



**COMMONWEALTH LOTTERY
COMMISSION**



P.O. Box 5234 CHRB, Saipan MP 96950 TEL: (670) 664-1100 Fax: 670 664-1115

**APPLICATION FOR APPROVAL FOR COMMONWEALTH LOTTERY LICENSE BY
CORPORATION/PARTNERSHIP/LIMITED LIABILITY COMPANY**

SECTION 1: APPLICANT INFORMATION

Legal Name of Entity: _____

Trade Name (if applicable): _____

Tax I.D. No.: _____

Physical Address

Street Address: _____

Suite/Unit: _____ **City:** _____ **State:** _____ **Zip Code:** _____

Mailing Address (if different)

Street Address: _____

Suite/Unit: _____ **City:** _____ **State:** _____ **Zip Code:** _____

Contact Person

Full Name: _____

Email Address (required): _____

Phone No.: _____

SECTION 2: BUSINESS DETAILS

Proposed Date of Opening: _____

Business Structure: (Check One)

Corporation Partnership Limited Liability Company

Other (Specify) _____

State of Incorporation/Organization: _____

Date of Incorporation: _____

SECTION 4: ACKNOWLEDGEMENT OF DISCRETIONARY LICENSURE AND SUITABILITY OBLIGATIONS

- a. The applicant acknowledges that the issuance of any lottery license, whether full or conditional, is a discretionary act of the Commission and does not confer any property right or vested interest.
- b. The Commission retains full authority to deny, condition, suspend, or revoke any license based on the suitability of the applicant and its affiliated individuals, based on compliance with all legal and regulatory requirements.
- c. If the applicant seeks a conditional license, the entity must submit an Application for Preliminary Finding of Suitability (Form 1A). A conditional license may be issued upon a preliminary finding of suitability and shall remain subject to all ongoing investigative and regulatory requirements. A conditional license may be suspended or revoked at any time if the Commission determines that the licensee has failed to satisfy the terms and conditions of licensure, including requirements of continued cooperation, disclosure, or background investigation.

SECTION 5: POST-LICENSURE CONDITIONS. The applicant agrees, if required:

- a. To maintain a ledger in the principal office of the business in the CNMI, which shall:
 - i. At all times reflect the ownership of every class of security issued by the corporation, partnership, or limited liability company; and
 - ii. Be available for inspection by the Commission and their authorized agents at all reasonable times without notice.
- b. To provide any further financial data or other information which may be deemed necessary or appropriate.
- c. To submit herewith balance sheets and profit and loss statements, certified by independent certified public accountants for not more than the three (3) preceding fiscal years, or, if the entity has not been in existence more than three years, such balance sheets and profit and loss statements from the time of its establishment.
- d. To provide to the Commission an annual profit and loss statement and balance sheet, and a copy of its annual income tax return within thirty (30) days after such return is filed.
- e. To provide to the Commission, at least annually, a complete list of all stockholders, partners, or members.
- f. To require key employees to execute an application and file same with the Commission in accordance with its requests. A “key employee” means any person employed by a licensed lottery operator who is empowered to make decisions that affect gaming operations, financial transactions, or system integrity, or who has access to proprietary or secure systems, including those with supervisory, technical, financial, or compliance responsibilities.

SECTION 6: ADDITIONAL OBLIGATIONS. The applicant agrees to:

To obtain prior written approval from the Commission before any sale, assignment, transfer, pledge, or other disposition of any ownership interest, security, or control in the licensed entity, whether by issuance of new securities or otherwise.

To prevent any individual owner of any interest who has been found unsuitable from continuing to participate in any lottery operations whatsoever in the CNMI; and during the time an interest is retained by an unsuitable owner, the entity will not pay any compensation, profits, dividends, or interest, allow the owner to vote, or pay to the owner any remuneration in any form. The entity must divest the unsuitable person of all financial and controlling interests within a reasonable time frame as determined by the Commission.

To require all partners, managers, members, directors, officers, and shareholders to complete and file an individual Application and Personal History Disclosure.

To pay all or any part of the fees or costs of investigation of such applicants as required by the Commission.

To pay a fee in the amount of \$150,000 as directed by the Commission upon issuance of a lottery license, including a conditional license.

**THE OBLIGATIONS HEREIN CONTAINED ARE NOT INTENDED TO BE COMPLETE
CNMI LAWS AND REGULATIONS MUST BE FOLLOWED AND ARE APPLICABLE AT ALL TIMES.**

DECLARATION

I, _____, declare under the penalty of perjury that the information provided in this application is true, complete, and accurate to the best of my knowledge and belief. I understand that misrepresentation or failure to disclose material information may be grounds for denial, suspension, or revocation of a lottery license.

Applicant _____
Entity

By _____
Signature

Title

Notarization Required

SWORN TO SWORN TO BEFORE ME

THIS _____ DAY OF _____, 20_____.

Signature of Notary Public

(SEAL)

My Commission Expires _____

NOTICE

THIS APPLICATION MAY NOT BE WITHDRAWN WITHOUT THE PERMISSION OF THE COMMISSION