

5.1 FANATICS SPORTSBOOK MOBILE SPORTS WAGERING OPERATOR

FBG Enterprises, LLC d/b/a Fanatics Sportsbook joins this Application seeking to receive a Mobile Sports Wagering Operator license utilizing its platform partner Sports Information Services Limited (“Kambi”), a Mobile Sports Wagering Platform Provider applicant. Should this Application be accepted by the New York State Gaming Commission (“Commission”), Fanatics Sportsbook will be the responsible operating entity of the eponymously branded online sports wagering operating system.

Fanatics Holdings, Inc. is the ultimate parent company of Fanatics Sportsbook.

Fanatics Sportsbook will use one of the largest sports fan databases in North America and proven sports betting platform and player account management technology to operate sports wagering in New York.

Fanatics Sportsbook is a new brand in the US sports betting market, backed by the largest database of sports fans in North America. Through a strategic partnership with Strive Gaming, a world leader in gaming technology, Fanatics Sportsbook will be bringing to market a differentiated player account management system (“PAM”) integrated into Kambi’s proven sports betting platform technology.

The explosive power of Fanatics Sportsbook is not limited to its robust and integrated platform, but extends to strategic partnerships with Roc Nation and BSE Global. Founded by JAY-Z and run by Desiree Perez, Roc Nation is a premier global entertainment organization with a particular expertise for building brands with a connective thread through all facets of sports and entertainment culture. Fanatic Sportsbook’s partnership with Roc Nation gives it the ability to reach new audiences as well as the tools to amplify its own marketing messages and consumer experiences, thus bringing new customers into the New York State online betting revenue stream and keeping them there through superior engagement opportunities.



Fanatics Sportsbook has five sustainable and competitive marketing advantages.

Fanatics Sportsbook provides advantages that many operators fail to achieve: a robust database of sports consumers, a well-established brand with far-reaching digital and retail assets, an aggressive budget and acquisition model, a multi-platform retention program, and strategic marketing partnerships.

1. **A robust database of sports consumers.** Fanatics Sportsbook will use the Fanatics Database, the largest and most valuable database of sports fans in the United States, as fertile ground for user acquisition of diehard sports fans as well as new bettors that other operators will not be able to reach cost-effectively.

2. **Well-established brand with far-reaching digital and retail assets.** Fanatics Sportsbook brings an existing brand with unique digital and retail assets to promote and advertise in New York State.
3. **An aggressive budget and acquisition model.** Fanatics Sportsbook's financial plan permits aggressive expansion and leverages its unique position (that will feature operations in both sports wagering as well as sports merchandise) to attract and acquire new customers.
4. **A multi-platform retention program.** Fanatics Sportsbook has multiple platforms to not only advertise and promote its brand, but to retain new and veteran sports fans within the online sports betting community. These retention programs include promotional programs such as FanCash and other rewards programs designed to engender customer loyalty.
5. **Strategic marketing partnerships.** Fanatics Sportsbook's strategic partners supply it with the tools necessary to amplify its message across the New York market while also hitting new customer demographics not easily reached by the sports betting industry. The strategic combination of Fanatics Sportsbook, Roc Nation, [REDACTED] and the Saint Regis Mohawk Tribe will give Fanatics Sportsbook a competitive advantage in achieving its goals and making a lasting footprint in New York.

Fanatics has an engaged and passionate customer base, but recognizes that for some, sports betting can become a problem.

The Fanatics Sportsbook platform will empower customers by providing them with details on their wagering and financial activities and the options to limit their time, deposits, or wagers on the platform. Additionally, Fanatics Sportsbook has developed a responsible gaming policy and systemic processes to do as much as possible to identify vulnerable customers. Early identification is through specific indicators and red flags in customers' transactional and communicational activity. Further, Fanatics Sportsbook will actively promote responsible gaming in New York, and actively offers tools, education, and limits to players on its platform in an effort to support their ability to gamble responsibly – or choose not to gamble at all.

Fanatics Sportsbook takes seriously its responsibility to prevent direct advertising, prohibit access, and offer resources to individuals who may have a gambling problem. Additionally, the Fanatics Sportsbook PAM has procedures for suspension through its self-exclusion programs which can be both led by the player themselves or enforced by Fanatics Sportsbook in extreme circumstances.

Fanatics Sportsbook, through its partner Kambi, intends to offer all allowable wagering events in New York

The Fanatics Sportsbook platform partner Kambi has an industry leading process, which strives to offer every available wagering event wherever it operates. Providing a global Sports Wagering Platform to a global network of partners requires Kambi to maintain a leading

product offering across all sports, not only the core US sports. Through a combination of compliance – to ensure the event is allowable in a jurisdiction – and a robust trading team, which can effectively and competitively offer and price markets, Kambi will allow Fanatics Sportsbook to provide customers in New York with a wagering catalogue of every desired event that is legal in the State.

