APPLICATION FOR
TEXAS LOTTERY® TICKET SALES LICENSE

HOW TO APPLY FOR A TEXAS LOTTERY TICKET SALES LICENSE

Step 1 – Complete this application.
Step 2 – Schedule appointment with authorized vendor to have electronic fingerprints taken.
Step 3 – Make check or money order payable to the State Treasury and submit with completed application to:

Texas Lottery Commission
P.O. Box 16660
Austin, Texas
78761-6660

Amount required for processing application is $125.00 (includes $100.00 application fee and $25.00 bond payment) for the first location. For each additional location with the same bank account and tax ID, the amount required is $50.00 (includes $25.00 application fee and $25.00 bond payment).

You can save time and paper by applying for a Texas Lottery Ticket Sales License online by using the Lottery Services Portal (LSP) at tx.gtechlsp.com. You must be an officer, director, owner, partner, member or managing member of the business applying for the license to register with LSP and submit a license application online. A registered owner/officer in LSP can add other users with different roles and access levels.

FOR ASSISTANCE
For assistance, please call the Texas Lottery at 512-344-5000 or toll free at 800-37-LOTTO (800-375-6886) M-F, 7 a.m. to 5:30 p.m. Application instructions and forms are available at txlottery.org.

GENERAL INSTRUCTIONS AND GUIDELINES

• Type or print all information.
• Any business owner or entity that intends to sell Texas Lottery tickets must submit a completed application.
• Texas Lottery retailers must make a business/commercial account available to the Texas Lottery for electronic fund transfers. You may set up a new account or use an existing account.
• The Texas Lottery is authorized to obtain criminal history records from the Department of Public Safety, the Federal Bureau of Investigation or any other law enforcement agency.
• For applicants who have not been previously licensed by the Texas Lottery please visit our website at txlottery.org for instructions on obtaining your electronic fingerprints. Any applicant not residing in the state of Texas should contact the Texas Lottery Commission for instructions on how to submit your fingerprints.
• A credit report may be required.
• This application is subject to public inspection as provided for by Tex. Govt. Code Ann., 466.152. and the Public Information Act (Tex. Govt. Code, Chapter 552).

PROHIBITIONS TO HOLDING A LICENSE
The following people are prohibited from holding a Texas Lottery Ticket Sales License:

1. Persons convicted of a felony, criminal fraud, gambling or a gambling-related offense whose sentence, parole, mandatory supervision or probation ended less than 10 years ago.
2. Persons convicted of a misdemeanor involving moral turpitude whose sentence, parole, mandatory supervision or probation ended less than 10 years ago.
3. Persons who are or have been professional gamblers.
4. Persons currently delinquent in the payment of any state tax.
5. The spouses of those people named above.

Also, a business is prohibited from holding a Texas Lottery Ticket Sales License if that business includes a person identified in items 1-5 above and that person:

• is an officer or director of that business;
• holds more than 10 percent of the stock in that business;
• holds an equitable interest greater than 10 percent in that business;
• is owed more than 10 percent of the business’ debt;
• owns or leases a business through which the applicant will conduct ticket sales;
• will share in the profits of that business (not including stock dividends); or
• participates in managing the affairs of the applicant or sales agent.
LICENSE TERMS AND CONDITIONS

By applying for a Texas Lottery license you agree that you will abide by the following terms and conditions. Violation of any of these terms and conditions may result in the Texas Lottery Commission suspending or revoking your license to sell Texas Lottery tickets.

Compliance

1. The retailer will operate in a manner that is consistent with the State Lottery Act, applicable federal, state and local laws, rules adopted by the Texas Lottery Commission and these terms and conditions.
2. The retailer will notify the Texas Lottery Commission within 10 days of any change of information since the application or renewal of license was submitted.
3. The retailer will notify the Texas Lottery Commission within 10 days of changes in: ownership, the officers, directors or partners required to be listed on the application, the location or financial status. A change in ownership involving less than 10 percent of a corporation's stock need not be reported unless that change results in someone who previously owned 10 percent or less of the corporation's total stock acquiring more than 10 percent of the total stock.
4. If the retailer is convicted of a crime or becomes delinquent in the payment of any state tax, the Texas Lottery Commission must be notified in writing within 10 days.
5. The retailer and its officers, directors, owners, partners, members and managing members are responsible for violations of any terms and conditions of this license committed by the retailer's employees acting within the scope of an employee's authority.

