



**128 N. Kansas Avenue  
Topeka, KS 66603  
Phone: (785) 296-5700  
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**REVISED**  
**APPLICATION FOR  
LOTTERY GAMING FACILITY MANAGER  
PURSUANT TO THE  
KANSAS EXPANDED LOTTERY ACT**

**Applicant's Name**

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**Date Application Submitted**

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**Gaming Zone for which Application is submitted:**

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## INSTRUCTIONS TO APPLICANTS

The following sets forth the revised (07-15-09) format for presenting written information required to apply for a Lottery Gaming Facility Manager contract pursuant to the Kansas Expanded Lottery Act (“**KELA**”, SB 66, Kansas Legislature 2007) in the Southeast Gaming Zone (the deadline for applications in all other Gaming Zones has expired). Unless stated otherwise stated herein: “**Commission**” means the Kansas Lottery Commission; “**Executive Director**” or “**Director**” means the Executive Director of the Kansas Lottery; and, “**KRGC**” means the Kansas Racing and Gaming Commission. All definitions contained in the KELA shall also apply to this application unless the context of the word or phrase clearly indicates another meaning.

- a. The responses must be typewritten in 12-point or larger font on 8 ½" x 11" white paper. If applicant does not record the response on the application page provided, applicant shall first repeat the request made or question asked and then provide the response. The pages shall be numbered at the bottom in the center. The left-hand margin of each sheet shall be no less than one (1) inch. The questions and responses shall be typed on only one side of each sheet. All sheets shall be bound in a continuous numerical sequence in a three-ring loose leaf binder.
- b. Each application section shall be clearly tabbed and identified by showing the section number and title.
- c. Each attachment or exhibit shall be on 8 ½" x 11" paper. The attachments or exhibits shall be titled and assembled behind a tab which clearly identifies the application section to which they relate.
- d. The application shall have a “Table of Contents” showing:
  1. The section number;
  2. the title; and
  3. the page upon which the section begins in the pages that follow.
- e. Each and every question or request in the application shall be answered with no question left blank. In the event a question does not apply to applicant the words “Not Applicable” or “N/A” shall be inserted.
- f. Applicants shall designate those portions of the application that should be regarded as confidential either by typing CONFIDENTIAL in the lower right-hand corner of the applicable page (if the entire page is deemed confidential) or otherwise clearly indicating that portion of the document deemed confidential.

Security plans and procedures and income tax returns shall be submitted as confidential documents. They shall be assembled in a red three-ring loose leaf binder, clearly marked CONFIDENTIAL and clearly tabbed and titled as described above for other application materials. Identification of prospective employees may be submitted as confidential documents. If they are, they should be assembled in a red three-ring loose leaf binder, clearly marked CONFIDENTIAL and clearly tabbed and titled as described above for other application materials.

If required, personal background disclosure forms shall be assembled in a binder and shall be clearly tabbed and titled as described above for other application materials.

- g. Applications and any attachments shall be submitted as a single package.
- h. An original and six (6) copies of the application and documents shall be filed with the Executive Director as provided in section (i). Each application shall be verified under oath by the authorized officer or officers of the applicant, shall be dated, and shall be manually signed in ink.
- i. In order for an application to be considered, and in accordance with the schedule set forth below (unless otherwise extended by the Commission or Governor of the State of Kansas), the application along with all documents and other items supporting the application shall be delivered by applicant or common carrier to the Executive Director of the Kansas Lottery, 128 N. Kansas Avenue, Topeka, Kansas 66603. **Unless extended by the Commission or the Governor, the application and all documents and other items supporting the application must be actually received by the Kansas Lottery at said address not later than:**

**2:00 p.m. CDT on October 19, 2009 (Note: This is for the Southeast Gaming Zone only; the application deadline for all other Gaming Zones has expired);**

- j. All applications and supporting documents shall also be subject to the following:
  - (1) They shall be delivered in sturdy boxes or other containers clearly marked with the name of the applicant and an indication of which boxes or containers comprise the original and each set of copies;
  - (2) If delivered by common carrier, applicant shall cause written proof of delivery to be included in the delivery thereof and produce a copy of said proof of delivery if so requested by the Commission;
  - (3) If delivered other than by common carrier, the applicant will be provided a written receipt of delivery by the Lottery; and,
  - (4) Applications and supporting documents may also be delivered on any Kansas Lottery business day prior to the deadline set forth above, but if delivery will be prior to said date it is requested the applicant notify the Executive Director of the Lottery at least one business day prior to delivery if other than by common carrier, or the estimated day of delivery if by common carrier.
- k. Each application shall include at the end thereof an unsworn declaration manually signed in ink under penalty of perjury by the person or persons so authorized by the applicant (see Section IX).
- l. Any applicant may be required by the Commission or Executive Director to submit additional information to facilitate the review of the initial contract application and any subsequent review by the Commission or Executive Director. This information is in addition to all documents and information required by the KRGC to complete security and background

investigations of applicant.

