

SOUTH DAKOTA VIDEO LOTTERY LICENSE APPLICATION INSTRUCTIONS & CHECKLIST

Fill in all spaces as indicated.

1. **Types of licenses:** Check the box indicating what type of video lottery license you are requesting according to the following definitions.
 - **Distributor:** an individual, partnership, corporation or association that distributes or sells video lottery machines or associated equipment in this state. (SEE APPENDIX A FOR FURTHER REQUIRED INFORMATION)
 - **Operator:** an individual, partnership, corporation or association that purchases video lottery machines or associated equipment for placement in establishments in this state. (SEE APPENDIX B FOR FURTHER REQUIRED INFORMATION)
 - **Establishment:** a business owned or managed by an individual, partnership, corporation or association with an on-sale alcoholic beverage license where video lottery machines are placed. (SEE APPENDIX C FOR FURTHER REQUIRED INFORMATION)
2. **Business Name:** Enter the name of the business, as it appears to the general public.
Business Telephone: Enter the telephone number of the business.
Federal Taxpayer ID #: Enter the Federal Taxpayer ID number for the business.
3. **SD Sales Tax #:** Enter the South Dakota sales tax number of your business.
SD Liquor License #: If you are applying for an establishment license, enter the South Dakota Liquor License number of the business. This license authorizes the sale and consumption of alcoholic beverages on the premises including any distilled spirits, wine and malt beverage. Leave this space blank if you do not yet have this license (call when received).
Name of Liquor License Owner: Enter the name of the person or entity who holds the liquor license.
4. **Address of Business:** Enter the street address, county, city, state and zip code of the business.
5. **Mailing Address:** Enter the business mailing address if it is different from the business address.
6. **Primary Business Bank:** Enter the name and address of the bank where the principal business accounts are maintained.
Bank Account Number(s): List the business bank account numbers.
7. **Business Type:** Check one box, indicating the type of business organization. Depending upon the type of organization, the following people must each submit completed, notarized "Individual History" and "Investigation Authorization" forms with the application.
 - **Sole Proprietorship:** The owner.
 - **Partnership:** Each general partner, limited partner or joint venture.
 - **Corporation/Profit:** Each officer and director (including parent company, if subsidiary) and each stockholder who owns 5 percent or more stock.
 - **Association, fraternal or civic:** Each officer and director.
 - **Trust:** Each trustee.

NOTE: If the person or entity that holds the Liquor License is different from the person submitting application for an establishment or operator/establishment license, both the "Individual History" and "Investigation Authorization" forms for the license holder must also be submitted depending on the type of organization in which the liquor license is held.

8. **Business Officials Names:** Using the information contained in item #7 above, list the names of all individuals required to submit "Individual History" and "Investigation Authorization" forms. Attach the "Individual History" and "Investigation Authorization" forms to the License Application. If there are more than six names, use an additional sheet and attach "Individual History" and "Investigation Authorization" forms for each name.
9. **Contact Person:** Enter the name of the business/organization contact person regarding this application.
Title: Identify the contact person's position with the business/organization.
Telephone Numbers: List the contact person's business and residence telephone numbers.
10. **Residence Address:** Enter the complete home address of the contact person.
11. **Question:** If the business is currently delinquent in its financial obligations to the State of South Dakota, give full details. This includes any current or pending litigation with the state.
12. **Current Video Lottery Establishment:** If this is an application for an establishment that has a video lottery license and is a change of ownership, please indicate "yes" and fill in name & video lottery license number. If not, indicate by checking "no."
13. **Application Fee:** Include a check or money order in the amount of \$50, made payable to the **SOUTH DAKOTA LOTTERY**. If this is a multiple establishment location application, a \$50 application fee is required for each location.

The application must be signed and dated by a person authorized by the business to file the application. The white and yellow copies must be returned to the South Dakota Lottery office with the \$50 fee and all other required "Individual History" and "Investigation Authorization" forms. Keep the pink copy for your records.

APPLICATION CHECKLIST

The following forms must be returned to the South Dakota Lottery. Failure to return all forms will delay the application process.

1. **Application for Video License**
2. **Individual History form(s) (For each individual listed)**
3. **Investigation Authorization form(s) (For each individual listed)**
4. **Any additional information required in appendices A, B, or C, depending on the license applied for (ie...income tax records, service personnel information/contract, security bond, video lottery payment system form.**
5. **\$50 application fee**

SOUTH DAKOTA VIDEO LOTTERY APPENDIX B OPERATOR INFORMATION

An **Operator** must provide the following additional information to be attached to the Application for Video Lottery License. "Business" referred to below means only the operator business.

