



Massachusetts Gaming Commission Meeting Minutes

Date/Time: January 5, 2023, 10:30 a.m.
Place: Massachusetts Gaming Commission

VIA CONFERENCE CALL NUMBER: 1-646-741-5292
PARTICIPANT CODE: 111 034 3626

The Commission conducted this public meeting remotely utilizing collaboration technology. Use of this technology was intended to ensure adequate, alternative means of public access to the Commission's deliberations for any interested member of the public.

Commissioners Present:

Chair Cathy Judd-Stein
Commissioner Eileen O'Brien
Commissioner Bradford Hill
Commissioner Nakisha Skinner
Commissioner Jordan Maynard

1. [Call to Order](#) (00:00)

Chair Judd-Stein called to order the 420th Public Meeting of the Massachusetts Gaming Commission ("Commission"). Roll call attendance was conducted, and all five commissioners were present for the meeting.

2. [Continuation of review of Category 3 sports wagering application submitted by FBG Enterprises Opco, LLC \("Fanatics"\)](#) (00:40)

Chair Judd-Stein explained that representatives from Fanatics had begun their presentation during the prior meeting. She stated that Fanatics had requested that the product demonstration of its sports wagering platform be conducted in executive session, because the platform was not yet released publicly. General Counsel Grossman stated that this topic was appropriate for an executive session as it was related to proprietary information - that if discussed publicly would place Fanatics at a competitive disadvantage.

With that, Chair Judd-Stein stated that the Commission anticipated that it would meet in executive session in conjunction with its review of the FBG Enterprises Opco, LLC (Fanatics)

application in accordance with G.L. c. 30A, § 21(a)(7), and G.L. c. 23N, § 6(i) to consider information submitted by the applicant in the course of its application for an operator license that is a trade secret, competitively-sensitive or proprietary and which if disclosed publicly would place the applicant at a competitive disadvantage.

Commissioner O'Brien moved that the Commission go into executive session for the reasons stated by the Chair and General Counsel Grossman. Commissioner Hill seconded the motion.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

Chair Judd-Stein noted that the public session of the meeting would reconvene at the end of the executive session.

Transcriber's Note: The Commission entered the executive session, and a screensaver was shared in the public meeting. The Commission reconvened in public session at 11:40AM EST.

3. Presentations and Analysis Relevant to review and evaluation of Application for Category 3 sports wagering operator license submitted by FGB Enterprises Opco, LLC (1:02:42)

a. Technical Components

Chair Judd-Stein stated that Gaming Laboratories International ("GLI") was the first company to develop and set gaming technical standards which are now considered an industry benchmark. She stated that GLI continues to innovate standards and regulators rely upon these standards to preserve the integrity of the industry.

Joe Bunevith, GLI's Director of Client Solutions, noted that the Commission had approved 205 CMR 138, 205 CMR 238, 205 CMR 247 and 205 CMR 248. He stated that since those regulations were approved, the operators could now submit the code for their sports wagering system and hardware to GLI for testing.

Mr. Bunevith stated that Fanatics would submit their final submission for one or more U.S. jurisdictions and then test any required changes to the platform to comply with Massachusetts' specific rules and regulations. He stated that if a potential operator's platform was new to GLI, it would undergo an architectural review that identified and documented critical files related to compliance. He stated that after the initial review was complete, the source code could be submitted for testing in a locked-down environment.

Mr. Bunevith stated that the lab would verify changes for Massachusetts specific deployments. And once those changes were validated, a certificate would be issued to the operator. He stated that once the certificate was issued the Commission could approve the operator for operations. He stated that field verification would be finalized in the upcoming weeks and that verification of the production server and verification of critical file signatures would commence. He stated that GLI would also review internal controls and procedures.

Commissioner O'Brien asked what the timeline would be for GLI to test Fanatics' platform due to the technical posture of the applicant. Adam Berger, Fanatics' outside counsel from the law firm Duane Morris, stated that Fanatics anticipated going live around the same time all category three sports wagering operators would go live in Massachusetts. He stated that Fanatics would prefer to answer questions related to the intricacies of the timelines in an executive session.