- m. Each exhibit, statement, report, paper or other document submitted in support of the application shall be current, accurate and complete. Any change shall be reported immediately to the Executive Director during the period of application or contract. A current copy of the documents supporting the application shall be delivered to the Kansas Lottery.
- n. Applicant acknowledges any contract which may be granted to applicant is predicated in part upon the information contained in this verified application. For any materially false or misleading statement or answer in an application, the application may be rejected, or if a contract has already been granted the contract may be terminated.
- o. The applicant accepts any risk of adverse public notice, embarrassment, criticism and other circumstance, including financial loss, which may result from action with respect to this application and expressly waives any claim which may be brought against the Kansas Lottery, the Commission, and the KRGC, and their respective members and staff, and the State of Kansas on behalf of applicant, its officers, directors, shareholders, members and employees from any action taken by the Commission, Executive Director, KRGC or State of Kansas with respect to this application and expressly waives any claim for damages as a result thereof.
- p. These application procedures are subject to amendment at any time. **All applicants shall be responsible for monitoring the Kansas Lottery's Web site for any additions or changes to these procedures or matters pertaining thereto. Any such amendments or additions to this application will be detailed in a separate addendum.** Furthermore, within in the body of this application certain references are made to the **Kansas Expanded Lottery Act (KELA)**. The application procedures, the KELA, and other information are posted on the Kansas Lottery's official Web site. See [www.kslottery.com](http://www.kslottery.com), and click on "Kansas Expanded Lottery Act" in the left-hand column on that page.
- q. If no manager or prospective manager applicant remains in a gaming zone for any reason (including applicant withdrawal), the Executive Director may recommence the process for selection of a Lottery Gaming Facility Manager in that gaming zone.

**(END OF INSTRUCTION SECTION)**

## I. GENERAL INFORMATION

Each applicant shall provide the following information:

- a.
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- |                   |   |  |  |
|-------------------|---|--|--|
| Name of Applicant | FEIN, Social Security, or other Taxpayer ID No.<br>( <b>NOTE:</b> For privacy and security purposes applicant may supply this number under separate cover if desired) |  |  |
|-------------------|---|--|--|
- 
- Primary Business Address
- 
- |      |       |     |                  |
|------|-------|-----|------------------|
| City | State | Zip | Telephone Number |
|------|-------|-----|------------------|
- 
- |            |                |                           |  |
|------------|----------------|---------------------------|--|
| Fax Number | E-mail Address | Web Site Address (if any) |  |
|------------|----------------|---------------------------|--|
- b. As used in this subsection and throughout the application, the term(s):
- (1) “related companies” or “related organizations” shall mean any entity having .5% (1/2 of one percent) or more direct or indirect ownership in the applicant; and,
  - (2) “persons” shall mean any person having .5% (1/2 of one percent) or more direct or indirect ownership in the entity and applicant.
- c. The applicant shall provide the names and addresses of all individuals or other entities comprising the applicant, along with the relationship of the parties to the applicant, the partners, associates, officers, directors and principal owners either through family, business association or other control. This information shall be included in the attachments to this application.

d. Any entity or individual identified for investigation in Commission regulations or found to be material to the gaming operation shall submit to a background investigation conducted by the KRGC or other person designated by the Commission or the KRGC. Each individual or entity so identified may be required to execute and verify a Multi Jurisdictional Personal History Disclosure Form and/or other personal background disclosure form(s) as may be requested by the Commission or the KRGC, and shall provide such other information as may be required by the Commission or the KRGC. **NOTE:** Applicants need **not** at this time provide Multi Jurisdictional Personal History Disclosure Forms, nor are applicants required to disclose other information regarding individual officers, directors, key employees, and stockholders of **publicly-traded companies** that have an indirect ownership interest in the applicant. The necessity of providing Multi Jurisdictional Personal History Disclosure Forms, and in general the extent of all background investigations, will be determined at a later date by the Kansas Racing and Gaming Commission (KRGC). Those individuals who are required to execute and verify said form(s) shall include (but not necessarily be limited to) all officers, directors, partners, members, key employees and agents of the applicant.

e. Within the past ten (10) years, has the applicant, or any director, officer, key employee, principal stockholder or member owned any interest in any firm, partnership, association or corporation that ever held a contract with the Kansas Lottery or KRGC, or otherwise been engaged in any facet of the business of gaming (no matter whether inside or outside the state of Kansas)?

\_\_\_\_\_   
 yes/no

If yes, a detailed explanation of the circumstances surrounding the interest or participation shall be included in the attachments to this application.

f. Within the past ten (10) years, has the applicant, or any parent, subsidiary company or related company, or any director, officer, key employee, principal stockholder or member of applicant ever had any gaming license revoked, suspended, or surrendered in any state within the United States or in any other country? **NOTE:** Applicants need not disclose the surrender of licenses due solely to the sale or other termination of a licensed gaming operation, unless surrender thereof was part of a plea or other agreement in a criminal proceeding or administrative matter.

\_\_\_\_\_   
 yes/no

If yes, a detailed explanation of the circumstances surrounding each such revocation, suspension or surrender shall be included in the attachments to this application.

g. Within the past ten (10) years, has the applicant, or any parent, subsidiary company or related company, or any director, officer, key employee, principal stockholder or member of applicant ever been convicted, indicted, placed on diversion, arrested, or otherwise charged for any crime in any state within the United States or in any other country? **NOTE:** Applicants need not disclose any minor traffic offense or infraction that under applicable law would not be classified as a misdemeanor or felony.

\_\_\_\_\_

yes/no

If yes, a detailed explanation of the circumstances surrounding each such fine or other sanction shall be included in the attachments to this application.

- h. Within the past ten (10) years, has the applicant, or any parent, subsidiary company or related company, or any director, officer, key employee, principal stockholder or member of applicant ever been fined or otherwise sanctioned by a regulatory agency or other body in any state within the United States or in any other country? **NOTE:** Applicants need only disclose fines or other sanctions levied by any **gaming** regulatory agency or any **liquor control** regulatory agency in any state within the United States or in any other country.

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yes/no

If yes, a detailed explanation of the circumstances surrounding each such fine or other sanction shall be included in the attachments to this application.

