit thereof nor shall the general credit or taxing power of the State of Vermont, or any municipality, political subdivision, or governmental unit be pledged therefore.

A.2 Amendments to the Contract

Any Contract provision resulting from this RFP may not be modified, amended, altered, changed, renewed, varied, waived or augmented, except in writing executed by the parties hereto, and any breach or default by a party shall not be waived or released other than in writing and signed by the other party.

A.3 Severability

If a court of competent jurisdiction determines any portion of a Contract to be invalid, it shall be severed and the remaining portion of a Contract shall remain in effect.

A.4 Term of Contract

A.4.1 Term of Contract

The Contract resulting from this RFP will be in effect from the Contract effective date, including an implementation period and three (3) years of production operations, plus such time as is necessary to finish out the DLL business week in progress.

The DLL reserves the right to renew the Contract at its sole option up to a maximum of two (2) renewals of one (1) year(s) each, provided that any such option to renew is exercised by the DLL at least ninety (90) calendar days prior to the end of the initial contract period, or any renewal thereof, or at a time mutually agreed upon by both parties. The DLL may opt to award more than one renewal at a time.

Request for a contract shall be filed with the Department, who shall have the authority to issue the contract or hold the application for further investigation.

A Bidder may claim any privilege afforded by the Constitution of the United States or of the State of Vermont in refusing to answer questions by the Department. However, a claim of privilege with respect to any testimony or evidence pertaining to an application may constitute sufficient grounds for denial of or revocation of a contract.

The Department may require Bidders to file information relating to contracts or proposed contracts relating to the operation of Sports Wagering in Vermont in a form prescribed by the Department.

A.4.2 Operator Terms

An Operator shall contract with the Department to accept Sports Wagers. No person shall accept Sports Wagers without being authorized by the Department.

The DLL will authorize no more than six (6) Operators to operate a Sportsbook in Vermont through a Mobile Sports Wagering Book through the competitive bidding process.

A.4.3 Controlling Interest of Bidder

The following persons are considered to have control of a Bidder:

- (a) Each holding company, parent company, or subsidiary company of the Bidder.
- (b) Each person, except for a bank or other licensed lending institution that holds a mortgage or other lien acquired in the ordinary course of business, who owns fifteen percent (15%) or more of a corporate Bidder and has the ability to:
 - i. Control the activities of the corporate Bidder; or
 - ii. Elect a majority of the board of directors of that corporate Bidder.
- (c) Each person associated with a noncorporate Bidder who directly or indirectly holds a beneficial or proprietary interest in the noncorporate Bidder's business operations or who the Department otherwise determines has the ability to control the noncorporate Bidder.
- (d) Key Persons as defined in the Board of Liquor and Lottery's Sports Wagering Enhanced Procedures (Appendix E).

A.4.4 Third-Party Operations

Subject to Department approval, an Operator may assign the Operator's Sportsbook operations to a third-party designee, such as a Service Provider, to manage and operate the Operator's Sportsbook activities.

A third-party designee described above must submit to the Department the information required for a Bidder under this Part in accordance with requirements prescribed by Department procedures.

A.4.5 Contract Responsibilities for Operators.

Operators shall have an ongoing obligation to disclose in writing any material change in the information provided in the application to the Department, including:

- (a) Changes to names and contact information.
- (b) Arrests, convictions, guilty pleas, disciplinary actions or contract or contract denials in Vermont or any other jurisdiction.
- (c) Any civil or criminal action brought against the Operator, their Service Providers, or their Suppliers.
- (d) Any other information specified by practice, procedure, or rule of the Department.

Operators shall pay to the Department an annual operator fee in an amount determined in **Appendix C, Section C.2** (Terms and Fees of the Operator Fee), which shall be deposited in the General Fund.

Each Operator shall conduct a single background check on newly hired employees and employees as

of the date of contracting and shall ensure their Service Providers and Suppliers do the same. Background checks shall search for criminal history and any charges or convictions involving corruption or manipulation of Sports Events and association with organized crime.

Contracts issued pursuant to these Procedures may not be transferred without prior approval by the Department. The Department reserves the right to terminate any contract and revoke the privileges of such contract whenever it finds sufficient evidence that an Operator has engaged in conduct that would result in a finding of failing to qualify for a contract if it were a Bidder for a new contract.

All Operators shall report any known irregularities or wrongdoings by any persons involving Sports Wagering immediately to the Department and cooperate in subsequent investigations.

A.4.6 Confidential Information.

Please refer to Confidentiality of Records statute 31 V.S.A. 1305.

A.5 Covenant Against Contingent Fees

The Bidder warrants that no person or selling agency has been employed or retained to solicit or secure an agreement pursuant to this RFP upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies retained by the Bidder for the purpose of securing business. For breach or violation of this warranty, the DLL shall have the right to terminate any Contract in accordance with the termination clause, and in its sole discretion, to deduct from any Contract any price or consideration or otherwise recover the full amount of any such commission, percentage, brokerage or contingent fee.

A.6 Audit and Accounting Requirements

Under the Contract, the Successful Bidder must meet specific auditing and accounting obligations:

- (a) The Successful Bidder must have a complete corporate financial audit conducted annually, at its own expense. The audit must follow generally accepted auditing standards (GAAS) (or the appropriate non-U.S. equivalent). A copy of the Successful Bidder's certified financial statements shall be provided within one quarter after the close of the Successful Bidder's fiscal year.
- (b) The Successful Bidder must provide the DLL with Securities and Exchange Commission (SEC) 10-K reports (or the appropriate non-U.S. equivalent) as they are issued, together with any other reports required pursuant to Section 13 of the Securities and Exchange Act of 1934, as amended.
- (c) A third party review of the Successful Bidder's Vermont operations must also be conducted annually. This audit will be a Statement of Standards for Attestation Engagements (SSAE) SOC 2 Type II audit, at the sole discretion and determination of the DLL, and shall be paid for by the Successful Bidder. For this review the Successful Bidder will suggest, for the DLL's approval, the firm(s) to perform the work. All financial aspects shall be conducted pursuant to auditing standards as issued by the American Institute of Certified Public Accountants. Annual reviews shall occur on a July-to-June basis and will be reported not later than August 31 to the DLL. The first audit shall cover a partial year ending with the State's fiscal year.
- (d) The Successful Bidder is required to maintain all records pertaining to performance under the Contract. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Successful Bidder in the performance of the Contract. Records produced or acquired in a machine-readable electronic format shall be maintained in that format. These records shall be available to the DLL, its internal auditors or external auditors (and other designees) at all times during the Contract period and for five (5) years from the Contract expiration date or final payment on the Contract, whichever is later, or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the five-

year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

- (e) The Successful Bidder is required to participate in security reviews or audits performed by DLL, any authorized representatives of the State or Federal government, or third-party contractors. Any findings that require remediation in the Successful Bidder's operations must be corrected in accordance with a timetable agreed upon in writing with the DLL.

A.7 Bonds and Insurance Company Qualifications

All required bonds (if bonds) and insurance must be issued by companies which are B+ or higher rated by A.M. Best & Co., have a record of successful continuous operation, are licensed, admitted, and authorized to do business in the State of Vermont, and are approved by the DLL. Required coverage and limits must be put into effect as of the effective date of the Contract and must remain in effect throughout the term of the Contract, as determined by the DLL. The Successful Bidder must submit copies of each required certificate of insurance or insurance contract, and any renewals thereof, to the DLL upon the DLL's request. The Successful Bidder must provide ninety (90) calendar days' advance written notice of cancellation, termination, or failure to renew any policy.

A.8 Insurance

The Successful Bidder must purchase and maintain insurance for claims set forth below which may arise out of or result from the Successful Bidder's operations under the Contract, whether such operations are by the Successful Bidder or by any subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- (a) Claims under workers' disability compensation, disability benefit and other similar employee benefits acts.
- (b) Claims for damages because of bodily injury, occupational sickness or disease, or death of the Successful Bidder's employees, or any person other than Successful Bidder employees.
- (c) Claims for damages because of injury to or destruction of tangible property, including any resulting loss of use.
- (d) Errors and Omissions Insurance that will indemnify the Successful Bidder, the DLL, and the State of Vermont for any losses incurred due to System downtime, for errors or omissions caused by the Successful Bidder during the time that terminals are expected to be operational, machine error, or for any error or omission caused by the Successful Bidder, its officers, employees, agents, subcontractors or assigns regardless of negligence.

A.9 Insurance Coverage and Limits

Specific coverage requirements are listed below. The defined dollar amounts are minimum limits. The Successful Bidder and where applicable Bidder's subcontractors must provide these or as otherwise designated by Vermont Statutes during the course of the Contract. Statement of self-insurance to cover these obligations will be considered non-responsive.

- (a) Property Insurance. Insurance on all buildings, fixtures and equipment provided or used in providing the System or service must be maintained in the amount of actual replacement cost thereof. This policy must insure real and personal property including contents, equipment, and mobile items. Coverage to be written on an ISO "Special Form" and will include coverage for flood and Earthquake.
- (b) Commercial General Liability with limits not less than \$10,000,000 per occurrence, \$10,000,000 general aggregate, Such insurance shall cover liability arising from premises, operations, independent contractors, product-completed operations, personal and advertising injury and liability assumed under an insured contract.
- (c) Errors and Omissions Insurance with a limit \$20,000,000 per claim and \$20,000,000 policy aggregate.

- (d) Automobile Bodily Injury Liability Insurance. Insurance with a combined single limit not less than \$1,000,000.
- (e) Worker's Compensation Insurance. To cover all of Successful Bidder's employees during the term of the Contract in accordance with Vermont Statutes, or other applicable worker's compensation laws.
- (f) Cyber/Network Security and Data Privacy Liability Insurance of \$10M per claim and annual aggregate that covers losses arising from actual or alleged acts, errors or omissions and intentional, fraudulent or criminal acts. Further, the policy will expressly provide, but not be limited to, coverage for losses arising from the following: (a) unauthorized use/access of computer systems (including mobile devices), servers, client's data or software; (b) defense of any regulatory action involving a breach of privacy; (c) failure to protect the confidential or proprietary information (personal and commercial information) and intellectual property from unauthorized disclosure or unauthorized access; (d) failure to adequately protect physical security of servers and systems including from cyber terrorism; (e) the costs for: notification, whether or not required by statute, credit file or identity monitoring, identity restoration, public relations or legal experts; (f) third party liability; (g) cyber extortion and cyber terrorism; and (h) no exclusion for actual or alleged breaches of professional services agreements associated with the above.

All other insurances covered by this Section must be effective when performance commences under the Contract and continue through the term of the Contract or any extension thereof. The DLL must receive ninety (90) calendar days' advance written notice of cancellation, termination or failure to renew any policy.

The DLL will be named as an additional insured on a primary, noncontributory basis on items (b) and (f) policies described above, as allowable. All policies shall provide a waiver of subrogation in favor of DLL.

A.10 Certificates of Insurance

Certificates of insurance and any renewals thereof must be furnished to the DLL on the date of Contract execution, with the exception of the certificate for Errors and Omissions Insurance, which must be furnished no later than fourteen (14) calendar days prior to production start-up.

A.11 Performance Bond

Upon notification of receiving the Contract award, the Successful Bidder will be required to obtain a Performance Bond or other acceptable form of security in the amount of one million dollars (\$1,000,000) for the first year of the contract and five hundred thousand dollars (\$500,000) for every year thereafter. The Performance Bond may be paid in full or in part to the DLL if the Successful Bidder defaults in the performance of the Contract or has occasioned uncompensated liquidated damages.

The Performance Bond may be assessed liquidated damages if these damages have not been received by the DLL within thirty (30) calendar days of written notice to the Successful Bidder that they have been incurred.

Other forms of security may be acceptable but are subject to the DLL's discretion. Failure to post an additional bond or security within seven (7) calendar days after notice that the proposed security is inadequate shall be grounds for immediate termination of the Contract.

Along with its Proposal, each Bidder must submit a letter from a qualified surety company or agent acting on behalf of such surety stating that the Bidder will be able to secure a Performance Bond in the amount required by the RFP.

A.12 Fidelity Bond

Prior to Contract execution, the Successful Bidder will be required to obtain a Fidelity Bond in the amount of five million dollars (\$5,000,000) covering any loss to the DLL due to any fraudulent or dishonest act on the part of the Successful Bidder's officers, employees, or substantial subcontractors. (If the Successful Bidder's substantial subcontractors cannot be covered under the Successful Bidder's bond, then the subcontractor must obtain equivalent coverage on its own.) Such an event, in the sole discretion of the DLL, could be grounds for termination of the Contract, whether or not the losses arising as a result thereof were paid under the crime insurance policy.

A.13 Litigation Bond

Each bidder must submit with its Proposal a litigation Bond in the amount of five hundred thousand dollars (\$500,000). A claim upon the Bond may be made by DLL if:

- (a) The bidder sues DLL, the State of Vermont, or any of their offices, employees, representatives, other contractors with regard to any matter relating to this RFP, determination of responsiveness of Bidders or the award of a contract pursuant to this RFP; and
- (b) The DLL or other defendant is the prevailing party in such suit.

The purpose of the Bond is to permit DLL or other defendants to recover damages, including the cost of the appeal relative to the additional cost in compensation to the current bidder during the implementation or conversion delay, and including reasonable attorneys' fees, expenses and court costs resulting from such litigation. The Litigation Bond shall remain in effect for a period of two (2) years from the date of submission of the Proposal.

A.14 Successful Bidder Error Liability

The Successful Bidder will be liable for any specific and definite financial obligations arising as a result of errors and faults by the Successful Bidder's staff, subcontractors and the System. These cases include, but are not limited to, errors in entry or posting of winners by Sports Wagering operators, software and hardware errors that create payout irregularities, and apparent winning wagers issued by the Successful Bidder's System and presented for redemption which are not identified as valid. The Successful Bidder will pay all prize costs for any such wager and shall pay any additional cost incurred by the DLL under the indemnification provisions in Section A.31 of this RFP.

A.15 Liquidated Damages Provisions

The Successful Bidder acknowledges the importance of the Sports Wagering System to the DLL business. Delivery of the System (including all its elements) and performance of all obligations in a complete, proper, and timely manner is essential. It would be extremely costly, time-consuming, and difficult to calculate the actual damages that the DLL would sustain, including those that negatively affect the DLL's image and reputation, due to a breach or the non-performance by the Successful Bidder that causes delay or disrupts the DLL's operations. Upon contracting, the DLL and the Successful Bidder may agree on appropriate and reasonable performance standards (Service Levels) and Liquidated Damages. For avoidance of doubt, the DLL's assessment of Liquidated Damages for a particular Service Level non-compliance incident would not preclude the DLL from recovering damages or other relief not addressed by Service Levels.

Furthermore, if the Successful Bidder's failure to achieve a Service Level arises from or is caused (in whole or in part) by a Subcontractor, or other party over whom a Subcontractor has control or responsibility for, then the Successful Bidder will be fully liable and responsible for paying to the DLL any and all Liquidated Damages.

Nothing in this Section (A.14) shall relieve, or be deemed or construed as relieving, the Successful

Bidder of any of its performance obligations under the contract, whether or not the Successful Bidder's performance may be impacted by reasons or delays caused by the DLL. Indeed, the DLL expressly reserves and does not waive any and all of its rights and remedies, legal or equitable, related to the Successful Bidder's failure to perform as required by the contract.

During the contract, if additional sports betting options are offered through the Sports Wagering System or additional services are offered by the Successful Bidder to support the System or the operation of sports betting in Vermont, then the DLL and the Successful Bidder agree (i) to discuss if existing Liquidated Damages apply to new products or services, and (ii) that they will cooperate in developing additional Service Levels and Liquidated Damages and/or to adjust the Service Levels and Liquidated Damages that may be set forth in any contract, as they mutually determine necessary. Additionally, if during the contract term the amount of Liquidated Damages the DLL imposes on the Successful Bidder is consistent and repetitive year after year, then the DLL reserves the right to claim breach of contract/Incurable Default.

A.16 Ownership of Materials

Ownership of all data, documentary material and operating reports originated and prepared exclusively for the DLL pursuant to any Contract resulting from this RFP shall belong to the DLL.

The Successful Bidder will retain ownership of the sports wagering computer systems, network systems, system documentation, software, and other materials originally supplied by the Successful Bidder.

A.17 Force Majeure

A Force Majeure occurrence is an event or effect that cannot be reasonably anticipated or controlled and without the fault or negligence of the non-performing party. As herein used, Force Majeure includes, but is not limited to, fire, explosion, action of the elements, strike or labor disturbance, rationing, war, terrorism, act of any governmental authority or agency, civil disturbance, governmental interference, or any other cause which is beyond the control and reasonable anticipation of the party affected, and which, by the exercise of reasonable diligence, said party is unable to prevent delays arising as a result thereof or to predict and through advance planning avoid such delays.

Except as otherwise provided herein, neither the Successful Bidder nor the DLL shall be liable to the other for any delay in, or failure of performance of, any covenant contained herein nor shall any such delay or failure of performance constitute default hereunder, to the extent that such delay or failure is caused by Force Majeure. The existence of such causes of delay or failure shall extend the schedule for performance to such extent as may be necessary to complete performance in the exercise of reasonable diligence after the causes of delay or failure have been removed.

Any such delay in or failure of performance shall not in and of itself give rise to any liability for damages; however, the DLL may elect to terminate the Contract for cause should its continuing operations, in its sole judgment, be materially threatened or harmed by reason of extended delay or failure of performance.

During a period of non-performance due to Force Majeure, payments from the DLL to the Successful Bidder will be suspended.

A.18 Vendor Personnel Background

The DLL may initiate investigations into the backgrounds of any officers, principals, investors, owners, subcontractors, employees, or any other associates of such Vendor it deems appropriate. Upon request of DLL, a Successful Bidder will reassign any employee to not perform services under the operator contract in the event DLL has deemed the results of a background check unsatisfactory or finds that such employee is not performing in the best interests of DLL.

Upon award of the Contract, the Successful Bidder must submit and allow, at a minimum, the following security elements:

- (a) A list of the names, addresses, dates of birth and Social Security numbers of all employees and subcontractors assigned to and associated with this Contract.
- (b) Authorizations signed by the employees and subcontractors to allow law enforcement agencies to release relevant background information. This may be extended to include officers, investors, owners, and associates.
- (c) Assurance to the DLL that, as changes are processed throughout the Contract and any extension thereof for the aforementioned types of personnel, any changes in this requested data and authorization shall be reported to the DLL within one (1) calendar month.
- (d) Notification in writing to the DLL within fourteen (14) calendar days if a person, group of persons, partnership, corporation, associate group of investors, limited liability company or other legal entity acquires directly or indirectly the beneficial ownership (as defined by Securities and Exchange Commission Regulation §240.13d-3) in the amount of five percent (5%) or more of the ownership interest in, or any class of equity securities of, the Successful Bidder or the parent company of the Successful Bidder. Background investigation and licensing may be required for these new owners and if the investigations are unsatisfactory, the DLL may, at its option, terminate the Contract, after providing thirty (30) calendar days written notice to the Successful Bidder.
- (e) Unfettered and unannounced access, inspection and evaluation privileges for all phases of performance and for all facilities and premises used by the Successful Bidder in fulfillment of this Contract and any extension thereof.
- (f) Immediate notification in writing to the DLL's Security Director of all terminations and resignations of employees and staff assigned to and associated with this Contract.
- (g) Confirmation from all employees and/or subcontractors assigned to and associated with this Contract that they agree not to play the DLL during the term of this Contract and any extension thereof.

A.19 Security Violation Reporting

The Successful Bidder must immediately report any security procedural violation, violation of law (e.g., theft), or disappearance of validation files, or other equipment, software or material used or to be used in the performance of this Contract.

The Successful Bidder must immediately report the involvement of any of the Successful Bidder's employees, owners, or agents in any known criminal arrest (not including minor traffic violations) or investigation. The Successful Bidder will be required to follow-up with a written letter within seven (7) calendar days of the incident.

A.20 Security Breach Reporting

In case of an actual security breach that may have compromised DLL data, the Successful Bidder must notify the DLL verbally and in writing of the breach immediately and fully cooperate with the DLL to mitigate the consequences of such a breach. This includes any use or disclosure of the DLL data that is inconsistent with the terms of this Contract.

The Successful Bidder must give the DLL full access to the details of the breach and assist the DLL in making any notifications to potentially affected people and organizations that the DLL deems are necessary or appropriate. The Successful Bidder must document all such incidents, including its response, and make that documentation available to the DLL on request.

The Successful Bidder must report any change in, addition to, or deletion from, the information

disclosed to the DLL.

A.21 Security Information Updates

The Successful Bidder must report any change in, addition to, or deletion from, the information disclosed to the DLL. The report shall be in the form of a letter addressed to the DLL and shall be delivered to the DLL's Security Director within thirty (30) calendar days of the effective date of the change, addition, or deletion. In particular, the Successful Bidder must report the involvement of any of the Successful Bidder's employees, owners, or agents in any known criminal arrest (exclusive of minor traffic violations) or investigation.

A.22 Title to, Use and Compensation for Intellectual Property

To the extent that the Successful Bidder utilizes or relies upon the Intellectual Property Rights of a third party in fulfilling its obligations under the Contract, the Successful Bidder will provide the DLL with whatever assurance the DLL deems necessary that the use of such third party Intellectual Property Rights is permissible. In addition, in the event of failure to perform or breach of Contract the Successful Bidder must ensure continued right of use of licensed intellectual property by the DLL.

While the DLL and the Successful Bidder agree that Intellectual Property associated with any product or service provided by (or developed solely by) the Successful Bidder during the term of this Contract and used by the DLL will remain the property of the Successful Bidder, the Successful Bidder will grant a license to the DLL to make use of any such Intellectual Property on an indefinite basis with respect to DLL conduct of games. There shall be no additional charge for this right of the DLL.

Intellectual Property fees for third-party products, logos, trademarks, brands or labels that the Successful Bidder deploys in the System under the Contract must be addressed prior to the introduction of the intellectual property or the Successful Bidder grants the DLL perpetual use of such intellectual property without fees. The Successful Bidder may not separately charge the DLL an Intellectual Property fee for any items owned by the Successful Bidder.

A.23 Vendor Ethics and Integrity

The Successful Bidder is obligated to meet high standards for ethics and integrity under this Contract. The Successful Bidder and employees:

- (a) Shall accept no pay, remuneration, or gratuity of any value for performance on or information derived from this project from any party other than the DLL as described in this Contract, or from any party under contract to the DLL or seeking to contract with the DLL with respect to this project.
- (b) Shall not offer or give any gift, gratuity, favor, entertainment, loan or any other thing of material monetary value to any DLL employee, member of the Board, or to any individual with the intent of unduly influencing the outcome of this project.
- (c) Shall not disclose any business sensitive or confidential information gained by virtue of this Contract to any party without the consent of the DLL.
- (d) Shall take no action in the performance of this Contract to create an unfair, unethical or illegal competitive advantage for itself or others.
- (e) Shall not have any financial or personal interests relating to this project (other than the Contract itself) without the explicit written consent of the DLL.

For violation of the above provisions, the DLL may terminate the Contract, receive restitution from, debar, or take any other appropriate actions against the Successful Bidder.

A.24 Compliance with Association Standards

All services, products, systems, and procedures to be employed by the Successful Bidder must comply

with the game security and operational standards current at the time of Contract performance as issued by any multi-jurisdictional association of which the DLL is a member or in the event the DLL became a member.

A.25 Termination For Cause

The DLL may immediately terminate any contract issued as a result of this RFP for any of the following reasons by providing written notice to the Successful Bidder:

- (a) If the Successful Bidder furnished any statement, representation, warranty, or certification in connection with this RFP or the resultant Contract which is materially false, incorrect, or incomplete.
- (b) If the Successful Bidder fails to perform any material requirement of the Contract or is in violation of a specific provision.
- (c) If the Successful Bidder or a subcontractor commits a fraudulent act or other criminal act in its contractual performance of this Contract or any other contract with another agency during the terms of this Contract.
- (d) If any officer or employee of the Successful Bidder or of any subcontractor purchases a Vermont Sports Wager ticket or attempts to claim a prize in any DLL game.

The State and the DLL will not be liable for any costs incurred if termination is for any of the causes stated above. In the case of default by the Successful Bidder, the DLL may cancel the contract immediately and procure the articles and/or services from other sources and hold the Successful Bidder responsible for any excess costs or lost revenue occasioned thereby.

A.26 Termination Without Cause or For Convenience

The Contract shall be terminable by the DLL without cause, at the sole discretion of the DLL, upon thirty (30) calendar days written notice.

When it has been determined that a Contract shall be terminated without cause or for the convenience of the DLL, the Deputy Commissioner or his/her designee shall be authorized to negotiate a settlement with the Successful Bidder.

Compensation to a Successful Bidder for a Contract terminated without cause for the convenience of the DLL shall be limited to reasonable expenses for products, materials, and supplies, and for services rendered, and not yet, or not fully compensated. The DLL will make no payments for furnished work, work in progress, or raw materials acquired unnecessarily in advance or in excess of DLL's delivery requirements.

Upon written notification, the Contract shall be null and void as of that date, and each party shall be relieved of any obligation or liability to the other, except with respect to any clauses specifically stated in the contract to survive termination.

A.27 Default

The DLL reserves the right to cancel the Contract and to pursue any and all legal remedies provided at law, in equity, in this RFP or in the Contract for breach or nonperformance of a Contract or other infractions, whether or not such default results in the cancellation of a Contract executed pursuant to this RFP.

In addition to the remedy of Contract cancellation and all other remedies available to the DLL hereunder, in the Contract, at law or in equity, the DLL may in its sole discretion accept partial, incomplete or otherwise non-complying performance,. The DLL shall be entitled to collect costs incurred as the result of any breach, including court costs and reasonable attorneys' fees.

A.28 Disputes Under the Contract

In the event that any dispute arises between the parties with respect to the performance required of the Successful Bidder under the Contract, the Commissioner shall make a determination in writing and dispatch to the Successful Bidder. That interpretation shall be final, conclusive and not subject to review in all respects unless the Successful Bidder, within thirty (30) calendar days of receipt of said writings, delivers a written appeal to the Commissioner or his duly authorized designee. The decision of the Commissioner on any such appeal shall be made within thirty (30) calendar days and shall be final and conclusive and the Successful Bidder must thereafter in good faith and due diligence render such performance as the Commissioner has determined is required of it. The Successful Bidder's options with respect to any such decision on appeal shall be whether 1) to accept the determination of the Commissioner as a correct and binding interpretation of the Contract, or 2) to make such claims as it may desire before the Vermont Superior Court, Civil Division, Washington Unit requesting recoupment.

Pending a final judicial resolution of any such claim, the Successful Bidder must proceed diligently and in good faith with the performance of the Contract as interpreted by the Commissioner and the DLL shall compensate the Successful Bidder pursuant to the terms of the Contract.

A.29 Equal Employment Opportunity

Any person or firm awarded a contract pursuant to this RFP agrees that they will comply with all provisions on Equal Employment Opportunity created by applicable state, federal or local laws, rules and regulations.

A.30 Right to Audit Successful Bidder's Operations

The DLL reserves the right to audit the Successful Bidder's records and operations as they relate to the DLL. Said audits may be conducted by an independent firm specified by the DLL. The Successful Bidder must agree to cooperate fully with any and all audits.

A.31 Indemnification

The Successful Bidder will act in an independent capacity and not as officers or employees of the State.

The Successful Bidder must defend the State and its officers, employees, and against all claims or suits arising in whole or in part from any act or omission of the Successful Bidder or of any subcontractor or any other agent of the Successful Bidder. The State shall notify the Successful Bidder in the event of any such claim or suit, and the Successful Bidder must immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

After final judgment or settlement the Successful Bidder may request recoupment of specific defense costs and may file suit in Vermont Superior Court, Civil Division, Washington Unit) requesting recoupment. The Successful Bidder must be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from and act or omission of the Successful Bidder.

The Successful Bidder must indemnify the State and its officers, employees, contractors, and retail licensees in the event that the State, its officers, employees, contractors, or retail licensees become legally obligated to pay any damages or losses arising from any act or omission of the Successful Bidder. All obligations of the indemnification shall survive the termination of the Contract.

A.32 Taxes, Fees and Assessments

The Successful Bidder must pay all taxes, fees and assessments upon the System, however designated, levied or based. The DLL is exempt from Federal, State and Local sales and use taxes on

the services provided pursuant to this Contract. Such taxes must not be included in the Proposal prices.

A.33 News Releases

The Successful Bidder must not issue any news releases pertaining to the performance of the Contract without prior approval by the DLL, and then only in cooperation with the DLL.

A.34 Sufficiency of Operational Staff

The DLL will conduct periodic reviews with the Successful Bidder regarding the adequacy of Successful Bidder staff skills, service practices, and headcount. The Successful Bidder is obliged to provide quality service and failure to do so must be reflected in additions and improvements. Inadequate staffing and performance may be reflected in liquidated damages and other remedies available to the DLL. The DLL will provide formal notice of inadequacy and will determine whether a cure period is reasonable prior to initiating any actions against the Successful Bidder.

A.35 Successful Bidder Responsibilities as Primary Contractor

The Successful Bidder will assume sole responsibility and liability for delivery, installation and maintenance of all equipment, software and support services offered in its Proposal and for the provision of all other goods and services offered in or acquired by its Proposal.

The Successful Bidder may have subcontractors; however, the Successful Bidder must accept full responsibility for and will be strictly liable to the DLL for any such subcontractor's performance. The DLL will consider the Successful Bidder to be the sole point of contact with regard to all contractual matters.

A.36 Subcontract Approval

Any proposed subcontracts shall be subject to the prior written approval of the DLL. Subcontractors are subject to background checks of personnel and principals as described in previous paragraphs of this RFP section.

A.37 Authority of DLL

On all questions concerning the interpretation of specifications, the acceptability and quality of material furnished and/or work performed, the classification of material, the execution of the work, the assessment of liquidated damages, and the determination of payment due or to become due, the decision of the DLL shall be final and binding.

A.38 Opportunity to Compete

The State of Vermont recognizes the important contribution and vital impact which small businesses have on Vermont's economy. In this regard, the State prescribes to a free and open bidding process that affords all businesses equal access and opportunity to compete for State contracts for goods and services. The State also recognizes the existence of businesses owned by minorities and women and encourages these firms to compete for State contracts.

A.39 Fair Employment Practices and Americans with Disabilities Act

The Successful Bidder will agree to comply with the requirements of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. The Successful Bidder will also ensure, to the full extent required by the Americans with Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Successful Bidder under the Contract. The Successful Bidder will further agree to include this provision in all subcontracts.

A.40 Non-Disclosure Agreement

The successful bidder may be required to complete a non-disclosure agreement in a form acceptable to the State.

A.41 Specification Change

Any changes or variations in the requirements or specifications set forth in this RFP will result in the issuance of an Addendum to this RFP in writing from the Office of Purchasing & Contracting. Verbal instructions or written instructions from any other source are not to be considered.

A.42 Vendor Not Indemnified by State

The State has no legal authority to indemnify a vendor and this condition is not negotiable. Further, all contract terms and conditions, including an Operator contract will be subject to the laws of the State of Vermont and any action or proceeding brought by either the State or a Contractor in connection with a Contract shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. Vendors who are not able to enter into a contract under these conditions shall not submit a bid.

APPENDIX B – BIDDER BACKGROUND AND REQUIREMENTS

The Bidder is required to demonstrate corporate experience, technical capability, and financial means to support the Contract.

B.1 Corporate Background Review

The Bidder must provide the following information:

- (a) Name and address of the business entity making the Proposal.
- (b) Type of business entity (e.g., corporation, partnership, etc.).
- (c) Place of incorporation, or other form of organization, if applicable.
- (d) Name and location of major offices, plants and other facilities that relate to performance under the terms of this RFP.
- (e) Name, address, and function of substantial subcontractors, associated companies, or consultants that will be involved in any phase of this project.
- (f) An organizational chart of the Bidder's business, including all partners and officers.
- (g) A list of all parent or subsidiary companies and an explanation of their relationship to the Bidder.
- (h) A list of all owners of greater than 5% of the Bidder's business.

B.2 Sports Wagering Systems Experience

The Bidder must provide three (3) references who are the Proposer's market access partners in states with an open sports betting market (specifically, where there are three or more sports betting operators) for which Proposer has performed work similar to that requested in this RFP, including the following information:

- (a) Name of state sports wagering system.
- (b) Estimated annual contract value.
- (c) Description of services provided.
- (d) Sports wagering sales by product category by year.
- (e) Telecommunications technologies employed.
- (f) The term of the contract including effective dates.

