



Instructions – Texas Application for Commercial License to Lease Bingo Premises

B-AP-119 (Rev. 4/11)

PUBLIC INSPECTION

This application and any attachments will be open to public inspection as required by the Texas Public Information Act.

WHO SHOULD SUBMIT THIS APPLICATION

This application should be submitted by any person (sole owner, partnership, corporation, Limited Liability Company (LLC), association, or other entity), including an organization licensed to conduct charitable bingo, that intends to lease or otherwise make available a hall or other premises to an organization licensed to conduct charitable bingo in Texas. A person who leases premises only to an organization that has been issued a temporary license does not need a commercial lessor's license. The location of the premises must be in an area which has legalized bingo.

FOR ASSISTANCE

For assistance in completing this application, please call the Charitable Bingo Operations Division (CBOD) toll-free, at 1-800-BINGO-77 (800-246-4677).

GENERAL INSTRUCTIONS

- DO NOT return the instructions or checklist with your completed application.
- DO NOT leave any item on the application blank. If an item does not apply to your organization, enter "NA."
- Please type or print legibly all information.
- DO NOT use dashes when entering a Social Security Number, Federal Employer's Identification Number (EIN), or Texas Vendor Identification Number (TVIN).
- The disclosure of information concerning the race, gender, date of birth, and Social Security Number of individuals is necessary to conduct a criminal history background investigation which is authorized under the Bingo Enabling Act (BEA), Chapter 2001. Failure to provide all information requested for each individual will delay the issuance of your license.
- Your organization will be required to post a bond or other security based on the license class calculated in Item 15.
- This application must be complete and all required documentation submitted before it can be processed.
- An application to conduct bingo at the location indicated in Item 9 must be submitted by each authorized organization listed in Item 16 of this application if Schedule M is not applicable. Be advised that a commercial license to lease bingo premises will not be issued until at least one (1) application of an organization eligible to conduct bingo at your location is approved.
- Your organization may request a license for a **two year period** but submit only the first year estimated license fee with your application. Once licensed, the Commission will recalculate the actual license fee for the first year of your license period based on the information reported on your Texas Bingo Quarterly Reports and send a bill for the second year estimated license fee to your organization. The estimated license fee collected for the second year will equal the first year's actual license fee less any credits or balance due. The second year license fee amount must be paid by the first anniversary of the date the license became effective. A checkmark must be placed in the corresponding checkbox in Item 15(d) if you wish to request a license for a **two year period**. If approved, the license would expire two years after the license period start date.
- You must enclose copies of all executed organizing instruments. The CBOD will use this information to verify you are a valid organization, the legal name of the applicant, and all individuals are disclosed.

SPECIFIC INSTRUCTIONS

Item 1 – Enter the legal name of the applicant as it appears on the organizing instrument. If a sole owner, list the individual's name (last name, first name, middle initial).

Item 2 – Enter the appropriate mailing address to receive ALL bingo related

correspondence for the applicant. Also include the organization's Web site, fax number, optional E-mail address, and the name and daytime telephone number of the individual responsible for the completion of the application. This may or may not be the same person listed in Item 8.

Item 3 – Indicate how your business is owned. A foreign corporation is any business incorporated outside the state of Texas. A business incorporated outside the State of Texas would need to hold a Certificate of Authority (COA) to do business in Texas issued by the Secretary of State. An Association refers to an association of authorized organizations licensed to conduct bingo that jointly own or lease premises on which bingo will be conducted. If you are an unincorporated organization licensed to conduct charitable bingo or your method of organization does not fall under the classifications listed, check "Other," and specify how the business is organized. A copy of all organizing instruments should be submitted with this application.

Item 4 – If you checked "Sole Ownership" in Item 3, complete all information requested in Item 4. When entering the name of the "Sole Owner," use the applicant's full legal name as it appears on legal documents such as a birth certificate or driver's license. Do not use nicknames.

Item 5 – Enter your nine (9) digit Federal Employer's Identification Number (EIN). For additional information on the EIN number, contact the Internal Revenue Service (IRS) at 1-877-829-5500.

Item 6 – Enter the eleven (11) digit taxpayer number assigned by the Texas Comptroller of Public Accounts. You should have a TVIN if you conduct charitable bingo or have ever paid any tax to the Comptroller of Public Accounts. For additional information on the TVIN, contact the Comptroller of Public Accounts at 1-800-531-5441.