- i. Provide a copy of the organization chart for applicant and all parent companies, subsidiaries, related companies, persons, dba's and other business entities.

**(END OF THIS SECTION)**

**II. BUSINESS STRUCTURE AND CONTROL  
OF GAMING FACILITY MANAGER APPLICANT**

Each application for a lottery gaming facility manager contract shall contain the following information about the business structure and control of the applicant and any organization related to the applicant:

a. Indicate which of the following forms of business organization best describes applicant:

\_\_\_ Corporation (Type of Corporation: \_\_\_\_\_)

\_\_\_ Limited Liability Company

\_\_\_ Partnership (Type of Partnership: \_\_\_\_\_)

\_\_\_ Person/Sole proprietor

\_\_\_ Association/Joint Venture (describe) \_\_\_\_\_

\_\_\_ Resident Kansas American Indian Tribe

\_\_\_ Other (describe) \_\_\_\_\_

b. List any commercial or non-commercial names used by the applicant, the business address or addresses and business telephone number or numbers. If the applicant is a corporation or limited partnership, the street, number, city and county of the entity's registered office in this state and the name of the resident agent at that address shall be shown.

\_\_\_\_\_  
Commercial or Non-Commercial Names

\_\_\_\_\_  
Address

\_\_\_\_\_  
City                      County                      State                      Zip                      Telephone

If applicant is a corporation or a limited partnership, then the applicant shall provide:

\_\_\_\_\_  
Address of Registered Office

\_\_\_\_\_  
City                      County                      State                      Zip                      Telephone

\_\_\_\_\_  
Name of Resident Agent at Above Address

c. The applicant shall include a copy of the applicant's tax returns for each of the five (5) calendar years immediately preceding this application or all tax returns if the applicant has

been organized for less than five (5) years. This information shall be assembled and filed as outlined in the "Instructions," above.

- d. The applicant shall include a copy of the balance sheets and profit and loss statements for each of the three (3) fiscal years immediately preceding this application or for the period of organization if less than three (3) years. This requested information shall be included in the attachments to this application. The financial information shall be given for the current fiscal year if the applicant:
- (1) Has not completed a full fiscal year since the organization of the business; or
  - (2) acquires or is to acquire the majority of its assets from a predecessor within the current fiscal year.

Balance sheets, profit and loss statements and all other financial statements required shall be prepared, audited and certified by independent, certified public accountants in accordance with generally accepted accounting procedures and practices accepted on a consistent basis. Any report containing exceptions of a material nature shall not be considered certified.

- e. The applicant shall identify all loans made or taken out by the applicant in excess of one (1) percent of net income. The statement shall include the names of the borrower and lender, the amount of the loan, amount and type of collateral and terms for repayment and duration of the loan. This information shall be included in the attachments to this application.
- f. The applicant shall describe in detail all financially material legal proceedings currently pending before any court. The applicant shall also describe in detail all financially material legal proceedings before any court, within the past five (5) years. The requirements of this subsection shall apply to legal proceedings to which the applicant, applicant's subsidiaries, applicant's parent company, and related organizations, are or were a party. Include all information regarding the final resolution or other result of all such legal proceedings. The name of the court or agency in which the proceedings are pending, the date instituted and the parties involved shall be included. This information shall be included in the attachments to this application.
- g. The applicant shall describe all pending legal proceedings involving any of the property of the applicant, applicant's subsidiaries, applicant's parent company or related organizations. The name of the court or agency in which the proceedings are pending, the date instituted and the principal parties involved shall be included. This information shall be included in the attachments to this application.
- h. The following information shall be stated and included in the attachments to this application:
- (1) The names of the organizers, incorporators, or promoters with a voting interest or ownership of .5% (1/2 of one percent) or more;
  - (2) the nature and amount of anything of value received or to be received by the organizers, incorporators, or promoters directly or indirectly from the applicant; and

- (3) the nature and amount of any assets, services or other consideration received or to be received by the applicant from the organizers or promoters. The applicant shall make the best effort to disclose the information required in this subsection.
- i. The applicant shall list any governmental, public, quasi-governmental or business organizations related to the applicant, including all lobbyists. The list shall state, for each related organization, the percentage of voting interest or other interest held, or any other basis of control held by the related organization. This information shall be included in the attachments to this application.
- j. Is the applicant directly or indirectly controlled to any extent or in any manner by another individual or entity with a voting interest or ownership of .5% (1/2 of one percent) or more?

\_\_\_\_\_

yes/no

If yes, the applicant shall disclose the identity of any controlling entity with a voting interest or ownership of .5% (1/2 of one percent) or more and a description of the nature and extent of the control. Documentation of the relationship shall be included in the attachments to this application.

- k. The applicant shall describe briefly and state the approximate value of any direct or indirect interest of any officer, director, key employee, principal stockholder of the applicant organization, or any associate of any of these persons, during the last three (3) years. This information shall be included in the attachments to this application.
- l. The applicant shall list all direct remuneration paid by the applicant and affiliated or related organizations during the applicant's last fiscal year to each partner, director, officer or key employee of the applicant, naming each. As used in this paragraph, direct remuneration includes salary, retirement benefits, automobiles furnished, and all other sums paid for the benefit of the partner, officer, director, key employee or other recipient. This information shall be included in the attachments to this application.
- m. The applicant shall list the names, including any aliases or previous names, of each partner, director, officer or key employee of the applicant, and each person chosen to become a partner, a director, an officer or a key employee with a voting interest or ownership of .5% (1/2 of one percent) or more. All positions and offices held by each person named by the applicant and each person's principal occupation during the past five (5) years shall be listed by the applicant. The applicant shall disclose for each listed individual the nature and extent of any beneficial or ownership interest, including options or other voting powers, whether absolute or contingent, that the individual holds in the applicant organization. All of the above requested information shall be included in the attachments to this application.
- n. If a **non-individual** record or beneficial holder of an ownership or other voting interest of .5% (1/2 of one percent) or more in the applicant is identified above, the applicant shall disclose the information required by those paragraphs as to record or beneficial holders of any ownership or other voting interest of that non-individual holder. The disclosure required by those paragraphs must be repeated in turn until all indirect individual record and beneficial holders of ownership or other voting interests in the applicant are so identified. This information shall be included in the attachments to this application; **however**, the