Sale of Tickets

6. The retailer will make Texas Lottery tickets available for sale during the retailer's normal business hours and provide for the redemption of winning tickets during the same hours, subject to Texas Lottery Commission's approved validation hours.
7. The retailer must sell the minimum number of tickets per week as determined by the Texas Lottery Commission.
8. Tickets may not be sold to anyone under 18 years of age.
9. Tickets may not be sold for more than the price established by the Texas Lottery Commission.
10. The retailer may not extend credit, lend money or accept in payment food stamps or credit cards for Texas Lottery tickets. Acceptable forms of payment are as follows:
   - United States currency;
   - a negotiable instrument in the form of a check that meets the requirements of Section 3.104, Business and Commerce Code;
   - a debit made through a financial institution debit card; or
   - a coupon or voucher issued by the Commission for the purpose of purchasing a lottery ticket.
11. The retailer may not permit the purchase of tickets over the telephone, by fax or mail.

Cooperation with Texas Lottery and Players

12. The retailer will prominently display the Texas Lottery Ticket Sales License where tickets are sold. Tickets may be sold only at the licensed location to which tickets are assigned.
13. The retailer will utilize a ticket dispenser for the sale of tickets in a prominent location near the cash register or checkout. An equipment deposit may be required for any dispensers or other equipment provided to the retailer by the Texas Lottery Commission.
14. The retailer will prominently display point-of-sale materials provided by the Texas Lottery Commission, such as game and promotion posters, End of Game Notices, door clings and other materials supplied by the Texas Lottery, unless exceptions are obtained from the Texas Lottery Commission.
15. The retailer is responsible for all tickets delivered upon acknowledgement of receipt. The retailer is expected to provide reasonable security for all tickets and Texas Lottery Commission property.
16. The retailer will notify the appropriate local law enforcement officials of any stolen tickets. The retailer will notify the Texas Lottery Commission within 24 hours of any lost, missing or stolen tickets.
Acceptance of Tickets

17. The retailer will make a full financial settlement in a timely manner with the Texas Lottery Commission for all tickets received.
18. The retailer authorizes the Texas Lottery Commission to transfer funds due through an Electronic Funds Transfer (EFT). Failure to have sufficient funds available at the time of the EFT sweep may be cause for fines, license suspension or license revocation.
19. Failure to order tickets for a 30-day period may result in a 30-day probation for the retailer. If the retailer fails to order tickets during the 30-day probation period, the license may be revoked or suspended, at which time the retailer must make a full financial settlement with the Texas Lottery Commission.

Bond Requirement

20. The retailer shall pay into a fund to reimburse the Texas Lottery Commission for losses from the operation of retailers. The payment is $25.00 per location. The amount and frequency of future payments shall be established by the Texas Lottery Commission. The retailer may be required to obtain a bond, letter of credit or other financial guarantee.
21. The Texas Lottery Commission may request a credit report for the retailer. The retailer may be required to obtain a certificate of deposit (CD) in an amount determined by the Texas Lottery Commission, or other assignment of Financial Security.

Application Fee

22. The State Lottery Act requires that the application fee be enough to pay for processing the application. It is possible with some applicants that the cost of background and financial checks will be more than the amount allocated for this purpose. If the cost of processing your application exceeds this amount, the Texas Lottery reserves the right to offer you the choice of withdrawing your application or paying an additional sum.

Other Retailer Obligations

23. The retailer will comply and remain in compliance with the Americans with Disabilities Act during the term of the license.
24. The retailer is responsible for all proceeds from the sale of Texas Lottery tickets. The proceeds shall constitute a trust fund in favor of the Texas Lottery Commission.
25. The retailer may not use a Texas Lottery insignia, logo, trademark or name of a Texas Lottery game in an advertisement or promotion without Texas Lottery Commission authorization.
26. The retailer will maintain accurate and complete records of all transactions with the Texas Lottery Commission and will make such records available as required by the State Lottery Act.