Chair Judd-Stein asked if GLI had issued certifications in the two jurisdictions where Fanatics was licensed. Mr. Bunevith stated that GLI was familiar with the Amelco platform that was approved in Maryland and Ohio. Mr. Berger noted that Fanatics had not launched its mobile platform in either jurisdiction. Alex Smith, Fanatics' Vice President of Regulatory Affairs, stated that Fanatics was licensed in those jurisdictions, but that the platform did not have a certified technology approval.

b. [Report On Suitability Of The Applicant](#) (1:12:01)

Chief Enforcement Counsel Heather Hall explained that the Investigations and Enforcement Bureau ("IEB") submitted a report on the preliminary suitability of the applicant to the Commission. She stated that Fanatics was seeking a category three sports wagering license tethered to the category one sports wagering license granted to PPC on December 20, 2022. She stated that the IEB performed a review for preliminary suitability according to the standards set forth in 205 CMR 215.01(2). She noted that a full suitability investigation had not been conducted at this time.

Chief Enforcement Counsel Hall stated that the licensing division did a scoping review of the applicant pursuant to G.L. Chapter 23N, § 5(b). She stated that the IEB identified seven entities, and six individuals designated as qualifiers in connection with Fanatics' application. She stated that the qualifiers were listed within the IEB's report. She noted that Fanatics had some deficiencies within its application.

Chief Enforcement Counsel Hall stated that the team conducting the review was comprised of contract investigators. She stated that the review for preliminary suitability included a summary of Fanatics' licensing status in other jurisdictions, compliance history in other jurisdictions, and pending litigation valued over \$100,000. She stated that Fanatics had no compliance history or pending litigation. She stated that there was an open-source review of the applicant and individual qualifiers, but not of the entity qualifiers.

Chief Enforcement Counsel Hall stated that the Commission received an additional Washington Post article on December 20, 2022, after the IEB's report was finalized. She stated that the Commission was also made aware of a publicly available Equal Employment Opportunity Commission press release that referenced a matter in the IEB's report.

Chief Enforcement Counsel Hall stated that RSM would provide a report on the applicant's financial suitability. She noted that RSM worked closely with the Commission's financial investigation team. She stated that RSM reviewed Fanatics' disclosed financial information.

Chief Enforcement Counsel Hall explained that the Licensing Division had communicated with Fanatics regarding outstanding items. She stated that the IEB report referenced the IEB inadvertently omitting a request for tax certifications from the entity qualifiers. She stated that the Licensing Division did request those certifications and requested them again in the deficiency letter. She stated that the applicant provided those documents, and that the IEB would review the materials submitted when the full investigation proceeds.

Licensing Division Chief Kara O'Brien explained that the licensing team completed an administrative completeness review and provided Fanatics with a deficiency letter on Tuesday, January 3, 2023. She stated that Fanatics had provided a number of the items requested, but that the Licensing Division was still waiting to receive the certificate of suitability form for Mr. Ruben. Mr. Berger stated that the form would be provided within the next couple of days.

Chair Judd-Stein asked what supplemental information was received. Chief Enforcement Counsel Hall stated that an EEOC matter was sent to the IEB the previous night and that there was a Washington Post article sent on December 20, 2022. Commissioner Hill stated that he was very concerned about the EEOC press release dated April 19, 2019, and that he would like to discuss that topic further. Commissioner O'Brien stated that she had more questions related to corporate structure and questions related to the tax issue settlement in New York.

Mr. Berger stated that Fanatics would be happy to discuss the EEOC matter and the New York matter in an executive session. He noted that the EEOC press release was limited and that settlement discussions were not ripe for public discussion. General Counsel Grossman stated that there was a press release and litigation filed in the EEOC matter, which were public record and not appropriate for an executive session. He stated that the allegations described in the complaint were a public matter, but that changes to protocols would be suitable for an executive session. He stated that Fanatics should describe as much as possible publicly and determine which questions were appropriate to answer within an executive session.