applicant may as part of its application request the Lottery waive supplying this information regarding large publicly traded corporations or other institutional holders of such ownership interests. Any application submitted that makes such a waiver request shall not be deemed incomplete, and if the waiver is denied the applicant will be given an opportunity to supply the additional information required.

o. If applicant is a corporation, the following information shall be included in the attachments to this application:

- (1) The applicant's corporate structure;
- (2) the year the corporation was organized;
- (3) the state in which the corporation was organized;
- (4) a certified copy of the applicant's **articles of incorporation** and **bylaws**. Any amendments to the articles of incorporation or bylaws shall be filed in a timely manner with the Executive Director. A current copy of the applicant's articles of incorporation, bylaws and amendments shall be on file at all times with the Kansas Lottery;
- (5) a statement whether, in the past five (5) years, the applicant has been reorganized or reincorporated or whether it has filed restated articles of incorporation in the State of Kansas or in any other state. Documentation of such an action shall be attached to the application;
- (6) a statement of classes of capital stock authorized, the number of shares authorized and the number of shares outstanding as of fifteen (15) days prior to the date of filing the application. If applicable, a statement of the amount of dividends paid to the stockholders during the five (5) years immediately preceding the application or for the period of incorporation if a lesser time;
- (7) a description of the terms of any voting trust or power in which any of the capital stock is held and the name, address, class of stock and number of shares of stock for all stock held by that voting trust or power;
- (8) a description of the terms of any proxy by which any of the capital stock is held, the holder of the proxy and the name, address, class of stock and number of shares of stock for all stock held by such proxy;
- (9) a statement of any dividend rights, redemption, purchase, retirement, conversion or exchange provisions;
- (10) a statement and an explanation if the rights of holders of stock affected by the exchange provisions may be modified otherwise than by a vote of a majority or more of the shares outstanding voting as a class;
- (11) a statement whether three (3) percent or more of the applicant's assets, or three (3) percent or more of any principal stockholder's stock, is currently encumbered by any long term debt;

- (12) a list of names and addresses of all parties holding any evidences of indebtedness including any oral agreements from the applicant and the stockholders;
  - (13) summaries or digests of the agreements or other documents relating to evidences of indebtedness, which for example may be similar in scope and content to IRS 10K forms filed by applicant;
  - (14) the following information regarding financing of the operation:
    - (A) A statement whether the applicant has or proposes to enter into any loan transaction or has or will be executing any evidence of indebtedness or oral loan agreement shall be provided;
    - (B) a list of the names and addresses of any parties loaning or proposing to loan funds and those parties holding evidences of indebtedness relating to the applicant shall be provided;
    - (C) the applicant shall submit a statement whether three (3) percent or more of the applicant's stock is or is proposed to be encumbered by any debt, whether as a result of loans to the applicant or loans to the stockholder, and a statement of the names and addresses of any lenders or proposed lenders. For each disclosure under this section, copies of any agreements or documents relating to the loan or encumbrance or a written summary of any oral transaction shall be attached; and,
  - (16) a statement of good standing from the secretary of state (or equivalent) in the state of incorporation.
- p. If applicant is a partnership or limited liability company (LLC), the following information shall be included in the attachments to this application:
- (1) A statement whether the partnership is a general or limited partnership and whether it is a domestic or foreign partnership, or a LLC;
  - (2) a statement indicating in what state and in what year the entity was formed;
  - (3) a certified copy of the applicant's **partnership agreement** or a certified copy of the **certificate of limited partnership** or **LLC agreement**;
  - (4) if any of the applicant's partners or members is a corporation, responses shall be submitted by each corporate partner or member to the requests appearing in subsection (o) above;
  - (5) a statement whether in the past five (5) years the partnership or LLC has filed:
    - (A) A restated certificate of limited partnership or LLC; or
    - (B) any changes or amendments to the partnership or LLC agreement, and if so, provide a copy of those changes or amendments;

- (6) a statement whether:
    - (A) Any certificate has been canceled;
    - (B) a judicial decree of amendment or cancellation has been issued; or
    - (C) a certificate or reinstatement has been issued. Documentation of any of these activities shall be attached to the application;
  - (7) a statement of any provisions for assignment of partnership or LLC interests, interim distributions or distributions upon withdrawal or dissolution;
  - (8) a statement whether three (3) percent or more of the applicant's assets are encumbered by any long term debt;
  - (9) a list of names and addresses of all parties holding any evidences of indebtedness or any oral agreements from the applicant;
  - (10) a copy of any agreements or other documents relating to any evidences of indebtedness;
  - (11) the following information regarding financing of the operation:
    - (A) A statement whether the applicant has or proposes to enter into any loan transaction or has or will be executing any evidence of indebtedness or oral loan agreement shall be provided;
    - (B) a list of names and addresses of any parties loaning or proposing to loan the funds and any parties holding evidences of indebtedness relating to the applicant shall be provided;
    - (C) a statement whether three (3) percent or more of the applicant's assets is or is proposed to be encumbered by any debt, whether as a result of loans to the applicant or loans to the partner shall be provided;
    - (D) a list of the names and addresses of any lenders or proposed lenders shall be provided; and
    - (E) a copy of any agreement or document relating to the loan or encumbrance or a written summary of any oral transaction shall be provided; and
  - (12) a statement of good standing from the secretary of state in which the organization is registered shall be provided, if applicable.
- q. For all applicants **other than** a corporation, partnership or LLC, the following information shall be included in the attachments to this application:
- (1) A statement of the exact business structure of the applicant;