The descriptions must include names, titles, addresses and telephone numbers that may be contacted to verify qualifying experience. If the experience is provided by a teaming partner or a subcontractor that will provide a major part of the products and services, then experience information for that entity must be included.

Indicate the persons from the Bidder who will be principally responsible for the implementation of the services proposed if the Bidder is awarded a contract. For each person provide their name and job title, biography of their experience in sports betting and their responsibilities in the RFP process and ultimate implementation of services.

List all jurisdictions where the Bidder and parent company have been licensed or otherwise authorized by contract or otherwise to conduct sports betting operations, including the date of licensure or authorization. Must indicate whether the licenses or authorizations granted are still valid and in effect. disclose any disciplinary actions taken against Bidder's license or authorization within the last ten (10) years. Must describe any disciplinary actions taken by any regulatory agency against any owner, partner, officers, directors, employees or agents of Bidder. The same information shall be provided for any subcontractor that the Bidder intends to rely on to deliver services to the DLL pursuant to this RFP.

B.3 Financial Viability

In order to ensure the Bidder's financial ability to perform under the contract, the DLL requires the

following financial information.

Note: An original and two (2) copies of this information must be provided and must be submitted with the original Proposal (not with copies).

- (a) **Submission of Financial Statements.** All Bidders and substantial subcontractors must submit certified financial statements, or federal income tax returns if the Bidder or substantial subcontractor does not have certified financial statements prepared for the last two (2) fiscal years. Certified financial statements must be the result of an audit of the entity's records, prepared in accordance with Generally Accepted Auditing Standards (GAAS) by a certified public accountant. The certified financial statements shall be prepared in accordance with Generally Accepted Accounting Principles (GAAP), and must include balance sheets, income statements, statements of cash flows, statements of retained earnings, notes to the financial statements for both years, and any management letters that have been received for those years. For non-U.S. entities the equivalent non-U.S. accounting standards apply.
- (b) **Subsidiaries.** If a Bidder or substantial subcontractor is a subsidiary of a parent entity and the Bidder or substantial subcontractor does not have its own, separate financial statements, the Bidder or substantial subcontractor may satisfy its financial responsibility submission requirements by submitting the consolidated financial statements of its parent entity if the consolidated financial statements include the activity of the Bidder or substantial subcontractor. If a Bidder or substantial subcontractor submits the consolidated financial statements of its parent, the parent must serve as financial guarantor of the Bidder or substantial subcontractor.
- (c) **Parent Corporation Resources.** If the Bidder is a subsidiary and will rely on the financial resources of the parent to perform this contract, the parent must certify, in writing in a form acceptable to the DLL, the availability of its resources to the Bidder. Parent entities that serve as financial guarantors of subsidiary firms shall be held accountable for all terms and conditions of the RFP and the resulting contract and shall execute the Contract as guarantor.
- (d) **External Borrowing.** The Bidder must provide a letter of commitment in a form acceptable to the DLL from a creditor acceptable to the DLL, if outside borrowing will provide any or all of the funding for this project.

B.4 Integrity and Ethics

- (a) Bidder must identify any conviction, judgment, administrative proceedings, or investigations in the past five (5) years by local, state or federal law enforcement authority against the Bidder, its parent company, subsidiary companies or any subcontractors that the Bidder intends to rely on to provide services pursuant to this RFP.
- (b) Bidder must disclose the details of any litigation during the past five (5) years, whether complete or active, involving the Bidder, its parent company, subsidiary companies or any subcontractors that the Bidder intends to rely on to provide services pursuant to this RFP.
- (c) Identify any person who will receive a commission or other value from the Bidder or any associated entity if the Bidder is selected to provide sports betting services.
- (d) Has the Bidder or any subcontractor that the Bidder intends to rely on been assessed any penalties or liquidated damages during the past two (2) years on any contract. If so, please list the client and the circumstances surrounding the
- (e) Has the Bidder or any subcontractor that the Bidder intends to rely on been terminated, assessment of the penalty or damages, either for cause or for convenience during the past five (5) years on any contract. If so, please list the client and the circumstances surrounding the termination.
- (f) Has the Bidder, its parent company, subsidiary companies or any subcontractors been the subject of any order, judgment or decree of any state or federal authority barring, suspending or otherwise limiting the right of those businesses to engage in any business, practice or activity.

- (g) Identify any actual or potential conflicts of interest that may arise from the award of a contract to the Bidder pursuant to this RFP and identify how the Bidder plans to address any actual or potential conflicts.
- (h) Please provide a copy of any letter provided from a regulatory jurisdiction, foreign or domestic, addressing any investigations, findings, fines, fees, and/or discipline relating to sports betting activities.

The DLL expects complete disclosure from Bidders in addressing this section. Any lack of disclosure on these questions may be cause, at the discretion of the DLL, for immediate disqualification of the Proposal.

B.5 Financial Reporting and Auditing

The successful Bidder(s) will be responsible for providing financial reporting on all sports betting activities and for periodically performing internal and third-party audits of their accounting system by reputable third-party companies approved by the DLL. Bidders will also be responsible to push transaction data to a trusted independent third-party provider to allow for reconciliation with the Bidder's sports betting transaction data. Bidder(s) will need to work with the DLL to develop a process for reporting and transfer of the DLL's revenue share.

Bidder will describe their proposed accounting and auditing practices including:

- (a) Ability to integrate with the State of Vermont financial system.
- (b) SSAE compliance.
- (c) Programs for properly accounting for gross and net revenues, prize amounts and commissions in order to calculate revenue share percentages agreed to under the contract.
- (d) System reporting for financial information consistent with GAAP standards.
- (e) Internal control standards for financial transactions including segregation of duties.
- (f) W-2G reporting and all other aspects of IRS reporting.
- (g) Internal auditing processes.
- (h) Third-party auditing.

Additionally, DLL wishes to implement a system where bet transactions are sent periodically to a trusted third-party source to allow for reconciliation between the independent bet transaction data and the sports betting platform transaction data. Bidders must submit a solution that is procured by Bidder and does not require hosting or support from the Department.

B.6 Customer Service Support

The successful Bidder(s) shall provide a project manager who will be the primary point of contact with the DLL. Bidder must also provide 24/7 technical support for the sports betting platform equipment utilized in the Sportsbooks.

B.7 Operations Experience

The Bidder must provide a description of comparable mobile sports wagering platforms developed by the Bidder. Multiple examples may be used to demonstrate experience, but the Bidder must limit detailed examples to no more than the five most comparable Sportsbook operations. The description shall include the following:

- (a) An overview of the wagering activity conducted through the Sportsbook(s).
- (b) The jurisdictions where the Bidder operates the Sportsbook(s).
- (c) Current integration of the Sportsbook(s) with other wagering operators.
- (d) The number of accounts maintained through the Sportsbook(s).
- (e) Wagering volume processed annually through the Sportsbook; and

- (f) Additional information the Bidder believes relevant to demonstrate the Bidder's experience.

The Bidder must provide a description of Sports Wagering operated by the Bidder. Multiple examples may be used to demonstrate experience, but the Bidder must limit detailed examples to no more than the five most comparable Sports Wagering operations. The description shall include the following:

- (a) The jurisdictions where the Operators is operating.
- (b) Wagering volume of Sports Wagering.
- (c) Estimated market share within each jurisdiction.
- (d) The Sportsbook(s) currently used to accept wagers.
- (e) Additional information the Bidder believes relevant to demonstrate the Operator's experience, including, without limitation, the Operator's experience in mobile sports wagering.

B.8 Expertise and Capability

The Bidder must provide a summary narrative, not to exceed two pages, highlighting the Bidder's expertise in mobile sports wagering and how the Bidder's expertise is applicable to this RFP. In addition to the summary, each Bidder must provide:

- (a) An overview of the technical features and operation of the Mobile Sports Wagering Platform.
- (b) An overview of how the Bidder will provide continual support and maintenance of the Mobile Sports Wagering Platform.
- (c) An outline of the features of the Mobile Sports Wagering Platform designed to support the Operators.
- (d) An outline of any technology to be used or features offered that the Bidder believes sets the Bidder apart from other potential Operators.
- (e) Additional information the Bidder believes relevant to demonstrate the Bidder's expertise.

The Bidder must provide a summary narrative, not to exceed two pages, highlighting the expertise in sports wagering that such proposed Operator demonstrates. In addition to the summary, each Bidder must provide:

- (a) An overview of the integration between the Bidder's platform and the wagering system.
- (b) An outline of the features offered or used by the Operator that the Bidder believes sets it apart from other potential Bidders.
- (c) A sample wagering menu the Operator intends to offer if such wagers are approved by the Commission.
- (d) An illustration of the proposed Operator's ability to rapidly effectuate the commencement of mobile sports wagering on the Bidder's platform.
- (e) Additional information the Bidder believes relevant to demonstrate the Operator's expertise, including, without limitation, experience in the field of mobile sports wagering.

B.9 Integrity, Sustainability and Safety

The Bidder must provide detailed information on how the Bidder or the Bidder's proposed Operators will ensure the responsibilities, duties and requirements in enhanced procedures not regulations. Part 5330 in regard to:

- (a) Wager acceptance.
- (b) Verification of information provided by Authorized Sports Bettors opening a new account.
- (c) The systems used for monitoring structured wagers and unusual or suspicious wagering activity.
- (d) The systems used to ensure that Authorized Sports Bettors are physically located within the State of Vermont while placing a wager.

- (e) The technology to ensure that any wager is accepted through equipment physically located at a gaming facility in the State authorized through the Department by an approved Operator.
- (f) Description and location of redundant servers, if any.
- (g) Security of servers, applications, and communication networks; and patron personal and wagering information.
- (h) Integrity monitoring and reporting, including any current affiliations related to integrity monitoring.
- (i) Responsible gaming.

The Bidder must provide details on their integrity monitoring systems, including any current affiliations related to integrity monitoring.

B.10 Capacity to bring Authorized Sports Bettors to the Sportsbook

The Bidder must demonstrate the Bidder's ability to effectuate rapidly the commencement of mobile sports wagering on the Bidder's platform and to bring Authorized Sports Bettors effectively onto the Sportsbook.

The Bidder must provide a time from the execution of a contract to the date on which each Operator shall be prepared to accept mobile sports wagers through the Bidder's Sportsbook.

B.11 Workforce Diversity

The Bidder and each of its Operators shall provide information demonstrating how the Bidder fosters racial, ethnic and gender diversity within the organization's workforce. Such demonstration shall include:

- (a) the organization's policy on workforce diversity.
- (b) workforce demographics demonstrating the organization's current workforce diversity.
- (c) efforts the Bidder and Operators will undertake to foster workforce diversity as it relates to operations undertaken pursuant to a Contract, if awarded.

B.12 Advertising and Promotional Plans

The Bidder must demonstrate its marketing and promotion plan and expertise. The Bidder must:

- (a) provide player acquisition model,
- (b) advertising plans
- (c) affiliate programs,
- (d) estimated marketing budget,
- (e) details on how the bidder will convert customers from wagering through illegal channels to wagering legally in the State.

APPENDIX C – REVENUE

C.1 Introduction

This section describes the operator fee expected for each operator and expected revenue share.

C.2 Terms and Fees of the Operator Fee

Mobile Sports Wagering Operator will be required to pay a \$550,000 operator fee to DLL, not to be assessed by DLL more than once every three years.

C.3 Payment of Operator Fee

A Mobile Sports Wagering Operator shall pay an operator fee as discussed above to the DLL within (30) calendar days of the date of the contract start conditioned upon payment of such fee pursuant to 2023 Act No. 63, effective June 14, 2023.

C.4 Revenue Share

The Bidder must submit an estimate of the Bidder's potential adjusted gross sports wagering revenue in Vermont. The Bidder must submit rationale for estimated potential adjusted gross revenue and experience meeting similar revenue goals.

The Bidder must submit the percentage of adjusted gross sports wagering revenue from mobile sports wagering the Bidder will pay to the State if selected to be an operator. The Bidder must be aware that the minimum revenue share shall be twenty (20) percent of adjusted gross sports wagering revenue.

The Bidder must also submit a plan for maximizing sustainable, long-term revenue for the State, including a detailed market analysis.

C.5 Accompanying Revenue Analysis

In addition to the revenue share, the Bidder must submit an analysis using the Bidder's Preferred Scenario of Platform Providers and Operators. Such analysis shall contain the following:

- (a) Estimate of the total Mobile Sports Wagering Gross Gaming Revenue to be generated annually from all Platform Providers and Operators.
- (b) The Bidder's estimated share of the Mobile Sports Wagering Gross Gaming Revenue to be generated annually from all Platform Providers and Operators.
- (c) The Bidder's basis and methodology for estimates.
- (d) The Bidder's prior experience generating and maximizing Mobile Sports Wagering Gross Gaming Revenue and achieving Gross Gaming Revenue targets.
- (e) Any other information that the Bidder believes relevant for the Committee to consider in maximizing sustainable, long-term revenue for the State.

The Bidder must submit a similar analysis for each of the competitive scenarios for which the Bidder has responded. Given the slight variations between scenarios, the Bidder is permitted to band or group various scenarios together for purposes of such analysis.

C.6 Other Factors Impacting Revenue to the State

The Bidder must provide a narrative and analysis of any other factor or aspect of the Bidder's Application that the Bidder believes the Commissioner should take into consideration when evaluating other factors that could impact the revenue from mobile sports wagering paid to the State. The Bidder must limit all narrative and analysis in response to this section to no more than five pages.

C.7 Compliance with Law

Each Mobile Sports Wagering Operator shall comply with applicable law, including, without limitation, 2023 Act No. 63, effective June 14, 2023 and Board of Liquor and Lottery's Sports Wagering Procedures.

APPENDIX D – TECHNICAL SPECIFICATIONS AND REQUIREMENTS

The Bidder must propose a comprehensive set of services and solutions that will ensure the sustained, long-term growth of Sports Betting for DLL. The solution(s) must be flexible and able to expand and meet the business needs of the DLL as the Sports gaming evolves.

The Bidder must provide a summary of the services and solutions being offered and highlight why and how the Bidder expects its solution to enhance the DLL's short-term and long-term performance. Summary shall specifically address how the offering will increase DLL profitability.

D.1 Overview

This Appendix provides the requirements for development of the technical proposals, explains the proposal clarification process, and outlines the Application submission process. In preparation of the proposal, the Bidder must pay special attention to the requirements and information being requested to respond fully to the RFP. In cases where multiple Platform Providers and/or Operators are included in an Application, the Bidder must provide information required by this Part in context of and including all Platforms and Operators.

D.2 Standards for Sports Wagering

D.2.1 Authorized and Prohibited Sports Events and Types of Wagers

Only those categories of Sports Events and their Types of Wager authorized by the Department and posted on the Department's website may be offered for Sports Wagering by a Sportsbook. Refer to Appendix E - Enhanced Procedures, Part II, Section 1.0 for additional details.

The Bidder must describe in detail the Bidder's current categories of Sports Events and Types of Wagers, and whether they fall with the authorized list of categories approved by DLL. Also include samples of events and wager types for each of the categories.

D.2.2 Petition for a Category of Sports Event or Type of Wager

The Department shall have authority to review and approve types of wagers and categories of sports events before a Sportsbook is permitted to offer the wager to the public. A petitioner may petition the DLL for approval of a new category of Sports Event or Type of Wager. Refer to Appendix E - Enhanced Procedures, Part II, Section 2.0 for additional details.

D.2.3 Limitations on Certain Sports Wagering for Good Cause

If a Sports Governing Body or college believes that the type, form, or category of Sports Wagering on that Sports Governing Body's Sports Event has the potential to undermine the integrity or perceived integrity of the Sport's Governing Body or its Sports Event, the Sport's Governing Body or college may submit to the Department a written request to restrict, limit, or exclude a certain type, form, or category of Sports Wagering on a Sports Event or series of Sports Events.

D.2.4 Data Sources for Sports Wagering

A Sportsbook shall report to the Department the Data Sources that it uses to resolve Sports Wagers. The Department may disapprove of a Data Source for any reason. Refer to Appendix E - Enhanced Procedures, Part II, Section 4.0 for additional details.

The Bidder must provide anticipated data sources it will use to resolve Sports Wagers in the Vermont market.

D.2.5 House Rules

The Sportsbook must adopt comprehensive house rules, which must be approved by the Department. The house rules, together with any other information the Department considers appropriate, must be conspicuously displayed on the Sportsbook's Internet Website or Mobile Application, and copies must be made readily available to individuals and players. Refer to Appendix E - Enhanced Procedures, Part II, Section 5.0 for additional details.

The Bidder must provide samples of house rules used in other jurisdictions.

D.2.6 Tournaments, Contests, and Pools

No Sports Wagering tournament, contest, or pool shall be conducted unless the Sportsbook, before the first time a tournament, contest, or pool type is offered, files written notice with the DLL of its intent to offer that tournament, contest, or pool type and obtains approval from the Department. Refer to Appendix E - Enhanced Procedures, Part II, Section 6.0 for additional details.

The Bidder must provide examples of tournaments, contests, and pools to be conducted in the State of Vermont along with samples of the records it maintains for the tournaments, contests, and pools.

D.2.7 Acceptance of Wagers

Available wagers must be displayed to players on the Mobile Sports Wagering Platform. The display must include the lines or odds.

A Sportsbook shall not set lines or odds or offer wagering propositions designed for the purposes of ensuring that a player will win a Sports Wager or a series of Sports Wagers, unless the lines, odds, or wagering propositions are offered in connection with a promotion or bonus conducted in accordance with Appendix E - Enhanced Procedures, Part II, Section 9.0.

A Sportsbook shall not accept a Sports Wager on a Sports Event unless a wagering proposition is posted on the Mobile Sports Wagering Platform

The Sportsbook shall debit the amount wagered by a player from their Sports Wagering Account. Wagers shall not be accepted in an amount in excess of an account balance.

No Sportsbook shall accept a Sports Wager from a person on the Sports Wagering Account of or for any other person. No Sportsbook shall knowingly allow a person to make a wager utilizing the Sports Wagering Account of another person.

D.2.8 Cancelled or Voided Wagers

A Sportsbook shall not cancel or void any Sports Wager except in accordance with Appendix E - Enhanced Procedures, Part IV, Section 8.0.

Cancellation of an otherwise validly placed Sports Wager by a Sportsbook shall be nondiscretionary. A Sportsbook may cancel or void a Sports Wager without prior authorization of the Department under the circumstances listed in Appendix E - Enhanced Procedures, Part II, Subsection 8.1.

For all circumstances that are not set forth in Appendix E - Enhanced Procedures, Part II, Subsection 8.1, a Sportsbook may request the Department authorize the cancellation or voiding of all Sports Wagers of a specific type, kind, or subject.

Refer to Appendix E - Enhanced Procedures, Part II, Section 8.0 for additional details.

D.2.9 Promotional or Bonus Wagering

A Sportsbook may conduct Sports Wagering promotions or bonuses in accordance with following:

Procedures for the issuance, acceptance, and tracking of promotions or bonuses must be defined in the Internal Control System. The Sportsbook must maintain a record of all promotions or bonuses related to Sports Wagering to facilitate the Department's tracking of promotional or bonus activity, which must address, at a minimum, all items set forth in Appendix E - Enhanced Procedures, Part II, Subsection 9.2.

All promotion or bonus rules must be full, accurate, concise, transparent, and must not contain misleading information. Promotion or bonus rules must be accessible by the player on the Sportsbook's Internet Website or Mobile Application and provide unambiguous notice no more than one click away of all items set forth in Appendix E - Enhanced Procedures, Part II, Subsection 9.3.

Promotions or bonuses must not be described as free or risk-free if those promotions or bonuses fall under the conditions of set forth in Appendix E - Enhanced Procedures, Part II, Subsection 9.4.

A Sportsbook must provide a clear and conspicuous method for a player to cancel their participation in a promotion or bonus that utilizes restricted wagering credits that cannot be cashed out until a wagering requirement or other restrictions associated with the credits is met as per Appendix E - Enhanced Procedures, Part II, Subsection 9.5.

Once a player has met the terms of a promotion or bonus, a Sportsbook must not limit winnings earned while participating in the promotion or bonus.

The Bidder must provide samples of their internal control system procedures for the issuance, acceptance, and tracking of promotions and bonuses.

D.2.10 Exchange Wagering and Other Peer-to-Peer Wagering

Prior to offering Exchange Wagering or other peer-to-peer wagering, a Sportsbook must obtain approval from the Department. The Rake taken on such wagers shall be considered Adjusted Gross Sports Wagering Revenue and is subject to all revenue share requirements outlined in Appendix E - Enhanced Procedures, Part VIII.

One or more Operators may, with prior approval of the Department, participate in a Sports Wagering Network in accordance with a written agreement that has been executed by each Sportsbook per agreement specifications in Appendix E - Enhanced Procedures, Part II, Subsection 10.2 and 10.3.

D.3 Technical Requirements and Oversight

D.3.1 Mobile Sports Wagering Platform Standards

A Sportsbook shall use a Mobile Sports Wagering Platform to offer, conduct, or operate Sports Wagering in accordance with applicable laws and the Procedures set forth in Appendix E - Enhanced Procedures, Part III, Section 1.

The Bidder must provide an overview of their Sports Wagering Platform, and how it conforms to the laws of Vermont and the standards set forth in the RFP and Enhanced Procedures.

The Bidder must provide an estimated time frame for implementing the Bidder's sports wagering operations.

D.3.2 Testing and Certification of Mobile Sports Wagering Platform

Prior to conducting Sports Wagering, and annually thereafter, the Mobile Sports Wagering Platform used in conjunction with the Sportsbook shall be submitted to a nationally recognized, independent testing laboratory approved by the DLL for certification testing. Certification and DLL approval must be received prior to the use of any Mobile Sports Wagering Platform to conduct Sports Wagering. The Sportsbook is responsible for all costs associated with testing and obtaining such certifications.

- (a) Unless otherwise authorized by the Department, the independent testing laboratory must be provided access to the Mobile Sports Wagering Platform's controlled software source code along with the means to verify compilation of such source code. The result of the compiled source code must be identical to that in the software submitted for evaluation. Deb- Forget this comment. This section is good as written.
- (b) If the Mobile Sports Wagering Platform meets or exceeds the specifications set forth in the Enhanced Procedures or other technical specifications as prescribed by the Department, the independent testing laboratory approved by the Department shall certify the Mobile Sports Wagering Platform. Sportsbooks are prohibited from offering Sports Wagering in Vermont without such certification.

The Bidder must describe the process and provide a draft implementation plan for the full delivery, installation and testing of all software, hardware, and service elements of the proposed systems.

D.3.3 Integration Requirements

The Sportsbook shall be responsible for the Sports Wagering realized through other Service Providers and Suppliers, and other Sportsbooks where applicable.

- (a) The servers and other equipment of Service Providers and Suppliers critical to sports wagering operation will be considered to this effect as part of the Sportsbook's Mobile Sports Wagering Platform and must comply with the specifications provided in these Procedures.
- (b) The Sportsbook must guarantee that any integration with the servers and other equipment of another Sportsbook is realized in a way that complies with the specifications provided in these Procedures.
- (c) An independent testing laboratory shall conduct integration testing and certification for each server and other equipment with the Sportsbook's Mobile Sports Wagering Platform prior to its deployment and as requested by the DLL.

The Bidder must provide a list of all Service Providers, Suppliers, and Sportsbooks the Bidder will integrate with in the State of Vermont.

D.3.4 Change Management Processes

The Sportsbook must submit change management processes to the Department for approval which detail evaluation procedures for identifying the criticality of updates and determining the updates that must be submitted to the approved independent testing laboratory for review and certification.

These change management processes must be:

- (a) Developed in accordance with the Gaming Laboratories International's GLI-CMP: Change Management Program Guide, as amended or modified.
- (b) Approved by the Department prior to its deployment.

Quarterly change reports are issued to an independent testing laboratory for review to ensure risk is

being assessed according to the change management processes and all documentation for all changes are complete.

At least once annually, each product operating under the approved change management processes must be fully certified to the specifications set forth in these Procedures and other technical specifications as prescribed by the Department and accompanied by formal certification documentation from the independent testing laboratory. The Sportsbook shall be allowed to seek approval for extension beyond the annual approval if hardship can be demonstrated. Granting of a hardship waiver is the sole discretion of the Department.

The Bidder must provide their Change Management process and describe how it adheres to requirements defined above.

D.3.5 Geolocation Requirements

Mobile Sports Wagers must be initiated, received, and otherwise placed in the authorized geographic boundaries within the State of Vermont and may not be intentionally routed outside the State. The authorized geographic boundaries shall be determined by the Department. The incidental intermediate routing of electronic data relating to a mobile Sports Wager shall not determine the location or locations in which the wager is initiated, received, or otherwise made, consistent with the Unlawful Internet Gambling Enforcement Act of 2006 (31 U.S.C. Section 5361, et seq.).

Refer to Appendix E - Enhanced Procedures, Part III, Section 5.0 for additional details.

The Bidder must describe in detail the platforms geolocation service, how it adheres to the above requirements, and provide the names of the 3rd party geolocation service providers the platform may utilize.

D.3.6 Data Security

Each Sportsbook shall employ commercially reasonable security mechanisms to ensure the confidentiality of wagering and personal and financial information, and any other confidential information, including information provided by a Sports Governing Body or equivalent, from unauthorized access and dissemination except as otherwise authorized by the Act. Nothing in this subsection shall preclude the use of internet or cloud-based hosting of such data and information or disclosure as required by State or federal law or a court order.

D.3.7 Location of Servers, Security, and Cloud Storage

Unless otherwise approved by the Department in writing, a Sportsbook must place its primary server responsible for the acceptance and storage of Sports Wagers in secure locations in the state of Vermont and which, upon request, shall be accessible by the Department.

- (a) The location of all other technology and servers used by a Sportsbook in connection with Sports Wagering shall be approved by the Department.
- (b) The Department may approve of the use of internet or cloud-based hosting of duplicate data or data not related to transactional wagering data upon written request of a Sportsbook.

D.3.8 System Security Testing

Each Sportsbook shall, within ninety (90) calendar days after commencing operations in Vermont, and annually thereafter, have system security testing of the Mobile Sports Wagering Platform conducted by a third-party contractor with at least three (3) years of experience in gaming system security testing and procedures, including on sports wagering computer security and systems security, selected by the Sportsbook and subject to approval of the Department.

At a minimum, such documented system security testing should include a review of network vulnerability, application vulnerability, application code review, wireless security, security policy and processes, security and privacy program management, technology infrastructure and security controls, security organization and governance, and operational effectiveness.

The scope of the documented system security testing is subject to approval of the Department and must include, at a minimum, the requirements defined in Appendix E - Enhanced Procedures, Part III, Subsection 8.2.

Third-party contractor qualification and requirements for security testing is outlined in Appendix E - Enhanced Procedures, Part III, Subsection 8.3 through 8.6.

D.3.9 Quarterly Vulnerability Scans

Internal and external network vulnerability scans shall be run at least quarterly and after any significant change to the Mobile Sports Wagering Platform or network infrastructure.

Refer to Appendix E - Enhanced Procedures, Part III, Section 9.0 for additional details.

The Bidder must provide details of the process for performing vulnerability scans and sample of their vulnerability's remediation and risk management plans.

D.4 Sports Wagering Accounts

D.4.1 Sports Wagering Account Requirements

An individual must have an established Sports Wagering Account with the Sportsbook to participate in Sports Wagering. An account shall only be established in the name of a player who is a natural person and may not be in the name of any beneficiary, custodian, joint trust, corporation, partnership, or any other entity.

The Bidder's Sports Wagering platform must collect Personally Identifiable Information and other electronic player information for each player through the Mobile Sports Wagering Platform as identified in Appendix E - Enhanced Procedures, Part IV, Subsections 1.2 and 1.4.

The Bidder must provide, in detail, their platform Account Registration process, paying particular attention to the Registration process requirements per Appendix E - Enhanced Procedures, Part IV, Subsection 1.3 and the above list requirements.

All Player payment instruments, government identification numbers, authentication credentials, and other personal financial information, per Appendix E - Enhanced Procedures, Part IV, Subsection 1.5, shall be stored in encrypted form.

The Bidder's Sports Wagering platform shall allow the player to update authentication credentials, registration information and the account used for financial transactions. A Multi-Factor Authentication process shall be employed for these purposes.

The Bidder or any 3rd Party are prohibited from charging any fee to maintain or administer any Sports Wagering Account.

D.4.2 Age and Identity Verification

The Bidder's Sports Wagering platform shall adopt commercially reasonable policies and procedures to verify and authenticate age and identity of each player as stated in Appendix E - Enhanced Procedures, Part IV, Section 2.0.

The Bidder must provide, in detail, their platform's Age and Identity Verification functionality, with focus on the above requirements. The Bidder must also list any 3rd party Verification Services that will be used in the State of Vermont.

D.4.3 Limitation to One Account per Player

An individual may not have more than one (1) Sports Wagering Account with each Sportsbook. A Sportsbook shall implement procedures to terminate all accounts of any player that establishes or seeks to establish more than one (1) username or more than one (1) account, whether directly or by use of another person as proxy. Such procedures may allow a player that establishes or seeks to establish more than one (1) username or more than one (1) account to retain one (1) account provided that the Sportsbook investigates and makes a good-faith determination that the player's conduct was not intended to obtain a competitive advantage.

D.4.4 Terms and Conditions and Privacy Policies for Sports Wagering Accounts

All terms and conditions and privacy policies for Sports Wagering Accounts shall be readily accessible to the player before and after registration and noticed when materially updated.

All terms and conditions for Sports Wagering Accounts must address all aspects of the Sportsbook, including as stated in Appendix E - Enhanced Procedures, Part IV, Section 4.1.

All privacy policies for Sports Wagering Accounts must address all aspects of the Personally Identifiable Information protection as stated in Appendix E - Enhanced Procedures, Part IV, Section 4.2.

The Bidder must provide a sample Terms and Conditions and Privacy Policies for Sports Wagering Accounts used in other jurisdictions.

D.4.5 Responsible Gaming and Problem Gambling Information

A Sportsbook must provide Department-approved responsible gaming and problem gambling information that must be readily accessible to each player and conspicuously displayed on each applicable Internet Website or Mobile Application as stated in Appendix E - Enhanced Procedures, Part IV, Section 5.0.

D.4.6 Account Access

The Mobile Sports Wagering Platform Account Access must provide an option for Multi-Factor Authentication, and a mechanism that allows for an account to be locked in the event that suspicious activity is detected, along with all other account access requirements as stated in Appendix E - Enhanced Procedures, Part IV, Section 6.0.

D.4.7 Financial Transactions

Sportsbooks shall provide the player written confirmation or denial of every financial transaction initiated, including,

- (a) The type of transaction (deposit or withdrawal)
- (b) The transaction value
- (c) For denied transactions, a descriptive message, if appropriate and available, as to why the transaction did not complete as initiated

A Sports Wagering Account may be funded using approved methods which shall produce a sufficient audit trail for verification of the source of the wagers.

- (a) Approved methods for funding Sports Wagering Accounts include,
 - i. Cash equivalents converted to cash
 - ii. Travelers checks, certified checks, cashier's checks and money orders
 - iii. Electronic funds transfers (EFTs)
 - iv. Promotional or bonus credit
 - v. Winnings
 - vi. Adjustments made by the Sportsbook with documented notification to the player
 - vii. Any other form approved by the Department including those which are initiated with cash
- (b) The Sports Wagering Account shall not be funded by using a credit card
- (c) The Sports Wagering Account shall be credited for any deposit in accordance with the Internal Control System as submitted by the Sportsbook and approved by the Department
- (d) For debit cards and EFTs, the player may be liable for any charges imposed by the transmitting or receiving Sportsbook and the charges may be deducted from the player's Sports Wagering Account

When a Sports Wagering Account's lifetime deposits exceed \$2,500, and every year thereafter, the Sportsbook shall prevent any wagering until the player immediately acknowledges that the player has met the deposit threshold and may elect to establish responsible gaming limits or close the account, and the player has received disclosures from the Sportsbook concerning problem gambling resources.