Item 7 – If the organization is a corporation, enter: (1) the state where incorporated, (2) charter number or certificate of authority (COA) number issued by the Texas Secretary of State's Office, and (3) the date of incorporation or certification to do business in Texas. Indicate the type of corporation, profit or non-profit, by checking the appropriate box. Submit copies of your charter or COA and if you are organized as a for profit corporation, enclose copies of the front and back of all stock certificates issued to individuals holding interest in any class of stock.

Item 8 – Enter the requested information for one (1) individual who can be contacted during normal business hours for records or information about the applicant. This individual may or may not be the same person listed in Item 2. When entering the name of the "Business Contact," use the individual's full legal name as it appears on legal documents such as a birth certificate or a driver's license. Do not use nicknames.

Item 9 – Enter the name, telephone number (if known), and address of the location where charitable bingo games are to be conducted. Indicate the name of the bingo hall or location as it is to appear on the license. The telephone number entered should be the number where a caller can get information such as game times, prize pay-outs, directions, etc. The address entered must be a physical address and cannot include a PO Box, Rural Route, or directions (i.e., 5 miles north of I-20). **NOTE:** Locations owned or controlled by a government agency are not required to hold a commercial license to lease bingo premises.

Item 10 – Indicate if this location address is inside of the city limits.

Item 11 – Enter the maximum seating capacity for bingo at the proposed location.

Item 12 – Indicate if the location entered in Item 9 shares a common roof or a common foundation with a bingo location currently licensed. Section 2001.403 of the BEA provides that no more than one (1) bingo location may exist under a common roof or over a common foundation.

Item 13 – Indicate how the playing location is controlled by the applicant. If the location is owned, check the "Owned" box, enter the date the location was acquired and proceed to Item 15. If the location is not owned by the applicant, check the "Leased" box. Use of facilities free of charge would be considered leasing if the playing location is not owned by the applicant.

Item 14 – If you lease the location in Item 9, enter the bingo hall name, telephone number, address, and EIN (if known) of the entity from whom you lease the location.

Item 15 – Complete this calculation to determine the amount of license fee and bond amount required. Indicate if you are applying for a one (1) year license or two

(2) year license by placing a checkmark in the corresponding check box. Please refer to the Table of License Fees and Security Amounts for the appropriate fee amounts. Attach a check made payable to the State Comptroller for the license fee payment when filing the application. The Commission will accept only the following types of bonds or other security as security for the payment of gross rental tax: (1) cash or check made payable to the State Comptroller, (2) irrevocable assignments of accounts, (3) letters of credit from financial institutions, (4) United States Treasury bonds, readily convertible to cash, and (5) surety bonds. In accordance with Charitable Bingo Administrative Rule 402.404, additional license fees, and resulting bond or other security, may be required if the commission finds the estimated gross rental income used to calculate the license fee are not reasonable when compared to other similarly situated bingo premises.

Item 16 – List the organization(s) that will lease directly from you, the location named in Item 9 to conduct charitable bingo. Include the organization's name and eleven (11) digit taxpayer number. If the organization is not currently licensed you may indicate their EIN or Vendor Identification Number or mark as "applied for." At least one (1) of these organizations must be licensed to conduct charitable bingo at the proposed playing location before your license to lease bingo premises may be issued.

Item 17 – Indicate if a license to lease bingo premises has ever been held at the playing location listed in Item 9. If "YES," proceed to Item 19. If "NO," proceed to Item 18.

Item 18 – If a bingo license has ever been held at the proposed playing location, it has been previously certified as legal to conduct bingo and re-certification is not required. If a bingo license has never been held, Item 18 must be completed by the county clerk or city secretary, where applicable, to determine that the proposed playing location address has been legalized for bingo by a local option election.

Item 19 – Indicate the date you wish to start leasing bingo premises under the license. Please allow for processing time when requesting this date. If you desire to have your license effective the earliest possible date, check the corresponding checkbox and the license will be effective as soon as it can be confirmed that all requirements are met.

Item 20 – This is the affidavit of responsibility to be signed by two (2) officers, LLC members, or partners as applicable. If the applicant is a sole owner, one (1) signature is required. The individual(s) signing must also be listed in the applicable position(s) on Schedule L. PLEASE READ CAREFULLY. A copy of the completed application should be submitted to the local governing body in your area. The BEA defines governing body as the commissioner's court with regard to a county or justice precinct, or the city council or the chief legislative body with regard to an incorporated city or town.

SUMMARIES OF SCHEDULES

All organizations filing for a Commercial License to Lease Bingo Premises must complete Schedules L, L1, and P. Review the remaining schedules to determine if they apply to your organization.