1. Submit financial statements for business for the past three (3) years to include:
 - Balance Sheet
 - Income Statement
 - Statement of Changes in Financial Position

Audited financial statements are preferred, but at a minimum, the statements must have been compiled or reviewed by a licensed accounting firm. Any letter prepared by the accounting firm referencing the statements should also be included.

2. If the business is a corporation, submit the following:
 - a) Notarized copies of the Articles of Incorporation from every state the corporation is registered to conduct business. This includes any parent and/or subsidiary corporation.
 - b) Notarized copies of the last three (3) annual reports for corporations required by each state in which corporation is registered. This includes any parent and/or subsidiary corporation.
 - c) Financial statements requested in item 1 above for any parent and/or subsidiary corporation.
 - d) EFT Video Lottery Payment System form with voided check/deposit slip.
 - e) Security, as determined by the Lottery according to Chapter 48:02:05 (18), in the form of a surety bond, cash deposit, irrevocable letter of credit or a certificate of deposit with the Lottery endorsed as a payee.
3. If the business is a sole proprietorship, partnership or association, list all states other than South Dakota in which it conducts business and all state tax license numbers.
4. Every employee of the business who will be performing service on video lottery machines **must** provide copies of training certificates, types of training received, experience or such other information proving proficiency to maintain and service video gaming equipment.
5. Every employee who will be performing service and maintenance on video lottery machines **must** complete an "Individual History" form and "Investigation Authorization" form provided with license application packet. Additional forms may be copied from the ones provided.

NOTE: Employees of a licensed operator who will be performing service and maintenance on video lottery machines will be certified as Service Agents by the South Dakota Lottery. There is no license fee for this certification.

NOTE: Any person who holds an operator's license must be a resident of the state of South Dakota. If the business is a corporation or partnership, the majority of ownership interest must be held by residents of South Dakota or be publicly held.

All information provided in operator license applications except the owner's name, business name, business address and business phone number is considered confidential information on file with the South Dakota Lottery pursuant to SDCL §42-7A-50.

SOUTH DAKOTA VIDEO LOTTERY APPENDIX C ESTABLISHMENT INFORMATION

An **Establishment** is only required to complete and submit the information required on the following forms:

- ◆ Application for Video Lottery License
- ◆ Individual History form(s) completed by each person as specified in application
- ◆ Investigation Authorization forms(s) completed by each person as specified in application

NOTE: A licensed video lottery establishment must be a bar or lounge as required by law.

Refer to the License Application Instructions and Checklist

All information provided in license applications except the business name, business address and business phone numbers is considered confidential information on file with the South Dakota Lottery pursuant to SDCL §42-7A-50.

SOUTH DAKOTA VIDEO LOTTERY APPENDIX A DISTRIBUTOR INFORMATION

A **Distributor** must provide the following additional information to be attached to the Application for Video Lottery License:

1. Submit financial statements for business for the past three (3) years to include:

- Balance Sheet
- Income Statement
- Statement of Changes in Financial Position

Audited financial statements are preferred, but at a minimum, the statements must have been compiled or reviewed by a licensed accounting firm. Any letter prepared by the accounting firm referencing the statements should also be included.

2. If the business is a corporation, submit the following:

- a) Notarized copies of Articles of Incorporation from every state in which the corporation is registered to conduct business. This includes any parent and/or subsidiary corporation.
- b) Notarized copies of the last three (3) annual reports for corporations required by each state where the corporation is registered. This includes any parent and/or subsidiary corporation.
- c) Financial statements requested in item 1 above for any parent and/or subsidiary corporation.

3. If the business is a sole proprietorship, partnership or association, list all states other than South Dakota in which it conducts business and all state tax license numbers.

4. Under South Dakota Law, a distributor may not be licensed as a video lottery machine operator or own, manage or control a licensed establishment. Each distributor must provide a notarized statement that the business, including any parent or subsidiary corporations, general partner, sole proprietor or trustee, does not manage or control a licensed establishment or engage in operator activities in the state of South Dakota.

All information provided in distributor license applications is considered confidential information on file with the South Dakota Lottery pursuant to SDCL §42-7A-50.