- (2) a statement indicating in what state and in what year the entity was formed;
- (3) a certified copy of any written agreement creating the business, and amendments thereto;
- (4) if any of the applicant's principals or owners is a corporation, partnership, LLC or other business entity, responses shall be submitted by each such participant to the requests appearing in subsection (q) and (r) above;
- (5) a statement whether in the past five (5) years the applicant has made any changes or amendments to the business agreement, and if so, provide a copy of those changes or amendments;
- (6) a statement whether:
  - (A) Any such business agreement has been canceled;
  - (B) a judicial decree of amendment or cancellation has been issued; or
  - (C) a certificate or reinstatement has been issued. Documentation of any of these activities shall be attached to the application;
- (7) a statement of any provisions for assignment of ownership or controlling interests, interim distributions or distributions upon withdrawal or dissolution;
- (8) a statement whether three (3) percent or more of the applicant's assets are encumbered by any long term debt;
- (9) a list of names and addresses of all parties holding any evidences of indebtedness or any oral loan agreements from the applicant;
- (10) a copy of any agreements or other documents relating to any evidences of indebtedness;
- (11) the following information regarding financing of the operation:
  - (A) A statement whether the applicant has or proposes to enter into any loan transaction or has or will be executing any evidence of indebtedness or oral loan agreement shall be provided;
  - (B) a list of names and addresses of any parties loaning or proposing to loan the funds and any parties holding evidences of indebtedness relating to the applicant shall be provided;
  - (C) a statement whether three (3) percent or more of the applicant's assets is or is proposed to be encumbered by any debt, whether as a result of loans to the applicant or loans to an owner or member shall be provided;

- (D) a list of the names and addresses of any lenders or proposed lenders shall be provided; and
  - (E) a copy of any agreement or document relating to the loan or encumbrance or a written summary of any oral transaction shall be provided;
  - (12) a statement of good standing from the secretary of state in which the organization is registered shall be provided, if applicable; and,
  - (13) If a Resident Kansas American Indian Tribe, provide information to verify said resident status.
- r. Except as otherwise indicated, all applicants shall provide the following information:
- (1) Information sufficient to prove Applicant has no less than three consecutive years' experience in the management of gaming which would be Class III gaming, as defined in K.S.A. 46-2301, and amendments thereto, operated pursuant to state or federal law.
  - (2) Is applicant current in the filing of all applicable tax returns and in payment of all taxes, interest and penalties owed to the State of Kansas and any taxing subdivision where applicant is located in the State of Kansas? (NOTE: Only if applicant is a Resident Kansas American Indian Tribe, enter "na" on the line below).

\_\_\_\_\_   
 yes/no/na

If "no", provide details and written documentation regarding the status of said taxes, interest, or penalties including whether the imposition of said taxes, interest or penalties are under formal appeal pursuant to applicable statutes.

(3) A detailed description of the proposed facility's location as a tourist and entertainment destination and the number of tourists that would be attracted by the proposed facility, including a breakdown of the number of patrons that would be attracted to the "gaming enterprise" (the gaming facility itself plus the ancillary operations) and those attracted only to the gaming facility itself.

(4) A description of the number and type of lottery gaming facility games proposed to be operated at the facility at start-up of the operation, along with a projection of any proposed anticipated expansion over the next five (5) years.

(5) A description of the equipment and plans proposed by applicant to directly link all gaming machines in the lottery gaming facility to a central computer system to provide monitoring, auditing and other available program information to the Lottery and the KRGC;

(6) A description of the equipment and plans proposed by applicant to require all gaming machines to be on-line and in constant communication with a central computer situated at a location determined by the Executive Director of the Lottery; and,

(7) A description of the equipment and plans giving the Executive Director of the Lottery the ability to individually deactivate each lottery gaming facility gaming machine.

- s. Applicant shall provide the name, address, telephone number, and other identifying information regarding each “**affiliated person**” and “**state or local official,**” as those terms are defined in the KELA, New Section 31, who holds, directly or indirectly, an interest in, is to be employed by, or will represent or appear for the lottery gaming facility, or for the Lottery Gaming Facility Manager, or any holding or intermediary company with respect thereto, in connection with any cause, application or matter; and,
- t. Applicant shall provide the name, address, telephone number, and other identifying information regarding any “**person,**” as defined by K.S.A. 74-8702(x), in any way affiliated with the applicant who is, or who is proposed to be, the manager of a racetrack gaming facility located in the same gaming zone as the Lottery Gaming Facility proposed by this application.

**(END OF THIS SECTION)**

### III. SITE, EQUIPMENT AND RELATED ITEMS

Each applicant shall provide the following information:

- a. Identify the county and city where the gaming facility will be located.

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County	City (if applicable)
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- b. Set forth the common address of the proposed site. If the site has no common address, describe the location of the site with sufficient detail to allow the Commission to ascertain its location, including the proximity to any city or cities.