Where financial transactions are conducted through EFT, the Sportsbook shall have security measures and controls to prevent EFT fraud. A failed EFT attempt is not considered fraudulent if the player has successfully performed an EFT on a previous occasion with no outstanding chargebacks. Otherwise, the Sportsbook shall do all of the following:

- (a) Temporarily block the player's Sports Wagering Account for investigation of fraud after five (5) consecutive failed EFT attempts within a 10-minute period. If there is no evidence of fraud, the block may be vacated
- (b) Suspend the player's Sports Wagering Account after five (5) additional consecutive failed EFT attempts within a 10-minute period

A Sportsbook must not restrict the player from withdrawing the player's own funds or withdrawing winnings from wagers placed using the player's own funds, whether the account is open or closed, except as otherwise provided in these Procedures, or any other applicable state or federal laws,

- (a) A Sportsbook must employ a mechanism that can detect and prevent any withdrawal activity initiated by a player that would result in a negative balance of the Sports Wagering Account.
- (b) A Sportsbook shall not allow a Sports Wagering Account to be overdrawn unless caused by payment processing issues outside the control of the Sportsbook.
- (c) A Sportsbook must honor the player's request to withdraw funds within seven (7) calendar days after the request, unless the conditions set forth in Appendix E - Enhanced Procedures, Part VI, Section 7.5(d) are met.
- (d) The Sportsbook may decline to honor a player's request to withdraw funds only if the Sportsbook believes in good faith that the player engaged in either fraudulent conduct or other conduct that would put the Sportsbook in violation of the Act and these Procedures. In such cases, the Sportsbook must do all of the following:
 - i. Suspend the player's Sports Wagering Account and provide notice to the player.
 - ii. Conduct its investigation in a reasonable and expedient fashion, providing the player additional written notice of the status of the Sports Wagering Account every fourteenth (14th) calendar day starting from the day the original notice was provided to the player.
- (e) For purposes of this subsection, a request for withdrawal is considered honored if it is processed by the Sportsbook notwithstanding a delay by a payment processor, debit card issuer, or the custodian of a financial account.

All adjustments to Sports Wagering Accounts for amounts of five hundred dollars (\$500.00) or less must be periodically reviewed by supervisory personnel as set forth in the Sportsbook's Internal Control System. All other adjustments must be authorized by supervisory personnel of the Sportsbook before being entered.

D.4.8 Account Information

Upon request of the player, the Sportsbook shall provide a statement detailing account activity for the past year including wagers, deposit amounts, withdrawal amounts, and bonus or promotion information, including amounts remaining for a pending bonus or promotion, and amounts released to the player.

D.4.9 Responsible Gaming Limits

A Sportsbook shall allow a player to limit the amount of money that may be deposited into an account and spent through an account.

- (a) A deposit limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of money a player may deposit into their Sports Wagering Account during a particular period of time.
- (b) A wager limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of player funds that may be put at risk during a particular period of time.
- (c) Any decrease to these limits shall be effective immediately or at the point in time (e.g., next login, next day) that was clearly indicated to the player. Any increase to these limits shall become effective only after the time period of the previous limit (e.g., day, week, month, etc.) has expired.

D.4.10 Self-Restriction Process

A Sportsbook shall enable a player to restrict themselves from Sports Wagering for a period of time the player specifies, which must not be less than seventy-two (72) hours, by submitting a request to the Sportsbook through its Internet Website or Mobile Application or by online chat with the Sportsbook's customer support team.

The Sportsbook shall provide to a player who self-restricts their participation information concerning:

- (a) Available resources addressing addiction and compulsive behavior.
- (b) How to close an account and restrictions on opening a new account during the period of self-restriction.
- (c) Requirements to reinstate an account at the end of the period.
- (d) The ability to enroll in the statewide Voluntary Self-Exclusion Program and a link to such site.
- (e) How the Sportsbook addresses bonuses or promotions and account balances during and after the period of self-restriction, and when the player closes their Sports Wagering Account.

D.4.11 Suspension and Restoration of Sports Wagering Accounts

A Sports Wagering Account may be placed into a suspended mode by the Sportsbook as defined in Appendix E - Enhanced Procedures, Part IV, Section 11 Subsections 1, 2, and 4.

A Sports Wagering Account in a suspended mode may be restored as defined in Appendix E - Enhanced Procedures, Part IV, Section 11 Subsection 3.

D.4.12 Account Closure

A Mobile Sports Wagering Platform must provide a conspicuous and readily accessible method for a player to close their Sports Wagering Account through the account management or similar page or through the Sportsbook's customer support team.

Upon closure any funds remaining in the Sports Wagering Account shall be refunded to the player, provided that the Sportsbook acknowledges that the funds have cleared.

D.4.13 Dormant Accounts

Any Sports Wagering Account with no player-initiated activity for at least three (3) years shall be closed. When a Sports Wagering Account is closed the Sportsbook shall issue any funds, less processing fees, within five (5) business days to the player.

D.4.14 Anti-Money Laundering (AML) Monitoring

The Sportsbook shall develop and implement AML procedures and policies that adequately address the risks posed by Mobile Sports Wagering for the potential of money laundering and terrorist financing. Additional requirements for AML procedures and policies may be specified by the Department.

D.4.15 Personally Identifiable Information Security

Any information obtained in respect to the Sports Wagering Account, including Personally Identifiable Information and authentication credentials, shall be done in compliance with the privacy policies and local privacy regulations and standards observed by the Department. Both Personally Identifiable Information and the Sports Wagering Account funds shall be considered as critical assets for the purposes of risk assessment.

No employee or agent of the Sportsbook shall divulge any Personally Identifiable Information related to a Sports Wagering Account, the placing of any wager or any other sensitive information related to the operation of the Sportsbook without the consent of the player, except as required by this section, the Department, and as otherwise required by state or federal law. This includes, but is not limited to:

- (a) The amount of money credited to, debited from, or present in any particular player's Sports Wagering Account;
- (b) The amount of money wagered by a particular player on any event or series of events;
- (c) The unique Sports Wagering Account ID or username and authentication credentials that identify the player;
- (d) The identities of particular Sports Events or Types of Wagers on which the player is wagering or has wagered; and
- (e) Unless otherwise authorized by the player, the name, address, and other information in possession of the Sportsbook that would identify the player to anyone other than the Department or Sportsbook.

There shall be procedures in place for the security and sharing of Personally Identifiable Information, funds in a Sports Wagering Account and other sensitive information as required by the Department, including, but not limited to:

- (a) The designation and identification of one or more employees having primary responsibility for the design, implementation, and ongoing evaluation of such procedures and practices.
- (b) The procedures to be used to determine the nature and scope of all information collected, the locations in which such information is stored, and the storage devices on which such information may be recorded for purposes of storage or transfer.
- (c) The measures to be utilized to protect information from unauthorized access; and
- (d) The procedures to be used if a breach of data security has occurred, including required notification to the Department.

D.4.16 Test Accounts

A Sportsbook may establish test accounts to be used to test the various components and operation of a Sportsbook pursuant to an Internal Control System, which, at a minimum, must address all of the following:

- (a) The procedures for issuing funds used for testing, including the identification of who may issue the funds and the maximum amount of funds that may be issued.
- (b) The procedures for assigning each test account for use by only one (1) individual. However, a Sportsbook may establish a specific scenario or instance of a test account that may be shared by multiple users if each user's activities are separately logged.
- (c) The maintenance of a record for all test accounts, to include when they are active, to whom they are issued, and the employer of the individual to whom they are issued.
- (d) The procedures for auditing testing activity by the Sportsbook to ensure the accountability of funds used for testing and proper adjustments to Adjusted Gross Sports Wagering Revenue.

(e) The procedures for authorizing and auditing out-of-state test activity.

D.5 Audit and Internal Control Standards

D.5.1 Internal Control System

Unless otherwise provided for by the Department, before beginning Sportsbook operations, an Operator shall submit its administrative and accounting procedures, in detail, in an Internal Control System for Department review and written approval. The Department or its designee may perform any inspection necessary in order to determine conformance with the approved Internal Control System. Refer to Appendix E - Enhanced Procedures, Part V, Section 1 for additional details.

D.5.2 Information Security Responsibilities

An Internal Control System shall ensure that an information security program is effectively implemented, and information security function responsibilities are effectively allocated as per requirements defined in Appendix E - Enhanced Procedures, Part V, Section 2.

D.5.3 Accounting Records

Sportsbooks must maintain complete, accurate, and legible records of all transactions related to their Sportsbooks, including transactions pertaining to revenues, expenses, assets, liabilities, and equity in conformance with generally accepted accounting principles as per requirements defined in Appendix E - Enhanced Procedures, Part V, Section 3.

D.5.4 Financial Audits

Upon application, and annually thereafter, each Sportsbook shall submit to the Department, within ninety (90) calendar days of the operator's fiscal year end, its most recent financial audit.

The financial audit must be performed by an independent certified public accountant currently authorized to practice in Vermont, or any other U.S. state of jurisdiction, and presented in accordance with generally accepted accounting principles and contain the opinion of the independent certified public accountant as to its fair preparation and presentation in accordance with generally accepted accounting principles. If a sportsbook's audited financial statements are produced at the parent company level, the audited financial statements of the parent company may be submitted.

The Department shall determine the date of filing and the number of copies of audits or reports required under this procedure. The audits or reports must be received by the Department or postmarked no later than the required filing date.

The reporting year-end of the Sportsbook is December 31 unless otherwise approved by the Department.

D.5.5 Retention, Storage and Destruction Records

An Internal Control System shall include a records retention schedule, and provisions related to the storage and destruction of records that at a minimum incorporates the provisions stated in Appendix E - Enhanced Procedures, Part V, Section 5.

D.5.6 Reserve Requirement

An Internal Control System shall include a plan to maintain and protect sufficient cash and other supplies to conduct Sports Wagering at all times through a reserve in the amount necessary to ensure the security of funds held in Sports Wagering Accounts and the ability to cover the outstanding Sports Wagering liability.

- (a) The reserve must be in the form of cash, cash equivalents, payment processor receivables, payment processor reserves, an irrevocable letter of credit, a bond, or a combination thereof.
- (b) The reserve must be not less than the greater of fifty thousand dollars (\$50,000.00) or the sum of the following amounts:
 - i. The daily ending cashable balance of all Sports Wagering Accounts;
 - ii. Pending withdrawals;
 - iii. Amounts accepted by the Sportsbook on Sports Wagers whose outcomes have not been determined; and
 - iv. Amounts owed but unpaid on winning Sports Wagers.
- (c) Amounts available to players for wagering that are not redeemable for cash may be excluded from the reserve computation.

Refer to Appendix E - Enhanced Procedures, Part V, Section 6 for additional details.

D.5.7 Risk Management Framework

An Operator shall implement a risk management framework. This framework may be provided in-house by a unit capable of performing this function with appropriate segregation of functions and reporting duties, or by a Service Provider. Refer to Appendix E - Enhanced Procedures, Part V, Section 7 for additional details.

D.5.8 Taxation Requirements

An Internal Control System shall ensure compliance with all Internal Revenue Service (IRS) requirements and the Sportsbook shall provide for the withholding or reporting of income tax of players as required by applicable state or federal law.

- (a) The Sportsbook shall comply with all applicable tax laws and regulations including, without limitation, laws and regulations applicable to tax withholding and laws and regulations applicable to providing information about payouts and withholdings to taxing authorities and to players.
- (b) The Sportsbook shall disclose potential tax liabilities to players at the time of award of any Sports Wagering payouts in excess of limits set by the IRS. Such disclosures will include a statement that the obligation to pay applicable taxes on payouts is the responsibility of the player and that failure to pay applicable tax liabilities may result in civil penalties or criminal liability. Upon written request, the Sportsbook shall provide players with summarized tax information on Sports Wagering activities.

D.5.9 Bank Secrecy Act Compliance

An Internal Control System shall ensure compliance with all provisions of The Bank Secrecy Act of 1970, 31 USC §§ 5311 to 5332, applicable to the operation of Sports Wagering. The Sportsbook must also adhere to requirements defined in Appendix E - Enhanced Procedures, Part V, Section 9.

D.5.10 Anti-Money Laundering (AML) Monitoring

An Internal Control System shall implement AML procedures and policies that adequately address the risks posed by Sports Wagering for the potential of money laundering and terrorist financing. At a minimum, the AML procedures and policies shall provide for requirements defined in Appendix E - Enhanced Procedures, Part V, Section 10.

D.5.11 Integrity Monitoring and Suspicious Behavior

An Operator shall implement an integrity monitoring system. This solution may be provided in-house

by a unit capable of performing this function with appropriate segregation of functions and reporting duties, or by a Service Provider as defined in Appendix E - Enhanced Procedures, Part V, Section 11.

D.5.12 Cooperation with Investigations; Confidentiality of Certain Reported Information

The Department and Sportsbooks shall cooperate with investigations conducted by law enforcement agencies, Sports Governing Bodies or equivalent, including by providing or facilitating the provision of account-level wagering information and audio or video files relating to individuals placing wagers as defined in Appendix E - Enhanced Procedures, Part V, Section 12.

D.5.13 Complaints Pertaining to Sports Wagering

An Internal Control System shall provide procedures for receiving, investigating, responding to and reporting on complaints by players as defined in Appendix E - Enhanced Procedures, Part V, Section 13 for additional detail.

D.5.14 Prohibition of Credit Extension

An Internal Control System shall include controls relating to not allowing the acceptance of a Sports Wager or deposit of funds into a Sports Wagering Account that is derived from the extension of credit by affiliates or agents of the Sportsbook. For purposes of this section, credit shall not be deemed to have been extended where, although funds have been deposited into a Sports Wagering Account, the Sportsbook is awaiting actual receipt of such funds in the ordinary course of business.

- (a) Credit providers such as small amount credit contracts (payday lending) must not be advertised or marketed to players.
- (b) A player must not be referred to a credit provider to finance their Sports Wagering activity.
- (c) Personally Identifiable Information related to a player must not be provided to any credit provider.

D.5.15 Ineligible Persons

An Internal Control System shall include commercially reasonable measures to prevent accepting or making payment relating to Sports Wagers made by Ineligible Persons.

- (a) If a Sportsbook detects, or is notified of, an individual suspected of being an Ineligible Person who had engaged or is engaging in Prohibited Sports Wagering, the Sportsbook must use reasonable measures to verify whether the individual is prohibited or not.
- (b) If the Sportsbook is able to establish, by reasonable measures, that the individual is prohibited, the Sportsbook must cancel a Sports Wager and confiscate the funds.
- (c) If the Sportsbook is unable to establish, by reasonable measures, that the individual is prohibited, then the individual is presumed to not be an Ineligible Person for the purposes of this section.

D.5.16 Layoff Wagers

An Internal Control System shall include procedures for a Sportsbook to accept Layoff Wagers placed by other Sportsbooks and place Layoff Wagers with other Sportsbooks for the purpose of offsetting Sports Wagers.

- (a) The Sportsbook placing a Layoff Wager shall inform the Sportsbook accepting the wager that the wager is being placed by a Sportsbook and shall disclose their identity.
- (b) The Sportsbook may decline to accept a Layoff Wager in its sole discretion.
- (c) Layoff Wagers must be reported to the Department.

D.5.17 Reports of Sportsbooks

An Internal Control System shall detail the Sportsbook's ability to prepare reports supporting Adjusted Gross Sports Wagering Revenue, wagering liability, payouts, and any other reports considered necessary by the Department. The Sportsbook shall timely file with the Department any additional reports required by the Act or by any rule, regulation, or procedure. Any information provided under this section is confidential and proprietary and is exempt from disclosure.

D.5.18 Department Access to Sports Wagering Data

An Internal Control System shall detail the controls to assure that all Sports Wagering data the Department requires to be maintained under the Act or these Procedures is appropriately segregated and controlled to prevent unauthorized access as defined in Appendix E - Enhanced Procedures, Part V, Section 18.

D.5.19 Financial and Compliance Reports

The Department may require financial and compliance reports from its Sportsbooks at any time and may conduct audits of these reports to ensure that the State receives the contractual share of Adjusted Gross Sports Wagering Revenue.

D.5.20 Independent Audit of Internal Control Systems

Sportsbooks shall have their Internal Control System independently audited at least once every two (2) years with the results documented in a written report. This includes internal controls conducted by a Service Provider on behalf of the Operator. Reports shall be maintained and available to the Department.

Refer to Appendix E - Enhanced Procedures, Part V, Section 20 for additional details.

D.6 Responsible Gaming

D.6.1 Responsible Gaming Plan

The Commissioner shall require each operator to submit a Responsible Gaming Plan to the Department and the Department of Mental Health that shall include information related to the posting of materials related to problem gambling, resources to be made available to players expressing concerns about problem gambling, player-determined individual limits, house-imposed player limits, and voluntary self-exclusion programs. The plan shall include responsible gaming tools that are embedded in the Bidder's systems, policies and procedures. This plan must be approved by the Department prior to authorizing the operator to conduct a Sportsbook within the State. The operator will provide an updated plan annually every year thereafter. Refer to Appendix E - Enhanced Procedures, Part VI, Section 1 for additional details.

The Bidder must submit their responsible gaming plan and a description of responsible gaming safeguards that the Bidder currently employs.

D.6.2 Statewide Voluntary Self-Exclusion List

The Department shall establish, implement, and administer a statewide voluntary self-exclusion program for any individual to voluntarily exclude themselves from establishing a Sports Wagering Account or from placing Sports Wagers through an account for a set period of time specified in the exclusion registration agreement.

Each person seeking placement in the statewide Voluntary Self-Exclusion Program acknowledges that it is their responsibility to refrain from engaging in Sports Wagering and other gambling activities under the jurisdiction of the Department, and must agree to:

- (a) Refrain from participating in Sports Wagering and other gambling activities for the period specified in the exclusion registration agreement; and
- (b) Not petition the Department for removal from the program for the period specified in the exclusion registration agreement.

An individual may request to have their name placed on the Self-Exclusion List by completing the exclusion registration agreement. A holder of a joint bank account may also request to have the name of someone whom they share the joint account placed on the Self-Exclusion List when the requestor provides documentary evidence to the Department of sharing the joint account.

Upon the filing of an exclusion registration agreement in the statewide Voluntary Self-Exclusion Program, the Department may file a Notice of Placement in the statewide Voluntary Self-Exclusion Program and such exclusion registration agreement and notice may be disclosed to Operators and their agents and employees on a periodic basis, as approved by the Department.

A Voluntarily-Excluded Person's registration under the statewide Voluntary Self-Exclusion Program does not prevent an Operator and its agents and others operating on their behalf from seeking payment of a debt accrued by the individual before the individual entered the program.

D.6.3 Involuntary Exclusion List

The Department shall maintain an Involuntary Exclusion List that consists of the names of people who the Commissioner determines meet anyone of the criteria defined in Appendix E - Enhanced Procedures, Part VI, Section 3.

D.6.4 Operator Responsibility

The Operator shall regularly receive the Self-Exclusion List and Involuntary Exclusion List from the Department as defined under Operator Responsibilities in Appendix E - Enhanced Procedures, Part VI, Section 4.

D.7 Compliance

The Bidder must include any existing policies and procedures for compliance including the following:

- (a) Age Verification
- (b) Identity Verification.
- (c) Geo-fencing/Geolocation.
- (d) Security mechanisms to ensure confidentiality of wagering and personal information.
- (e) Physical and Logical Security for the sports betting platform and physical locations including access control.
- (f) Employment and contractor background checks.
- (g) Identification of Fraud or Suspicious Activity.
- (h) Integrity monitoring and reporting including current membership in integrity monitoring programs and systems.
- (i) GLI-33 Compliance certification testing of the sports betting platform.
- (j) Security system testing of the sports betting platform.
- (k) Third-party auditing of financial transactions within the sports betting platform, including if appropriate, an independent control system.
- (l) Identification and blocking of Prohibited Sports Bettors as they are defined by 2023 Act No. 63, effective June 14, 2023.
- (m) Procedures to prevent past posting of wagers.
- (n) Anti-Money Laundering policies and procedures.

- (o) Internal Revenue Service reporting.
- (p) Segregation of Duties.

In addition to a narrative response addressing these issues, Bidders shall provide a current example of house rules or betting rules used by the Bidder. Bidders shall also submit a preliminary security and internal control report and computer security report as required by 2023 Act No. 63, effective June 14, 2023. Bidders should feel free to address any other compliance programs or procedures not specifically addressed above. (Limit 20 pages plus attachment of house rules and preliminary reports).

APPENDIX E – Enhanced Procedures

State of Vermont Sports Wagering Procedures July 19, 2023

INTRODUCTION

The Vermont Board of Liquor and Lottery enhanced procedures are adopted pursuant to 3 V.S.A. § 835 and 31 V.S.A. § 1303.

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Part I General Provisions

Section 1.0 Definitions.

The following definitions apply unless the context requires a different meaning or is otherwise inconsistent with the intention of the procedures adopted by the Board.

- 1.1. “Abnormal Wagering Activity” means wagering activity exhibited by one (1) or more players and considered by a Sportsbook as a potential indicator of Suspicious or Illegal Wagering Activity. Abnormal Wagering Activity may include the size of a player's Sports Wager or increased wagering volume on a particular sports event or type of wager.
- 1.2. “Collegiate sports tournament” means a series of collegiate sports or athletic events involving four or more collegiate teams that make up a single unit of competition.
- 1.3. "Act" means Title 31, Chapter 25, of the Vermont Statutes Annotated.
- 1.4. “Adjusted Gross Sports Wagering Revenue” has the meaning provided in 31 V.S.A. § 1301(1).
- 1.5. “Affiliate” means a person that, directly or indirectly, through one (1) or more intermediaries, controls or is controlled by an Operator.

- 1.6. "Applicant" means a person that applies with the Department to be an authorized Operator.
- 1.7. "Board" has the meaning provided in 31 V.S.A. § 1301(2).
- 1.8. "Cancelled Wager" means a Sports Wager that was valid at the time that it was made but has since been invalidated due to an event or action that prevents its completion.
- 1.9. "Card" means the list of Sports Events and Types of Wager from which a player can make selections for a given pool.
- 1.10. "Cash" means US currency.
- 1.11. "Cash Equivalent" means an asset convertible to cash for use in connection with authorized Sports Wagering that includes all of the following:
 - (a) Traveler's checks;
 - (b) Foreign currency and coin;
 - (c) Certified checks, cashier's checks, and money orders;
 - (d) Personal checks and drafts;
 - (e) Digital, crypto, and virtual currencies;
 - (f) Online and mobile payment systems that support online money transfers;
 - (g) Electronic devices with prepaid access, as defined by 31 C.F.R. Section 1010.100(ww); and
 - (h) Any other form approved by the Department.
- 1.12. "Collegiate Sports Event" has the meaning provided in 31 V.S.A. § 1301(3).
- 1.13. "Contract Holder" means an Operator.
- 1.14. "Commissioner" has the meaning provided in 31 V.S.A. § 1301(4).
- 1.15. "Critical Employee" means any employee whose duties directly impact the integrity of Sports Wagering in Vermont, including:
 - (a) An individual who has the capability of affecting the outcome of Sports Wagering through deployment of code to production for any critical components of a Mobile Sports Wagering Platform;
 - (b) An individual who can deploy code to production and directly supervises individuals who have the capability of affecting the outcome of Sports Wagering in Vermont through deployment of code to production for other than read-only or the equivalent access to any critical components of a Mobile Sports Wagering Platform;
 - (c) An individual who directly manages a Sportsbook or who directly supervises an individual who directly manages a Sportsbook; or
 - (d) Any other individual who directly impacts the integrity of Sports Wagering as determined by the Department.
- 1.16. "Department" has the meaning provided in 31 V.S.A. § 1301(5).
- 1.17. "Data Source" means a Supplier that sells league or event data, player or team statistics necessary to enable Sports Wagering.
- 1.18. "eSports Event" means leagues, competitive circuits, tournaments, or similar competitions where individuals or teams play video games, typically for spectators, either in-person or online, for the purpose of prizes, money, or entertainment.
- 1.19. "eSports Event Operator" means a person or entity which sanctions, regulates, and/or organizes an eSports Event.

- 1.20. "Exchange Wagering" means a form of wagering in which two (2) or more persons place identically opposing wagers in a given market, allowing players to wager on both winning and non-winning outcomes in the same event.
- 1.21. "Fantasy Sports Contests" has the meaning provided in 31 V.S.A. § 1330(3).
- 1.22. "High School Sports Event" has the meaning provided in 31 V.S.A. § 1301(6).
- 1.23. "Ineligible Person" means:
 - (a) Any Underage Person;
 - (b) Any Prohibited Sports Bettor;
 - (c) Any Involuntarily-Excluded Person;
 - (d) Any Voluntarily-Excluded Person
 - (e) Any individual wagering while not in in the authorized geographic boundaries within the State of Vermont;
 - (f) Any individual wagering in violation of state, local, or federal law; ~~or~~
 - (g) Any individual wagering on behalf of another; or
 - (h) Other Ineligible Persons as determined by the Department.
- 1.24. "Integrity Monitoring" means the monitoring of Sports Wagering to identify Abnormal or Suspicious Wagering Activities from a match-fixing and sporting corruption standpoint to then report such activities to required parties.
- 1.25. "Internet" means the international computer network of interoperable packet switched data networks, inclusive of additional technological platforms, such as mobile, satellite, and other electronic distribution channels.
- 1.26. "Internet Website or Mobile Application" means a website or application on a mobile phone or other device through which an individual is able to place a Sports Wager.
- 1.27. "Involuntarily-Excluded Person" means any individual who has been involuntarily excluded by the Commissioner and who is prohibited from establishing a Sports Wagering Account or participating in Sports Wagering activities under the jurisdiction of the Department.
- 1.28. "Key Person" means a person that is any of the following:
 - (a) A director of the Applicant;
 - (b) A managerial employee of the Applicant that performs the function of principal executive officer, principal operations officer, or principal accounting officer;
 - (c) A person who holds more than five percent (5%) ownership interest in the Applicant; or
 - (d) Any individual or business entity so designated by the Department or Commissioner.
- 1.29. "Layoff Wager" means a wager placed by an Operator with another Operator for the purpose of offsetting Sports Wagers.
- 1.30. "Mobile Sports Wagering" means the conduct of Sports Wagering through or by means of the Internet, a mobile device, or any other telecommunications service.
- 1.31. "Mobile Sports Wagering Platform" has the meaning provided in 31 V.S.A. § 1301(7)
- 1.32. "Multi-Factor Authentication" means a type of authentication which uses two or more of the following to verify a user's identity:
 - (a) Information known only to the user (e.g., a password, pattern or answers to challenge questions);

- (b) An item possessed by a user (e.g., an electronic token, physical token or an identification card);
 - (c) A user's biometric data (e.g., fingerprints, facial or voice recognition).
- 1.33. "Operator" has the meaning provided in 31 V.S.A. § 1301(8)
 - 1.34. "Owner of a Team" means a person who holds more than five percent (5%) ownership interest in a team.
 - 1.35. "Person" means any natural person, corporation, municipality, the State of Vermont or any department, agency or subdivision of the State, and any partnership, unincorporated association or other legal entity.
 - 1.36. "Personally Identifiable Information" has the meaning provided in 9 V.S.A. § 2430(10)
 - 1.37. "Player" means an individual who has established a Sports Wagering Account with a Sportsbook.
 - 1.38. "Pool" means an offering where players may make selections of outcomes on a set number of Sports Events and Types of Wager on a card in order to enter for a chance to win all or a portion of the Prize Pool.
 - 1.39. "Prize Pool" means the prizing available for an individual tournament, contest, or pool.
 - 1.40. "Prohibited Sports Bettor" has the meaning provided in 31 V.S.A. § 1301(9)
 - 1.41. "Prohibited Sports Event" has the meaning provided in 31 V.S.A. § 1301(10)
 - 1.42. "Rake" means the fee that is deducted by a Sportsbook from a wager made for Exchange Wagering or other peer-to-peer wagering, or entry fees paid by players who participate in a tournament, contest, or pool.
 - 1.43. "Rake Adjustment" means an adjustment made by a Sportsbook to account for any shortfall in connection with Exchange Wagering or other peer-to-peer wagering, a tournament, contest, or pool.
 - 1.44. "Self-Exclusion List" means a list of individuals who voluntarily excluded themselves from establishing or maintaining a Sports Wagering Account with a Sportsbook.
 - 1.45. "Sensitive Information" means information such as Personally Identifiable Information, transactional wagering data, authentication credentials (including PINs and passwords), secure seeds and keys used in encryption, and other data that shall be handled in a secure manner.
 - 1.46. "Service Provider" means a business entity that provides any service creating Sports Wagering markets and determination of Sports Wager outcomes that involves the operation, management, or control of Sports Wagers authorized by the Act, including the development or operation of the Mobile Sports Wagering Platform and the determination of odds or line information.
 - 1.47. "Shared Liquidity Pool" means a tournament, contest, or pool conducted in Vermont and at least one other jurisdiction.
 - 1.48. "Sportsbook" has the meaning provided in 31 V.S.A. § 1301(11)
 - 1.49. "Sports Event" has the meaning provided in 31 V.S.A. § 1301(12)
 - 1.50. "Sports Governing Body" has the meaning provided in 31 V.S.A. § 1301(13)
 - 1.51. "Sports Wager" has the meaning provided in 31 V.S.A. § 1301(14)
 - 1.52. "Sports Wagering" has the meaning provided in 31 V.S.A. § 1301(15)
 - 1.53. "Sports Wagering Account" means a financial record established by an operator for an individual player into which the player may deposit and from which the player may

- withdraw funds for Sports Wagering and other purchases, and into which the operator may credit winnings or other amounts due to that player or authorized by that player.;
- 1.54. “Sports Wagering Network” means the offering of Exchange Wagering or other peer-to-peer wagering through the linking of players:
- (a) Of one or more Operators in the State; or
 - (b) From an Operator in the State and players whose access is established from locations outside the State if the Department determines that such wagering is not inconsistent with the laws of the State of Vermont, federal law or the law of the jurisdiction in which any such players are located or such wagering is conducted.
- 1.55. “Suspicious or Illegal Wagering Activity” means Abnormal Wagering Activity that cannot be explained and is indicative of any of the following:
- (a) Match-fixing;
 - (b) The manipulation of an event;
 - (c) Misuse of inside information;
 - (d) A potential breach of a Sports Governing Body’s or equivalent’s internal rules or code of conduct pertaining to Sports Wagering;
 - (e) Any other conduct that corrupts the outcome of an event; or
 - (f) Any other prohibited activity.
- 1.56. “Supplier” means a person that provides services, goods, software, or other components necessary for the creation of Sports Wagering markets and determination of Sports Wager outcomes, directly or indirectly, to any Operator or Service Provider involved in the acceptance of Sports Wagers, including any of the following: providers of data feeds and odds services, risk management providers, integrity monitoring providers, and other providers of supplier services as determined by the Department.
- 1.57. “Type of Wager” has the meaning provided in 31 V.S.A. § 1301(16)
- 1.58. “Underage Person” means any person under twenty-one (21) years of age.
- 1.59. “Virtual Sports Event” means a Sports Event where elements of the event, including the results, are generated by a Random Number Generator.
- 1.60. “Void Wager” or “Voided Wager” means a Sports Wager that was not valid at the time it was placed or a Sports Wager that was valid at the time it was placed but has since become invalid for any reason, including but not limited to, the change in eligibility status of a player or subject of the Sports Wager.
- 1.61. “Voluntarily-Excluded Person” means any individual whose name is included, at their own request, in the responsible gaming database or on a self-exclusion list or both.
- 1.62. “Wager” means a sum of money or thing of value risked on an uncertain occurrence.
- 1.63. “Winnings” means the total cash value of all property or sums, including currency or instruments of monetary value paid to a player by a Sportsbook as a direct result of a winning Sports Wager.
- 1.64. “Youth Sports” means a Sports Event in which the majority of participants are under the age of eighteen (18) or are competing on behalf of or under the sponsorship of one or more public or private preschools or public or private elementary, middle or junior high, or high schools. The term does not include professional sports or events that occur under the sponsorship or oversight of national or international athletic bodies that are not

educational institutions and that include participants both over and under the age of eighteen (18).

Section 2.0 Oversight Authority.

The Department shall retain oversight of its Operators and Service Providers to ensure that all Sports Wagering activities are conducted in accordance with the Act, these Procedures, any contractual terms, and any other policies adopted by the Department.

Section 3.0 Severability of Provisions

The provisions of any procedures contained herein are severable. If any provision of a procedure is invalid, or if any application thereof to any person or circumstance is invalid, the invalidity shall not affect other provisions or applications which can be given effect without the invalid provision or application.

Part II Standards for Sports Wagering

Section 1.0 Authorized and Prohibited Sports Events and Types of Wagers

Only those categories of Sports Events and their Types of Wager authorized by the Department and posted on the Department's website may be offered for Sports Wagering by a Sportsbook.