Commissioner O'Brien requested further details related to a recently filed class action suit alleging violations of the Sherman Act, where Fanatics' parent company was named. She stated that the class action suit raised concerns regarding control and influence. She posited that pending litigation would be appropriate for the executive session. Commissioner Skinner stated that further information regarding this matter would be helpful.

Commissioner O'Brien requested a basic overview of Fanatics' corporate structure. Mr. Berger stated that Fanatics was not a publicly traded company and offered to go through the corporate structure in executive session. He noted that the entity named in the litigation was related to the commerce structure of the parent company, Fanatics Holding Inc. ("FHI"). He stated that any ongoing litigation should be discussed in an executive session.

Commissioner O'Brien noted that the application had heavy reliance upon the history and posture of the parent company. She stated that there was a concern related to the product plan and marketing plans of Fanatics due to the intertwined nature of the companies. She also noted that FHI was an entity qualifier.

Mr. Berger offered explanation that the defendant in the litigation was Fanatics LLC, which was the commerce side of the structure, and that FHI was not named. Commissioner O'Brien stated that the commerce structure was integral to Fanatics' financing and marketing pitch. Mr. Berger stated that there was some integration, but that the information was competitively sensitive.

Chair Judd-Stein stated that the Commission would get clarity on corporate governance when reviewing the application response and the IEB's suitability report. Commissioner O'Brien stated that the corporate structure might clarify some of her questions, but that she wanted more information regarding customer reviews of the commerce company and its bearing on the reputation of the applicant.

Commissioner Skinner stated that she had questions regarding the tax certifications the IEB had yet to review. Chief Enforcement Counsel Hall stated that the IEB does not review tax certifications until the full suitability investigation proceeds.

c. [Financial and Economic Impact Analysis](#) (1:32:20)

RSM US, LLP's ("RSM") Strategic Finance Practice Leader Jeff Katz stated that RSM had reviewed sections of the application related to finance. He stated that his presentation was based on the information received as of November 21, 2022. He stated that discussion based on preliminary research was subject to change if there was new information.

Mr. Katz stated that much of the information in RSM's report was likely confidential and that details would have to be discussed in an executive session. He stated that the evolving nature of the industry made it difficult to predict the composition of the marketplace. He stated that sports wagering was anticipated to be a lucrative long-term growth market.

Mr. Katz explained that the applicant had provided five years of financial information for its parent company, FHI. He stated that the financials provided were related to the organization's current primary business of merchandise retailing. He noted that Fanatics had yet to launch its

sports wagering platform, so there was no financial operational data provided related to sports wagering at this time.

Mr. Katz explained that the five-year operating projections provided by the applicant provided a nationwide forecast that was not entirely Massachusetts focused. He stated that he compared the applicant's revenue projections to the Deutsche Bank Equity Research Report and Truist Securities Equity Research Reports issued in October 2022. He stated that the revenue projections may warrant discussion in an executive session as it included details related to Fanatic's market share estimates.

Mr. Katz stated that two components of a Massachusetts specific forecast were included elsewhere in the application, the handle size and taxable revenue projections in Massachusetts. He stated that RSM derived a more wholesome forecast view for Massachusetts. He stated that this information would be shared in an executive session.

Mr. Katz noted that Fanatics was a privately held company, and that RSM could not speak to the liquidity of the parent company in a public setting. He stated that the applicant disclosed that Fanatics was planning a nationwide simultaneous launch in each jurisdiction Fanatics was licensed in. He stated that Fanatics was preparing financial resources for the launch, and that he could provide more details in an executive session. He stated that Fanatics had the current resources to support sports wagering in Massachusetts. Chair Judd-Stein requested that a more fulsome report be provided in the executive session. Commissioner O'Brien stated that any derivative questions regarding revenue projections should also be discussed in the executive session.