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- c. Provide a copy of the following:

- (1) Planning and zoning approval(s) from the city and/or county necessary to construct and operate the gaming enterprise (gaming facility and ancillary operations) on the proposed site;
- (2) A resolution of endorsement from the city governing body, if the proposed gaming enterprise is within the corporate limits of a city, or from the county commission, if the proposed gaming enterprise is located in the unincorporated area of the county;
- (3) If said planning and zoning approval(s) and/or resolution of endorsement have not yet been obtained, set forth in detail the reason(s) they have not yet been obtained and the date by which applicant anticipates obtaining such approval(s) or endorsement;
- (4) A statement whether the unit of government attached any conditions to approval(s) or resolution. The applicant shall disclose the conditions, including documentation thereof;

(5) A statement whether any other required governmental approvals remain to be obtained, as well as a description of the approval, unit of government, status, likelihood of approval and estimated date of approval; and,

(6) A statement whether applicant is in compliance with all statutes, resolutions, ordinances and regulations pertaining to the development, ownership and operation of the proposed facility. If the applicant is not in compliance, the applicant shall disclose the reasons the applicant is not in compliance.

- d. List the name and address of each present title holder to the real property and any predecessor in title for the past five (5) years.

Name of Current Title Holder		Date of Ownership	
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Address	City	State	Zip
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Past Title Holder		Date of Ownership	
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Address	City	State	Zip
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Past Title Holder		Date of Ownership	
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Address	City	State	Zip
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Past Title Holder		Date of Ownership	
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Address	City	State	Zip
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- e. List the name and address of each person holding a mortgage, lien or other security interest in the real property.

Name		Nature of Interest	
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Address	City	State	Zip
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Name		Nature of Interest	
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Address	City	State	Zip
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Name	Nature of Interest		
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Address	City	State	Zip
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Name	Nature of Interest		
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Address	City	State	Zip
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- f. The applicant shall provide a certified title insurance policy or abstract (with title opinion). This certified title insurance policy or abstract and title opinion shall be included in the attachments to this application.
- g. The applicant shall state the number of miles between the facility and nearest population area, including:
  - (1) A description of the transportation facilities serving the area;
  - (2) a description of public or private transportation arrangements to the area;
  - (3) highway and street access to the facility; and
  - (4) provide a site map reflecting the highway and street access to the facility.
- h. The applicant shall provide descriptions, artists' renderings, drawings, architectural designs, and other information sufficient to describe the size, type, and estimated cost of construction of the facility, including not only the gaming facility, but also all ancillary operations, parking, ingress and egress, and other amenities. NOTE: It is not necessary to submit detailed final blueprint drawings of the proposed gaming enterprise. The Lottery merely requires preliminary plans and renderings sufficient in detail to adequately convey the general appearance and composition of the proposed enterprise. The Lottery does not expect or require detailed architectural blueprints to be prepared until a contract has actually been awarded.
- i. The applicant shall describe security and visual monitoring equipment. This description and information shall be included in the attachments to this application.
- j. Although subject to change, the Lottery currently estimates it will require approximately 800 square feet of office space in the facility, and the KRGC will require 3,000 square feet of office space in the facility (with separate office space for the Lottery and KRGC). The applicant shall describe proposed office space, and the proposed location thereof, for the Lottery and the KRGC, including adequate space for all security, computer, monitoring, and other equipment. This description and information shall be included in the attachments to this application.

- k. The applicant shall supplement the information requested in subsections (h) through (j) above with a copy of the architect's plans showing the details of any proposed construction. This copy shall be included in the attachments to this application.

**(END OF THIS SECTION)**

#### IV. FINANCING AND DEVELOPMENT

Each application shall contain the following information:

- a. To the extent known, state the names and addresses of every person or business organization that is expected to provide contractual services to the applicant for purposes of the project, indicating the nature of such services rendered and the equipment or property provided or to be provided. This information shall be included in the attachments to this application.
- b. Include a copy of each contract and written agreement disclosed in subsection (a). If the agreement or understanding is an oral one, a statement explaining the substance of the oral agreement or understanding shall be attached. For any contract, agreement or understanding referred to, the name and address of each party to the contract shall be stated. Any relationship of the parties through control, family or business association to the applicant, the partners, associates, officers, directors or principal owners shall be stated. This information shall be included in the attachments to this application.
- c. Submit a detailed project budget of any expenditure related to the completion or improvement of the proposed facility. This project budget shall be included in the attachments to this application. The project budget shall include, but is not necessarily limited to, the following:
  - (1) Architecture and engineering costs;
  - (2) land acquisition costs;
  - (3) site development costs, including:
    - (A) Survey;
    - (B) soil and site work;
    - (C) utilities;
    - (D) parking lot; and,
    - (E) transportation access;
  - (4) facility construction cost, including:
    - (A) gaming facility itself;
    - (B) ancillary operations; and,
    - (C) security and fire equipment;
  - (5) equipment acquisition cost;

- (6) cost of interim financing;
  - (7) organization, administrative and legal expenses;
  - (8) projected permanent financing costs; and
  - (9) marketing costs.
- d. State the construction schedule proposed for completion or improvement of the facility. It shall be included in the attachments to this application. It shall include an estimated date of project completion along with at a minimum the following information:
- (1) A detailed description of the method or methods by which the construction project and components will be undertaken, including but not limited to general construction contract, force account or fast track method; and,
  - (2) an estimated time schedule for construction or improvement, including the date the proposed project will be fully operational and the number of months after the contract is awarded that each of the following activities will be commenced and completed:
    - (A) The acquisition of land;
    - (B) the solicitation of bids;
    - (C) the award of construction contracts;
    - (D) the construction commencement;
    - (E) the completion of construction;
    - (F) the occupancy of the new facility or space;
    - (G) the training of staff;
    - (H) appropriate state and local agency check and inspection of the facility for public and gaming readiness; and
    - (I) the commencement of gaming.
- e. State the source or sources of funding for the completion or improvement of the project proposed by the application. This information shall be included in the attachments to this application. At a minimum the following shall be identified and documented:
- (1) Each source of cash and equity contribution and the amount of the contribution;
  - (2) any present or conditional commitment received for each funding source;