—SUBMITTING INCORRECT OR INCOMPLETE INFORMATION MAY DELAY PROCESSING—
ELIGIBILITY STANDARDS

An individual is not eligible for a sales license if:

a. The individual or the individual’s spouse has been convicted of a felony, criminal fraud, gambling or a gambling-related offense, or a misdemeanor involving moral turpitude and less than 10 years have passed since the end of the sentence, parole, mandatory supervision or probation served for the conviction.

b. The individual or the individual’s spouse is a professional gambler.

c. The individual or the individual’s spouse is delinquent in the payment of any taxes or fees collected by the state of Texas.

d. The individual’s spouse, child, brother, sister, parent (1) lives in the same principal place of residence as the individual and (2) is an officer or employee of the Texas Lottery Commission or a Texas Lottery operator.

e. The individual is delinquent in the payment of a tax or other money collected to the Texas Comptroller of Public Accounts, the Texas Workforce Commission, or the Texas Alcoholic Beverage Commission; in default on a loan made under Chapter 52 of the Texas Education Code; or in default on a loan guaranteed under Chapter 57 of the Texas Education Code.

An entity is not eligible for a sales license if any of the following individuals would not be eligible for a sales license under item a, b, c, d or e above:

• An officer or director of the entity;
• An individual who holds more than 10 percent of the stock in the entity;
• An individual who holds an equitable interest greater than 10 percent of the entity;
• A creditor of the entity who holds more than 10 percent of the entity’s outstanding debt;
• The owner or lessee of a business conducted by the entity or through which the entity will conduct a ticket sales agency;
• An individual who shares or will share in the profits, other than stock dividends, of the entity; or
• An individual who participates in managing the affairs of the entity.

An applicant is not eligible for a sales license if the proposed sales location is:

• A location licensed for games of bingo,
• A location for which a person holds a wine and beer retailer’s permit, mixed beverage permit, mixed beverage late hours permit, private club registration permit, or private club late hours permit issued under Chapter 25, 28, 29, 32 or 33, Alcoholic Beverage Code, other than a location for which a person holds a wine and beer retailer’s permit issued under Chapter 25, Alcoholic Beverage Code, that derives less than 30 percent of the location’s gross receipts from the sale or service of alcoholic beverages, or
• On land that is owned by;
  ○ This state, or
  ○ A political subdivision of this state on which is located a public primary or secondary school, an institution of higher education, or an agency of the state.

CERTIFICATION

By signing below, I certify, under penalty of law, that the information provided on this form is correct to the best of my knowledge and that, to the best of my knowledge, the applicant is not ineligible for a sales license under the eligibility standards described above. I understand that providing false or incomplete information may be grounds for denial of this application and revocation or suspension of the license(s) issued as a result of this application.

I have read and agree to abide by the license terms and conditions stated in this application. I understand that the owners/officers/partners/directors/members/managing members of a business applying for a Texas Lottery Ticket Sales License must furnish a complete legible set of fingerprints, and that failure to do so will result in the denial of this application. I authorize the Texas Lottery to obtain financial records, credit reports and criminal history records.

“I hereby authorize the release of information and records pursuant to Section 466.201(a)(1) of the Texas Government Code, to the Texas Lottery Commission for the purpose of a background investigation to determine my eligibility for a Texas Lottery Ticket Sales License.” “Such records may include, but are not limited to: 1. Law enforcement records, including offense or arrest reports. 2. Court documents reflecting pending charges or final dispositions.”