5. Review and evaluation of Application for Category 3 sports wagering operator license submitted by FBG Enterprises Opco, LLC (Fanatics) in accordance with 205 CMR 218.00 including, but not limited to consideration of the following criteria (1:58:32)

a. Experience and Expertise related to Sports Wagering (205 CMR 218.06(5)(a))

Commissioner O'Brien stated that she had questions regarding how Fanatics planned to leverage the commerce company's database. She stated that she needed information regarding whether those in the database opted-in to receive sports wagering marketing, and whether responsible gaming was considered when choosing to leverage the database. She asked if Fanatics could separate out those who were not of legal age to wager and whether the customers could opt-in or opt-out of the database. She noted that marketing for product sales and marketing for wagering were different. Chair Judd-Stein stated that she shared Commissioner O'Brien's concerns about underage people in the database.

Alex Smith, Fanatics' Vice President of Regulatory Affairs, stated that Fanatics had developed tools to address responsible gaming risks. He stated that any gaming messaging based on the

commerce database would have an opt-out feature. He stated that marketing would not be sent to any customer known to be under twenty-one years old.

Ari Borod, Fanatics' Chief Business Officer, stated that Fanatics would comply with all applicable regulations. Commissioner O'Brien stated that the database was a historic collection of customer information and questioned whether the opt-out of sports wagering marketing feature was available when the customers were added to the database. She stated that there did not appear to be a screening process of the historical information.

Mr. Smith stated that all marketing was in compliance with Fanatics' privacy policy. He explained that a third-party had been identified to help Fanatics screen the database and remove underage individuals. Commissioner O'Brien asked for further details on the screening process. Mr. Smith stated that further details could be provided in the executive session.

Commissioner Skinner noted that Fanatics had listed Salesforce as a partner. She explained that a Wall Street Journal article had recently revealed that Salesforce was laying off 8,000 employees, which was 10% of its workforce. She asked if this would impact Fanatics' operations. Mr. Borod stated that there was no anticipated impact from this action. He stated that Salesforce was largely used for customer relationship management and email purposes. Fanatics' CEO, Matt King, explained that Salesforce was used for software, not staffing.

Commissioner Skinner asked if Fanatics planned to open a retail sportsbook in another jurisdiction. Mr. Smith stated that Fanatics would open a standalone sportsbook at FedEx Field. Commissioner Skinner noted that some of the sample promotions listed included the term "risk-free". She stated that the term "risk-free" was given scrutiny for being predatory and asked if Fanatics intended to continue offering that promotion. Mr. King stated that Fanatics' advertising would align with the highest standards in the industry in terms of promotions.

Commissioner O'Brien noted that the application stated that Fanatics' platform would aggressively compete with both legal and illegal sports wagering markets and asked how Fanatics intended to do so. Mr. Borod stated that Fanatics' reach and differentiated offerings would draw those in the black market back to the regulated market. Fanatics' Chief Marketing Officer Jason White stated that the comment came from insights as to why people would seek the black market and the shortcoming of available products.

Commissioner O'Brien stated that the commerce database numbers were substantial, and asked how many customers in the database were from Massachusetts. Mr. Borod stated that over two million customers were located in Massachusetts.

Chair Judd-Stein stated that many of her questions were answered, but that some topics would be discussed further in the executive session. Commissioner Hill recommended that the Commission hold its discussion as to whether this section of the application met the Commission's expectations until after the executive session.

b. Economic impact and other benefits to the Commonwealth if applicant is awarded a license (205 CMR 218.06(5)(b)) (2:17:18)

Commissioner Skinner inquired if the eight employees at the Greenfield location were anticipated to be sports wagering employees. Fanatics' Lead People Officer, Kristen Lachtman, stated that the eight employees at that location were gaming employees. Commissioner Skinner asked if those employees were focused on servicing Massachusetts or other jurisdictions. Mr. King stated that those employees were working on the Fanatics wagering platform as a whole. He stated that additional employment opportunities in Massachusetts may arise in marketing or technology staffing roles. He stated that Fanatics did not have a plan of exactly how many new positions would be added as a result of this license.