- 1.1. Any wager which complies with all of the following criteria and does not involve any criteria listed in subsection 1.2 is generally approved and does not need specific approval subject to section 2.0 prior to being offered by a Sportsbook:
 - (a) It is decided based on an outcome or outcomes determined because of a Sports Event or Sports Events sanctioned by a Sports Governing Body or equivalent that is approved by the Department;
 - (b) It is based on statistical results which can be verified by a data source, box score, aggregation of box scores, or other statistical analysis;
 - (c) It is based on the performance of a single or group of rostered or otherwise registered participants; and
 - (d) It is based on the result of an outcome on the field of play (including the virtual field of play for eSports events).
- 1.2. A Sportsbook shall not offer wagering on:
 - (a) Any eSports Event that:
 - (1) Is not sanctioned by an approved Sports Governing Body or equivalent; or
 - (2) Has not been endorsed by the Department pursuant to the procedures set forth in section 2.0;
 - (b) Any Virtual Sports Event unless:
 - (1) A Random Number Generator (RNG), certified by an Independent Testing Laboratory, is used to determine the outcome(s);
 - (2) A visualization of the Virtual Sports Event is offered to all players which displays an accurate representation of the result(s) of the virtual Sports Event; and
 - (3) The Virtual Sports Event is approved pursuant to the procedures set forth in section 2.0;
 - (c) Any occurrence of injuries or penalties;
 - (d) Whether officiating decisions will be upheld or reversed after replay review;
 - (e) Any disciplinary proceedings against a participant in a Sports Event;
 - (f) Any High School Sports Events or other Youth Sports;
 - (g) Any Fantasy Sports Contests unless offered pursuant to Title 31, Chapter 25, Subchapter 3 of the Vermont Statutes Annotated;
 - (h) Any Sports Event or Type of Wager in which the outcome has already been determined and is publicly known;
 - (i) Any Prohibited Sports Events;
 - (j) Any pari-mutuel wagering on dog or horse races; and
 - (k) Any other categories of Sports Event or Type of Wager until the Sports Event or Type of Wager has been approved by the Department in accordance with section 2.0

Section 2.0 Petition for a Category of Sports Event or Type of Wager

The Department shall have authority to review and approve types of wagers and categories of sports events before a Sportsbook is permitted to offer the wager to the public. A petitioner may petition the Department for approval of a new category of Sports Event or Type of Wager.

- 2.1. A proposed new Sports Event or Type of Wager may be a variation of an authorized Sports Event or Type of Wager, a composite of authorized Sports Events or Types of Wager, or a new Sports Event or Type of Wager.
- 2.2. A petition for a proposed new Sports Event or Type of Wager shall be in writing and shall include, at a minimum, the following information:
 - (a) The name(s) and address(es) of petitioner(s);
 - (b) The name of the Sports Event or Type of Wager;
 - (c) Whether the Sports Event or Type of Wager is a variation of an authorized Sports Event or Type of Wager, a composite of authorized Sports Events or Types of Wager, or a new Sports Event or Type of Wager;
 - (d) The name of the Sportsbook serving as a sponsor of the new Sports Event or Type of Wager variation petition;
 - (e) A complete and detailed description of the Sports Event or Type of Wager for which approval is sought, including:
 - (1) A summary of the Sports Event or Type of Wager and the manner in which Sports Wagers would be placed and winning Sports Wagers would be determined;
 - (2) A draft of the proposed house rules including a description of any technology that would be utilized to offer the Sports Event or Type of Wager;
 - (3) Any rules or voting procedures related to the Sports Event or Type of Wager, or existing house rules that would apply;
 - (4) Assurance that the Sports Event or Type of Wager meets the requirements of subsection 2.3;
 - (f) For the approval of an eSports Event, complete information about:
 - (1) The proposed location(s) of the eSports Event;
 - (2) The video game used for the eSports Event, including, without limitation, the key role of game publishers as creators of the underlying video game;
 - (3) The eSports Event Operator, whether the eSports Event Operator is approved to host events by the video game publisher, and whether the eSports Event Operator has any affiliation with the video game publisher;
 - (4) The manner in which the eSports Event is conducted by the eSports Event Operator, including, without limitation, eSports Event rules and certification from a third party, such as an eSports Event Operator or game publisher certifies that the eSports Event meets all event integrity requirements of the Department;
 - (g) The name of the Sports Governing Body or equivalent;
 - (h) To the extent known by the Sportsbook, a description of its policies and procedures regarding event integrity; and

- (i) Any other information or material requested by the Department.
23. The Sports Event or Type of Wager being requested must meet the following criteria before the request may be approved:
 - (a) The outcome can be verified;
 - (b) The outcome can be generated by a reliable and independent process;
 - (c) The Sports Event generating the outcome is conducted in a manner that ensures sufficient Integrity Monitoring controls exist so the outcome can be trusted;
 - (d) The outcome is not likely to be affected by any Sports Wager placed; and
 - (e) The Sports Event is conducted in conformity with applicable laws.
 24. The Department shall approve types of wagers and categories of Sports Events in a reasonable time frame. The Department will consider the request, all provided materials and any relevant input from the Sports Governing Body or equivalent, or the conductor of the Sports Event, prior to authorizing a Sports Event or Type of Wager.
 25. The Department may require an appropriate test or experimental period, under such terms and conditions the Department may require, before granting final approval to a Sports Event or Type of Wager. The Department may subject any technology that would be used to offer a Sports Event or Type of Wager to such testing, investigation, and approval if the Department deems it necessary to do so.
 26. The Department may grant, deny, limit, restrict, or condition a request made pursuant to this procedure for any cause the Department considers reasonable. The Department may issue an order revoking, suspending, or modifying any approval of a Sports Event or Type of Wager granted under this procedure for any cause the Department considers reasonable.
 27. The Department shall notify all Sportsbooks of any additions, deletions, or changes regarding authorized Sports Events and Types of Wager. Once a particular category of Sports Event or Type of Wager is approved for its first use, it may be used on multiple events without further approval. The Department may issue general approval for Sportsbooks to offer wagers on enumerated categories of Sports Events and Types of Wagers.
 28. The Department reserves the right to prohibit the acceptance of any Sports Wagers and may order the cancellation of Sports Wagers and require refunds on any Sports Event or Type of Wager for which wagering would be contrary to the public policies of the state.
 29. If it is determined that a Sportsbook has offered an unauthorized or Prohibited Sports Event or Type of Wager, the Sportsbook must immediately cancel and refund all Sports Wagers associated with the unauthorized or Prohibited Sports Event or Type of Wager. The Sportsbook must notify the Department promptly after cancelling and refunding the Sports Wagers.
 - 2.10. The Department may use any information it considers appropriate, including, but not limited to, information received from a Sports Governing Body or equivalent, to determine whether to authorize or prohibit wagering on a particular Sports Event or Type of Wager.
 - 2.11. The Department may restrict, limit, or exclude wagering on a Sports Event or Type of Wager if the Department determines that the restriction, limitation, or exclusion is necessary to ensure the integrity of the Sportsbook.

Section 3.0 Limitations on Certain Sports Wagering for Good Cause.

If a Sports Governing Body or college believes that the type, form, or category of Sports Wagering on that Sports Governing Body's Sports Event has the potential to undermine the integrity or perceived integrity of the sports governing body or its Sports Event, the Sports Governing Body or college may submit to the Department a written request to restrict, limit, or exclude a certain type, form, or category of Sports Wagering on a Sports Event or series of Sports Events.

- 3.1. The request must be submitted in the form and manner prescribed by the Department and must include all of the following:
 - (a) The identity of the Sports Governing Body or college and contact information for at least one specific individual who will be the primary point of contact for questions related to the request;
 - (b) A description of the Sports Wagering information, event, or wager type that is the subject of the request;
 - (c) Information explaining why granting the request is necessary to protect the integrity of the event, or public confidence in the integrity of the event, that is the subject of the request. This may include information regarding any credible threat to the integrity of the event that is beyond the control of the sports governing body or college to preemptively remedy or mitigate; and
 - (d) Any other information required by the Department.
- 3.2. To ensure proper consideration, the request should be sent to the Department at least fourteen (14) calendar days before the particular Sports Event. At any time, however, a sports governing body or college should report information to the Department if it involves allegations of match-fixing, the manipulation of an event, misuse of inside information, or other prohibited activity.
- 3.3. On receipt of a complete request from a Sports Governing Body or college under subsection 3.1, the Department will review the request and seek input from the Department's Sportsbooks. All Sportsbooks must be given an opportunity to comment on the request. The notification must include the date by which written comments must be submitted to the Department.
- 3.4. If the Department determines by a preponderance of the information received that, but for implementation of all or part of the requestor's proposed restriction, limitation, or exclusion of a certain type, form, or category of Sports Wagering on a Sports Event or series of Sports Events, unlawful activity will occur, the integrity of the event will be materially harmed, or public confidence in the integrity of the Sports Event will be materially undermined, then the Department may implement the requester's proposed restriction, limitation, or exclusion in whole or in part.
- 3.5. The Department shall
 - (a) if feasible, respond to a request concerning a particular Sports Event before the event begins; or

- (b) if not feasible, respond not later than the seventh (7th) calendar day after the date the request is submitted.
- 3.6. If the Department preliminarily determines the requestor who submitted a request is likely to prevail in successfully demonstrating that, but for implementation of all or part of its proposed restriction, limitation, or exclusion of a certain type, form, or category of Sports Wagering on a Sports Event or series of Sports Events, unlawful activity will occur, the integrity of the event will be materially harmed, or public confidence in the integrity of the Sports Event will be materially undermined, then the Department may approve the request or some portion thereof on a temporary basis until the Department determines whether to implement such proposed restriction, limitation, or exclusion in whole or in part on a permanent basis.
- 3.7. Absent a provisional grant by the Department, an Operator may continue to offer Sports Wagering on Sports Events that are the subject of such a request during the pendency of the Department's consideration of the applicable request.
- 3.8. On request, the Department may reconsider its decision if there is a material change in the circumstances related to the original request.

Section 4.0 Data Sources for Sports Wagering.

A Sportsbook shall report to the Department the Data Sources that it uses to resolve Sports Wagers. The Department may disapprove of a Data Source for any reason.

- 4.1. The Data Source and corresponding data must be complete, accurate, reliable, timely, and available.
- 4.2. The Data Source must be appropriate to settle the category of sports events and types of wagers for which it is used.
- 4.3. The Data Source and corresponding data must meet any other conditions set by the Department.

Section 5.0 House Rules.

The Sportsbook must adopt comprehensive house rules, which must be approved by the Department.

- 5.1. The house rules, together with any other information the Department considers appropriate, must be conspicuously displayed on the Sportsbook's Internet Website or Mobile Application, and copies must be made readily available to individuals and players.
- 5.2. The house rules must address the following items regarding Sports Wagers, at a minimum:
 - (a) Types of Sports Wagers accepted;
 - (b) Minimum and maximum Sports Wagers;
 - (c) The method for calculation and payment of winning wagers;
 - (d) The effect of schedule changes for a Sports Event;
 - (e) The method of notifying players of odds or proposition changes;

- (f) Acceptance of wagers at terms other than those posted;
- (g) Circumstances under which the operator will void a bet; and
- (h) Treatment of errors, late bets, and related contingencies;
- (i) Description of the process for handling incorrectly posted events, odds, Sports Wagers, or results;
- (j) Procedures related to pending winning Sports Wagers;
- (k) Method of contacting the Sportsbook for questions and complaints;
- (l) Description of Ineligible Persons;
- (m) Methods of funding a wager;
- (n) Maximum payouts; however, such limits must only be established through limiting the amount of a Sports Wager and cannot be applied to reduce the amount paid to a player as a result of a winning Sports Wager;
- (o) A policy by which the Sportsbook can cancel Sports Wagers for obvious errors pursuant to the Sportsbook's Internal Control System, which must include a definition and procedures for obvious errors;
- (p) Parlay wager related rules;
- (q) Rules and procedures for wagering communications;
- (r) What is to occur when an event or any component of an event on which Sports Wagers are accepted is canceled, including the handling of Sports Wagers with multiple selections, such as parlays, where one or more of these selections is canceled; and
- (s) Any other rule and related information the Department determines necessary.

5.3 The Sportsbook shall not implement any changes or modifications of the practices, procedures, or representations upon which the approval was based without the prior written approval of the Department. Failure by a Sportsbook to act in accordance with the house rules may result in monetary penalties, suspension or termination of operator's Vermont operations, civil damages, injunctive relief and/or criminal liability.

Section 6.0 Tournaments, Contests, and Pools.

- 6.1. No Sports Wagering tournament, contest, or pool shall be conducted unless the Sportsbook, before the first time a tournament, contest, or pool type is offered, files written notice with the Department of its intent to offer that tournament, contest, or pool type and obtains approval from the Department. The Sportsbook may file a master list with the Department to satisfy this requirement.
- 6.2. The request must provide a detailed description of the tournament, contest, or pool type and must include the rules of the tournament, contest, or pool, the requirements for entry, the entry fees, the Rake, and potential payouts. The request must also indicate whether or not the proposed type involves a shared liquidity pool available to players in Vermont and other jurisdictions with the Prize Pool being comprised of entry fees collected from players in multiple jurisdictions.
- 6.3. Once a Sportsbook receives approval to offer a tournament, contest, or pool type the Sportsbook shall not be required to seek additional approvals from the Department for each subsequent type that has only variations to the size, number of entries permitted,

- entry fee, or prize structure, or other minor variations as allowed by the Department.
64. Each Sportsbook must maintain a record of each tournament, contest, or pool it offers, which must address, at a minimum, all of the following:
- (a) Name or identification of the tournament, contest, or pool;
 - (b) The date and time the tournament, contest, or pool occurred or will occur (if known);
 - (c) Sports Events and Types of Wager;
 - (d) Rules concerning tournament, contest, or pool play and participation; and
 - (e) For each player:
 - (1) Unique player identification;
 - (2) Amount of entry fee collected, including any promotional or bonus credits, and the date collected;
 - (3) Player scorings or rankings; and
 - (4) Amount of payouts paid, including any promotional or bonus credits, and the date paid;
 - (f) Total amount of entry fees collected, including any promotional or bonus credits;
 - (g) Total amount of payouts paid to players, including any promotional or bonus credits;
 - (h) Total Rake, takeout, or fees collected;
 - (i) Funding source amount or amounts comprising the Prize Pool (for example, buy-ins, re-buys, or add-ons);
 - (j) Prize structure on payout;
 - (k) Methodology for determining winner or winners; and
 - (l) The current status of the tournament, contest, or pool (in progress, complete, interrupted, cancelled, etc.).
65. The Sportsbook shall be responsible for the Rake. The Sportsbook's Rake collected from players that enter a contest, tournament, or pool while located in the state less any Rake Adjustment, if applicable, shall be considered Adjusted Gross Sports Wagering Revenue and are subject to all revenue share requirements outlined in Part VIII:
- (a) At no time shall the calculation resulting from a Rake or Rake Adjustment be negative; and
 - (b) For a contest, tournament, or pool which utilize shared liquidity available to players in Vermont and other jurisdictions, the Rake rate must be the same for all jurisdictions participating.

Section 7.0 Acceptance of Wagers.

7.1 Available wagers must be displayed to players on the Mobile Sports Wagering Platform. The display must include the lines or odd, the wager type, and Sports Event being wagered upon.

7.2 Sportsbook may not set lines or odds or offer wagering propositions designed for the purposes of ensuring that a player will win a Sports Wager or a series of Sports Wagers, unless the lines, odds, or wagering propositions are offered in connection with a promotion or bonus conducted in accordance with section 9.0.

- 7.3 A Sportsbook may not accept a Sports Wager on a Sports Event unless a wagering proposition is posted on the Mobile Sports Wagering Platform.
- 7.4 The Sportsbook shall debit the amount wagered by a player from their Sports Wagering Account. Wagers shall not be accepted in an amount in excess of an account balance.
- 7.5 No Sportsbook shall accept a Sports Wager from a person on the Sports Wagering Account of or for any other person. No Sportsbook shall knowingly allow a person to make a wager utilizing the Sports Wagering Account of another person.

Section 8.0 Cancelled or Voided Wagers.

A Sportsbook shall not cancel or void any Sports Wager except in accordance with this section.

- 8.1. Cancellation of an otherwise validly placed Sports Wager by a Sportsbook shall be nondiscretionary. A Sportsbook may cancel or void a Sports Wager without prior authorization of the Department under the following circumstances:
- (a) Any Sports Wager where after a player has placed a Sports Wager, the Sports Event is cancelled, postponed or rescheduled to a different date prior to completion of the Sports Event;
 - (1) In the case of a Sports Wager on a portion of a Sports Event, that Wager shall be valid when the event is canceled, postponed, or rescheduled if the outcome of the affected portion was determined prior to the cancellation, postponement or rescheduling; or
 - (2) A Sportsbook may establish a timeframe in which an event may be rescheduled or postponed without canceling the Sports Wager. This timeframe shall be tied to specific Sports Events, subject to the approval of the Department, and documented in the house rules.
 - (b) A change in the venue where a Sports Event was scheduled to be held occurs after a player has placed a Sports Wager;
 - (c) Any Sports Wager when an individual participant fails to participate in a Sports Event and the outcome of the wager is solely based upon that individual participant's performance;
 - (d) Any Sports Wager received for an act, or set of acts, to be performed during a Sports Event when such act or acts does not occur and the ability to Wager on the non-occurrence of the event was not offered;
 - (e) Any Wager received on whether a team will qualify to participate in post-season competitions when the number of teams allowed to participate in the post-season changes after a player has placed a Wager;
 - (f) Changes to rules by a Sports Governing Body or equivalent regarding the format or number of participants scheduled to participate in a defined phase of a Sports Event or that particular phase is not played at all;
 - (g) A material change in circumstances for a given Sports Event or Type of Wager occurs, provided:
 - (1) The Department approves the material change; and
 - (2) The Sportsbook documents the material change in its Internal Control

System.

- (h) Where the Sportsbook has reasonable basis to believe there was an obvious error in the placement or acceptance of the Wager, including, but not limited to:
 - (1) The Wager was placed with incorrect odds; or
 - (2) Human error in the placement of the Wager; or
 - (3) Any other obvious error defined in the Internal Control System
 - (i) When, prior to the commencement of the Sports Event, a player requests a Sports Wager be cancelled or voided due to an error in communicating the type, amount or parameters of the Sports Wager; or
 - (j) When authorized or ordered by the Department pursuant to this section.
- 8.2. For all circumstances that are not set forth in subsection 8.1, a Sportsbook may request the Department authorize the cancellation or voiding of all Sports Wagers of a specific type, kind, or subject. A Sportsbook shall submit its request to cancel or void the Sports Wager in writing, and such request shall contain the following:
- (a) A description of the type, kind, or subject of Sports Wager the Sportsbook is requesting to cancel or void;
 - (b) A description of any facts relevant to the request; and
 - (c) An explanation why cancelling or voiding the Sports Wager is in the best interests of the State or ensures the integrity of the Sports Wagering industry.
- 8.3. The Sportsbook shall provide any additional information requested by the Department to review and approve the request.
- 8.4. The Department shall issue a written order granting or denying the request to cancel or void the Sports Wager. In determining whether to grant or deny the request, the Department shall consider any relevant factors, including:
- (a) Whether the alleged facts implicate the integrity of the Sports Event subject to the Wager or the Sports Wagering industry;
 - (b) Whether the alleged facts implicate possible illegal activity relating to the Sports Event or the Sports Wagering industry;
 - (c) Whether allowing the Wager would be unfair to players; or
 - (d) Whether allowing the Wager is contrary to public policy.
- 8.5. No Sports Wager subject to the request to cancel or void shall be redeemed, cancelled, or voided, until the Department or its designee issues an order granting or denying the request to cancel.
- 8.6. If the Department or its designee grants the request to cancel or void, the Sportsbook shall make commercially reasonable efforts to notify players of the cancellation or voiding of the Sports Wager.
- 8.7. The Department or its designee has discretion to order all Sportsbooks to cancel or void all Wagers on a specific Sports Event or Wagers of a specific type or kind on a specific Sports Event. In exercising its discretion, the Department shall apply the same factors described in subsection 8.1.
- 8.8. A player may request the Department or its designee review any Sports Wager declared cancelled or voided by a Sportsbook. If the Department or its designee concludes there is no reasonable basis to believe there was obvious error in the placement or acceptance of

the Sports Wager, and the reason for cancellation is not otherwise set out in Section 8.1, the Department or its designee may order the Sports Wagering Operator to honor the Sports Wager.

- 8.9. A Sports Wager shall not be declared canceled or voided without the approval of an authorized employee of the Sportsbook.
- 8.10. If a Sports Wager is declared canceled or voided, the Sports Wager shall be refunded to the player and that amount shall be deducted from the Adjusted Gross Sports Wagering Revenue.

Section 9.0 Promotional or Bonus Wagering.

A Sportsbook may conduct Sports Wagering promotions or bonuses in accordance with this section:

- 9.1. Procedures for the issuance, acceptance, and tracking of promotions or bonuses must be defined in the Internal Control System.
- 9.2. A Sportsbook must maintain a record of all promotions or bonuses related to Sports Wagering to facilitate the Department's tracking of promotional or bonus activity, which must address, at a minimum, all of the following:
 - (a) Unique ID for each promotion or bonus;
 - (b) The date and time the promotion or bonus was or is scheduled to be available;
 - (c) Current balance for promotional or bonus awards;
 - (d) Total amount of promotional or bonus awards issued;
 - (e) Total amount of promotional or bonus awards redeemed;
 - (f) Total amount of promotional or bonus awards expired;
 - (g) Total amount of promotional or bonus award adjustments;
 - (h) The current status of the promotion or bonus (active, disabled, decommissioned, etc.); and
 - (i) The date and time the promotion or bonus was or is scheduled to be decommissioned.
- 9.3. All promotion or bonus rules must be full, accurate, concise, transparent, and must not contain misleading information. Promotion or bonus rules must be accessible by the player on the Sportsbook's Internet Website or Mobile Application and provide unambiguous notice no more than one click away of the:
 - (a) The date and time the promotion or bonus is active and expires;
 - (b) Rules of play;
 - (c) Nature and value of prizes or awards;
 - (d) Eligibility restrictions or limitations;
 - (e) Wagering and redemption requirements, including any limitations;
 - (f) How the player is notified when they have received an award;
 - (g) The order in which funds are used for wagers;
 - (h) Eligible events or wagers; and
 - (i) Cancellation Requirements.
- 9.4. Promotions or bonuses must not be described as

- (a) Free unless those promotions or bonuses are free. If the player has to risk or lose their own money or if there are conditions attached to their own money, the promotion or bonus rules must disclose those terms and may not be described as free; or
 - (b) Risk-free if those promotions or bonuses require the player to incur any loss or risk the player's own money to use or withdraw winnings from the risk-free wager.
- 9.5. A Sportsbook must provide a clear and conspicuous method for a player to cancel their participation in a promotion or bonus that utilizes restricted wagering credits that cannot be cashed out until a wagering requirement or other restrictions associated with the credits is met:
 - (a) Upon request for cancellation, the Sportsbook shall inform the player of the amount of unrestricted funds that will be returned upon cancellation and the value of restricted wagering credits that will be removed from the Sports Wagering Account; and
 - (b) If a player elects to proceed with cancellation, unrestricted funds remaining in a player's Sports Wagering Account must be returned according to the rules of a promotion or bonus.
- 9.6. Once a player has met the terms of a promotion or bonus, a Sportsbook must not limit winnings earned while participating in the promotion or bonus.

Section 10.0 Exchange Wagering and Other Peer-to-Peer Wagering

- 10.1. Prior to offering Exchange Wagering or other peer-to-peer wagering, a Sportsbook must obtain approval from the Department. The Rake taken on such wagers shall be considered Adjusted Gross Sports Wagering Revenue and is subject to all revenue share requirements outlined in Part VIII
- 10.2. One or more Operators may, with prior approval of the Department, participate in a Sports Wagering Network in accordance with a written agreement that has been executed by each Sportsbook. The agreement shall:
 - (a) Designate the party responsible for the operation and administration of the network;
 - (b) Identify and describe the role, authority, and responsibilities of each participating Sportsbook;
 - (c) Include a description of the process by which significant decisions that affect the operation of the network are approved and implemented by each Sportsbook; and
 - (d) Allocate the Adjusted Gross Sports Wagering Revenue and revenue share liability between the participating Operators to ensure the accurate reporting thereof.
- 10.3. Each party to an agreement to participate in a Sports Wagering Network as set forth in subsection 10.2 shall be jointly and severally liable for any acts or omissions in violation of the Act, these Procedures, or the policies of the Department.

Part III Technical Requirements and Oversight

Section 1.0 Mobile Sports Wagering Platform Standards.

A Sportsbook shall use a Mobile Sports Wagering Platform to offer, conduct, or operate Sports Wagering in accordance with applicable laws and these Procedures. Only a Sportsbook may process, accept, offer, or solicit Sports Wagers.

- 1.1. The Sportsbook must comply with, and the Department adopts and incorporates by reference, the Gaming Laboratories International's GLI-33: Standards for Event Wagering Systems, and its appendices, as amended or modified. The GLI-33 standards are intended to supplement rather than supplant other technical standards and requirements under these Procedures.
- 1.2. A Mobile Sports Wagering Platform for use to conduct Sports Wagering must meet the specifications set forth in these Procedures or other technical specifications as prescribed by the Department. Failure to comply with the approved specifications, internal controls, or technical specifications may result in disciplinary action by the Department.

Section 2.0 Testing and Certification of Mobile Sports Wagering Platform.

Prior to conducting Sports Wagering, and annually thereafter, the Mobile Sports Wagering Platform used in conjunction with the Sportsbook shall be submitted to a nationally recognized, independent testing laboratory approved by the Department for certification testing. Certification and Department approval must be received prior to the use of any Mobile Sports Wagering Platform to conduct Sports Wagering. The Sportsbook is responsible for all costs associated with testing and obtaining such certifications.

- 2.1. Unless otherwise authorized by the Department, the independent testing laboratory must be provided access to the Mobile Sports Wagering Platform's controlled software source code along with the means to verify compilation of such source code. The result of the compiled source code must be identical to that in the software submitted for evaluation.
- 2.2. If the Mobile Sports Wagering Platform meets or exceeds the specifications set forth in these Procedures or other technical specifications as prescribed by the Department, the independent testing laboratory approved by the Department shall certify the Mobile Sports Wagering Platform. Sportsbooks are prohibited from offering Sports Wagering in Vermont without such certification.

Section 3.0 Integration Requirements.

The Sportsbook shall be responsible for the Sports Wagering realized through other Service Providers and Suppliers, and other Sportsbooks where applicable.

- 3.1. The servers and other equipment of Service Providers and Suppliers critical to the sports wagering operation will be considered to this effect as part of the Sportsbook's Mobile Sports Wagering Platform and must comply with the specifications provided in these Procedures.

- 3.2. The Sportsbook must guarantee that any integration with the servers and other equipment of another Sportsbook is realized in a way that complies with the specifications provided in these Procedures.
- 3.3. An independent testing laboratory shall conduct integration testing and certification for each server and other equipment with the Sportsbook's Mobile Sports Wagering Platform prior to its deployment and as requested by the Department.

Section 4.0 Change Management Processes.

The Sportsbook must submit change management processes to the Department for approval which detail evaluation procedures for identifying the criticality of updates and determining the updates that must be submitted to the approved independent testing laboratory for review and certification.

- 4.1. These change management processes must be:
 - (a) Developed in accordance with the Gaming Laboratories International's GLI-CMP: Change Management Program Guide, as amended or modified;
 - (b) Approved by the Department prior to its deployment; and
 - (c) Audited at an annual interval by the independent testing laboratory.
- 4.2. Quarterly change reports are issued to independent testing laboratory for review to ensure risk is being assessed according to the change management processes and all documentation for all changes are complete.
- 4.3. At least once annually, each product operating under the approved change management processes must be fully certified to the specifications set forth in these Procedures and other technical specifications as prescribed by the Department and accompanied by formal certification documentation from the independent testing laboratory. The Sportsbook shall be allowed to seek approval for extension beyond the annual approval if hardship can be demonstrated. Granting of a hardship waiver is the sole discretion of the Department.

Section 5.0 Geolocation Requirements.

Mobile Sports Wagers must be initiated, received, and otherwise placed in the authorized geographic boundaries within the State of Vermont and may not be intentionally routed outside the State. The authorized geographic boundaries shall be determined by the Department. The incidental intermediate routing of electronic data relating to a mobile Sports Wager shall not determine the location or locations in which the wager is initiated, received, or otherwise made, consistent with the Unlawful Internet Gambling Enforcement Act of 2006 (31 U.S.C. Section 5361, et seq.).

- 5.1. The Sportsbook must utilize geolocation services to ensure that the player is located in the authorized geographic boundaries within the State of Vermont when placing any Sports Wager and to monitor and block unauthorized attempts to place Sports Wagers when an individual or player is physically outside the authorized geographic boundaries within the State of Vermont at the time the Sports Wager is placed.

- 5.2. The Sportsbook shall trigger:
 - (a) A geolocation check prior to the placement of the first wager after login or upon a change of IP address;
 - (b) Recurring periodic geolocation checks as follows:
 - (1) For static connections, at least every twenty (20) minutes or five (5) minutes if within one (1) mile of the border; and
 - (2) For mobile connections, at intervals to be based on a patron's proximity to the border with an assumed travel velocity of seventy (70) miles per hour or a demonstrated average velocity of a roadway/path. This interval shall not exceed twenty (20) minutes.
- 5.3. Mechanisms must be in place to detect software, programs, virtualization, and other technology that may obscure or falsify the player's physical location for the purpose of placing Sports Wagers.
- 5.4. The geolocation services used by the Sportsbook shall be certified by the approved independent testing laboratory, including applicable field testing, before its deployment.

Section 6.0 Data Security.

Each Sportsbook shall employ commercially reasonable security mechanisms to ensure the confidentiality of wagering and personal and financial information, and any other confidential information, including information provided by a Sports Governing Body or equivalent, from unauthorized access and dissemination except as otherwise authorized by the Act. Nothing in this subsection shall preclude the use of internet or cloud-based hosting of such data and information or disclosure as required by State or federal law or a court order.

Section 7.0 Location of Servers, Security, and Cloud Storage.

Unless otherwise approved by the Department in writing, a Sportsbook must place its primary server responsible for the acceptance and storage of Sports Wagers in secure locations in the state of Vermont and which, upon request, shall be accessible by the Department.

- 7.1. The location of all other technology and servers used by a Sportsbook in connection with Sports Wagering shall be approved by the Department.
- 7.2. The Department may approve of the use of internet or cloud-based hosting of duplicate data or data not related to transactional wagering data upon written request of a Sportsbook.

Section 8.0 System Security Testing.

Each Sportsbook shall, within ninety (90) calendar days after commencing operations in Vermont, and annually thereafter, have system security testing of the Mobile Sports Wagering Platform conducted by a third-party contractor experienced in security procedures, including computer security and systems security, selected by the Sportsbook and subject to approval of the Department.

- 8.1. At a minimum, such documented system security testing should include a review of network vulnerability, application vulnerability, application code review, wireless security, security policy and processes, security and privacy program management, technology infrastructure and security controls, security organization and governance, and operational effectiveness.
- 8.2. The scope of the documented system security testing is subject to approval of the Department and must include, at a minimum, all of the following:
 - (a) A vulnerability assessment of all digital platforms, internet websites, mobile applications, internal, external, and wireless networks with the intent of identifying vulnerabilities of all devices, the Mobile Sports Wagering Platforms, and applications transferring, storing, and/or processing Personally Identifiable Information and/or other sensitive information connected to or present on the networks;
 - (b) A penetration test of all digital platforms, internet websites, mobile applications, internal, external, and wireless networks to confirm if identified vulnerabilities of all devices, the Mobile Sports Wagering Platforms, and applications are susceptible to compromise;
 - (c) A review of the firewall rules to verify the operating condition of the firewall and the effectiveness of its security configuration and rule sets performed on all of the perimeter firewalls and the internal firewalls;
 - (d) A security control assessment against the provisions adopted in these Procedures, including those standards adopted in the technical security controls of GLI-33, with generally accepted professional standards and as approved by the Department;
 - (e) If a Cloud Service Provider is in use, an assessment performed on the access controls, account management, logging and monitoring, and over security configurations of their cloud tenant;
 - (f) An evaluation of information security services, payment services (financial institutions, payment processors, etc.), geolocation services, and any other services which may be offered directly by the Operator or involve the use of Service Providers or Suppliers; and
 - (g) Any other specific criteria or standards for the documented system security testing as prescribed by the Department.
- 8.3. To qualify as a third-party contractor, the third-party contractor shall:
 - (a) Have relevant education background or in other ways provide relevant qualifications in assessing Mobile Sports Wagering Platforms;
 - (b) Obtain and maintain certifications sufficient to demonstrate proficiency and expertise as a network penetration tester by recognized certification boards, either nationally or internationally;
 - (c) Have at least three (3) years' experience performing system security testing on Mobile Sports Wagering Platforms; and
 - (d) Meet any other qualifications as prescribed by the Department or its designee.
- 8.4. The full third-party contractor's security audit report containing the overall evaluation of Sports Wagering in terms of each aspect of security shall be presented to the Department

no later than thirty (30) calendar days after the assessment is conducted and must include all the following:

- (a) Scope of review;
 - (b) Name and company affiliation, contact information, and qualifications of the individual or individuals who conducted the assessment;
 - (c) Date of assessment;
 - (d) Findings;
 - (e) Recommended corrective action, if applicable; and
 - (f) The Sportsbook's response to the findings and recommended corrective action.
- 8.5. It is acceptable to leverage the results of prior assessments within the past year conducted by the same third-party contractor against standards such as ISO/IEC 27001, ISO/IEC 27017, ISO/IEC 27018, the NIST Cybersecurity Framework (CSF), the Payment Card Industry Data Security Standards (PCI-DSS), or equivalent. Such leveraging shall be noted in the third-party contractor's security audit report. This leveraging does not include critical components of a Mobile Sports Wagering Platform unique to the state which will require fresh assessments.
- 8.6. If the third-party contractor's security audit report recommends corrective action, the Sportsbook must provide the Department with a remediation plan and any risk mitigation plans which detail the Sportsbook's actions and schedule to implement the corrective action. Once the corrective action has been taken, the Sportsbook will provide the Department with documentation evidencing completion.