Schedule AA

Use by an association of licensed authorized organizations who will be leasing the premises only to members of the association. The Texas Occupations Code, Chapter 2001, requires an association of licensed authorized organization to lease or offer to lease the premises to one (1) or more other licensed authorized organizations who are not members of the association. This certification affirms that the applicant offered to lease the premises to another authorized organization that declined. See Lessor Tier Structure Figure 4.

Schedule BB

Use if you will be leasing to a single licensed authorized organization that has total control and exclusive use of the leased location and uses the location as their primary business office. No other licensed authorized organizations may lease these premises for the conduct of bingo. See Lessor Tier Structure Figure 2.

Schedule CL

Use by a conductor/lessor who is leasing a premise from a licensed commercial lessor who will not be actively leasing the premises at this time. The Texas Occupations Code, Chapter 2001, requires a conductor leasing a premises for bingo, who does not have total control and exclusive use of the leased location as their primary business office, to maintain a commercial lessor license and sublease or offer to lease the premises to another licensed authorized organization. This certification affirms that the applicant offered to lease the premises to another licensed authorized organization that declined. See Lessor Tier Structure Figure 1.

Schedule E

Use if your organization desires to appoint an individual other than an officer, director, or designated business contact to serve as an authorized representative. This gives the Texas Lottery Commission (TLC) the authority to discuss any aspects of your organization's bingo activities with your authorized representative.

Schedule L

Use to list all partners, officers, directors, LLC members, and shareholders holding any interest as applicable for your organization.

Schedule L1

Use to list all persons who have a financial interest or who are in any capacity a real party of interest in the applicant's business as it pertains to the commercial lessor license.

Schedule M

Upon license issuance, this form authorizes the TLC to make changes to an organization's bingo record reflecting the change in lessor and lease amount, if no amendment to their bingo license would be required.

Schedule N

Use if your organization wishes to irrevocably assign an account including certificates of deposit or certificates of savings, in a bank, savings and loan institution, or credit union, whose deposits are insured by an agency of the United States government.

Schedule O

Use if your organization wishes to post a bond with a surety company chartered or authorized to do business in the State of Texas. The appointing instrument must be properly notarized and physically attached to the bond.

Schedule P

Use to identify the source and terms of the funds to be used to provide the proposed playing location with furniture, fixtures, equipment, utilities, or to renovate as authorized under 2001.153(a) of the BEA. As applicable, attach a copy of any loan documentation, the three (3) most recent months of bank statements, or other supporting documentation.

CHECKLIST: REQUIRED FORMS AND PAPERWORK TO INCLUDE WITH YOUR APPLICATION:

You may use this checklist to ensure that your application is complete and that you have collected all required documentation to submit with it.

- Application.** Be certain that all items are completed, it is signed by the appropriate individual(s), and that a copy is made for your files.
- License Fee.** Made payable to the STATE COMPTROLLER.
- Organizing Instrument(s).** Attach a copy of *all* of your organization's organizing instrument(s).
- Security and bond-related documents.**
- Schedules.** Attach Schedule L, L1, and P and all other applicable schedules (see Summaries of Schedules).
- Schedule P Statement of Funds Documentation.** Attach requested source of funds documentation.

APPLICATION SUBMISSION

PLEASE SUBMIT YOUR COMPLETED APPLICATION, ALL SUPPLEMENTAL INFORMATION AND THE APPROPRIATE LICENSE FEE TO:

by mail:

**CHARITABLE BINGO OPERATIONS DIVISION
TEXAS LOTTERY COMMISSION
P.O. BOX 16630
AUSTIN, TEXAS 78761-6630
1-800-BINGO-77 (1-800-246-4677)**

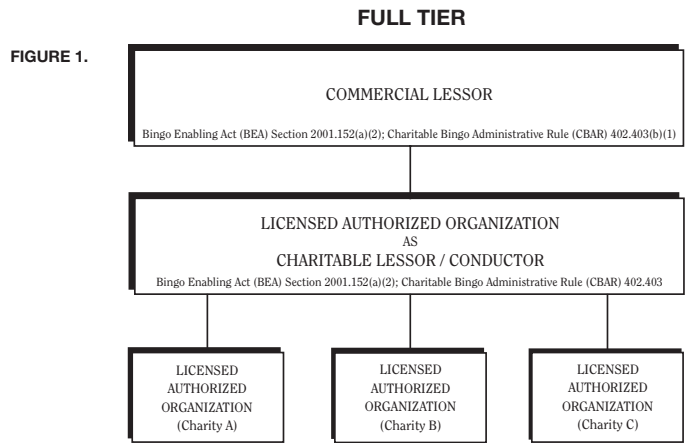
for delivery:

**CHARITABLE BINGO OPERATIONS DIVISION
TEXAS LOTTERY COMMISSION
611 E. 6TH STREET
AUSTIN, TEXAS 78701-3715
1-800-BINGO-77 (1-800-246-4677)**

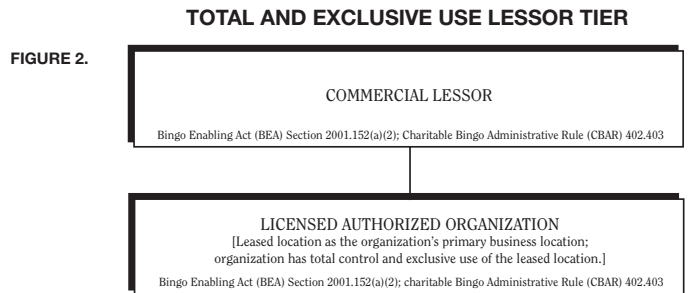
Please retain these instructions and a copy of your completed application for your files.

Lessor Tier Structures

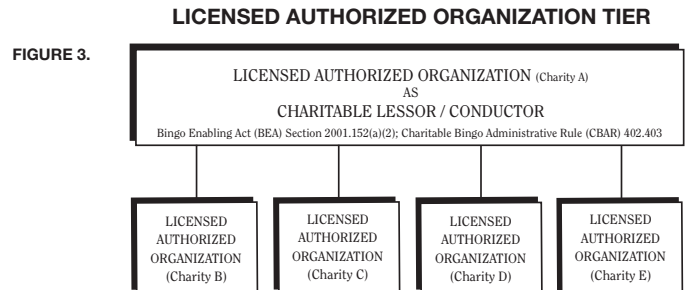
The FULL TIER diagram shows a Commercial Lessor, licensed after June 10, 1989, that **leases** to a single Licensed Authorized Organization (shown in the diagram as Charitable Lessor/Conductor) that subleases or offers to sublease the premises to one (1) or more other Licensed Authorized Organizations (shown as Charity A, B, & C). Note that the mid-tier Licensed Authorized Organization is licensed as both a Conductor and as a Lessor.



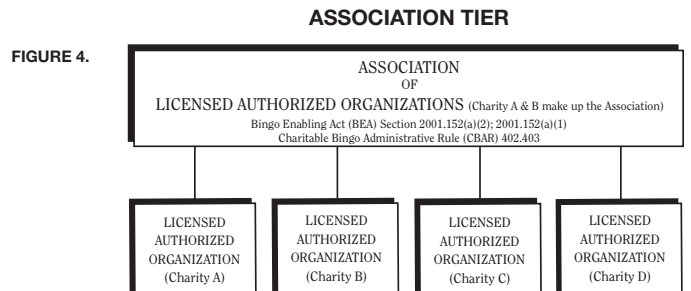
The TOTAL AND EXCLUSIVE USE LESSOR TIER diagram shows a Commercial Lessor, licensed after June 10, 1989 that **leases** to a single Licensed Authorized Organization that has total control and exclusive use of the leased location and uses the location as their primary business office. No other Licensed Authorized Organizations may lease these premises for the conduct of bingo.



The LICENSED AUTHORIZED ORGANIZATION TIER diagram shows a Licensed Authorized Organization (shown as Charity A) that **owns** the premises where bingo is conducted. That Licensed Authorized Organization, as a charitable Lessor/Conductor, leases that same premises to one or more Licensed Authorized Organizations (shown as Charity B, C, D, & E) for the conduct of bingo.



The ASSOCIATION TIER diagram shows an **Association**, formed by two (2) or more Licensed Authorized Organizations (shown as Charity A & B) as a Licensed Commercial Lessor. This Licensed Commercial Lessor (the Association entity itself) may lease directly to as many licensed authorized organizations (shown as Charity A, B, C, & D) as permitted under the BEA.



The GOVERNMENT TIER diagram shows the Licensed Authorized Organizations (shown as Charity A, B, C, & D) leasing premises owned by a Government Agency (example: Municipal Civic Center, Community Activity Center). The Government Agency is **not** required to be licensed under the BEA and may lease directly to as many licensed authorized organizations as allowed by the BEA.