Commissioner Skinner requested a breakdown of whether the eight employees in Massachusetts were line staff, supervisors, or directors. She also requested a diversity breakdown of those eight employees.

Commissioner O'Brien stated that there was an expectation that all licensees would put active effort into cooperating with the Massachusetts Lottery. Mr. King confirmed that Fanatics was open to collaborating with the Lottery.

Commissioner O'Brien noted that the application stated that Fanatics' involvement with local sports could increase advertising revenue and asked for further clarification. Mr. King stated that sports wagering increased interest in sports viewership, and that more viewers translated to more advertisement opportunities. He stated that engagement with sports wagering would lift the overall advertising market in the Commonwealth. He stated that Fanatics' paid media in local advertising channels would be done with discretion to ensure the messaging reached its target audience.

Commissioner Maynard stated that his questions were related to handles, projections, and potential tax revenues. He stated that RSM could provide more detail on those topics in the executive session. Chair Judd-Stein stated that she looked forward to the continued community engagement work should Fanatics be licensed.

c. Applicant's willingness to foster racial, ethnic, and gender diversity, equity, and inclusion (205 CMR 218.06(5)(d)) (2:26:30)

Commissioner Skinner requested more information regarding Fanatics' intentions and progress towards workforce diversity and diverse vendor spend. Ms. Lachtman stated that Fanatics was benchmarking current diversity so that it could create goals. She stated that in Quarter 1 of 2023 Fanatics was implementing data collection and reporting on applicants. She stated that benchmarks could be created for new applicants in the applicant tracking system. She stated that

strong diversity at the director-level led to a significant boost in creating diversity throughout the business.

Ms. Lachtman stated that an anonymous poll in 2022 regarding safety, inclusion, belonging, and diversity had received over 80% positive feedback from staff. She stated that Fanatics was recruiting with various sources including Minorities in Sports Network, Power to Fly, National Black Engineers, Women in Tech, and Out in Tech. She stated that Fanatics was targeting 3% annual growth in diverse supplier spend.

Commissioner Skinner asked if the partner groups mentioned were included among the ten groups listed in the application. Ms. Lachtman stated that most of those organizations were new, but there was some crossover. Commissioner Skinner asked if any of those organizations were Massachusetts based. Ms. Lachtman stated that she would follow up with the Commission regarding that information.

Commissioner Skinner stated that it was hard to quantify the 3% annual growth, as the Commission did not have Fanatics' existing diversity spend numbers. Fanatics' Chief Financial Officer Andrea Ellis stated that Fanatics' executives had a track record in building diverse teams. Mr. White stated that FHI was engaged with increasing diversity. He noted that he was an advisor to AdColor, the largest diversity-driven acknowledgement body in the advertising industry.

Commissioner Hill inquired if there were programs where Fanatics worked with employees to assist in their advancement. Ms. Lachtman stated that Fanatics was building that program and had hired a team member to develop it.

Chair Judd-Stein stated that FHI had a great deal of success with its five employee-led resource groups. She expressed that she would like to see the resource groups replicated within Fanatics. She asked if the diversity numbers provided were from FHI or Fanatics. Mr. King stated that for Fanatics, 52% of employees identified as women or from a diverse background. He stated that Fanatics leveraged the work done by FHI and supplemented it where relevant.

The Commission reached a consensus that Fanatics had met the Commission's expectations with respect to Section D of the application.

Commissioner Skinner stated that she would like to impose a condition on Fanatics' license that they be required to provide goals related to employment diversity and supplier diversity. Commissioner Maynard stated that he believed the 3% growth for supplier spending was sufficient. He stated that the Commission needed context of what the current diverse supplier spending was but noted that he agreed with Commissioner Skinner regarding employee diversity goals.