Section 9.0 Quarterly Vulnerability Scans.

Internal and external network vulnerability scans shall be run at least quarterly and after any significant change to the Mobile Sports Wagering Platform or network infrastructure.

- 9.1. Testing procedures must verify that four (4) quarterly internal and scans took place in the past twelve (12) months and that re-scans occurred until all "Medium Risk" (CVSS 4.0 or Higher) vulnerabilities were resolved and/or accepted via a formal risk acceptance program. Internal scans should be performed from an authenticated scan perspective. External scans can be performed from an uncredentialed perspective.
- 9.2. The quarterly scans can be performed by either a qualified employee of the Sportsbook or a qualified third-party contractor selected by the Sportsbook and subject to approval of the Department.
- 9.3. Verification of scans must be submitted to the Department on a quarterly basis and must include a remediation plan and any risk mitigation plans for those vulnerabilities not able to be resolved.

Part IV Sports Wagering Accounts

Section 1.0 Sports Wagering Account Requirements.

- 1.1. An individual must have an established Sports Wagering Account with the Sportsbook to participate in Sports Wagering. An account shall only be established in the name of a player who is a natural person and may not be in the name of any beneficiary, custodian, joint trust, corporation, partnership, or any other entity.
- 1.2. A Sportsbook must collect the following Personally Identifiable Information from for each player through the Mobile Sports Wagering Platform:
 - (a) The player’s full legal name;
 - (b) The player’s date of birth;
 - (c) The player’s principal residential address. A post office box is not acceptable;
 - (d) The player’s Social Security number, or the last four (4) digits of the Social Security number, or an equivalent government identification number for a noncitizen, such as a passport or taxpayer identification number; and
 - (e) Any other information collected from the player used to verify their identity and to prove the player is not an Ineligible Person.
- 1.3. During the Sports Wagering Account registration process, the player shall:
 - (a) Be denied the ability to register for account if they submit a birth date which indicates that they are an Underage Person;
 - (b) If not all fields are “required,” be informed on the account application which information fields are “required,” which are not, and what will be the consequences of not filling in the required fields;
 - (c) Agree to the terms and conditions and privacy policies of the Sportsbook;
 - (d) Consent to the monitoring and recording of the use of their account by the Sportsbook and the Department; and
 - (e) Affirm that:
 - (1) The player meets all eligibility requirements for registration; and
 - (2) The Personally Identifiable Information the player is providing to open the account is accurate.
 - (f) Authorize the provision of notices and other required communications either through a designated mobile or other interface or to an electronic mail address designated by the player.
- 1.4. A Sportsbook must maintain an electronic player file, which must, at a minimum, include the following for each Sports Wagering Account, as applicable:
 - (a) Unique Sports Wagering Account ID and username (if different);
 - (b) The information indicated in 1.2 to register a player and create the account;
 - (c) The date and method of identity verification, including, where applicable, the document number of the government issued identification credential examined and its date of expiration, if applicable. If a government issued identification credential is not required for registration, the electronic record that details the process used to confirm the player’s identity must be recorded;
 - (d) The date of player agreement to the terms and conditions and privacy policies;
 - (e) Previous Sports Wagering Accounts, if any, and reason for de-activation;

- (f) The date and method from which the Sports Wagering Account was registered;
 - (g) The date and time a Sports Wagering Account is accessed by any person, including IP Address; and
 - (h) A history of financial transactions, including deposits, withdrawals, and account adjustments;
 - (i) Account details and current balance, including any incentive credits. All restricted wagering credits and unrestricted funds that have a possible expiration shall be maintained separately;
 - (j) The current status of the Sports Wagering Account (e.g., active, dormant, closed, suspended, excluded, etc.).
- 1.5. The following information maintained as part of the electronic player file shall be stored in encrypted form:
- (a) The player's government identification number, or portion(s) thereof;
 - (b) The player's previous and current password(s), PIN(s), or other authentication credential(s); and
 - (c) The player's previous and current debit instrument number(s), debit card number(s), bank account number(s) or other personal financial information.
- 1.6. A Sportsbook may allow the player to update authentication credentials, registration information and the account used for financial transactions. A Multi-Factor Authentication process shall be employed for these purposes.
- 1.7. No Sportsbook may charge any fee to maintain or administer any Sports Wagering Account.

Section 2.0 Age and Identity Verification.

The Sportsbook shall adopt commercially reasonable policies and procedures to verify and authenticate age and identity of each player.

- 2.1. Only eligible persons may create a Sports Wagering Account, deposit funds, or participate in Sports Wagering. The Sportsbook must deny the ability to create a Sports Wagering Account, deposit funds, or participate in Sports Wagering to any an Ineligible Person. This section shall not be construed to prevent an individual from creating a Sports Wagering Account and depositing funds to such an account even if they are prohibited from placing certain wagers.
- 2.2. At the time of account establishment the Sportsbook shall employ electronic verification using one or more secure online databases, which government or business regularly use to verify and authenticate age and identity, or by examination of photo identification and the review of a supplemental, contemporaneous photograph of the person in order to verify each player's name, date of birth, and government identification number, or portion(s) thereof.
- 2.3. The following data must be verified before players can initiate activity including deposits, withdrawals and wagering:
- (a) Items that require an exact match:
 - (1) The player's last name;

- (2) The player's date of birth; and
 - (3) The player's government identification number, or portions thereof;
 - (b) Items that permit flexible match:
 - (1) The player's first name; and
 - (2) The player's principal residential address.
- 2.4. Reasonable measures must be taken to ensure the person providing the identity information is truly the owner of the identity before a players can initiate any activity including deposits, withdrawals and wagering. One of the options below is required:
- (a) Correctly answer three dynamic knowledge-based questions compiled from public and private data such as public records, credit reports, marketing data, and other recorded facts;
 - (b) Verification that the player's phone number and email address match the information provided by the player
 - (c) Valid government issued identification credential; or
 - (d) Historical behavioral account, device, and location verification; or
 - (e) Other methods approved by the Department.
- 2.5. The Sportsbook shall refuse to establish an account if it is found that any of the information supplied is untrue or incomplete.
- 2.6. A Sportsbook must use commercially available and demonstrable standards to confirm that an individual attempting to create a Sports Wagering Account is not an Ineligible Person.
- 2.7. A Sportsbook must periodically re-verify a player's identification upon reasonable suspicion that the player's identification has been compromised.

Section 3.0 Limitation to One Account per Player.

An individual may not have more than one (1) Sports Wagering Account with each Sportsbook. A Sportsbook shall implement procedures to terminate all accounts of any player that establishes or seeks to establish more than one (1) username or more than one (1) account, whether directly or by use of another person as proxy. Such procedures may allow a player that establishes or seeks to establish more than one (1) username or more than one (1) account to retain one (1) account provided that the Sportsbook investigates and makes a good-faith determination that the player's conduct was not intended to obtain a competitive advantage.

Section 4.0 Terms and Conditions and Privacy Policies for Sports Wagering Accounts.

All terms and conditions and privacy policies for Sports Wagering Accounts shall be readily accessible to the player before and after registration and noticed when materially updated (i.e., beyond any grammatical or other minor changes).

- 4.1. All terms and conditions for Sports Wagering Accounts must address all aspects of the Sportsbook, including, but not limited to all of the following:

- (a) A statement that only individuals located in the authorized geographic boundaries within the State of Vermont can participate in Sports Wagering;
 - (b) A statement that Ineligible Persons are prohibited from participating in Sports Wagering;
 - (c) Advice to the player to keep their authentication credentials (e.g., password and username) secure;
 - (d) All processes for dealing with lost authentication credentials, forced password changes, password strength and other related items as required by the Department;
 - (e) Full explanation of all rules applicable to dormant Sports Wagering Accounts, including the conditions under which an account is declared dormant and what actions will be undertaken on the account once this declaration is made;
 - (f) Actions that will be taken on the player's pending wagers placed prior to any exclusion or suspension, including the return of all wagers, or settling all wagers, as appropriate;
 - (g) Information about timeframes and limits regarding deposits to and/or withdrawals from Sports Wagering Accounts, including a clear and concise explanation of all fees, if applicable; and
 - (h) Statements indicating that the Sportsbook has the right to:
 - (1) Refuse to establish a Sports Wagering Account for what it deems good and sufficient reason;
 - (2) Refuse deposits to and/or withdrawals from Sports Wagering Accounts for what it deems good and sufficient reason; and
 - (3) Unless there is a pending investigation or player dispute, suspend or close any Sports Wagering Account at any time pursuant to the terms and conditions between the Sportsbook and the player;
 - (i) Statements indicating that the players are prohibited from:
 - (1) Transferring or selling an account or account balance;
 - (2) Using any technology that may obscure or falsify their physical location for the purpose of placing Sports Wagers;
 - (3) Allowing any unauthorized person to access or use their account; and
 - (4) Any form of collusion, cheating, or other unlawful activity.
- 4.2. All privacy policies for Sports Wagering Accounts must address all aspects of the Personally Identifiable Information protection, including, but not limited to all of the following:
- (a) The Personally Identifiable Information required to be collected;
 - (b) The purpose and legal basis for Personally Identifiable Information collection and of every processing activity for which consent is being sought;
 - (c) The period in which the Personally Identifiable Information is stored, or, if no period can be possibly set, the criteria used to set this;
 - (d) The conditions under which Personally Identifiable Information may be disclosed;
 - (e) An affirmation that measures are in place to prevent the unauthorized or unnecessary disclosure of the Personally Identifiable Information;
 - (f) The identity and contact details on the Sportsbook who is seeking the consent;

- and
- (g) Any other privacy requirements specified by the Department.

Section 5.0 Responsible Gaming and Problem Gambling Information.

A Sportsbook must provide Department-approved responsible gaming and problem gambling information that must be readily accessible to each player and conspicuously displayed on each applicable Internet Website or Mobile Application, at a minimum, all of the following:

- 5.1. Responsible gambling and problem gambling information including a Department-approved telephone number that an individual may use to obtain information about problem gambling and resources addressing addiction and compulsive behavior and where to seek assistance with these issues in Vermont and nationally.
- 5.2. Notification that underage gambling is a criminal offense and that anyone who facilitates an underage person to place a Sports Wager has committed a criminal offense and must be prohibited from Sports Wagering;
- 5.3. A list of the available responsible gaming limits and restrictions that can be invoked by the player, including a means to initiate a break in play to discourage excessive play, and information on how to invoke those measures;
- 5.4. A link to the statewide Voluntary Self-Exclusion Program and enrollment information;
- 5.5. Mechanisms in place for players to detect unauthorized use of their Sports Wagering Account, such as the player reviewing financial statements against known deposits;
- 5.6. Method for filing a complaint with the Sportsbook; and
- 5.7. Method for filing with the Department an unresolved complaint after all reasonable means to resolve the complaint with the Sportsbook have been exhausted utilizing forms and in the manner prescribed by the Department.

Section 6.0 Account Access.

- 6.1. The Mobile Sports Wagering Platform shall utilize authentication credentials, such as a username (or similar) and a password or a secure alternative means to assure that only the player has access to the Sports Wagering Account. Allowable authentication credentials are subject to the discretion of the Department as necessary. The requirement does not prohibit the option for more than one method of authentication being available for a player to access their account.
- 6.2. If the Mobile Sports Wagering Platform does not recognize the authentication credentials when entered, an explanatory message shall be displayed to the player which prompts the player to try again. The error message shall be the same regardless of which authentication credential is incorrect.
- 6.3. Players must be given the option to use a Multi-Factor Authentication process when accessing their Sports Wagering Account. In addition, a Multi-Factor Authentication shall be employed for the retrieval or reset of a player's forgotten or lost authentication credentials.

64. Current account balance information, including any restricted wagering credits and unrestricted funds, and transaction options shall be available to the player once authenticated. All restricted wagering credits and unrestricted funds that have a possible expiration shall be indicated separately.
65. The Mobile Sports Wagering Platform shall either:
 - (a) Continuously and prominently display the current time in the state of Vermont and the amount of time that the player has spent on the Sportsbook's Internet Website or Mobile Application, or
 - (b) Cause a pop-up notification, at least every once every thirty (30) minutes if a player has not logged out of their account during such 30-minute period, to be prominently displayed advising the player of the current time and the amount of time that the player has spent on the Internet Website or Mobile Application.
66. The Mobile Sports Wagering Platform shall support a mechanism that allows for an account to be locked in the event that suspicious activity is detected, such as three consecutive failed access attempts in a 30-minute period. A Multi-Factor Authentication process shall be employed for the account to be unlocked.

Section 7.0 Financial Transactions.

- 7.1. Sportsbooks shall provide the player written confirmation or denial of every financial transaction initiated, including:
 - (a) The type of transaction (deposit or withdrawal);
 - (b) The transaction value; and
 - (c) For denied transactions, a descriptive message, if appropriate and available, as to why the transaction did not complete as initiated.
- 7.2. A Sports Wagering Account may be funded using approved methods which shall produce a sufficient audit trail for verification of the source of the wagers.
 - (a) Approved methods for funding Sports Wagering Accounts include:
 - (1) Cash equivalents converted to cash;
 - (2) Debit cards;
 - (3) Electronic funds transfers (EFTs);
 - (4) Promotional or bonus credit;
 - (5) Winnings;
 - (6) Adjustments made by the Sportsbook with documented notification to the player; and
 - (7) Any other form approved by the Department including those which are initiated with cash.
 - (b) The Sports Wagering Account shall not be funded using a credit card.
 - (c) The Sports Wagering Account shall be credited for any deposit in accordance with the Internal Control System as submitted by the Sportsbook and approved by the Department.

- (d) For debit cards and EFTs, the player may be liable for any charges imposed by the transmitting or receiving Sportsbook and the charges may be deducted from the player's Sports Wagering Account.
- 7.3. When a Sports Wagering Account's lifetime deposits exceed \$2,500, and every year thereafter, the Sportsbook shall prevent any wagering until the player immediately acknowledges that the player has met the deposit threshold and may elect to establish responsible gaming limits or close the account, and the player has received disclosures from the Sportsbook concerning problem gambling resources.
- 7.4. Where financial transactions are conducted through EFT, the Sportsbook shall have security measures and controls to prevent EFT fraud. A failed EFT attempt is not considered fraudulent if the player has successfully performed an EFT on a previous occasion with no outstanding chargebacks. Otherwise, the Sportsbook shall do all of the following:
- (a) Temporarily block the player's Sports Wagering Account for investigation of fraud after five (5) consecutive failed EFT attempts within a 10-minute period. If there is no evidence of fraud, the block may be vacated; and
 - (b) Suspend the player's Sports Wagering Account after five (5) additional consecutive failed EFT attempts within a 10-minute period.
- 7.5. A Sportsbook must not restrict the player from withdrawing the player's own funds or withdrawing winnings from wagers placed using the player's own funds, whether the account is open or closed, except as otherwise provided in these Procedures, or any other applicable state or federal laws.
- (a) A Sportsbook must employ a mechanism that can detect and prevent any withdrawal activity initiated by a player that would result in a negative balance of the Sports Wagering Account.
 - (b) A Sportsbook shall not allow a Sports Wagering Account to be overdrawn unless caused by payment processing issues outside the control of the Sportsbook.
 - (c) A Sportsbook must honor the player's request to withdraw funds within seven (7) calendar days after the request, unless the conditions set forth in subsection 7.5(d) are met.
 - (d) The Sportsbook may decline to honor a player's request to withdraw funds only if the Sportsbook believes in good faith that the player engaged in either fraudulent conduct or other conduct that would put the Sportsbook in violation of the Act and these Procedures. In such cases, the Sportsbook must do all of the following:
 - (1) Suspend the player's Sports Wagering Account and provide notice to the player; and
 - (2) Conduct its investigation in a reasonable and expedient fashion, providing the player additional written notice of the status of the Sports Wagering Account every fourteenth (14) calendar day starting from the day the original notice was provided to the player.
 - (e) For purposes of this subsection, a request for withdrawal is considered honored if it is processed by the Sportsbook notwithstanding a delay by a payment processor, debit card issuer, or the custodian of a financial account.

- 7.6. All adjustments to Sports Wagering Accounts for amounts of five hundred dollars (\$500.00) or less must be periodically reviewed by supervisory personnel as set forth in the Sportsbook's Internal Control System. All other adjustments must be authorized by supervisory personnel of the Sportsbook before being entered.

Section 8.0 Account Information.

Upon request of the player, the Sportsbook shall provide a statement detailing account activity for the past year including wagers, deposit amounts, withdrawal amounts, and bonus or promotion information, including amounts remaining for a pending bonus or promotion, and amounts released to the player.

Section 9.0 Responsible Gaming Limits.

A Sportsbook shall allow a player to limit the amount of money that may be deposited into an account and spent through an account.

- 9.1. A deposit limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of money a player may deposit into their Sports Wagering Account during a particular period of time.
- 9.2. A wager limit shall be offered on a daily, weekly and monthly basis and shall specify the maximum amount of player funds that may be put at risk during a particular period of time.
- 9.3. Any decrease to these limits shall be effective immediately or at the point in time (e.g., next login, next day) that was clearly indicated to the player. Any increase to these limits shall become effective only after the time period of the previous limit (e.g., day, week, month, etc.) has expired.

Section 10.0 Self-Restriction Process.

- 10.1. A Sportsbook shall enable a player to restrict themselves from Sports Wagering for a period of time the player specifies, which must not be less than seventy-two (72) hours, by submitting a request to the Sportsbook through its Internet Website or Mobile Application or by online chat with the Sportsbook's customer support team.
- 10.2. The Sportsbook shall provide to a player who self-restricts their participation information concerning:
- (a) Available resources addressing addiction and compulsive behavior;
 - (b) How to close an account and restrictions on opening a new account during the period of self-restriction;
 - (c) Requirements to reinstate an account at the end of the period;
 - (d) The ability to enroll in the statewide Voluntary Self-Exclusion Program and a link to such site; and
 - (e) How the Sportsbook addresses bonuses or promotions and account balances during and after the period of self-restriction, and when the player closes their Sports Wagering Account.

Section 11.0 Suspension and Restoration of Sports Wagering Accounts.

- 11.1. A Sports Wagering Account may be placed into a suspended mode by the Sportsbook under any of the following conditions:
- (a) When requested by the player through a self-restriction process under section 10.1;
 - (b) When required by the Department;
 - (c) If the Sportsbook determines it lacks sufficient information to verify the age and eligibility of the player; or
 - (d) Upon a determination by a Sportsbook that a player
 - (1) Has provided any false or misleading information in connection with the opening of the account or has engaged in collusion, cheating or other unlawful conduct
 - (2) Is or has been barred from placing Sports Wagers in the State of Vermont;
 - (3) Is or has otherwise become an ineligible person;
 - (e) When initiated by a Sportsbook that has evidence that indicates any of the following:
 - (1) Illegal activity including providing any false or misleading information in connection with the opening of the account, or engaging in collusion, cheating, or other unlawful conduct
 - (2) A negative Sports Wagering Account balance; or
 - (3) A violation of the terms and conditions has taken place on a player's Sports Wagering Account.
 - (f) For any other reason at the sole discretion of the Sportsbook, provided that reason is not based on a player's actual or believed sex, gender identity, race, religion, national origin, sexual orientation, or other lawfully protected characteristic or is not in violation of federal or State law.
- 11.2. When a Sports Wagering Account is in a suspended mode, the Sportsbook must do all of the following:
- (a) Prevent the player from placing Sports Wagers;
 - (b) Prevent the player from depositing funds unless the account is suspended due to having a negative Sports Wagering Account balance but only to the extent the Sports Wagering Account balance is brought back to zero dollars;
 - (c) Prevent the player from withdrawing funds from their Sports Wagering Account, unless the Sportsbook acknowledges that the funds have cleared, and that the reason(s) for suspension would not prohibit a withdrawal;
 - (d) Prevent the player from making changes to their Sports Wagering Account;
 - (e) Prevent the removal of the Sports Wagering Account from the Mobile Sports Wagering Platform; and
 - (f) Prominently display to the player that the Sports Wagering Account is in a suspended mode, the restrictions placed on the Sports Wagering Account, and any further course of action needed to remove the suspended mode.
 - (g) Remove the player from any advertising or marketing distribution lists.

- 11.3. A Sports Wagering Account in a suspended mode may be restored for any of the following reasons:
- (a) Upon expiration of the self-restriction time period established by the player under section 10.1;
 - (b) If authorized by the Department;
 - (c) When the player is no longer an Ineligible Person; or
 - (d) When the Sportsbook has lifted the suspended status.
- 11.4 In the event of termination of the Sports Wagering Account in accordance with this section, the player shall be provided a timely ability to access and withdraw any funds remaining in the Sports Wagering Account, provided that the Sportsbook acknowledges that the funds have cleared, and that the reason(s) for termination would not prohibit a withdrawal.

Section 12.0 Account Closure.

- 12.1. A Mobile Sports Wagering Platform must provide a conspicuous and readily accessible method for a player to close their Sports Wagering Account through the account management or similar page or through the Sportsbook's customer support team.
- 12.2. Upon closure any funds remaining in the Sports Wagering Account shall be refunded to the player, provided that the Sportsbook acknowledges that the funds have cleared.

Section 13.0 Dormant Accounts.

Any Sports Wagering Account with no player-initiated activity for at least three (3) years shall be closed. When a Sports Wagering Account is closed the Sportsbook shall issue any funds, less processing fees, to the player.

Section 14.0 Anti-Money Laundering (AML) Monitoring.

The Sportsbook shall develop and implement AML procedures and policies that adequately address the risks posed by Mobile Sports Wagering for the potential of money laundering and terrorist financing. Additional requirements for AML procedures and policies may be specified by the Department.

Section 15.0 Personally Identifiable Information Security.

- 15.1. Any information obtained in respect to the Sports Wagering Account, including Personally Identifiable Information and authentication credentials, shall be done in compliance with the privacy policies and local privacy regulations and standards observed by the Department. Both Personally Identifiable Information and the Sports Wagering Account funds shall be considered as critical assets for the purposes of risk assessment.
- 15.2. No employee or agent of the Sportsbook shall divulge any Personally Identifiable Information related to a Sports Wagering Account, the placing of any wager or any other

sensitive information related to the operation of the Sportsbook without the consent of the player, except as required by this section, the Department, and as otherwise required by state or federal law. This includes, but is not limited to:

- (a) The amount of money credited to, debited from, or present in any particular player's Sports Wagering Account;
 - (b) The amount of money wagered by a particular player on any event or series of events;
 - (c) The unique Sports Wagering Account ID or username and authentication credentials that identify the player;
 - (d) The identities of particular Sports Events or Types of Wagers on which the player is wagering or has wagered; and
 - (e) Unless otherwise authorized by the player, the name, address, and other information in possession of the Sportsbook that would identify the player to anyone other than the Department or Sportsbook.
- 15.3. There shall be procedures in place for the security and sharing of Personally Identifiable Information, funds in a Sports Wagering Account and other sensitive information as required by the Department, including, but not limited to:
- (a) The designation and identification of one or more employees having primary responsibility for the design, implementation, and ongoing evaluation of such procedures and practices;
 - (b) The procedures to be used to determine the nature and scope of all information collected, the locations in which such information is stored, and the storage devices on which such information may be recorded for purposes of storage or transfer;
 - (c) The measures to be utilized to protect information from unauthorized access; and
 - (d) The procedures to be used if a breach of data security has occurred, including required notification to the Department.

Section 16.0 Test Accounts.

A Sportsbook may establish test accounts to be used to test the various components and operation of a Sportsbook pursuant to an Internal Control System, which, at a minimum, must address all of the following:

- 16.1. The procedures for issuing funds used for testing, including the identification of who may issue the funds and the maximum amount of funds that may be issued;
- 16.2. The procedures for assigning each test account for use by only one (1) individual. However, a Sportsbook may establish a specific scenario or instance of a test account that may be shared by multiple users if each user's activities are separately logged;
- 16.3. The maintenance of a record for all test accounts, to include when they are active, to whom they are issued, and the employer of the individual to whom they are issued;
- 16.4. The procedures for auditing testing activity by the Sportsbook to ensure the accountability of funds used for testing and proper adjustments to Adjusted Gross Sports Wagering Revenue; and
- 16.5. The procedures for authorizing and auditing out-of-state test activity.

Part V Audit and Internal Control Standards

Section 1.0 Internal Control System.

Unless otherwise provided for by the Department, before beginning Sportsbook operations, an Operator must submit its administrative and accounting procedures, in detail, in an Internal Control System for Department review and written approval. The Department or its designee may perform any inspection necessary in order to determine conformance with the approved Internal Control System.

- 1.1. Amendments to any portion of the Internal Control System must be submitted to the Department for approval. If within fourteen (14) calendar days the Department has not approved, denied, or otherwise provided written notice, an Operator may implement the amended internal controls as submitted with the Department retaining its authority to require further amendment, approval, or denial;
 - (a) The Department may, in writing, approve, deny, or require a revision to the amendment to the Internal Control System. If the Operator is notified of a required revision, the Operator must work with the Department to address the revision;
 - (b) If the Department requests additional information, clarification, or revision of an amendment to the Internal Control System and the Operator fails to satisfy the request within thirty (30) calendar days after the Department request, the Department shall consider the amendment denied and it cannot be implemented or, if previously implemented, the Operator has fifteen (15) calendar days to cease implementation of that amendment. If the Operator subsequently wants to pursue the amendment, it must resubmit the request along with the additional information previously requested by the Department.
- 1.2. In the event of an emergency, the Operator may temporarily amend their Internal Control System. The Commissioner or their designee must be notified that an emergency exists before temporarily amending their Internal Control System. The Operator must submit the temporary emergency amendment of the Internal Control System to the Commissioner or their designee within twenty-four (24) hours of the amendment. The submission must include the detailed emergency procedures that will be implemented and the time period the emergency procedures will be temporarily in place. Any concerns the Department has with the submission must be addressed with the Operator.
- 1.3. An Internal Control System must include a detailed narrative description of the administrative and accounting procedures designed to satisfy the requirements of these Procedures, including the following:
 - (a) Administrative controls which include, as their primary objective, policies and procedures designed to assure that all activities and transactions of the Operator are instituted and completed in accordance with the applicable policy and/or procedure.
 - (b) Accounting controls, as detailed in these Procedures, which include, as their primary objectives:
 - (1) Processes for recording the collection of wagers, payment of wagers, and cancellation of wagers issued in accordance with generally accepted

Section 2.0 Information Security Responsibilities.

An Internal Control System shall ensure that an information security program is effectively implemented, and information security function responsibilities are effectively allocated.

- 2.1. The Sportsbook shall implement, maintain, and comply with a comprehensive information security program, the purpose of which shall be to take reasonable steps to protect the confidentiality, integrity, and availability of Personally Identifiable Information of individuals who place a Sports Wager with the Sportsbook.
- 2.2. The information security program shall contain administrative, technical, and physical safeguards appropriate to the size, complexity, nature, and scope of the operations and the sensitivity of the Personally Identifiable Information owned, licensed, maintained, handled, or otherwise in the possession of the Sportsbook.
- 2.3. An information security forum or other organizational structure comprised of senior managers shall be formally established to monitor and review the information security program to ensure its continuing suitability, adequacy and effectiveness, maintain formal minutes of meetings, and convene at least every six months.
- 2.4. An information security department shall exist that is responsible for developing a security strategy in accordance with the overall operation. The information security function will subsequently work with the other departments to implement the associated action plans. It shall be involved in reviewing all tasks and processes that are necessary from the security perspective for the Sportsbook, including, but not limited to, the protection of information and data, communications, physical, virtual, personnel, and overall business operational security.
- 2.5. The information security department shall report to no lower than executive level management and shall be independent of the IT department with regard to the management of security risk.
- 2.6. It shall have the competences and be sufficiently empowered and shall have access to all necessary resources to enable the adequate assessment, management, and reduction of risk.
- 2.7. The chief security officer or equivalent head of the information security department shall be a full member of the information security forum and be responsible for recommending information security policies and changes.

Section 3.0 Accounting Records.

Sportsbooks must maintain complete, accurate, and legible records of all transactions related to their Sportsbooks, including transactions pertaining to revenues, expenses, assets, liabilities, and equity in conformance with generally accepted accounting principles.

- 3.1. The Department may direct Sportsbooks to alter the manner in which the records are maintained if a Sportsbook's records are not in accordance with generally accepted accounting principles or if the records are not in sufficient detail.
- 3.2. The accounting records must be maintained using a double entry system of accounting with transactions recorded on the accrual basis and supported by detailed subsidiary records.

- 3.3. The detailed subsidiary records must include, at a minimum, all of the following:
 - (a) Detailed general ledger accounts identifying all revenue, expenses, assets, liabilities, and equity;
 - (b) A record of all investments, advances, loans, and accounts receivable balances due the establishment;
 - (c) A record of all loans and other accounts payable;
 - (d) A record of all accounts receivable written off as uncollectible;
 - (e) Journal entries prepared;
 - (f) Tax work papers used in preparation of any state or federal tax return if applicable;
 - (g) Records supporting the accumulation of the costs for complimentary services and items. A complimentary service or item provided to individuals in the normal course of a Sports Wagering business must be recorded in an amount based upon the full retail price normally charged for the service or item or as is otherwise consistent with generally accepted accounting principles;
 - (h) Records required by the Internal Control System; and
 - (i) Other records that the Department requires to be maintained.
- 3.4. The Sportsbook must maintain all records supporting the Adjusted Gross Sports Wagering Revenue.
- 3.5. If a Sportsbook fails to maintain the records used by it to calculate the Adjusted Gross Sports Wagering Revenue, the Department may compute and determine the amount upon the basis of an audit conducted by the Department using available information.

Section 4.0 Financial Audits.

Upon application, and annually thereafter, each Sportsbook shall submit to the Department, within ninety (90) calendar days of the operator's fiscal year end, its most recent financial audit.

- 4.1. The financial audit must be performed by an independent certified public accountant currently authorized to practice in Vermont, or any other U.S. state or jurisdiction, and presented in accordance with generally accepted accounting principles and contain the opinion of the independent certified public accountant as to its fair preparation and presentation in accordance with generally accepted accounting principles. If a Sportsbook's audited financial statements are produced at the parent company level, the audited financial statements of the parent company may be submitted, only if Vermont's information is identified and accessible separately from the entire parent company information.
- 4.2. The Department shall determine the date of filing and the number of copies of audits or reports required under this procedure. The audits or reports must be received by the Department or postmarked no later than the required filing date.
- 4.3. The reporting year-end of the Sportsbook is December 31 unless otherwise approved by the Department.

Section 5.0 Retention, Storage and Destruction Records.