- (3) each source of debt contribution, and the amount of the contribution;
  - (4) any present or conditional commitment received for the financing;
  - (5) a detailed financing timetable stating a date for the submission of an unqualified commitment for financing to the Commission;
  - (6) a statement whether any of the minimum amount of investment in infrastructure for the enterprise will be derived from or financed by state or local retailers' sales tax revenues, revenue bonds, tax increment financing, or similar financing; and,
  - (7) a statement whether the power of eminent domain has been used to acquire any interest in any real estate for use in the proposed gaming enterprise.
- f. Identify and describe sources of additional funds needed for cost overruns, non-receipt of expected equity or debt funds, failure to achieve projected revenues or any other cause. This information shall be included in the attachments to this application.
- g. The applicant shall submit an index to, and copies of, all **proposed** acquisition documents. The index and copies shall be included in the attachments to this application.
- h. Once executed, the applicant shall submit an index to, and copies of, all **fully executed** acquisition documents and a certification by the applicant that the Commission has been provided with a copy of all the documents. The index, copies and certification shall be provided when they become available.

**(END OF THIS SECTION)**

## V. OPERATION DETAILS

- a. List those persons within the applicant organization who will be supervising the conduct and operation of the facility and gaming to the extent presently known (“Key Employees”), and supplement this information as Key Employees are hired. This list of Key Employees within the applicant organization shall be included in the attachments to this application and shall include the following information pertaining to these persons:
- (1) The person’s legal name, all aliases and any previous name(s);
  - (2) the current residence and each business address and telephone number;
  - (3) any qualifications and experience in the following areas:
    - (A) General business;
    - (B) finance and accounting;
    - (C) gaming industry; and,
    - (D) security;
  - (4) a copy of any written contract or a statement of the terms of any oral agreement between the applicant and each officer and personnel identified in above;
  - (5) the basic job description and qualifications for each such position; and
  - (6) if required, a personal background disclosure form executed and verified by each of the individuals identified above. Applicant may assemble and file the above information as outlined in the instructions if it is to be confidential material.
- b. State financial projections regarding the operation and conduct of gaming and ancillary operations during the first five (5) years of operation. Applicant shall attach to the financial projection statement any documentation of assumptions or projections made, including, but not necessarily limited to:
- (1) Projected balance sheets by an independent certified public accountant that, for the end of the development or improvement period and for each of the first five (5) years of operations, state the current, fixed and other noncurrent assets, current and long-term liabilities and capital accounts, including a statement of the financial and cash flow projections based on, among others, the following assumptions and support for them:
    - (A) The average daily attendance;
    - (B) the average daily drop (dollars wagered);
    - (C) the average per capita wager;

- (D) purchase or lease costs;
  - (E) the number of estimated admissions to the facility;
  - (F) the estimated payroll;
  - (G) the amount of insurance;
  - (H) any travel expense;
  - (I) any operating supplies and services;
  - (J) any repair and maintenance expense;
  - (K) any membership expense;
  - (L) any legal and audit expense;
  - (M) any equipment, real property, and other asset depreciation and the method of depreciation used; and
  - (N) any fees or other rates charged on the premises of the facility not otherwise identified;
  - (O) any debt service;
  - (P) any personal property tax;
  - (Q) any real estate tax;
  - (R) any special assessments;
  - (S) utility expenses;
  - (T) taxes of any kind;
  - (U) all other assumptions of financial and cash flow projections
- (2) an information sheet detailing the background of the certified public accountant who provided the financial projections requested herein.
- c. State a proposal for security of payment, including a surety bond or other financial security, and the amount of payment adequate to secure potential financial liability for unpaid taxes and prizes. This proposal for security of payment shall be included in the attachments to this application.

**(END OF THIS SECTION)**

## VI. MANAGEMENT DETAILS

Each application shall contain the following information:

- a. Provide a description of the applicant's management plan. The applicant shall also provide a listing of the functions, job descriptions and required qualifications of its management personnel and an organization chart. The information requested in this subsection shall be included in the attachments to this application.
- b. List the following information regarding management personnel:
  - (1) Legal name, any aliases and any previous names;
  - (2) current residences, business addresses and telephone numbers;
  - (3) any qualifications and experience in the following areas:
    - (A) Gaming;
    - (B) general business;
    - (C) governmental
    - (D) real estate development;
    - (E) construction;
    - (F) marketing, promotion and advertising;
    - (G) finance and accounting;
    - (H) security; and
    - (I) human health and safety.

All of the information requested in this subsection shall be included in the attachments to this application;

- (4) provide a description of the terms of employment of management personnel. The applicant shall provide a copy of each contract, agreement and a statement of any oral agreement identified in this section. All of the documents and statements requested in this subsection shall be included in the attachments to this section; and,
- (5) if requested, provide the Commission with all personal background disclosure forms which have been executed and verified by each of the individuals identified in this subsection. The personal background disclosure forms shall be assembled and submitted as outlined in the instructions.