Chair Judd-Stein stated that she wanted to ensure conditions on licensure were consistent. She stated that Fanatics had provided a supplier diversity goal. Commissioner Skinner stated that a 3% increase could not be understood without relevant data such as a total dollar amount. Mr. Berger stated that Fanatics would provide the data to the Commission. He stated that Fanatics was newly formed and would not have the historical figures that other more established companies would be able to provide.

Ms. Lachtman stated that she looked into the data regarding Massachusetts employees. She noted that Fanatics had expanded in Massachusetts and now had nine employees. She stated that 78% of the Massachusetts employees identified as women or ethnically diverse or both. She stated that 78% of the Massachusetts employees were on the engineering team. She stated that one employee was a Senior Manager on the Risk Operations Team, and that the other employee was a Director on the Strategic Partnerships Team. She stated that each employee in Massachusetts was above entry level.

Commissioner O'Brien asked for a breakdown between the percentage of women and ethnically diverse employees. Ms. Lachtman stated that 33% of the Massachusetts employees identified as women and 55% of the Massachusetts employees identified as ethnically diverse. Commissioner O'Brien asked for more details regarding the Director. Ms. Lachtman stated that the Director was an African American male.

Commissioner Skinner stated that diversity goals still needed to be identified. Chair Judd-Stein asked if diversity goals were requested in the application. Commissioner Maynard stated that the diversity goals were not requested in the application but was appropriate for a Commissioner to request. He stated that he would like to remain consistent and get diversity goal information from each applicant.

Commissioner Maynard requested information regarding current diverse supplier spending. He stated that the current diverse spending information was necessary to understand the goal of a 3% increase. Commissioner Skinner expressed an interest in having sports wagering licensees report on their employment diversity numbers on a regular basis. Chair Judd-Stein stated that the Commission had the latitude to request employment diversity numbers in quarterly reports, but that it should be consistent between all licensees.

d. [Proposed measures related to responsible gaming \(205 CMR 218.06\(5\)\(c\)\)](#) (2:48:24)

Commissioner O'Brien stated that the proposed responsible gaming programs were admirable, but that she was uncertain how realistic they were. She requested more details related to employee responsible gaming training. She noted that Fanatics' only reference to GameSense was a recitation of the question in the answer. She asked if the responsible gaming plan was still a work in progress.

Mr. Smith stated that Fanatics' responsible gaming plan was scheduled to go before the compliance committee for review and approval in quarter one of 2023. He stated that all Fanatics employees would receive responsible gaming training, and that customer-facing staff would receive additional training. He stated that Fanatics had engaged a vendor for in-person training at its operation centers. He stated that Fanatics would be happy to amend its responsible gaming plan with more specifics as to how GameSense would be incorporated. Commissioner O'Brien stated that she would appreciate supplemental information submitted regarding the responsible gaming portions of the application.

Commissioner O'Brien asked what training was given to employees to identify problem gambling behavior among users. Mr. Smith stated that there was a two-layer review system. He stated that the compliance team would develop criteria to review and escalate data reports. He stated that the operations team would review data reports and flag certain data or information to the responsible gaming team. Commissioner O'Brien asked how many team members were on the responsible gaming team. Mr. Smith stated that the responsible gaming team had two members but was anticipated to expand in 2023.

Chair Judd-Stein asked Commissioner O'Brien to provide specifics about what additional information she wanted to receive. Chair Judd-Stein noted that the application did not require the applicants to adopt the GameSense model, but to collaborate at some level. Commissioner O'Brien stated that she wanted to know how the draft responsible gaming plan would have to change relative to Massachusetts' requirements. Mr. Smith stated that Fanatics would provide that information. He noted that the responsible gaming team was planning to add two more members.

Commissioner Maynard expressed that the answers in the application were sufficient. He stated that he was satisfied with Fanatics' responses. Commissioner Hill stated that he wanted to hear more about the partnership between FHI and Fanatics related to responsible gaming. Mr. Berger stated that the information was competitively sensitive and requested that the topic be discussed in the executive session.