An Internal Control System shall include a records retention schedule, and provisions related to the storage and destruction of records that at a minimum incorporates the following provisions:

- 5.1. Each Sportsbook must maintain, in a place secure from theft, loss, or destruction, adequate records of its business and accounting operations.
- 5.2. A Sportsbook must make the records available to the Department, upon request, within a time provided for by the Department.
- 5.3. A Sportsbook must hold the records identified in this section for not less than three (3) years; however, a Sportsbook must hold all records pertaining to performance under the Operator's contract for the term of the Operator's contract and for three (3) years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government, provided that if any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
- 5.4. A Sportsbook must keep and maintain, in a manner and form required by the Department, accurate, complete, and legible records of any books, records, or documents pertaining to, prepared in, or generated by, the Sportsbook, including but not limited to, all of the following:
 - (a) Forms;
 - (b) Reports;
 - (c) Accounting records;
 - (d) Ledgers;
 - (e) Subsidiary records;
 - (f) Internal audit records;
 - (g) Correspondence; and
 - (h) Personnel records.
- 5.5. A Sportsbook must organize and index all required records in a manner that enables the Department to locate, inspect, review, and analyze the records with reasonable ease and efficiency.
- 5.6. A Sportsbook shall, except as otherwise provided, notify the Department in writing at least sixty (60) calendar days prior to the scheduled destruction of any record required to be retained in accordance with this section. Such notice shall list each type of record scheduled for destruction, including a description sufficient to identify the records included; the retention period; and the date of destruction.
- 5.7. The Department may prohibit the destruction of any record required to be retained in accordance with this section by so notifying the Sportsbook in writing within forty-five (45) calendar days of receipt of the notice of destruction pursuant to subsection 5.5 or within the specified retention period. Such original record may thereafter be destroyed only upon notice from the Department, or by order of the Department upon the petition of the Sportsbook or by the Department on its own initiative.
- 5.8. The Sportsbook may utilize the services of a disposal company for the destruction of any records required to be retained in accordance with this section.

- 5.9. Nothing in this Part shall be construed as relieving a Sportsbook from meeting any obligation to prepare or maintain any book, record or document required by any other federal, state or local governmental body, authority or agency.

Section 6.0 Reserve Requirement

- 6.1. An Internal Control System shall include a plan to maintain and protect sufficient cash and other supplies to conduct Sports Wagering at all times through a reserve in the amount necessary to ensure the security of funds held in Sports Wagering Accounts and the ability to cover the outstanding Sports Wagering liability.
- (a) The reserve must be in the form of cash, cash equivalents, payment processor receivables, payment processor reserves, an irrevocable letter of credit, a bond, or a combination thereof.
 - (b) The reserve must be not less than the greater of fifty-thousand dollars (\$50,000.00) or the sum of the following amounts:
 - (1) The daily ending cashable balance of all Sports Wagering Accounts;
 - (2) Pending withdrawals;
 - (3) Amounts accepted by the Sportsbook on Sports Wagers whose outcomes have not been determined; and
 - (4) Amounts owed but unpaid on winning Sports Wagers.
 - (c) Amounts available to players for wagering that are not redeemable for cash may be excluded from the reserve computation.
- 6.2. A Sportsbook must have access to all Sports Wagering Account and transaction data to ensure the amount of its reserve is sufficient. Unless otherwise directed by the Department, a Sportsbook must file a monthly attestation with the Department, in the form and manner prescribed by the Department, that funds have been safeguarded under this procedure.
- 6.3. The Department may audit a Sportsbook's reserve at any time and may direct a Sportsbook to take any action necessary to ensure the purposes of this procedure are achieved, including but not limited to requiring the Sportsbook to modify the form of its reserve or increase the amount of its reserve.

Section 7.0 Risk Management Framework

An Operator must implement a risk management framework. This framework may be provided in-house by a unit capable of performing this function with appropriate segregation of functions and reporting duties, or by a Service Provider.

- 7.1. An Internal Control System shall contain a description of the risk management framework, including but not limited to:
- (a) Automated and manual risk management procedures;
 - (b) Employee management, including access controls and segregation of duties;
 - (c) Information regarding identifying and reporting fraud and suspicious conduct;
 - (d) Controls ensuring regulatory compliance;

- (e) Description of Anti-Money Laundering (AML) compliance standards;
 - (f) Description of all software applications that comprise the Mobile Sports Wagering Platform, including
 - (1) The unique identification and verification systems for wagers;
 - (2) The minimum data that must be recorded relating to each wager;
 - (3) System redundancy to ensure recording of wagers during a system outage;
 - (g) Description of all types of Sports Wagers available to be offered by the Sportsbook;
 - (h) Description of the procedures to prevent past posting of wagers;
 - (i) Description of the procedures to prevent individuals from placing wagers as agents or proxies for other individuals;
 - (j) Description of all integrated third-party platforms, including integration with an independent control system to ensure integrity of system wagering information; and
 - (k) Any other information which may be required by the Department.
- 7.2. A Sportsbook shall file with the Department, in a manner and form developed by the Department, a report of any error that occurs in offering an event or wager or if an unapproved Sports Event or Type of Wager is offered to the public.

Section 8.0 Taxation Requirements

An Internal Control System shall ensure compliance with all Internal Revenue Service (IRS) requirements and the Sportsbook shall provide for the withholding or reporting of income tax of players as required by applicable state or federal law.

- 8.1. The Sportsbook shall comply with all applicable tax laws and regulations including, without limitation, laws and regulations applicable to tax withholding and laws and regulations applicable to providing information about payouts and withholdings to taxing authorities and to players.
- 8.2. The Sportsbook shall disclose potential tax liabilities to players at the time of award of any Sports Wagering payouts in excess of limits set by the IRS. Such disclosures will include a statement that the obligation to pay applicable taxes on payouts is the responsibility of the player and that failure to pay applicable tax liabilities may result in civil penalties or criminal liability. Upon written request, the Sportsbook shall provide players with summarized tax information on Sports Wagering activities.

Section 9.0 Bank Secrecy Act Compliance

An Internal Control System shall ensure compliance with all provisions of The Bank Secrecy Act of 1970, 31 USC §§ 5311 to 5332, applicable to the operation of Sports Wagering. The Sportsbook must:

- 9.1. Maintain records related to its compliance with The Bank Secrecy Act of 1970, 31 USC §§ 5311 to 5332, including all currency transaction reports, suspicious activity reports, and any supporting documentation, for the term of the Operator's contract and for three (3)

years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government, provided that if any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The Sportsbook must provide the records to the Department and any appropriate law enforcement agencies on request consistent with the authorization prescribed in The Bank Secrecy Act of 1970, 31 USC §§ 5311 to 5332, and applicable regulations.

- 9.2. Provide written notice to the Department as soon as the Sportsbook becomes aware of a compliance review that is conducted by the Internal Revenue Service under The Bank Secrecy Act of 1970, 31 USC §§ 5311 to 5332, and involves or impacts the Sportsbook's Sportsbook. The Sportsbook must provide a copy of the compliance review report or the equivalent to the Department within fourteen (14) calendar days after the receipt of the report by the Sportsbook.

Section 10.0 Anti-Money Laundering (AML) Monitoring

An Internal Control System shall implement AML procedures and policies that adequately address the risks posed by Sports Wagering for the potential of money laundering and terrorist financing. At a minimum, the AML procedures and policies shall provide for:

- 10.1. Controls to assure ongoing compliance with the local AML regulations and standards observed by the Department;
- 10.2. Up to date training of employees in the identification of unusual or suspicious transactions;
- 10.3. Assigning an individual or individuals to be responsible for all areas of AML by the Sportsbook including reporting unusual or suspicious transactions;
- 10.4. Use of any automated data processing systems to aid in assuring compliance; and
- 10.5. Periodic independent tests for compliance with a scope and frequency as required by the Department. Logs of all tests shall be maintained.

Section 11.0 Integrity Monitoring and Suspicious Behavior

An Operator must implement an integrity monitoring system. This solution may be provided in-house by a unit capable of performing this function with appropriate segregation of functions and reporting duties, or by a Service Provider.

- 11.1. An Internal Control System shall include provisions for a Sportsbook to report to the Department as soon as practicable:
 - (a) Any information regarding irregularities in volume or changes in odds that could signal suspicious activities which were identified
 - (b) Any information relating to criminal or disciplinary proceedings commenced against the Sportsbook in connection with its operations;
 - (c) Any information relating to the following, which must also be reported to the relevant Sports Governing Body or equivalent:

- (1) Abnormal Wagering Activity or patterns that may indicate a concern with the integrity of a Sports Event or events;
 - (2) Any potential breach of the internal rules and codes of conduct pertaining to Sports Wagering of a relevant Sports Governing Body or equivalent, to the extent the operator has actual knowledge of the potential breach;
 - (3) Any other conduct that corrupts a Sports Wagering outcome of a Sports Event or events for purposes of financial gain, including match-fixing; or
 - (d) Any information relating to Suspicious or Illegal Wagering Activities, including the use of funds derived from illegal activity, the placement of wagers to conceal or launder funds derived from illegal activity, the use of agents to place wagers, and the use of false identification in placing wagers.
- 11.2. A Sportsbook must maintain the confidentiality of information provided by a Sports Governing Body or equivalent for purposes of investigating or preventing the conduct described in subsection 11.1(d), unless disclosure is required by the Act, the Department, other law or court order or unless the Sports Governing Body or equivalent consents to disclosure.
- 11.3. A Sportsbook receiving a report of Suspicious or Illegal Wagering Activity must be permitted to suspend wagering on Sports Events or Types of Wager related to the report, and may place a hold on suspicious wagers while investigating but may only cancel or void Sports Wagers related to the report after receiving approval from the Department.
- 11.4. Upon request by the Department or its designee, a Sportsbook shall provide remote, read-only access and the necessary software and hardware for the Department to evaluate or monitor the Mobile Sports Wagering Platform. If requested, the Sportsbook shall provide the Department with remote access or other approved mechanism which shall provide at a minimum:
 - (a) All reports of Abnormal Wagering Activity;
 - (b) If the Abnormal Wagering Activity was subsequently determined to be Suspicious or Illegal Wagering Activity;
 - (c) All reports deemed Suspicious or Illegal Wagering Activity at the outset; and
 - (d) The actions taken by the Sportsbook according to its integrity monitoring system.
- 11.5. Nothing in this section shall require a Sportsbook to provide any information that is prohibited by federal, state or local law or regulation, including, but not limited to, laws and regulations relating to privacy and Personally Identifiable Information.
- 11.6. A Sportsbook must maintain records of all Integrity Monitoring services and activities, including all reports and/or Suspicious or Illegal Wagering Activity and any supporting documentation, for a minimum of three (3) years after a Sports Event occurs or for any period required by law for inspection by any authorized representatives of the State or Federal Government, provided that if any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
- 11.7. The Sportsbook shall disclose these records to the Department upon request.
- 11.8. The Department may require a Sportsbook to provide any hardware or software necessary to the Department, or to an independent testing laboratory approved by the Department, for evaluation of its Sports Wagering offering or to conduct further

monitoring of Sports Wagering data.

- 11.9. The Department and its operators may participate in national and international monitoring services and associations and may share Sports Wagering data with those entities and sports governing bodies in order to ensure the integrity of Sports Wagers and Sports Events.

Section 12.0 Cooperation with Investigations; Confidentiality of Certain Reported Information.

The Department and Sportsbooks shall cooperate with investigations conducted by law enforcement agencies, Sports Governing Bodies or equivalent, including by providing or facilitating the provision of account-level wagering information and audio or video files relating to individuals placing wagers.

- 12.1. A Sportsbook must maintain the confidentiality of information provided by a Sports Governing Body or equivalent to the Sportsbook unless disclosure is required by this Part, the Department, other law, or court order.
- 12.2. The Department, Sports Governing Bodies or equivalent, and Sportsbooks must maintain the confidentiality of all information relating to conduct described in subsection 11.1(d) unless disclosure is required by these Procedures, other law, or court order, or as authorized by the relevant Sports Governing Body or equivalent.
- 12.3. The Department must maintain the confidentiality of all information provided by Sportsbooks for compliance purposes unless disclosure is required by this Part, other law, or court order.
- 12.4. The Department and a Sportsbook may disclose confidential information to another Sportsbook, a Sports Governing Body or equivalent, a Sports Wagering regulating entity, a law enforcement entity, or other party for the purpose of preventing or investigating conduct that corrupts or could corrupt the outcome of a Sports Event, including match fixing.

Section 13.0 Complaints Pertaining to Sports Wagering

An Internal Control System shall provide procedures for receiving, investigating, responding to and reporting on complaints by players.

- 13.1. When a player makes a complaint, the Sportsbook shall immediately issue a complaint report, setting out:
 - (a) The name of the complainant;
 - (b) The nature of the complaint;
 - (c) The name of the persons, if any against whom the complaint was made;
 - (d) The date of the complaint; and
 - (e) The action taken or proposed to be taken, if any, by the Sportsbook.
- 13.2. All complaints received by a Sportsbook from a player and the Sportsbook's responses to complaints shall be retained for three (3) years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government, provided that if any litigation, claim, or audit is started before the expiration of the three-

- year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The Operator will produce such records to the Department within fourteen (14) calendar days of any request by the Department, or provide explanation as to why such records cannot be provided within that time period and identify when such records will be produced but in no event resulting in an extension of time beyond an additional fourteen (14) calendar days.
- 13.3. A Sportsbook must investigate and attempt to resolve all complaints with the player.
 - 13.4. A Sportsbook shall respond to such complaints in writing within ten (10) calendar days, or provide explanation as to why such records cannot be provided within that time period but in no event resulting in an extension of time beyond an additional ten (10) calendar days.
 - 13.5. If the relief requested in the complaint will not be granted, the response to the complaint shall state the reasons with specificity.
 - 13.6. If the response to a complaint is that more information is needed, the form and nature of the necessary information shall be specifically stated. When additional information is received, further response shall be required within seven (7) calendar days.
 - 13.7. In its response, the Sportsbook must advise the player of their right to submit the complaint to the Department in the form and manner prescribed by the Department.
 - 13.8. Unless otherwise directed by the Department, for complaints related to Sports Wagering Accounts, settlement of Sports Wagers, or illegal activity related to Sports Wagering that cannot be resolved to the satisfaction of the player, the Sportsbook must promptly notify the Department of the complaint and the Sportsbook's response.
 - 13.9. On receipt of a complaint from a player or notification of an unresolved complaint from a Sportsbook, the Department may conduct any investigation the Department considers necessary and may direct a Sportsbook to take any corrective action the Department considers appropriate.

Section 14.0 Prohibition of Credit Extension

An Internal Control System shall include controls relating to not allowing the acceptance of a Sports Wager or deposit of funds into a Sports Wagering Account that is derived from the extension of credit by affiliates or agents of the Sportsbook. For purposes of this section, credit shall not be deemed to have been extended where, although funds have been deposited into a Sports Wagering Account, the Sportsbook is awaiting actual receipt of such funds in the ordinary course of business.

- 14.1. Credit providers such as small amount credit contracts (payday lending) must not be advertised or marketed to players.
- 14.2. A player must not be referred to a credit provider to finance their Sports Wagering activity.
- 14.3. Personally Identifiable Information related to a player must not be provided to any credit provider.

Section 15.0 Ineligible Persons

An Internal Control System shall include commercially reasonable measures to prevent accepting or making payment relating to Sports Wagers made by Ineligible Persons.

- 15.1. If a Sportsbook detects, or is notified of, an individual suspected of being an Ineligible Person who had engaged or is engaging in Prohibited Sports Wagering, the Sportsbook must use reasonable measures to verify whether the individual is prohibited or not.
- 15.2. If the Sportsbook is able to establish, by reasonable measures, that the individual is prohibited, the Sportsbook must cancel a Sports Wager and confiscate the funds.
- 15.3. If the Sportsbook is unable to establish, by reasonable measures, that the individual is prohibited, then the individual is presumed to not be an Ineligible Person for the purposes of this section.

Section 16.0 Layoff Wagers

An Internal Control System shall include procedures for a Sportsbook to accept Layoff Wagers placed by other Sportsbooks and place Layoff Wagers with other Sportsbooks for the purpose of offsetting Sports Wagers.

- 16.1. The Sportsbook placing a Layoff Wager shall inform the Sportsbook accepting the wager that the wager is being placed by a Sportsbook and shall disclose their identity.
- 16.2. The Sportsbook may decline to accept a Layoff Wager in its sole discretion.
- 16.3. Layoff Wagers must be reported to the Department.

Section 17.0 Reports of Sportsbooks

An Internal Control System shall detail the Sportsbook's ability to prepare reports supporting Adjusted Gross Sports Wagering Revenue, wagering liability, payouts, and any other reports considered necessary by the Department. The Sportsbook shall timely file with the Department any additional reports required by the Act or by any rule, regulation, or procedure, or practice.

Section 18.0 Department Access to Sports Wagering Data

An Internal Control System shall detail the controls to assure that all Sports Wagering data the Department requires to be maintained under the Act or these Procedures is appropriately segregated and controlled to prevent unauthorized access. Sportsbooks must provide the Department or the Department of Financial Regulation with access to all such data, upon request and with reasonable notice. A Sportsbook must retain such data for a minimum of three (3) years or for any period required by law for inspection by any authorized representatives of the State or Federal Government, provided that if any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

Section 19.0 Financial and Compliance Reports.

The Department may require financial and compliance reports from its Sportsbooks for activities within its jurisdiction at any time and may conduct audits of these reports to ensure that the State receives the contractual share of Adjusted Gross Sports Wagering Revenue.

Section 20.0 Independent Audit of Internal Control Systems.

Sportsbooks shall have their Internal Control System independently audited at least once every two (2) years with the results documented in a written report. This includes internal controls conducted by a Service Provider on behalf of the Operator. Reports shall be maintained and available to the Department.

- 20.1. Such independent audits may be conducted by the Department, or a third-party contractor approved by the Department. The Department may, in its discretion, allow for an internal audit department within the Sportsbook or parent company of the Sportsbook, which is independent of the Sportsbook, to serve as a third-party contractor for use in completing this audit.
- 20.2. The Department, or third-party contractor shall be responsible for auditing the Sportsbook's compliance with the Act and these Procedures, including those standards adopted in the Wagering Procedures and Practices of GLI-33, the Internal Control System, and any other applicable rules, regulations, or procedures.
- 20.3. Documentation, including checklist, programs, reports, corrective actions, and other items, shall be prepared to evidence all independent audit work performed as it relates to the requirements of this section, including all instances of noncompliance.
- 20.4. Independent audit reports shall include objectives, procedures and scope, findings and conclusions, and recommendations.
- 20.5. Independent audit findings shall be reported to management. Management shall be required to respond to the independent audit findings and the stated corrective measures to be taken to avoid recurrence of the audit exception. Such management responses shall be included in the final independent audit report.
- 20.6. Follow-up observation and examinations shall be performed to verify that corrective action has been taken regarding all instances of noncompliance cited by the independent audits, or by the Department. The verification shall be performed within six (6) months following the date of notification.
- 20.7. It is acceptable to leverage the results of prior audits conducted within the audit period by the same third-party contractor in another Sports Wagering jurisdiction. Such leveraging shall be noted in the audit report. This leveraging does not include any internal controls unique to the state, which will require new audits.

Part VI Responsible Gaming

Section 1.0 Responsible Gaming Plan.

Prior to conducting a Sportsbook in Vermont, each operator must submit a Responsible Gaming Plan to the Department and the Department of Mental Health that shall include information related to the posting of materials related to problem gambling, resources to be made available to players expressing concerns about problem gambling, player-determined individual limits, house-imposed player limits, and voluntary self-exclusion programs. This plan must be approved by the Department prior to authorizing the operator to conduct a Sportsbook within the State. The operator will provide an updated plan annually every year thereafter.

- 1.1. The Responsible Gaming Plan shall include, at a minimum, the following:
 - (a) The goals of the plan, procedures and deadlines for implementation of the plan;
 - (b) The identification of the individual(s) who will be responsible for the implementation, monitoring, and maintenance of the plan;
 - (c) The operator's plan for creating and disseminating promotional material to educate players about compulsive and problem gambling and to inform them about treatment services available to compulsive and problem gamblers and their families. The operator shall provide examples of the materials to be used as part of its plan and a description of how the material will be disseminated;
 - (d) A copy of the employee training program(s) as part of comprehensive employee trainings upon hire and regularly thereafter on what is responsible gambling and the role of employees in responding to circumstances in which individuals present signs of gambling addiction;
 - (e) The duties and responsibilities of the key employees and other employees designated to implement or participate in the plan;
 - (f) Procedures to assess, prevent and address problem gambling by players, including:
 - (1) Identifying players with suspected or known problem gambling behavior;
 - (2) Preventing Sports Wagering by Ineligible Persons;
 - (g) Commitments to participate in statewide responsible gaming initiatives, including, but not limited to:
 - (1) Participating in responsible gaming operator committees;
 - (2) Providing additional education and awareness for identified vulnerable populations;
 - (h) Procedures for advertising and marketing which must comply with applicable standards of socially responsible advertising, including all applicable state and federal laws and standards on this subject;
 - (i) Annual reporting on responsible gaming activities; and
 - (j) Other policies and procedures as determined by the Department to prevent problem gambling and encourage responsible gambling.
- 1.2. At least every five (5) years, each Operator shall be subject to an independent review of the Operator's Responsible Gaming Plan, as assessed by industry standards and performed by a third party approved by the Department. The Department may require the operator to pay for the independent review.

Section 2.0 Statewide Voluntary Self-Exclusion Program.

The Department shall establish, implement, and administer a statewide voluntary self-exclusion program for any individual to voluntarily exclude themselves from establishing a Sports Wagering Account or from placing Sports Wagers through an account for a set period of time specified in the exclusion registration agreement.

- 2.1. Each person seeking placement in the statewide Voluntary Self-Exclusion Program acknowledges that it is their responsibility to refrain from engaging in Sports Wagering and other gambling activities under the jurisdiction of the Department, and must agree to:
 - (a) Refrain from participating in Sports Wagering and other gambling activities for the period specified in the exclusion registration agreement; and
 - (b) Not petition the Department for removal from the program for the period specified in the exclusion registration agreement.
- 2.2. An individual may request to have their name placed on the Self-Exclusion List by completing the exclusion registration agreement. A holder of a joint bank account may also request to have the name of someone whom they share the joint account placed on the Self-Exclusion List when the requestor provides documentary evidence to the Department of sharing the joint bank account.
- 2.3. Upon the filing of an exclusion registration agreement in the statewide Voluntary Self-Exclusion Program, the Department may file a Notice of Placement in the statewide Voluntary Self-Exclusion Program and such exclusion registration agreement and notice may be disclosed to Operators and their agents and employees on a periodic basis, as approved by the Department.
- 2.4. A Voluntarily-Excluded Person's registration under the statewide Voluntary Self-Exclusion Program does not prevent an Operator and its agents and others operating on their behalf from seeking payment of a debt accrued by the individual before the individual entered the program.
- 2.5. Operators will ensure that individuals on the Self-Exclusion List do not receive direct marketing, telemarketing promotions, player club materials, or other targeted promotional materials relating to Sports Wagering.

Section 3.0 Involuntary Exclusion List.

The Department shall maintain an Involuntary Exclusion List that consists of the names of people who the Commissioner determines meet anyone of the following criteria:

- 3.1. Any person whose wagering would be inimical to Sports Wagering or other gambling activities in the State of Vermont, including the following:
 - (a) Any person who is involved in collusion, cheating, or other unlawful activity;
 - (b) Any person who poses a threat to the safety of the players or employees;
 - (c) Persons who pose a threat to themselves;

- (d) Persons with a documented history of conduct involving the disruption of a facility or website conducting activities under the jurisdiction of the Department;
 - (e) Persons included on another jurisdiction's exclusion list;
 - (f) Persons subject to a Court order excluding those persons from a facility or website conducting activities under the jurisdiction of the Department;
 - (g) Any felon or person who has been convicted of any crime gambling or offense involving gambling and whose participation in activities under the jurisdiction of the Department would be harmful to or negatively affect the reputation of the State of Vermont; or
 - (h) Any person who enhances a risk of unfair or illegal practices in the conduct of activities under the jurisdiction of the Department.
- 3.2. The Commissioner's determination of the basis for placing a person on the Involuntary Exclusion list may be based upon any of the following:
- (a) The nature and notoriety of the person to be excluded from all wagering and gaming activities under the jurisdiction of the Department;
 - (b) The history and nature of the involvement of the person's wagering, gaming, or gambling activity in Vermont or any other jurisdiction;
 - (c) The nature and frequency of any contacts or associations of the person with any Sportsbook; or
 - (d) Any other factor reasonably related to the maintenance of public confidence in the regulatory process or the integrity of Sports Wagering in the State of Vermont.
- 3.3. The Involuntary Exclusion List shall contain the following information, if known, for each Involuntarily-Excluded Person:
- (a) The full name and all known aliases and the date of birth;
 - (b) A physical description or photograph, if available;
 - (c) The date the person's name was placed on the Involuntary Exclusion List;
 - (d) Partial or full Social Security Number, or an equivalent government identification number for a noncitizen, such as a passport or taxpayer identification number, if available;
 - (e) The person's occupation and current residential and business addresses; and
 - (f) Any other relevant information as deemed necessary by the Department.
- 3.4. The Department shall attempt to provide notice to any person who is placed on the Involuntary Exclusion List.
- 3.5. Each Involuntarily-Excluded Person who wishes to contest being placed on the Involuntary Exclusion List may request in writing an informal review by the Board of Liquor and Lottery. Such request for review shall fully state the reasons such Involuntarily-Excluded Person believes the Commissioner's exclusion decision was not supported by statute, rule, procedure or practice. The Board's conclusion shall be final and binding on all parties.

Section 4.0 Operator Responsibilities.

The Operator shall regularly receive the Self-Exclusion List and Involuntary Exclusion List from the Department.

- 4.1. The Self-Exclusion List and Involuntary Exclusion List may only be accessed by individuals authorized in accordance with the Internal Control System.
- 4.2. Except as authorized or required by these Procedures, the Self-Exclusion List and Involuntary Exclusion List shall be kept confidential and the Operator shall not disclose the names included on these lists.
- 4.3. The Self-Exclusion List and Involuntary Exclusion List shall not be publicly disclosed by the Operator, its Service Providers, employees, affiliates or other persons authorized to access the lists. However, the Operator may share the lists with service providers necessary to effectuate the exclusions, other designated Operators in the State of Vermont or its affiliates in other jurisdictions for the purpose of assisting in the proper administration of responsible gaming programs.
- 4.4. The Operator shall establish procedures to add the names from the Self-Exclusion List and Involuntary Exclusion List into their internal list to exclude from Sports Wagering. If the Operator utilizes an internal management system to track individuals on the Self Exclusion List and Involuntary Exclusion List, they shall update that system at least every seventy-two (72) hours with names of individuals being added or removed from the Self Exclusion List and Involuntary Exclusion List.
- 4.5. The Operator shall establish procedures that are designed, to make all commercially reasonable efforts, to:
 - (a) Prevent an individual on the Self-Exclusion List or Involuntary Exclusion List from opening a new Sports Wagering Account;
 - (b) Identify and suspend any Sports Wagering Accounts of an individual on the Self-Exclusion List or Involuntary Exclusion List to prevent further participation in Sports Wagering;
 - (c) Promptly notify the Department, or its designee, if an individual on the Self-Exclusion List or Involuntary Exclusion List attempts to place or is discovered to have placed or attempted to place a wager;
 - (d) In cooperation with the Department, and where reasonably possible, determine the amount wagered and lost by an individual identified to be on the Self-Exclusion List or Involuntary Exclusion List. The monetary value of the losses shall be paid to the Department within forty-five (45) calendar days;
 - (e) Deny an individual identified to be on the Self-Exclusion List or Involuntary Exclusion List from any winnings derived from wagering while on the Self-Exclusion List or Involuntary Exclusion List. The monetary value of the withheld winnings shall be paid to the Department within forty-five (45) calendar days;
 - (f) In the event that a player has pending wagers prior to be added to the Self-Exclusion List or Involuntary Exclusion List, handle such wagers in accordance with the terms and conditions.

- (g) Refund any remaining balance to an individual on the Self-Exclusion List or Involuntary Exclusion List provided that the Sportsbook acknowledges that the funds have cleared; and
- (h) Ensure that individuals on the Self-Exclusion List or Involuntary Exclusion List do not receive, either from the Operator, its Service Providers, or any agent thereof, direct marketing, telemarketing promotions, player club materials, or other targeted promotional materials relating to Sports Wagering.

Part VII Advertising and Marketing

Section 1.0 Advertising and Marketing Generally.

- 1.1. The Operator shall ensure that its advertisements and marketing:
 - (a) Disclose the identity of the Sportsbook.
 - (b) Contain a statement that Underage Persons are not allowed to open or have access to Sports Wagering Accounts.
 - (c) Do not include or depict:
 - (1) Underage Persons, except live footage or images of professional athletes who may be Underage Persons in Sports Events on which Sports Wagering is permitted;
 - (2) Students;
 - (3) Schools or colleges; or
 - (4) School or college settings.
 - (d) Do not state or imply endorsement or participation by:
 - (1) Underage Persons, other than professional athletes who may be Underage Persons;
 - (2) Colleges; or
 - (3) College athletic associations.
 - (e) Do not target Underage Persons, other Ineligible Persons, individuals with gambling problems, or other vulnerable individuals.
 - (f) If sent via phone, mail, or email, include a means for the receiver to opt out of any phone, mail, or email advertising or marketing distribution list, where the advertising and marketing was sent directly to the received using such lists.
- 1.2. Incidental depiction of nonfeatured persons, locations, settings, or organizations listed in Section 1.1 does not violate subsection 5.1.
- 1.3. The use of Sports Wagering advertisements, logos, trademarks, or brands is prohibited on products that are sold in Vermont and intended primarily for Underage Persons.

Section 2.0 Advertisements to Include Information to Promote Responsible Gaming.

An Operator shall include in an advertisement, information concerning assistance available to problem gamblers, or shall direct players to a reputable source of that information, including a toll-free crisis help telephone number approved by the Department. If an advertisement is of insufficient size or duration to provide the information required, the advertisement shall refer to a website or application that does prominently include such information.

Section 3.0 Limitation on Representations about Winnings.

An Operator shall only make representations concerning winnings that are accurate, not misleading, and capable of substantiation at the time of the representation. For purposes of this subsection, an advertisement is misleading if it makes representations about average winnings without equally prominently representing the average net winnings of all players.

Section 4.0 No Promotional Activities at Schools or Colleges

- 4.1. A postsecondary school located in the State shall not permit Sports Wagering to be advertised on property belonging to the postsecondary school, except for generally available advertising, including television, radio, and digital advertising.
- 4.2. An Operator shall not advertise in a manner that targets the area of a college or university campus, except for generally available advertising, including television, radio, and digital advertising.

Section 5.0 Advertising and Marketing Plan.

Each Operator shall submit an advertising and marketing plan to the Department which shall include strategies to limit unwanted advertising, and advertising and marketing aimed at Underage Persons.

Section 6.0 Promotional Inducements, Bonuses and Credits

- 6.1. Permitted advertising and marketing materials that communicate promotional inducements, bonuses and credits must, at a minimum:
 - (a) Disclose all material conditions and limitations of the offer at its first presentation on the gaming site, with all other conditions and limitations no more than one click away.
 - (b) Not be described as free unless the inducement, bonus or credit is free. If the player has to risk or lose their own money or if there are conditions attached to their own money, the offer must disclose those terms and may not be described as free.
 - (c) Not be described as risk-free if the player needs to incur any loss or risk their own money to use or withdraw winnings from the risk-free bet.
- 6.2. No promotional inducement, bonus or credit shall exceed a value set by the Department.

Part VIII Revenue Share and Payments

Section 1.0 Revenue Share and Payments Generally.

- 1.1. Each Operator shall pay to the Department a share of the Adjusted Gross Sports Wagering Revenue that is determined through the competitive bidding process.
- 1.2. Prior to commencing Sportsbook operations in Vermont, each Operator shall establish and, after that, maintain an operating account at a designated financial institution capable of handling electronic fund transfers.
- 1.3. The Operator must notify the Department of the financial institution where funds are deposited; and the Department may reject the proposed financial institution if the Department determines in its sole discretion that use of such institution would be inconsistent with these procedures or may otherwise undermine Vermont's Sports Wagering program. The revenue share received by the Department pursuant to this Part shall be deposited in the Sports Wagering Fund.

Section 2.0 Determination of Value.

- 2.1. An Operator shall not receive a deduction from Adjusted Gross Sports Wagering Revenue unless written approval is granted by the Department for the following:
 - (a) Amounts returned to a player because of Mobile Sports Wagering Platform malfunction or because the Sports Wager must be voided because of concerns regarding integrity of the Sports Wager or Sports Event that were previously included in the computation of Adjusted Gross Sports Wagering Revenue; or
 - (b) Successfully disputed debit card charges that were previously included in the computation of Adjusted Gross Sports Wagering Revenue. Discretionary write-offs by the Operator do not constitute an uncollectible marker.
- 2.2. An Operator must submit for Department review and approval a written request, including all supporting documentation, for any deductions it would like to take against Adjusted Gross Sports Wagering Revenue.
- 2.3. An Operator that has an Adjusted Gross Wagering Revenue for a month that is less than zero may carry that amount forward and deduct the amount from the Operator's Adjusted Gross Wagering Revenue for one or more of the succeeding twelve (12) months before determining the amount of revenue share due under this Part for the applicable month. Any negative Adjusted Gross Sports Wagering Revenue must be carried over and calculated as a deduction on the revenue share form or payment form on the subsequent months until the negative figure has been brought to a zero balance.