______________________________  ______________________________  __________________________
Print name of authorized owner/officer/director/partner/member/managing member

______________________________  ______________________________  __________________________
Signature of authorized owner/officer/director/partner/member/managing member  Title  Date
1. Corporation or Legal Business Name

2. Enter your taxpayer number for reporting any Texas sales tax

3. Mailing Address (Number & street, P.O. Box or Rural Route and box number)

   City           State          ZIP Code

4. Primary Contact for Texas Lottery business

   Primary Contact Phone (Area code and number)

   Primary Contact Email address

5. Business Ownership (check one):
   - [ ] Sole Owner
   - [ ] Partnership
   - [ ] Texas Corporation/LLC
   - [ ] Out of State Corporation

   Enter the Social Security Number only if a Sole Owner

   Enter the Employer's Identification Number (EIN for Corporations, LLC's, or Partnerships)

Under penalties of perjury, I certify that:
1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me) and,
2. I am not subject to backup withholding taxes because: (a) I am exempt from backup withholding taxes, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding taxes as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding taxes, and
3. I am a US Citizen, a US resident alien or other US person as defined by the IRS instructions for Form W-9.
4. The Foreign Account Tax Compliance act (FATCA) code (if any): ______________________ indicating that I am exempt from FATCA reporting is correct.

   Signature of owner or authorized representative

   Printed Name

   Date

6. To assist the Texas Lottery in providing accurate information to the Texas Legislature and Governor on minority business participation, please indicate if your business ownership is one of the following:
   - [ ] Not minority
   - [ ] African-American
   - [ ] American-Indian
   - [ ] Asian-American
   - [ ] Hispanic
   - [ ] Other Minority
   - [ ] Decline to report

7. List sole owner(s), all partners, officers, directors, members and managing members of your business. (Attach additional sheets if necessary.) If a Corporation or Partnership is listed as part owner in this section, please list the EIN for that entity, otherwise a Social Security Number is required for each owner/officer/partner/member/managing member/director listed.

   (Check one): [ ] Mr. [ ] Mrs. [ ] Ms.

   Name (First, middle initial, last, Sr., Jr., II, III, etc.)

   Social Security Number

   Home Address (number & street, NO P.O. Box)

   City

   Home or Cell Phone (Area code and number)

   Email Address (if available)

   Title

   Date of Birth (MM/DD/YYYY)

   Date

   Signature

I have read and understand the License Terms and Conditions in this application.

I hereby authorize the release of information and records pursuant to Section 466.201(a)(1) of the Texas Government Code, to the Texas Lottery Commission for the purpose of a background investigation to determine my eligibility for a Texas Lottery Ticket Sales License. Such records may include, but are not limited to: 1. Law enforcement records, including offense or arrest reports. 2. Court documents reflecting pending charges or final dispositions.
APPLICATION FOR TEXAS LOTTERY TICKET SALES LICENSE

Make additional copies of this page as needed.

(Check one):  ❑ Mr.  ❑ Mrs.  ❑ Ms.

Name (First, middle initial, last, Sr., Jr., II, III, etc.)

Social Security Number

Home Address (number & street, NO P.O. Box)

Home or Cell Phone (Area code and number)

City

State

ZIP Code

Email Address (if available)

State

Driver License Number

Title

Date of Birth (MM/DD/YYYY)

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I have read and understand the License Terms and Conditions in this application.

Signature

Date

(Check one):  ❑ Mr.  ❑ Mrs.  ❑ Ms.

Name (First, middle initial, last, Sr., Jr., II, III, etc.)

Social Security Number

Home Address (number & street, NO P.O. Box)

Home or Cell Phone (Area code and number)

City

State

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Email Address (if available)

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Name (First, middle initial, last, Sr., Jr., II, III, etc.)

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Home Address (number & street, NO P.O. Box)

Home or Cell Phone (Area code and number)

City

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Email Address (if available)

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Driver License Number

Title

Date of Birth (MM/DD/YYYY)

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I have read and understand the License Terms and Conditions in this application.

Signature

Date
8. d.b.a. (Store name or actual name under which you operate)

9. Physical Location - Number and Street (No PO. Box)

   City                                      State                ZIP Code
   County                                    Location Phone – not cell (Area code and number)

10. Additional contacts at this location for general lottery business

<table>
<thead>
<tr>
<th>Name</th>
<th>Title / function / (Phone number)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

11. Normal business hours. Enter "Closed" for any day that you are not open for business. Enter 00:00-23:59 for any day that you are open 24 hours.