- c. Identify consultants and other contractors who have provided or will provide management related services to the applicant, to the extent known, and provide the following information for each service provider:
- (1) The full name;
  - (2) the current address and telephone number;
  - (3) the nature of the services;
  - (4) any qualifications and experience;
  - (5) compensation for said services; and
  - (6) a description of the terms and conditions of any contractor's agreement or contract. A copy of each agreement and contract or a statement of any oral agreement identified in this section shall be attached to the application.

All of the information requested above shall be included in the attachments to this application.

- d. Describe the applicant's marketing, promotion and advertising plans for the pre-opening of the facility. This information shall be included in the attachments to this application.

**(END OF THIS SECTION)**

## VII. ECONOMIC, DEMOGRAPHIC AND OTHER INFORMATION

Each application shall contain the following information, along with the bases for any estimates or projections:

- a. State the population of the area, the growth trend and describe the potential market.
- b. Set forth an analysis of the facility's location as a tourist and entertainment destination designed to attract patrons residing outside the immediate area of the facility, including an estimate of the number of patrons that would be attracted to the gaming facility and the ancillary operations each year.
- c. State the projected economic impact of the facility. This impact statement shall be included in the attachments to this application and shall address the following:
  - (1) The economic impact to the State funds to which the gaming revenues will be paid;
  - (2) any employment created, including:
    - (A) Whether the employment is temporary or permanent;
    - (B) the type of work and compensation;
    - (C) the employer; and
    - (D) how the employment was created;
  - (3) any purchases of goods and services including the dollar amount and type of purchase;
  - (4) any private investment;
  - (5) any tax revenue generated; and
  - (6) any relative economic site advantage.
- d. State the projected social impact of the facility. This impact statement shall be included in the attachments to the application and shall state how the facility may affect the following in the locale of the facility, or the State of Kansas, as may be applicable:
  - (1) The school system;
  - (2) the police service;
  - (3) the fire service;
  - (4) the ambulance service;

- (5) the population growth;
  - (6) the housing demand; and
  - (7) the community planning and development scheme.
- e. State the ecological impact of the facility site, including a plan for waste disposal. This impact statement shall be included in the attachments to this application.
- f. Describe the effect of competition with any other gaming facility in and out of the state and with any other sport or recreational facility in the area, including a detailed statement of what effect the competition from any other facility will have on the availability of qualified personnel. These statements and descriptions of competition shall be included in the attachments to this application.

**(END OF THIS SECTION)**

## VIII. PUBLIC SAFETY AND SECURITY

**NOTE:** The information in this section may, at applicant's option, be assembled as provided in the "Instructions to Applicants," above, and submitted as "**Confidential**" material.

Each application shall contain the following information:

- a. Provide the following information regarding security personnel:
  - (1) Whether the security personnel are or will be direct or contractual employees;
  - (2) a complete security force organization chart;
  - (3) a complete job description of the entire security force, including each level of security and the location to which each level will be assigned;
  - (4) the training, including the type of training, armaments, and the training program, if applicable; and
  - (5) whether the security force is or will be bonded. If the security force is bonded, a certified copy of any bond document and a statement of the amount and when the applicant will satisfy the bond conditions shall be attached to the application. The information requested above shall be included in the attachments to this application.
  
- b. Describe a complete security plan for the facility. This description of the complete security plan shall be included in the attachments to the application. The description of the complete security plan shall include, but not necessarily be limited to, the following:
  - (1) The number and deployment of security personnel;
  - (2) the gaming floor of the facility;
  - (3) the cash room;
  - (5) the vault;
  - (6) the method of money transfer between cashier windows, cash room and any other location to which money will be transferred;
  - (7) the number of sworn law enforcement personnel assigned to the local law enforcement offices in the locale of the facility and the types of incidents to which said law enforcement personnel may be expected to respond;
  - (8) the coordination between the facility security and the local law enforcement personnel, including the location of the local law enforcement office and the approximate response time;
  - (9) any video monitoring equipment, including the type and location;

- (10) any alarms, including the type and location;
  - (11) the parking lot;
  - (12) any emergency procedures, including ambulance, first aid or evacuation, and the location of any local emergency medical services and approximate response time;
  - (13) the exclusion and expulsion rules, including voluntary exclusion;
  - (14) the security force equipment;
  - (15) the policy and procedure for admittance of persons to any locations at the facility;  
and
  - (16) the control of traffic at the facility.
- c. Describe a complete facility fire and safety policy, including:
- (1) The standard operating procedures of security personnel to ensure the fire safety of any areas of the facility;
  - (2) the electrical safety and devices, including number, type, uses and locations;
  - (3) the inspections, including any inspection schedules;
  - (4) smoking areas;
  - (6) the sleeping quarters, if applicable; and,
  - (7) the coordination between the facility and any local fire department, including the location of the local fire department and the approximate response time to the facility.
- d. Provide a copy of all policy and procedures manuals (or similar documents) pertaining to any and all of the matters set forth in this section, if any.

**(END OF THIS SECTION)**

## SECTION IX: DECLARATION

Each application shall include at the end thereof an unsworn declaration manually signed in ink under penalty of perjury by the person or persons so authorized by the applicant. As set forth in K.S.A. 53-601, and amendments thereto, each unsworn declaration shall be in substantially one of the following forms:

If executed **within** the state of Kansas: “I declare under penalty of perjury that the foregoing application is true and correct. Executed on this \_\_ day of \_\_\_\_\_, 200\_.”

If executed **outside** the state of Kansas: ““I declare under penalty of perjury under the laws of the state of Kansas that the foregoing application is true and correct. Executed on this \_\_ day of \_\_\_\_\_, 200\_.”

**(END OF THIS SECTION AND END OF APPLICATION)**