Section 3.0 Payment of Revenue Share.

The revenue share imposed under this subchapter is due and payable to the Department on or before the twentieth (20th) day of the month following the month in which the Adjusted Gross Wagering Revenue on which the revenue share is based is received. An Operator must remit the revenue share or payment imposed, by an electronic transfer of funds. In addition, the Operator shall electronically transmit to the Department a revenue share return in the format provided by

the Department. The return, and revenue share or payment shall be transmitted no later than the twentieth day of the month succeeding the calendar month in which the Adjusted Gross Sports Wagering Revenue proceeds were received by the Operator. The revenue share or payment is timely if it settles to the Department's bank account by the twenty-first (21st) day of the month succeeding the calendar month in which the Adjusted Gross Sports Wagering Revenue was received by the Operator.

Part IX Contract Sanctions

Section 1.0 Grounds for Contract Sanctions.

Any failure to comply with the Act, these Procedures, contractual terms, or any procedures adopted by the Department may be brought before the Board of Liquor and Lottery.

- 1.1. The Board shall have the authority to impose sanctions on an operator for a violation, including monetary penalties pursuant to 31 V.S.A. § 1325(b), suspension of operator operations within the State, and the termination of all operator operations within the State. The Department may also bring an action in a Vermont court for damages, injunctive relief, or enforcement of monetary penalties related to any contract violation.
- 1.2. Acceptance or renewal of a contract by a Contract Holder constitutes an agreement on the part of the Contract Holder to be bound by all the Board procedures. It is the responsibility of the Contract Holder to remain self-informed of the content of all such rules, and ignorance thereof will not excuse violations.

Section 2.0 Initiation of Disciplinary Proceedings, Denial of Contract Application, and Contested Case Proceedings.

- 2.1 Upon its own initiative, upon request of the Commissioner, or upon written complaint signed and sworn to by a complainant, the Board may determine whether to suspend or terminate an Operator's contract or to issue monetary penalties.
- 2.2. The Board may elect to suspend or terminate for cause an Operator's contract, or issue monetary penalties, where it determines that the Operator, the Operator's employees, or their agents have violated any of the provisions of the Act or these Procedures; or that violations by the Operator, the Operator's employees, or agents, of laws other than the Sports Wagering laws make the Operator no longer suitable to hold a contract.
- 2.3. Prior to suspending or terminating a contract for cause, or issuing monetary penalties for cause, the Board, or the Commissioner, will send to the Operator by first class mail at the last known mailing address of the Operator, a list of the grounds for the proposed suspension or termination, or monetary penalties, and a notice containing at least thirty (30) calendar days to cure such violations.
- 2.4. The Department may also bring an action in a Vermont court for damages, injunctive relief, or enforcement of monetary penalties related to any contract violation.

Section 3.0 Citizen Complaints Authorized — Procedure Following Filing.

Any person claiming that an Operator has engaged or is engaging in conduct constituting grounds for suspension or termination of the Operator's contract, or imposition of other

sanctions, may file with the Commissioner a sworn written complaint stating the name and address of the Operator complained against. The complaint must fully detail the conduct alleged to violate a specified Sports Wagering statute, associated Board procedures or other legal requirements, upon which the complaint is made. If the Commissioner determines the complaint has merit, the Commissioner will serve by first class mail on the Operator complained against and any other affected parties a copy of the complaint. The Operator complained against has twenty (20) calendar days to answer after service of the complaint on the Operator, which answer shall be filed with the Commissioner, on behalf of the Board. The Commissioner may reject a complaint if it does not meet the requirements of this section. If the Operator answers the complaint, the Operator must serve an original and one (1) copy.

Section 4.0 Dismissal of Citizen Complaint.

After receipt of the answer to the complaint, after the time has expired to answer, or after having determined that no answer is necessary, the Commissioner will examine the complaint, any answer, and other supporting documents to determine whether the complaint has merit or is frivolous or whether it charges conduct constituting grounds for suspension or termination of the Operator's contract or other sanctions. If the Commissioner determines that the complaint is without merit or is frivolous or that it does not charge conduct constituting grounds for disciplinary action, the Commissioner will dismiss the complaint and notify in writing the complainant, the Operator complained against, and other affected parties, stating the reasons for dismissal. The Commissioner may investigate the complaint and use extrinsic evidence to determine if the complaint has merit.

Section 5.0 Informal Consultation.

If the Commissioner considers the citizen complaint, or any other allegations, to be grounds for suspension or termination of the Operator's contract or other sanction, the Commissioner may first consult with the Operator and the parties affected in an effort to resolve the matter satisfactorily without referral to the Board. The Commissioner must notify in writing the complainant, the Operator complained against, and affected parties of the results of the informal consultation.

Section 6.0 Assurance of Voluntary Compliance.

The Commissioner may accept an assurance of voluntary compliance regarding any act or practice alleged to violate the Act or these Procedures, from a person who has engaged in, is engaging in, or is about to engage in such acts or practices. The assurance must be in writing and may include a stipulation for the voluntary payment of an amount necessary to restore to a person money or property which may have been acquired by the alleged violator because of the Acts or practices. An assurance of voluntary compliance may not be considered an admission of a violation for any purpose; however, proof of failure to comply with the assurance of voluntary compliance is prima facie evidence of a violation of the Act or these Procedures. The Board may approve or review an assurance of voluntary compliance.

Section 7.0 Decision to Initiate Disciplinary Action.

At any time during the review and investigation of a citizen complaint, the Commissioner and/or Board may decide to take any action where grounds exist to sustain its initiation.

Section 8.0 Criminal Convictions as Grounds for Revocation or Suspension.

The Commissioner and/or Board may immediately terminate or suspend the contract of any person who is convicted of a crime, even though the convicted person's post-conviction rights and remedies have not been exhausted, if the crime or conviction involves a felony, gambling, or Sports Wagering or if it discredits or tends to discredit the State of Vermont, Sports Wagering or gaming industry.

Section 9.0 Facts of Criminal Charge.

The charge in any jurisdiction of an Operator with a felony or with a misdemeanor involving moral turpitude is grounds for taking sanction actions. The Commissioner and/or Board may find the Operator committed a violation based on the facts of the criminal charge even though the Operator has been acquitted on the criminal charge.

Section 10.0 Conditions Imposed by Commissioner for Reissuance of Contract.

In consultation with the Board, The Commissioner may require a person who formerly held an Operator's contract to meet certain conditions before reissuing a contract to that person, including but not limited to the following:

- 10.1. Restitution of money;
- 10.2. Restitution of property; and
- 10.3 Making periodic reports to the Commissioner as required.

MULTI JURISDICTIONAL

PERSONAL HISTORY DISCLOSURE FORM

MULTI JURISDICTIONAL PERSONAL HISTORY DISCLOSURE FORM

This application is designed to allow applicants for casino/gaming qualification to complete one form that is acceptable to several jurisdictions. The questions contained in this form have been designed to satisfy the variety of filing and informational requirements of the different jurisdictions that have agreed to accept this form as an application for qualification.

Each jurisdiction accepting this form may require unique information and documentation that is not requested in this standardized form. Prior to completing this form, you should contact the appropriate agency in the jurisdictions where you are seeking qualification, licensure or approval and obtain copies of any documentation or forms that are supplemental to this standardized form. In addition, copies of this multi jurisdictional form and all supplemental forms used by the jurisdictions accepting this form may be found on the Internet at www.iagr.org

APPLICATION INSTRUCTIONS

PLEASE READ ALL INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS FORM.

I. COMPLETING THIS FORM:

- a. You must make accurate statements and include all material facts. Any misrepresentation, or the failure to provide requested information, may result in the denial of your application.
- b. Read each question carefully prior to answering. Answer every question completely. Do not leave blank spaces. If a question does not apply to you, indicate "Does Not Apply" in response to that question. If there is nothing to disclose in response to a particular question, indicate "None" in response to that question. Failure to provide a response to every question could result in the rejection of your application.
- c. All entries on this form, except initials and signatures, must be typed or printed in block lettering using dark ink. If your application is not legible, it will not be accepted.
- d. You must use blue ink to personally initial, date and identify the gaming agency to which your application is being submitted in the space provided on the bottom of each page of the form.
- e. If the space available is insufficient to respond to a question, you are to supply the required information on an attachment page and clearly identify which question you are answering. The blank page on page 65 may be used to provide this additional information. You must use blue ink to personally initial, date and identify the gaming agency to which your application is being submitted at the bottom of each of these attachment pages.
- f. If you make any modification to the pre-printed questions or information contained in this form, your application will be rejected. Once your application is accepted, it becomes the property of the gaming agency with which it has been filed and will not be returned.

Initials _____ Gaming Agency _____ Date _____

Page 2

II. BE SURE TO:

- a. Attach a recent (within the past six months) color photograph of yourself in the space provided on page 5.
- b. Sign the Statement of Truth form on page 66 in the presence of a notary public, justice of the peace, commissioner for declarations or other person legally authorized to notarize your signature.
- c. Check to ensure that you have placed your initials, the date, and identified the gaming agency to which you are applying, on the bottom of each page of this form in the space provided and on any attachment pages.

III. BEFORE YOU SUBMIT THIS FORM TO THE GAMING AGENCY TO WHICH YOU ARE APPLYING, BE SURE THAT:

- a. You have reviewed the particular gaming agency's filing instructions for the type of license, approval or qualification that you are seeking.
- b. You have included all required attachments listed in this form.
- c. The Statement of Truth form is notarized on the original application.
- d. Every question has been answered completely.
- e. You retain a completed copy of your application package for your own records.
- f. You have completed any ancillary forms for the individual jurisdictions.

IV. TIPS FOR COMPLETING THIS FORM:

- a. Keep a blank copy of the form. When you need to update information, you can use the appropriate pages from the blank form to provide the information.
- b. Once all questions have been answered, make sufficient copies for all jurisdictions where you will file your application. Note that you should do this BEFORE the form is signed, dated and notarized. Since each jurisdiction must receive an application containing original signatures, it is advisable to make copies before signing the form.
- c. Keep an unsigned copy of your completed application. Should you need to file with another jurisdiction at some point in the future, you can then update the information rather than complete the form all over again.
- d. Be sure to use blue ink where you sign, initial, date and identify the gaming agency where you are filing your application. Using blue ink will make it clear to the jurisdiction where you are filing that your application is to be considered an original and not a photocopy.

**MULTI JURISDICTIONAL
PERSONAL HISTORY DISCLOSURE FORM**

**PLEASE PRINT OR TYPE THE ANSWERS TO THE
FOLLOWING QUESTIONS IN THE SPACES PROVIDED**

PERSONAL DATA

NAME: LAST (INCLUDE SR., JR., ETC., IF APPLICABLE) FIRST MIDDLE

MAILING ADDRESS/POSTAL ADDRESS:
NUMBER AND STREET APT #/FLAT # CITY/TOWN STATE/PROVINCE ZIP/POSTAL CODE

HOME ADDRESS: (IF DIFFERENT THAN MAILING ADDRESS/POSTAL ADDRESS)
NUMBER AND STREET APT #/FLAT # CITY/TOWN STATE/PROVINCE ZIP/POSTAL CODE

PRESENT BUSINESS ADDRESS:
NUMBER AND STREET APT #/FLAT # CITY/TOWN STATE/PROVINCE ZIP/POSTAL CODE

HOME TELEPHONE NUMBER: (AREA CODE) (NUMBER) CURRENT BUSINESS TELEPHONE NO. AT PLACE OF EMPLOYMENT: (AREA CODE) (NUMBER) (EXTENSION) FAX NUMBER: (AREA CODE) (NUMBER)

DATE OF BIRTH: (MO)(DAY)(YEAR) E-MAIL ADDRESS (OPTIONAL):

HAVE YOU BEEN KNOWN BY ANY OTHER NAME OR NAMES? YES NO IF YES, LIST THE ADDITIONAL NAMES BELOW AND SPECIFY DATES OF USE FOR EACH. (INCLUDE MAIDEN NAME, ALIASES, NICKNAMES, OTHER NAME CHANGES, LEGAL OR OTHERWISE.)

SEX	COLOR OF EYES	COLOR OF HAIR	HEIGHT ____ FT ____ IN/ ____ CM	WEIGHT ____ LBS/ ____ KG
-----	---------------	---------------	------------------------------------	-----------------------------

DO YOU HAVE ANY SCARS, TATTOOS, OR OTHER DISTINGUISHING MARKS AND/OR CHARACTERISTICS? IF SO, PLEASE DESCRIBE.

IMPORTANT

FAILURE TO ANSWER ANY QUESTION ON THIS FORM COMPLETELY AND TRUTHFULLY WILL RESULT IN DENIAL OF YOUR APPLICATION.

AFFIX A COLOR PHOTOGRAPH
HERE THAT WAS TAKEN WITHIN
THE PAST SIX MONTHS.

PRINT YOUR NAME ON THE FRONT
BOTTOM BORDER OF THE
PHOTOGRAPH BEFORE
ATTACHING IT.

1. Of what country are you a citizen? _____

A. Please indicate:

1. Date of birth: _____
DAY MONTH YEAR

2. Place of birth: _____
CITY/TOWN STATE/PROVINCE COUNTRY

3. Country of birth: _____

2. Have you ever been issued a passport?

Yes

No

If yes, provide the following information about your passport(s):

PASSPORT NUMBER	COUNTRY OF ISSUE	PLACE ISSUED	DATE ISSUED	EXPIRATION DATE

Initials _____

Gaming Agency _____

Date _____

RESIDENCE DATA

3. Beginning with your current residence(s) and working backward, provide the following information with respect to each place where you have lived (including residences while attending college or while in military service) during the past fifteen (15) years or since the age of 18, whichever is less.

DATES		ADDRESS <small>(NO., STREET, APT#/FLAT#, CITY/TOWN, STATE/PROVINCE, COUNTRY & ZIP/POSTAL CODE)</small>	OWN OR RENT	NAME, ADDRESS & TELEPHONE NO. OF LANDLORD OR MORTGAGE/BOND HOLDER, IF KNOWN
FROM: <small>(MO/YR)</small>	TO: <small>(MO/YR)</small>			

Initials _____

Gaming Agency _____

Date _____

FAMILY/SOCIAL DATA

4. What is your current marital status: Single Married Legally Separated Divorced Widow/Widower Engaged

How many times have you been married? _____

A. CURRENT MARRIAGE

Provide the information below regarding your current marriage and spouse:

Date of Marriage: _____ Where Married: _____

CITY/TOWN
COUNTY
STATE/PROVINCE
COUNTRY

Name of Spouse: _____ Spouse's Occupation: _____

FIRST
MIDDLE
MAIDEN

Date of Birth: _____ Place of Birth: _____

DAY
MONTH
YEAR
CITY/TOWN
STATE/PROVINCE
COUNTRY

Home Address: _____ Telephone Number: _____

STREET
CITY/TOWN
STATE/PROVINCE
ZIP/POSTAL CODE
AREA CODE
NUMBER

B. PREVIOUS MARRIAGES

Provide the information below regarding your previous marriages:
 (Do **NOT** include current spouse.)

NAME OF FORMER SPOUSE(S) (INCLUDE MAIDEN NAME, IF APPLICABLE)	DATE AND PLACE OF MARRIAGE	DATE OF BIRTH	IF ANNULLED, SEPARATED OR DIVORCED, INDICATE DATE AND JURISDICTION WHERE SUCH ACTION WAS TAKEN	DOCKET/CASE # OF DIVORCE ACTION (IF KNOWN)	PRESENT ADDRESSES OF FORMER SPOUSE(S) (NO., STREET, APT#/FLAT#, CITY/TOWN, STATE/PROVINCE, COUNTRY, ZIP/POSTAL CODE)

Initials _____ Gaming Agency _____ Date _____

5. a. In the chart below, list the names of all your children, step-children and adopted children and the amount of support, if dependent. Also list all other persons who you are supporting or contributing to the support of, and provide the amount of support.

NAME	DATE OF BIRTH	BIRTH PLACE	ADDRESS (NO., STREET, APT., CITY, STATE, COUNTRY, ZIP CODE)	AMT. OF SUPPORT (IF A DEPENDENT)

5. b. Please mark the appropriate response regarding your child support obligations:

- I am not subject to a court order for the support of a child.
- I am subject to a court order for the support of one or more children and am in compliance with a plan approved by the public agency/court enforcing the order for the repayment of the amount owed pursuant to the order (indicate amount in 5a. above); or
- I am subject to a court order for the support of one or more children and am NOT in compliance with the order or a plan approved by the public agency/court enforcing the order for the repayment of the amount owed pursuant to the order.

Identify the public agency/court responsible for enforcing the child support order:

Name _____

Address _____

Contact Person _____

Initials _____ Gaming Agency _____ Date _____

6. List names, residence addresses, dates of birth, and most recent occupations of parents, parents-in-law, former parents-in-law*, or legal guardians, living or deceased. If retired or deceased, list last address and occupation:

NAME (INCLUDE MAIDEN)	DATE OF BIRTH	ADDRESS (NO., STREET, APT#/FLAT#, CITY/TOWN, STATE/PROVINCE, COUNTRY, ZIP/POSTAL CODE)	PHONE NUMBER	OCCUPATION
Father:				
Mother:				
Father-in-law:				
Mother-in-law:				
Former Parents-in-law*:				

* For former parents-in-law only provide names.

Initials _____ Gaming Agency _____ Date _____

7. List names, dates of birth, home addresses and phone numbers, and the most recent occupations of brothers and sisters and of their respective spouses:

NAME (INCLUDE MAIDEN)	DATE OF BIRTH	ADDRESS (NO., STREET, APT#/FLAT#, CITY/TOWN, STATE/PROVINCE, COUNTRY, ZIP/POSTAL CODE)	PHONE NUMBER	OCCUPATION
Sibling:				
Spouse:				
Sibling:				
Spouse:				
Sibling:				
Spouse:				
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Sibling:				
Spouse:				

Initials _____ Gaming Agency _____ Date _____

MILITARY SERVICE DATA

8. Have you ever served in a military organization of any country or have you been an active or inactive member of a reserve force of any country? Yes No

If yes, provide the following information:

Country of Service: _____

Branch of Service: _____ Service Serial #: _____

Highest Rank Held: _____

Period(s) of Active Service: From: _____ To: _____

From: _____ To: _____

9. Date and type of discharge or separation (Honorable, Dishonorable, Honorable Conditions, Medical, etc.) from Military Service(s):

Date of each discharge/separation: _____

Type of discharge(s): _____

Attach a copy of your military records* labeled as Exhibit 9M. If unavailable, attach a copy of a letter to the appropriate branch of the military requesting a copy of your military records* labeled as an Exhibit 9M. If in reserves, please attach a copy of your discharge papers.

10. Have you ever been tried by military court martial or have you had charges** filed against you? Yes No

If yes, complete the following chart:

NATURE OF CHARGE OR ARREST	DATE AND LOCATION OF CHARGE OR ARREST	NAME OF MILITARY ORGANIZATION FILING CHARGES	DISPOSITION (CONVICTED, ACQUITTED, DISMISSED, PLEADING, ETC.)	SENTENCE

*In the United States, a military record is called a DD214. If you have served in the U.S. military, you should provide a copy of this record. If your military service was in another country, you should provide a copy of whatever official documentation was provided to you at the time of your discharge.

** Charges filed against you by the military authorities in any country would fall under the Code of Military Justice applicable to that jurisdiction. In the United States, this means any charges filed against you under Article 15 of the Uniform Code of Military Justice (summary court, deck court, captain's mast, company punishment, etc.)

Initials _____ Gaming Agency _____ Date _____

EDUCATIONAL DATA

11. Beginning with secondary school (high school), provide the information listed below with respect to each school, college, graduate or post graduate school you have attended.

DATES		NAME AND ADDRESS OF SCHOOL, TRAINING PROGRAM, ETC.	DESCRIPTION OF EDUCATION PROGRAM	LIST ANY DEGREE OR CERTIFICATION ATTAINED	GRADUATED YES OR NO
FROM: (MO/YR)	TO: (MO/YR)				

Initials _____ Gaming Agency _____ Date _____

OFFICES AND POSITIONS

12. List all offices, trusteeships, directorships or fiduciary positions (including non-profit charitable entities and family trusts) held by you with any firm, corporation, association, partnership or other business entity during the last ten year period. Begin with the most recent and work backward.

DATES		TITLE OF OFFICE OR POSITION HELD	NAME AND ADDRESS OF FIRM, CORPORATION, ASSOCIATION, PARTNERSHIP OR OTHER BUSINESS ENTITY	COMPENSATION RECEIVED
FROM: (MO/YR)	TO: (MO/YR)			

Initials _____ Gaming Agency _____ Date _____

12. (Cont.)

DATES		TITLE OF OFFICE OR POSITION HELD	NAME AND ADDRESS OF FIRM, CORPORATION, ASSOCIATION, PARTNERSHIP OR OTHER BUSINESS ENTITY	COMPENSATION RECEIVED
FROM: (MO/YR)	TO: (MO/YR)			

13. List all government positions and offices, whether salaried or unsalaried, held by you during the last ten year period. Begin with the most recent and work backward.

DATES		TITLE OF OFFICE OR POSITION HELD	NAME AND ADDRESS OF GOVERNMENT AGENCY/ORGANIZATION
FROM: (MO/YR)	TO: (MO/YR)		

Initials _____ Gaming Agency _____ Date _____

EMPLOYMENT AND LICENSING DATA

14. Have you ever been employed by a casino or gaming/gambling related company* in any jurisdiction?

Yes No

*Casino or gaming/gambling related company includes any form or type of casino, gaming/gambling related operation, any manufacturer of gaming/gambling equipment, junket enterprise, horse racing, dog racing, pari-mutuel operation, lottery, sports betting, Internet gaming, etc.

NAME OF GAMING/GAMBLING GAMING RELATED COMPANY AND COUNTRY/STATE WHERE YOU WERE EMPLOYED	NAME, MAILING ADDRESS AND TELEPHONE NUMBER OF EMPLOYER(S)	DATES		TITLE/POSITION HELD AND DESCRIPTION OF DUTIES	NAME OF SUPERVISOR	REASON FOR LEAVING
		FROM (MO/YR)	TO (MO/YR)			

Initials _____ Gaming Agency _____ Date _____

15. In the chart below, provide the information regarding your employment for the past twenty years or from age 18, whichever is less. Begin with your present job and work backwards. Give dates of any unemployment between jobs in proper sequence. Include all part-time and full-time employment and any military service. For any casino or gaming/gambling related employment identified in the previous question, you are only required to fill in the dates of employment and the name of the casino or gaming/gambling related company on this chart.

DATES		NAME, MAILING ADDRESS, AND TELEPHONE NUMBER OF EMPLOYER(S)	TITLE/POSITION HELD AND DESCRIPTION OF DUTIES	NAME OF SUPERVISOR	REASON FOR LEAVING/ COMPENSATION AT DEPARTURE
FROM: (MO/YR)	TO: (MO/YR)				

Initials _____ Gaming Agency _____ Date _____

15. (Cont.)

DATES		NAME, MAILING ADDRESS, AND TELEPHONE NUMBER OF EMPLOYER(S)	TITLE/POSITION HELD AND DESCRIPTION OF DUTIES	NAME OF SUPERVISOR	REASON FOR LEAVING/ COMPENSATION AT DEPARTURE
FROM: (MO/YR)	TO: (MO/YR)				

If additional space is needed, please provide an attachment.

Initials _____ Gaming Agency _____ Date _____

16. With regard to the previously listed employment:

- a. Were you ever discharged, suspended or asked to resign from employment? Yes No
- b. During the last ten year period, were you ever charged with any infraction in relation to any employment which was the subject of any disciplinary action? Yes No

If yes to either question, complete the following chart as to each such time you were discharged, suspended, asked to resign or disciplined:

DATE OF DISCHARGE, SUSPENSION, RESIGNATION OR DISCIPLINARY ACTION	NAME AND ADDRESS OF EMPLOYER	NAME OF SUPERVISOR	REASON FOR DISCHARGE, SUSPENSION, RESIGNATION OR DISCIPLINARY ACTION

Initials _____ Gaming Agency _____ Date _____

17. List any and all compensated employment, of whatever nature, held by your spouse during the past twelve month period. Begin with your spouse's current employer.

DATES		NAME, ADDRESS AND TELEPHONE NUMBER OF EMPLOYER	TITLE/ POSITION HELD
FROM: (MO/YR)	TO: (MO/YR)		

18. To the best of your knowledge, have you or has your spouse served as a trustee or other fiduciary officer in any capacity during the last twelve month period?

Yes No

If yes, complete the following chart:

DATES		CAPACITY	NATURE OF TRUST OR OTHER FUND	INCOME RECEIVED	FOR WHOM HELD
FROM: (MO/YR)	TO: (MO/YR)				

Initials _____ Gaming Agency _____ Date _____

19. a. Have you or your spouse ever sought and been denied a position as a trustee or other fiduciary officer? Yes No

b. Have you or your spouse ever been suspended or removed from a position as a trustee or other fiduciary officer? Yes No

If yes to either question, complete the following chart:

DATE	CAPACITY	NATURE OF TRUST OR OTHER OFFICE	REASON FOR DENIAL, SUSPENSION OR REMOVAL

20. Have you or has your spouse ever made application for, or held, any **NON-GAMING** professional or occupational license, permit or certification, in any jurisdiction, including but not limited to the following: real estate broker or salesman, accountant, attorney, medical, boxing promoter, manager or matchmaker, race horse owner, trainer or manager, jockey, race dog owner, securities dealer, contractor, pilot, insurance, or any other type of professional license. (Do not include alcoholic beverage or driver's license). You must answer "YES" to this question if you ever applied and your application was granted, denied, returned to you by the licensing agency for any reason, withdrawn or is currently pending.

Yes No

If yes, complete the following chart:

NAME ON LICENSE	TYPE OF LICENSE	DATES		NAME AND ADDRESS OF LICENSING AGENCY/ORGANIZATION	DISPOSITION OF THE APPLICATION
		FROM: (MO/YR)	TO: (MO/YR)		

Initials _____ Gaming Agency _____ Date _____

21. Have any of the licenses, permits or certifications applied for, or held by you or your spouse, as identified in the previous question ever been denied, suspended, revoked or subject to any conditions in any jurisdiction?

Yes No

If yes, complete the following chart as to each denial, suspension, revocation or conditions:

TYPE OF LICENSE, PERMIT OR CERTIFICATE	NAME & ADDRESS OF GOVERNMENTAL AGENCY/ORGANIZATION	DATE OF DENIAL, SUSPENSION, REVOCATION OR CONDITION	REASON(S) FOR DENIAL SUSPENSION OR REVOCATION

22. Has any entity in which you, or your spouse, is/was a director, officer, partner or an owner of a 5% or greater interest ever had any license, permit or certificate issued by a governmental agency in any jurisdiction denied, suspended, revoked, or subject to any conditions?

Yes No

If yes, complete the following chart as to each denial, suspension or revocation:

NAME OF ENTITY	POSITION HELD BY YOU OR YOUR SPOUSE	TYPE OF LICENSE, PERMIT OR CERTIFICATE	TYPE OF ACTION TAKEN	NAME AND ADDRESS OF GOVERNMENT AGENCY/ORGANIZATION TAKING ACTION	DATE OF ACTION	REASON(S) FOR ACTION

Initials _____ Gaming Agency _____ Date _____

23. List any group, firm, partnership, corporation or any other businesses in which you have held an ownership interest of 5% or more for the past twenty years, or since the age of 18, whichever is less. (Do **not** include publicly traded corporations in which you owned stock.)

DATES		NAME(S) & ADDRESS(ES) OF BUSINESS(ES)	CURRENT STATUS OF BUSINESS(ES)	% INTEREST HELD BY YOU	NAME(S) OF OTHER OWNERS	ADDRESS(ES) OF OTHER OWNERS	STATE/PROVINCE AND COUNTRY OF ORGANIZATION OR INCORPORATION
FROM: (MO/YR)	TO: (MO/YR)						

Initials _____ Gaming Agency _____ Date _____

24. Have you or has your spouse ever made application for, or held, a license, permit, registration, finding of suitability, qualification or other authorization to participate in any form or type of casino, gaming/gambling related operation (including any manufacturer of gaming/gambling equipment, junket operation, horse racing, dog racing, pari-mutuel operation, lottery, sports betting, Internet gaming, etc.) or alcoholic beverage operation in any jurisdiction? You must answer "YES" to this question if you ever applied and your application was granted, denied, returned to you by the gaming agency for any reason, withdrawn or is currently pending.

Yes No

If yes, complete the following chart:

NAME & ADDRESS OF LICENSING AGENCY/ORGANIZATION (INCLUDING COUNTRY, STATE/PROVINCE, COUNTY OR MUNICIPALITY/TOWN)	TYPE OF LICENSE, PERMIT, APPROVAL OR REGISTRATION	DATE OF APPLICATION	DISPOSITION (GRANTED, DENIED OR PENDING, ETC.)	LICENSE, PERMIT, APPROVAL OR REGISTRATION NUMBER

Initials _____ Gaming Agency _____ Date _____

25. For each casino, gaming/gambling related or alcoholic beverage operation application, license, permit, registration, finding of suitability, qualification or other authorization identified in the previous question, were you or your spouse ever called to appear to testify, or otherwise participate in a hearing or proceeding, before the licensing agency or commission to which you were applying?

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF LICENSING AGENCY OR COMMISSION	DATE OF APPEARANCE(S)	NATURE OF HEARING	WAS TESTIMONY GIVEN?

Initials _____ Gaming Agency _____ Date _____

26. To the best of your knowledge, in the past twenty years or since the age of 18, whichever is less, have you held a direct or indirect financial or ownership interest in any group, firm, corporation, partnership or other business entity that has applied to any licensing agency in any jurisdiction for any license, permit, registration, finding of suitability, or qualification in connection with any form or type of a casino, gaming/gambling related operation (including any manufacturer of gaming/gambling equipment, junket operation, horse racing, dog racing, pari-mutuel operation, lottery, sports betting, Internet gaming, etc.), or alcoholic beverage operation? (Do not include publicly traded corporations or entities in which you held less than 1% of the stock.)

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF BUSINESS ENTITY	NATURE OF YOUR INTEREST	DATE OF APPLICATION	NAME & ADDRESS OF LICENSING AGENCY TO WHICH APPLICATION WAS MADE	TYPE OF LICENSE APPLIED FOR	DISPOSITION OF APPLICATION

Initials _____ Gaming Agency _____ Date _____

27. a. Are any members of your family (spouse, parents, grandparents, children, grandchildren, siblings, uncles, aunts, nephews, nieces, fathers-in-law, mothers-in-law, sons-in-law, daughters-in-law, brothers-in-law and sisters-in-law whether by whole or half blood, by marriage, adoption or natural relationship) associated with or employed in any form or type of casino or gaming/gambling related operation as defined in question 26 in any jurisdiction?

Yes No

b. Do you or any members of your family (spouse, parents, grandparents, children, grandchildren, siblings, uncles, aunts, nephews, nieces, fathers-in-law, mothers-in-law, sons-in-law, daughters-in-law, brothers-in-law and sisters-in-law whether by whole or half blood, by marriage, adoption or natural relationship) have an ownership interest in any alcoholic beverage entity in any jurisdiction?

Yes No

If yes to either question, complete the following chart:

NAME OF PERSON	RELATIONSHIP	NAME OF GAMING/GAMBLING OR ALCOHOLIC BEVERAGE BUSINESS AND ADDRESS	BUSINESS TELEPHONE

Initials _____ Gaming Agency _____ Date _____

CIVIL, CRIMINAL AND INVESTIGATORY PROCEEDINGS

The next question asks about any arrests, charges or offenses you, your spouse or your children may have committed. Prior to answering this question, carefully review the definitions and instructions which follow.

DEFINITIONS: For purposes of this question:

- A. "Arrest" includes any detaining, holding, or taking into custody by any police or other law enforcement authorities to answer for the alleged performance of any "offense."
- B. "Charge" includes any indictment, complaint, information, summons, or other notice of the alleged commission of any "offense."
- C. "Offense" includes all felonies, crimes, high misdemeanors, misdemeanors, disorderly persons offenses, petty disorderly offenses, driving while intoxicated/impaired motor vehicle offenses and violations of probation or any other court order. Juvenile offenses that occurred within the most recent 10 year period are also included within the definition of "offenses."