<table>
<thead>
<tr>
<th>Day</th>
<th>Open - [ ] AM</th>
<th>Close - [ ] PM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunday</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monday – Thursday</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Friday</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saturday</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

12. Does this location comply with the Americans With Disabilities Act?  [ ] YES  [ ] NO

13. Do you allow customers or employees to smoke inside your business/building?  [ ] YES  [ ] NO

14. Are the majority of your business’s customers over 18 years of age?  [ ] YES  [ ] NO
TEXAS LOTTERY ELECTRONIC FUNDS TRANSFER AUTHORIZATION

I authorize the Texas Lottery to make automatic withdrawals and deposits each week from or into my business account which is at the following Depository Financial Institution (DFI).

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Bank Branch</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Address</th>
<th>Bank Phone (Area code and number)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

I authorize the DFI to charge such withdrawals and deposits to my listed account. The amount of such lottery weekly withdrawals or deposits will be equal to the amount shown on my settlement for transactions of which I maintain a record. I authorize adjusting entries to correct errors and to collect additional charges which may include penalties and/or interest.

It is agreed that these withdrawals, deposits and adjustments will be electronically made by the Electronic Fund Transfer (EFT) System under the rules and regulation of the Texas Lottery and the National and Local Automated Clearing House (ACH) Associations. I understand that this authorization will remain in effect until advance notice of ten (10) days of the termination of the account is given to the Texas Lottery, providing that no other information in the license application has changed.

The account designated on this authorization form is assigned to the person(s) or company that owns and operates the business for which this license application was submitted. I HAVE ATTACHED A VOIED CHECK TO THIS FORM FOR THE ACCOUNT SHOWN BELOW. (Business/commercial accounts only - The Texas Lottery cannot accept personal accounts.)

<table>
<thead>
<tr>
<th>Bank Account Name as shown at DFI (Business name as shown on your bank account)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Name (dba - doing business as)</th>
<th>Business Street Address (Where you would sell Texas Lottery tickets)</th>
<th>Business Phone (Area code and number)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bank Routing Number</th>
<th>Bank Account Number for Texas Lottery business</th>
</tr>
</thead>
<tbody>
<tr>
<td>(This is a 9-digit number used by your bank for routing purposes. You may obtain this number from your banker.)</td>
<td>(Enter only account number. Do not include spaces, dashes or hyphens.)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Signature (Person authorized on the bank account and as an authorized representative of the business.)</th>
<th>Print Name</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

ATTACH A VOIED CHECK to this application before mailing to the Texas Lottery. (If a check is not available, the only other accepted document is a bank letter on bank letterhead with a signature from a representative of the bank. The letter must list the bank routing number and business account number.)
Use the worksheet below to determine the total amount of your application payment. Indicate the number of locations and payment amount for each. Include this completed worksheet with your application and payment.

<table>
<thead>
<tr>
<th>TYPE OF PAYMENTS</th>
<th>NUMBER OF LOCATIONS</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base application payment* (Initial location)</td>
<td>______</td>
<td>X $125 = $__________</td>
</tr>
<tr>
<td>Additional location payment** (Each extra location)</td>
<td>______</td>
<td>X $50 = $__________</td>
</tr>
</tbody>
</table>

TOTAL NUMBER OF LOCATIONS ________

TOTAL AMOUNT PAID .................................................... $__________

Make check or money order payable to State Treasury.

*Includes $100 application fee and $25 bond payment
**Includes $25 application fee and $25 bond payment. To be considered an Additional Location, the state taxpayer number for each location must be the same as initial application.

APPLICATION CHECKLIST

Complete checklist and submit with application information to: Texas Lottery Commission
P.O. Box 16660
Austin, Texas
78761-6660

- Application (pages 1-6)
- Location Information (page 4) for each additional locations (if any)
  Number of additional locations (if any) ________
- Receipt from fingerprint appointment after digital prints are completed (Does not apply for any officer/owner/director/partner/member/managing member that is currently licensed to sell lottery)
- Void Check for EFT account
- Application Payment worksheet
- Check or Money Order for Application Payment