Commissioner Skinner stated that the supplemental information requested by Commissioner O'Brien would be helpful. Commissioner Maynard reiterated that he did not believe anything was missing from the application, and that the answers were sufficient.

Chair Judd-Stein stated that there were no deficiencies in this section of the application, and asked what further information Commissioner O'Brien was requesting. Commissioner O'Brien noted that Fanatics did not have an office-wide approved responsible gaming plan. She stated that she had concerns regarding how the commerce database would be used. She stated that some of the language in Fanatics' pitch was aggressive and counter to responsible gaming. She expressed that she had strong hesitations, and that she wanted to see Fanatics approve its responsible gaming plan at the corporate level.

Commissioner Skinner stated that she would want to discuss this topic further in the executive session before making a decision as to whether the applicant met the Commission's expectations with regard to this section of the application.

e. [Technology that the applicant intends to use \(205 CMR 218.06\(5\)\(e\)\)](#) (3:02:26)

Commissioner Skinner asked if Fanatics was using Salesforce to assist with KYC. Fanatics' Chief Product Officer Scott McClintic stated that Fanatics' initial KYC checks were performed by Socure, an identity verification platform. Mr. McClintic stated that if a customer did not pass the Socure automated identification check, they would have to upload documentation to Salesforce via the customer service team.

Commissioner Skinner asked if Fanatics had a contingency should Salesforce's layoff result in a reduction in service. Mr. McClintic stated that Fanatics intended to integrate an additional KYC provider, so that requests could cascade to the other KYC provider in case of an outage. He stated that Fanatics had multiple points of redundancy, and that the anticipated number of customers who would have to upload documents to Salesforce was low. Mr. King reiterated that Salesforce was only providing a software solution and not staffing solutions.

Commissioner Skinner asked what documentation a customer was required to upload if an individual did not pass the initial KYC check. Mr. McClintic replied that KYC could fail if an address, name, or birth date did not match what was in the KYC provider database. He stated that customers would be asked to provide a driver's license, passport, or utility bill dependent upon the reason for the failure. He stated that the document would be uploaded through the Salesforce platform, reviewed by the Fanatics' in-house team, at which point KYC could be manually approved if the documentation satisfied the KYC requirement.

The Commission reached a consensus that Fanatics had met the Commission's expectations with respect to Section E of the application.

f. [Suitability of the applicant and its qualifiers \(205 CMR 218.06\(5\)\(f\)\)](#) (3:07:23)

Commissioner O'Brien stated that all of her questions related to this section of the application were topics that would be discussed in the executive session. She stated that she wanted to hear more specifics regarding the liquidity leverage profitability ratios. Mr. King stated that a representative from FHI would be available to attend the executive session and provide up-to-date information.

Commissioner O'Brien noted that one entity in the application was not listed in the Maryland application and sought a variance to not have to be licensed in Maryland. She stated that she wanted more information regarding that qualifier. Mr. Berger stated that he would be happy to discuss that topic further in the executive session.

6. [Other Business](#) (3:10:10)

Chair Judd-Stein stated that due to timing restrictions, the Commission would not be able to enter an executive session during this meeting.

The Commission discussed scheduling and an executive session related to Fanatics' application. The Commission reached a consensus to hold the continued discussion of Fanatics' application at public meetings scheduled for Wednesday and Thursday of the following week.

Hearing no other business, Chair Judd-Stein requested a motion to adjourn.

Commissioner O'Brien moved to adjourn. The motion was seconded by Commissioner Maynard.

Roll call vote:

Commissioner O'Brien: Aye.

Commissioner Hill: Aye.

Commissioner Skinner: Aye.

Commissioner Maynard: Aye.

Chair Judd-Stein: Aye.

The motion passed unanimously, 5-0.

List of Documents and Other Items Used

1. [Notice of Meeting and Agenda dated December 28, 2022](#)