INSTRUCTIONS:

1. Answer "YES" and provide all information to the best of your ability EVEN IF:
 - A. You did not commit the offense charged;
 - B. The charges were dismissed or subsequently downgraded to a lesser charge;
 - C. You completed a Pretrial Intervention (PTI) or equivalent diversionary program in other jurisdictions;
 - D. You were not convicted;
 - E. You did not serve any time in prison or jail; or
 - F. The charges or offenses happened a long time ago.
2. Answer "NO" if any records relating to a charge, an arrest or conviction have been expunged or otherwise officially sealed by a court or government agency*.

* Some jurisdictions permit the gaming agency to obtain information about the expungement or sealing order as part of the licensing process. You should confer with the gaming agency to which you are applying to determine the applicable law.

IMPORTANT

The gaming agency will make inquiries to establish whether the applicant has had any involvement with law enforcement agencies.

Failure to disclose any such involvement will be taken into account in assessing your character, honesty and integrity.

Initials _____ Gaming Agency _____ Date _____

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28. Have you ever been arrested or charged with any crime or offense in any jurisdiction?

Yes No

If yes, complete the following chart:

NATURE OF CHARGE OR OFFENSE/ LOCATION OF WHERE INCIDENT OCCURRED	DATE OF CHARGE OR OFFENSE	NAME AND ADDRESS OF LAW ENFORCEMENT AGENCY OR COURT INVOLVED	DISPOSITION (CONVICTED, ACQUITTED, DISMISSED, PENDING, PARDONED, ETC.)	SENTENCE

Initials _____ Gaming Agency _____ Date _____

29. To the best of your knowledge, has a criminal indictment, information or complaint ever been filed or returned against you, but for which you were not arrested or in which you were named as an unindicted party or unindicted co-conspirator in any criminal proceeding in any jurisdiction?

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF GOVERNMENTAL AGENCY/ORGANIZATION INVOLVED	NATURE OF PROCEEDING	DATE

30. Have you ever been the subject of an investigation conducted by any governmental agency/organization, court, commission, committee, grand jury or investigatory body (local, state, county, provincial, federal, national, etc.) other than in response to a traffic summons?

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF COURT OR OTHER AGENCY	NATURE OF PROCEEDING OR INVESTIGATION	WAS TESTIMONY GIVEN?	DATE ON WHICH TESTIMONY WAS GIVEN	APPROXIMATE TIME PERIOD OF INVESTIGATION

Initials _____ Gaming Agency _____ Date _____

31. a. Have you ever been called to testify before, or otherwise been questioned, interviewed, deposed, or requested to take a polygraph exam by any governmental agency/organization, court, commission, committee, grand jury or investigative body (local, state, county, provincial, federal, national, etc.) in any jurisdiction other than in response to a traffic summons?

Yes No

b. Have you ever been subpoenaed to appear or testify before a federal, national, state, county grand jury, or other criminal investigatory agency or body, or any board or commission, or any civil, criminal or administrative proceeding or hearing?

Yes No

If yes to either question, complete the following chart:

NAME AND ADDRESS OF COURT OR OTHER AGENCY/ORGANIZATION	NATURE OF PROCEEDING OR INVESTIGATION	WAS TESTIMONY GIVEN?	DATE ON WHICH TESTIMONY WAS GIVEN	APPROXIMATE TIME PERIOD OF INVESTIGATION

32. Have you ever received a pardon, or has any government agency/organization agreed to dismiss, suspend or defer any criminal investigation or prosecution against you for any criminal offense?

Yes No

If yes, complete the following chart:

DATE OF PARDON, DISMISSAL, SUSPENSION, OR DEFERRAL	TYPE OF ACTION TAKEN	NAME AND ADDRESS OF GOVERNMENT AGENCY/ORGANIZATION GRANTING PARDON, DISMISSAL, SUSPENSION OR DEFERRAL

Initials _____ Gaming Agency _____ Date _____

33. Has your spouse or any of your children, step-children or adopted children ever been arrested or charged with any crime or offense (as defined at the beginning of this section) in any jurisdiction?

Yes No

If yes, complete the following chart:

NAME OF PERSON	RELATIONSHIP	NATURE OF CHARGE OR OFFENSE	DATE OF CHARGE OR OFFENSE	NAME & ADDRESS OF LAW ENFORCEMENT AGENCY OR COURT INVOLVED	DISPOSITION (CONVICTED, ACQUITTED, DISMISSED, PENDING, PARDONED, ETC.)	SENTENCE

Initials _____ Gaming Agency _____ Date _____

34. In the past fifteen (15) years, have you as an individual, member of a partnership, or owner, director, or officer of a corporation, ever been a party to a lawsuit, as either a plaintiff or defendant or an arbitration as either a claimant or defendant? (Include matrimonial matters, negligence matters, auto accident matters, contract matters, collection matters, debt matters, bankruptcies, etc.)

Yes No

If yes, complete the following chart:

DATE FILED	NAME & ADDRESS OF COURT	DOCKET/CASE NUMBER	OTHER PARTIES TO SUIT	NATURE OF SUIT	DISPOSITION	DATE OF DISPOSITION

Initials _____ Gaming Agency _____ Date _____

35. In the past fifteen (15) years, has any general partnership, business venture, sole proprietorship or closely held corporation, which you were associated with as an owner, officer, director or partner, been a party to a lawsuit, arbitration or bankruptcy?

Yes No

If yes, complete the following chart:

NAME OF ENTITY	TYPE OF ENTITY	APPROXIMATE DATE(S) OF LAWSUIT/ARBITRATION/BANKRUPTCY	WHERE ACTION FILED (CITY/TOWN, STATE/PROVINCE, COUNTY)

Initials _____ Gaming Agency _____ Date _____

36. In the past ten years, have you been cited or charged with, or formally accused of, any violation of a statute, regulation or code of any local, state, county, municipal, provincial, federal or national government other than a criminal, disorderly persons, petty disorderly person or motor vehicle violation?

Yes No

If yes, complete the following chart:

GOVERNMENTAL AGENCY/ORGANIZATION	NATURE OF CHARGE	DATE	DISPOSITION

Initials _____ Gaming Agency _____ Date _____

37. Have you ever been barred or otherwise excluded, for any reason, other than for the denial, suspension or revocation of a license or registration, from any form or type of casino or gaming/gambling related operation in any jurisdiction? (Check "YES" even if the disbarment or exclusion is no longer in effect or has been lifted.)

Yes No

If yes, complete the following chart:

GAMING/GAMBLING AGENCY	DATE OF EXCLUSION	REASON FOR EXCLUSION

VEHICLE OPERATOR DATA

38. In the chart below, list all current motor vehicle operator licenses (automobiles, motorcycles, airplanes, boats, recreational vehicles, etc.) issued to you in any jurisdiction:

DATE LAST ISSUED	LICENSE NUMBER	TYPE OF LICENSE	JURISDICTION ISSUING LICENSE	EXPIRATION DATE OF LICENSE

Initials _____ Gaming Agency _____ Date _____

FINANCIAL DATA

39. Have any individual, local, city, county, provincial, state, Federal, national, or any other governmental liens/debts been filed against you as an individual, sole proprietor, member of a partnership, or owner of a corporation in any jurisdiction?

Yes No

If yes, complete the following chart:

NATURE OF LIEN/DEBT	WHEN FILED	WHERE FILED	CURRENT STATUS

Initials _____ Gaming Agency _____ Date _____

40. Have you personally ever been adjudicated bankrupt or filed a petition for any type of bankruptcy, insolvency or liquidation under any bankruptcy or insolvency law in any jurisdiction?

Yes No

If yes, complete the following chart:

DATE FILED	DOCKET/CASE NUMBER	NAME AND ADDRESS OF COURT	NAME AND ADDRESS OF TRUSTEE

41. In the past twenty years or since the age of 18, whichever is less, has any business entity in which you held a 5% or greater ownership interest, or in which you served as an officer or director been adjudicated bankrupt or filed a petition for any type of bankruptcy or insolvency under any bankruptcy or insolvency law?

Yes No

If yes, complete the following chart:

DATE FILED	DOCKET/CASE NUMBER	NAME AND ADDRESS OF COURT	NAME AND ADDRESS OF FILING PARTY	NAME AND ADDRESS OF TRUSTEE

Initials _____ Gaming Agency _____ Date _____

42. Have you as an individual, member of a partnership, or owner, director or officer of a corporation ever been in a business entity that has been in liquidation, receivership or been placed under some form of governmental administration or monitoring?

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF BUSINESS ENTITY	YOUR RELATIONSHIP TO BUSINESS ENTITY	DATE PLACED UNDER LIQUIDATION, RECEIVERSHIP, ETC.	REASON PLACED UNDER LIQUIDATION, RECEIVERSHIP, ETC.	PRESENT STATUS

43. Have your wages, earnings, or other income been subject to garnishment, attachment, charging order, voluntary wage execution or the like during the past ten year period?

Yes No

If yes, complete the following chart:

DATE FILED	DOCKET/CASE NUMBER	NAME AND ADDRESS OF COURT	NATURE OF OBLIGATION	AMOUNT OF OBLIGATION	NAME AND ADDRESS OF HOLDER OF OBLIGATION

Initials _____ Gaming Agency _____ Date _____

44. In the past ten years, have you ever had any property, real or personal, repossessed by a finance company in any jurisdiction?

Yes No

If yes, complete the following chart:

TYPE OF PROPERTY	DATE REPOSSESSED	NAME AND ADDRESS OF COMPANY REPOSSESSING PROPERTY	REASON FOR REPOSSESSION

45. During the last ten year period, have you been:

- a. An executor(trix), administrator or other fiduciary of any estate;
- b. A beneficiary or legatee under a will or received any thing of value under an intestacy statute; or
- c. A settlor/grantor, beneficiary or trustee of any trust?

Yes No

If yes, complete the following chart as to each estate and trust:

NAME AND LOCATION OF ESTATE/TRUST	POSITION/ INTEREST HELD	DATE(S) ON WHICH POSITIONS WERE HELD OR INTEREST WAS RECEIVED	AMOUNT OF COMPENSATION OR NATURE AND VALUE OF BENEFIT GRANTED/RECEIVED

Initials _____ Gaming Agency _____ Date _____

46. Do you own, hold, or have an interest in any assets in a trust in any jurisdiction? (You may exclude those assets disclosed in your answer to question 45).

Yes No

If yes, complete the following chart:

DESCRIPTION OF TRUST	LOCATION OF TRUST	NAME OF TRUSTEE(S)	NAMES OF OTHER(S) WITH INTERESTS IN TRUST

47. Do you hold, manage or control in trust, or otherwise, any assets or liabilities for another person or entity in any jurisdiction? (You may exclude those assets or liabilities disclosed in your answer to question 45).

Yes No

If yes, complete the following chart:

DESCRIPTION OF TRUST	LOCATION OF TRUST	NAMES OF OTHER(S) WITH INTEREST IN TRUST

Initials _____ Gaming Agency _____ Date _____

48. a. Please state your country of residence _____

b. During the last ten year period have you had any right of ownership in, control over or interest in any bank account(s), which are located outside the country of residence identified in a. above?

Yes No

If yes, complete the following chart:

DATES		NAME AND ADDRESS OF INSTITUTION HOLDING ACCOUNT	ACCOUNT NUMBER	NAME AND ADDRESS OF EACH PERSON/ENTITY APPEARING ON THE ACCOUNT	PRESENT AMOUNT HELD/ AMOUNT HELD BEFORE CLOSING
FROM: (MO/YR)	TO: (MO/YR)				

Initials _____ Gaming Agency _____ Date _____

c. Do you own, manage or control any assets, or are you responsible for any liabilities, located outside the country of residence as identified in a. above (excluding any foreign bank accounts identified in b. above)?

Yes No

If yes, complete the following chart:

DESCRIPTION OF ASSET/LIABILITY	LOCATION OF ASSET/LIABILITY

49. During the last ten year period, have you or has your spouse or any of your children, while dependent, received a loan in excess of \$25,000USD?

(If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent to \$25,000USD in the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart:

DATE RECEIVED LOAN	NAME AND ADDRESS OF LENDER	NAME OF BORROWER AND ALL CO-SIGNERS	ORIGINAL AMOUNT OF LOAN	INTEREST RATE (%)	TERMINATION DATE OF LOAN

Initials _____ Gaming Agency _____ Date _____

50. During the last ten year period, have you or has your spouse or any of your children, while dependent, made any loan in excess of \$10,000USD?
 (If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent of \$10,000USD in the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart:

DATE OF LOAN	NAME AND ADDRESS OF BORROWER	ALL CO-PARTIES TO LOAN	NAME OF LENDER	ORIGINAL AMOUNT OF LOAN	INTEREST RATE (%)	TERMINATION DATE OF LOAN	SECURITY PLEDGED

51. Have you individually ever exchanged currency in an amount of more than \$10,000USD within the past ten years? (If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent of \$10,000USD in the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart:

DATE AND AMOUNT OF EXCHANGE	LOCATION WHERE EXCHANGE MADE	REASON FOR EXCHANGE	DID YOU FILL OUT OR FILE ANY GOVERNMENTAL REPORTING DOCUMENT

Initials _____ Gaming Agency _____ Date _____

52. Do you maintain a brokerage or margin account with any securities or commodities dealer?

Yes No

If yes, complete the following chart:

TYPE OF ACCOUNT	NAME AND ADDRESS OF DEALER	AMOUNT OF MARGIN

53. Have you or has your spouse or children, while dependent, filed any claims in excess of \$100,000USD under any fire, theft, automobile or insurance policy within the past ten year period? (If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent of \$100,000USD in the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart:

DATE OF CLAIM	NATURE OF CLAIM	NAME AND ADDRESS OF INSURANCE CARRIER	DISPOSITION

Initials _____ Gaming Agency _____ Date _____

54. During the last five year period, have you, your spouse or dependent children given or received any gift or gifts, whether tangible or intangible which either individually or in the aggregate exceeded \$10,000USD in value in any one year period? (If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent of \$10,000USD in the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart as to each gift:

NAME OF THE DONOR OR DONEE	DATE GIFT GIVEN/RECEIVED	DESCRIPTION OF GIFT	APPROXIMATE VALUE

55. a. Do you have any safe deposit boxes in your name in any jurisdiction?

Yes No

b. Do you have access to the funds in any other safe deposit boxes in any jurisdiction?

Yes No

If yes to either question, complete the following chart:

NAME AND ADDRESS OF BANK OR OTHER INSTITUTION/BUSINESS WHERE LOCATED	NAME(S) IN WHICH ACCOUNT(S) OR SAFE DEPOSIT BOX(ES) HELD	TYPE OF ACCOUNT, (SAVINGS, CHECKING, SAFE DEPOSIT, ETC.)	ACCOUNT NO. OR SAFE DEPOSIT BOX NO.

Initials _____ Gaming Agency _____ Date _____

56. In the past ten years, or since the age of 18, whichever is less, have you received any referral or finder's fee in excess of \$10,000USD
 (If you are applying in a jurisdiction other than the United States, the amount you are required to report is the equivalent of \$10,000USD. In the national currency of the jurisdiction where you will be filing this application.)

Yes No

If yes, complete the following chart:

NAME AND ADDRESS OF ALL PARTIES INVOLVED	NATURE OF GOODS OR SERVICES PROVIDED	AMOUNT RECEIVED	DATE RECEIVED

57. Have you, in the past ten years or since the age of 18, whichever is less, given a guarantee, co-signed or otherwise insured payment of a loan, debt or other financial obligation in any jurisdiction?

Yes No

If yes, complete the following chart:

NATURE OF OBLIGATION (PERSONAL GUARANTEE, ETC.)	DATE OBLIGATION MADE	NAME(S) OF PERSON RESPONSIBLE FOR OBLIGATION	STATUS OF UNDERLYING OBLIGATION

Initials _____ Gaming Agency _____ Date _____

NET WORTH STATEMENT -- ASSETS AND LIABILITIES

NOTE: Complete the financial statements on pages 49 through 63 and copy the totals in the appropriate space below.

58. Please list all assets, tangible and intangible, in which a direct or indirect interest is held by you, your spouse or your dependent children. For each line item, list both the cost of the asset and the present market values as of the date of this statement unless this cannot reasonably be done, in which case any special valuation date should be noted in the column provided. Detail each line entry on the appropriate schedule.

ASSET	COST AT DATE ACQUIRED OR PURCHASED (A)	CURRENT MARKET VALUE (B)	SPECIAL VALUATION DATE, IF ANY
1. Cash			
a) On Hand		a)	
b) In bank (Schedule A)		b)	b)
2. Loans, Notes and Other Receivables (Schedule B)			
3. Securities (Schedule C)			
4. Real Estate Interests (Schedule D)			
5. Cash Value Life Insurance (Schedule E)			
6. Cash Value Pension/ Retirement Funds (Schedule F)			
7. Furniture and Clothing (Reasonable Estimate)			
8. Vehicles (Schedule G)			
9. Other (Schedule H)			
TOTAL ASSETS			

59. Please list all liabilities of you, your spouse and your dependent children. Enter the amount as of the date of this statement. Detail each line entry on the appropriate schedule.

LIABILITY	ORIGINAL AMOUNT OF LIABILITY (C)	AMOUNT OUTSTANDING (D)
10. Notes Payable (Schedule I)		
11. Loans and Other Payables (Schedule J)		
12. Taxes Payable (Schedule K)		
13. Mortgages or Liens on Real Estate (Schedule L)		
14. Loans Against Insurance/Pensions (Schedule M)		
15. Other Indebtedness (Schedule N)		
TOTAL LIABILITIES		
NET WORTH		
Total Assets (From Column B) less		
Total Liabilities (From Column D)		
16. Contingent Liabilities (Schedule O)		

Date of Statement _____

Please provide the name, address and phone number of the person completing this statement if it is completed by someone other than you.

Name _____
 Address _____
 Phone _____

SCHEDULE "A" - CASH IN BANK

60. List below all bank accounts (checking, savings, time deposits, certificates of deposit, money market funds, etc.) foreign and domestic, maintained by you, your spouse or dependent children. Identify with an asterisk (*) any check writing accounts held with brokerage houses, insurance companies, etc.

NAME AND ADDRESS OF INSTITUTION	NAME OF PERSON(S) AND TAX IDENTIFICATION NUMBER(S) APPEARING ON ACCOUNT	ACCOUNT NUMBER	INTEREST RATE (%)	GENERAL NATURE OF ACCOUNT	DATE OF BALANCE	BALANCE
						\$ _____
TOTAL CURRENT BALANCE						BALANCE (Enter this figure in item 1b, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "B" – LOANS, NOTES AND OTHER RECEIVABLES

61. List below all loans, notes and other receivables held by you, your spouse or dependent children.

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	NAME AND ADDRESS OF DEBTOR	INTEREST RATE (%)	ORIGINAL LOAN AMOUNT	ORIGINAL DATE OF LOAN/NOTE RECEIVABLE	TOTAL PAYMENTS	DATE DUE	NATURE OF ADVANCE AND NATURE OF SECURITY, IF ANY (INDICATE IF UNSECURED)	CURRENT BALANCE
			\$ _____					\$ _____
			TOTAL ORIGINAL LOAN AMOUNT(S) (Enter this figure in items 2, column A on page 48.)					TOTAL CURRENT BALANCE (Enter this figure in items 2, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "C" - SECURITIES

62. Provide the information in the table below for all stocks, bonds, mutual funds, commodity accounts, options, warrants, etc., held or controlled by you, your spouse or dependent children in any jurisdiction. Whenever interest exists through a mutual fund or holding company, the individual stocks or bonds held by such mutual fund or holding company need not be listed; whenever such interest exists through a beneficial interest in a trust, the securities held in such trust shall be listed if you, your spouse or dependent children have knowledge of what securities are so held. INDICATE PUBLICLY TRADED SECURITIES BY AN ASTERISK(*).

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	NUMBER OF SECURITIES OR CONTRACTS HELD	TYPE OF SECURITY	NAME OF ISSUING COMPANY OR GOVERNMENT AGENCY/ORGANIZATION	MARKET VALUE AT TIME OF ACQUISITION	DATE OF AND PRICE AT PURCHASE	% OF OWNERSHIP IF GREATER THAN 5%	REGISTERED OWNER	DATE OF VALUATION	CURRENT MARKET VALUE
					\$ _____				\$ _____
					TOTAL PURCHASE PRICE (Enter this figure in item 3, column A on page 48.)				TOTAL CURRENT MARKET VALUE (Enter this figure in item 3, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "D" - REAL ESTATE INTERESTS

63. Indicate below the location, size, general nature, acquisition date and other information requested regarding any real property in any jurisdiction in which any direct, indirect, vested or contingent interest is held by you, your spouse or dependent children, along with the names of all individuals or entities who share a direct, indirect, vested or contingent interest therein.

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	ADDRESS PARCEL/LOT NUMBER	LOT SIZE/ STAND NO./ SQUARE FOOTAGE OF BUILDING	TYPE OF PROPERTY	DATE ACQUIRED/ DOWN PAYMENT	INDIVIDUALS OR ENTITIES SHARING INTEREST (INCLUDE % OF OWNERSHIP FOR EACH)	PURCHASE PRICE OF % OWNED	MONTHLY RENTAL INCOME, IF ANY	ESTIMATED MARKET VALUE OF % OWNED
						\$ _____		\$ _____
						TOTAL PURCHASE PRICE (Enter this figure in item 4, column A on page 48.)		
								TOTAL CURRENT MARKET VALUE (Enter this figure in item 4, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "E" - CASH VALUE - LIFE INSURANCE

64. Indicate below the information requested with regard to the cash value of all life insurance policies held by you, your spouse or your dependent children.

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	DATE PURCHASED	INSURANCE CARRIER POLICY NUMBER	BENEFICIARY(IES)	FACE VALUE	ANNUAL PREMIUM PAYMENTS	CASH SURRENDER VALUE	EFFECTIVE DATE OF CASH SURRENDER VALUE
						\$ _____	
						TOTAL CASH SURRENDER VALUE (Enter this figure in item 5, column B on page 48.)	

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "F" - CASH VALUE - PENSION/RETIREMENT FUNDS

65. Indicate below the information requested with regard to the cash value of all retirement/investment/pension funds* held by you or your spouse.

CHECK IF HELD BY SPOUSE	TYPE OF FUND	TYPE OF SECURITIES HELD AND ACCOUNT NUMBER, IF ANY	EMPLOYER/ INSTITUTION	CUMULATIVE EMPLOYEE CONTRIBUTION	CUMULATIVE EMPLOYER CONTRIBUTION	CURRENT CASH VALUE	EFFECTIVE DATE OF CASH VALUE
				\$ _____		\$ _____	
				TOTAL CUMULATIVE EMPLOYEE CONTRIBUTION (Enter this figure in item 6, column A on page 48.)			TOTAL CURRENT CASH VALUE (Enter this figure in item 6, column B on page 48.)

*If you are filing this application in the United States, the information is to include IRA, 401K and KEOGH plans.

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "G" - VEHICLES

66. Indicate below the information requested with regard to all vehicles owned or leased by you, your spouse, or your dependent children.

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	TYPE OF VEHICLE	SPECIFY IF OWNED OR LEASED*	DATE OF PURCHASE/LEASE	MODEL YEAR	MAKE/ MODEL OF VEHICLE	COST**	IF OWNED, CURRENT MARKET VALUE
						\$ _____	\$ _____
<p>*If leased, specify in this column the length of the lease, total lease costs, down payments, monthly payments and number of payments over the life of the lease.</p> <p>**If leased, enter the sum of the down payment plus monthly payments to date as the total cost.</p>						TOTAL COST OF VEHICLES (Enter this figure in item 8, column A on page 48.)	TOTAL CURRENT CASH VALUE (Enter this figure in item 8, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "H" - OTHER ASSETS

67. List below the information requested regarding all other assets, including any business investments in which any direct, indirect, vested or contingent is held by you, your spouse or your dependent children. Business interests should include, but not be limited to, joint ventures, partnerships, sole proprietorships, corporations and LLCs. Other assets should include, but not be limited to, art collections, coin collections, and antiques.

CHECK IF HELD BY SPOUSE OR DEPENDENT CHILD	NATURE OF ASSET	DATE OF ACQUISITION	COST	% OF OWNERSHIP INTEREST	DATE OF VALUATION	CURRENT MARKET VALUE
			\$ _____			\$ _____
			TOTAL COST(S) OF OTHER ASSETS (Enter this figure in item 9, column A on page 48.)			TOTAL CURRENT MARKET VALUE OF OTHER ASSETS (Enter this figure in item 9, column B on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "I" - NOTES PAYABLE

68. List below the information requested with regard to all notes payable for which you, your spouse or dependent children are obligated.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	NAME & ADDRESS OF CREDITOR	ACCOUNT NUMBER, IF ANY	DATE INCURRED	DUE DATE	INTEREST RATE (%)	AMOUNT OF PERIODIC PAYMENT/PAY PERIOD	ORIGINAL AMOUNT OF NOTE	NATURE OF SECURITY, IF ANY	TOTAL PAYMENTS	OUTSTANDING AMOUNT OF LIABILITY	
							\$ _____			\$ _____	
							TOTAL ORIGINAL AMOUNT OF NOTES PAYABLE (Enter this figure in item 10, column C on page 48.)				TOTAL AMOUNT OF OUTSTANDING NOTES PAYABLE (Enter this figure in item 10, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "J" - LOANS AND OTHER PAYABLES

69. List below the information requested with regard to all accounts payable (include lines of credit, installment loans, revolving charge accounts and any other accounts) for which you, your spouse or your dependent children are obligated.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	NAME & ADDRESS OF CREDITOR	ACCOUNT NUMBER, IF ANY	DATE OPENED OR INCURRED	DUE DATE	INTEREST RATE (%)	NATURE OF ACCOUNT	ORIGINAL AMOUNT OF LIABILITY	NATURE OF SECURITY, IF ANY	TOTAL PAYMENTS	CURRENT AMOUNT OUTSTANDING
							\$ _____			\$ _____
							TOTAL ORIGINAL AMOUNT OF LIABILITY (Enter this figure in item 11, column C on page 48.)			TOTAL AMOUNT OF OUTSTANDING LOANS AND OTHER PAYABLES (Enter this figure in item 11, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "K" - TAXES PAYABLE

70. List below the information requested with regard to all taxes payable for which you, your spouse, or your dependent children are obligated.
Only real estate and income taxes need to be included.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	TAXING AUTHORITY	NATURE OF TAX	DATE AND AMOUNT OF ORIGINAL OBLIGATION	FINES, PENALTIES, AND INTEREST, IF ANY	TOTAL AMOUNT DUE
			\$ _____		\$ _____
			TOTAL ORIGINAL TAX OBLIGATION(S) (Enter this figure in item 12, column C on page 48.)		
			TOTAL AMOUNT OF TAXES PAYABLE (Enter this figure in item 12, column D on page 48.)		

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "L" - MORTGAGES OR LIENS PAYABLE ON REAL ESTATE

71. List below the information requested with regard to all mortgages or liens due and owing on real estate for which you, your spouse or your dependent children are obligated.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	NAME AND ADDRESS OF MORTGAGEE OR LIEN HOLDER	ACCOUNT NUMBER	DATE INCURRED	ORIGINAL AMOUNT OF LIABILITY	DESCRIPTION/ ADDRESS OF REAL ESTATE	TERM OF MORTGAGE/ INTEREST RATE (%)	AMOUNT OF PERIODIC PAYMENT/ PAY PERIOD	CURRENT MORTGAGE BALANCE	
				\$ _____				\$ _____	
				TOTAL ORIGINAL MORTGAGES OR LIENS PAYABLE ON REAL ESTATE (Enter this figure in item 13, column C on page 48.)					TOTAL MORTGAGES OR LIENS PAYABLE ON REAL ESTATE (Enter this figure in item 13, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "M" - LOANS AGAINST INSURANCE/PENSION PLANS

72. List below the information requested with regard to all loans against life insurance policies, pension plans, etc., taken by you, your spouse or your dependent children.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	INSURANCE CARRIER/ PENSION PLAN	PURPOSE OF LOAN	ORIGINAL AMOUNT OF LOAN	INTEREST RATE (%)	DATE OF LOAN	PERIODIC PAYMENT AMOUNT/ PAY PERIOD	CURRENT LOAN BALANCE
			\$ _____				\$ _____
			TOTAL ORIGINAL LIABILITY INSURANCE/PENSION LOANS (Enter this figure in item 14, column C on page 48.)				TOTAL AMOUNT OUTSTANDING INSURANCE/PENSION LOANS (Enter this figure in item 14, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "N" - ANY OTHER INDEBTEDNESS

73. List below the information requested with regard to any other indebtedness for which you, your spouse or your dependent children are obligated.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	NAME AND ADDRESS OF CREDITOR	INTEREST RATE (%)	DESCRIPTION OF LIABILITY, TYPE OF OBLIGATION AND NATURE OF SECURITY, IF ANY	DUE DATE	AMOUNT OF PERIODIC PAYMENT/ PAY PERIOD	ORIGINAL AMOUNT OF LIABILITY	OUTSTANDING AMOUNT OF INDEBTEDNESS
						\$ _____	\$ _____
						TOTAL ORIGINAL AMOUNT OTHER INDEBTEDNESS (Enter this figure in item 15, column C on page 48.)	TOTAL AMOUNT OUTSTANDING OTHER INDEBTEDNESS (Enter this figure in item 15, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

SCHEDULE "O" - CONTINGENT LIABILITIES

74. List below the information requested with regard to all contingent liabilities for which you, your spouse or your dependent children are obligated.

CHECK IF OWED BY SPOUSE OR DEPENDENT CHILD	NAME AND ADDRESS OF CONTINGENT CREDITOR	DATE INCURRED	ACCOUNT NUMBER	PRIMARY DEBTOR	DESCRIPTION OF OBLIGATION INCLUDING NATURE OF SECURITY, IF ANY	ORIGINAL AMOUNT OF CONTINGENT OBLIGATION	CURRENT AMOUNT OF CONTINGENT OBLIGATION
						\$ _____	\$ _____
						TOTAL ORIGINAL CONTINGENT LIABILITIES (Enter this figure in item 16, column C on page 48.)	TOTAL AMOUNT OF OUTSTANDING CONTINGENT LIABILITIES (Enter this figure in item 16, column D on page 48.)

Initials _____ Gaming Agency _____ Date _____

75. Provide the names and other information requested of three (3) references over the age of 18 who have known you for at least one year and can attest to your good character and reputation. No person can be a reference who is a member of your family. (Spouse, parents, grandparents, children, grandchildren, siblings, uncles, aunts, nephews, nieces, fathers-in-law, mothers-in-law, sons-in-law, daughters-in-law, brothers-in-law and sisters-in-law whether by whole or half blood, by marriage, adoption or natural relationship.)

REFERENCE ONE

Name _____ Business Address _____
Address _____

Telephone No. _____ Occupation _____
How long have you known the reference?

REFERENCE TWO

Name _____ Business Address _____
Address _____

Telephone No. _____ Occupation _____
How long have you known the reference?

REFERENCE THREE

Name _____ Business Address _____
Address _____

Telephone No. _____ Occupation _____
How long have you known the reference?

76. As indicated in the instructions on page 2 of this form, this page is to be used by you for any questions which require additional space to answer. The number of the question must be stated immediately prior to your answer. If additional pages are needed, photocopy this page or add paper of similar size and identify these pages with corresponding numbers and letters. **You must use blue ink to personally initial, date and identify the gaming agency to which your application is being submitted at the bottom of any new page added.**

IDENTIFY ALL ANSWERS BY ORIGINAL QUESTION NUMBERS

USE ADDITIONAL PAGES IF NECESSARY

STATEMENT OF TRUTH

STATE/PROVINCE OF _____:

SS:

COUNTY/DISTRICT OF _____:

_____, being duly sworn according to law deposes and says:

1. I am the applicant who is submitting this application form.
2. I personally supplied the information contained in this form.
3. I understand and read the English language or I have had an interpreter read, explain and record the answer to each and every question on this application form.
4. Any document accompanying this Multi Jurisdictional Casino/Gaming License Personal History Disclosure Form that is not an original document is a true copy of the original document.
5. I swear (or affirm) that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

DATED: _____ (LEGAL SIGNATURE)
(Signature of Applicant)

Subscribed and sworn to
before me this _____ day
of _____,

NOTARY PUBLIC, JUSTICE OF THE PEACE/
COMMISSIONER FOR DECLARATIONS OR OTHER
PERSON AUTHORIZED TO TAKE DECLARATIONS

STATE/PROVINCE, COUNTRY

Initials _____ Gaming Agency _____ Date _____ Page 66