Fanatics Sportsbook recognizes the harm to the industry and its customers from suspicious or illegal gambling and has developed tools and processes to detect and report such activities

Fanatics Sportsbook along with its partners Kambi and Strive actively work to detect suspicious or illegal gambling. Specifically, Kambi leverages its global network data to analyze betting patterns and identify, at an early stage, potential collusion and/or corruption. Kambi also takes proactive steps to ensure its platform is as hostile to corruption as possible, but in the event that it identifies suspicious activity, Kambi's global network enables it to act swiftly and work with regulators, governing bodies and partners to take necessary action.

Kambi also utilizes a Sportsbook Control Department for 24/7 monitoring of wagering activity. The Sportsbook Control Department utilizes refined automated systems and trained personnel to detect Unusual Activity, including, but not limited to:

- f) an abnormal amount of money wagered on a small or obscure sporting event;
- g) large amounts of money wagered at a below market price;
- h) larger amounts of money wagered on an event, relative to historic practice;
- i) large wagers from unknown individuals; and
- j) repeated bets from an individual even after the line moves.

While Fanatics Sportsbook fosters a culture that values each of its customers, its culture also recognizes that each customer must fully abide by all legal and regulatory requirements and failure to follow such requirements will result in the suspension and/or exclusion of any customer as necessary. Decisions regarding customers are based on comprehensive and objective investigations of suspicious activity and may result in reporting to the Commission as appropriate.



Fanatics Sportsbook will develop and a reward a loyal customer base to grow the New York sports wagering market.

Building upon an extensive database of diehard and casual sports fans as well as existing technical know-how in the form of digital advertising, paid social acquisition and effective loyalty programs, Fanatics Sportsbook will be able to gain and maintain market share in New York versus its competitors. Fanatics has used these methods to thrive in an industry that is

based on loyalty and has developed a brand identity that evokes the unwavering loyalty that customers have for their favorite teams and players. Fanatics products allow customers to show that loyalty to the world around them, and in turn, Fanatics rewards its customers for their loyalty. That support of customer loyalty will extend to the Fanatics Sportsbook New York platform.

Fanatics Sportsbook is committed to creating the best platform and user experience for the State of New York and [REDACTED] Fanatics Sportsbook further recognizes the obligations of operating in the regulated gaming industry and will work collaboratively with regulators within the Empire State to provide a product that can be both trusted and enjoyed.

Kambi 5.2 – NUMBER OF OPERATORS TO BE HOSTED

Kambi will host two Operators on its platform within this application: PSI and Fanatics Sportsbook.

Operator Full Name

FBG Enterprises, LLC

Additional D/B/A or Trade Names: (List all)

Fanatics Sportsbook

Each Operator must be licensed as a Mobile Sports Wagering Licensee, separate from the Mobile Sports Wagering License issued to the Platform Provider. The standard for licensing shall be equivalent to that of a Casino Vendor Enterprise pursuant to PML Article 13 Title 4 – Enterprise and Vendor Licensing and Registration.

FBG Enterprises, LLC d/b/a Fanatics Sportsbook is the New York State Gaming Commission Mobile Sports Wagering Operator applicant in partnership with Sports Information LTD (“Kambi”), Mobile Sports Wager Platform Provider primary applicant. In addition, Fanatics Sportsbook is applying as an Operator.

Fanatics Sportsbook its ultimate parent company Fanatics Holdings, Inc. have submitted their license applications directly to the New York State Gaming Commission to satisfy section 5.5 Licensure requirement of the Mobile Sports Wagering Platform Provider RFA.

Fanatics Sportsbook Marketing, Marketing Efficiency, and Overall Importance to Its Sports Betting Strategy

Introduction to Operator’s marketing, marketing efficiency, and overall importance to its sports betting strategy

Marketing Overview

Fanatics Sportsbook has multiple marketing advantages that will enable a successful roll out and expansion of online sports betting in the New York market. In particular, Fanatics Sportsbook provides the following advantages that many Operators fail to achieve:

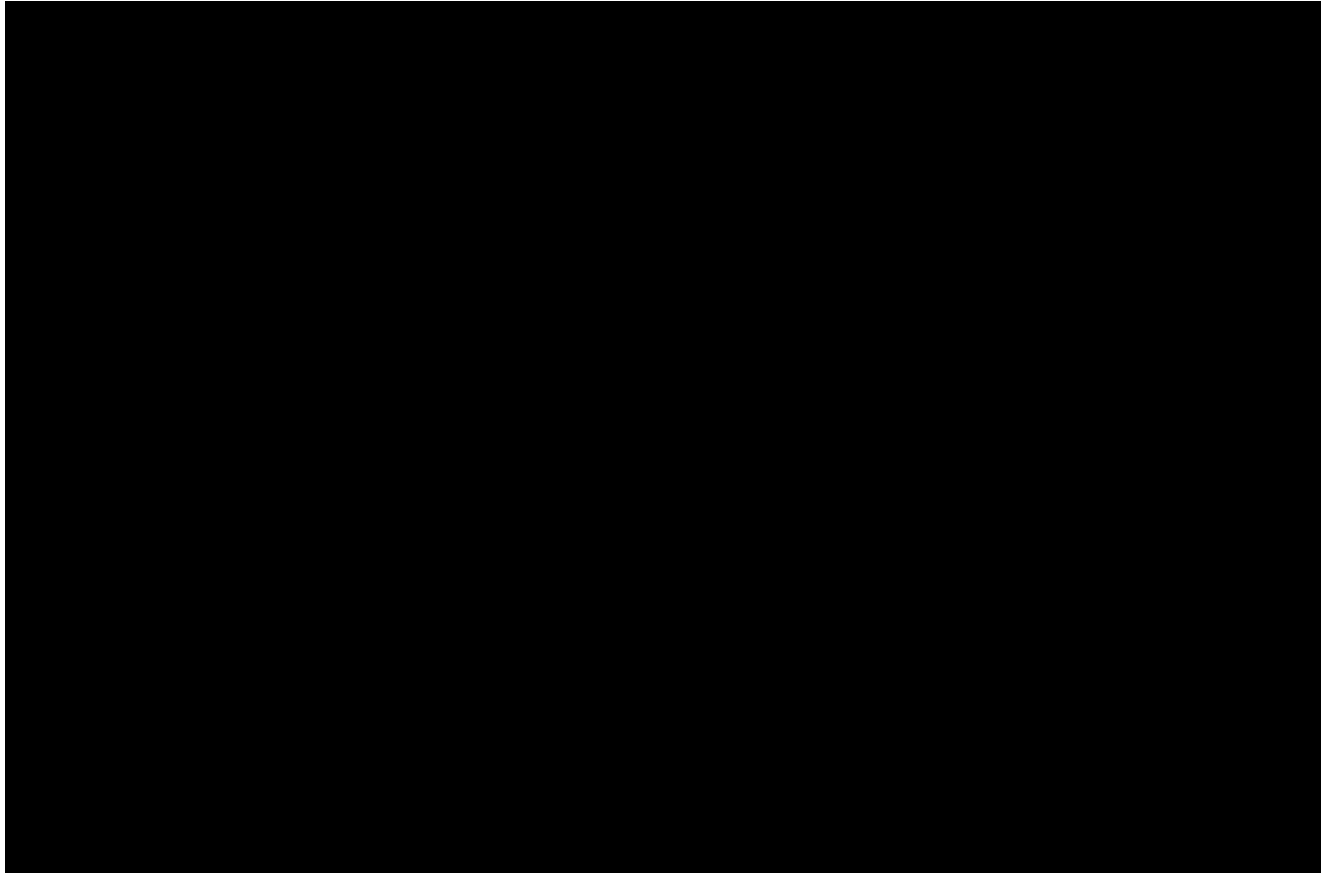
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With these five sustainable and competitive marketing advantages, Fanatics Sportsbook is uniquely positioned to perform an efficient and successful roll out in New York, drive immediate growth through already existing channels and paid advertising, and sustain long-term performance through its loyalty and rewards programs. The use of Fanatics Sportsbook’s advantages is essential for New York advertising. Fanatics Sportsbook intends to leverage these key advantages in New York by rapidly scaling its already battle-tested strategies, which includes taking advantage of the large volume of print, broadcast, online, and other media that reach New York consumers and sports fans every day.

I. The Database

Fanatics Sportsbook has singular access within the online betting community to the existing Fanatics Database. The Fanatics Database includes one of the largest and most valuable audiences in all of sports further bolstered by proprietary customer analysis models for user targeting, a robust customer relationship management (“CRM”) system and extensive reach on social media.

The Fanatics Database is comparatively larger and more qualified than anything other wagering operators can access organically. It includes 81.7 million sports fans and 54.2 million paying customers.

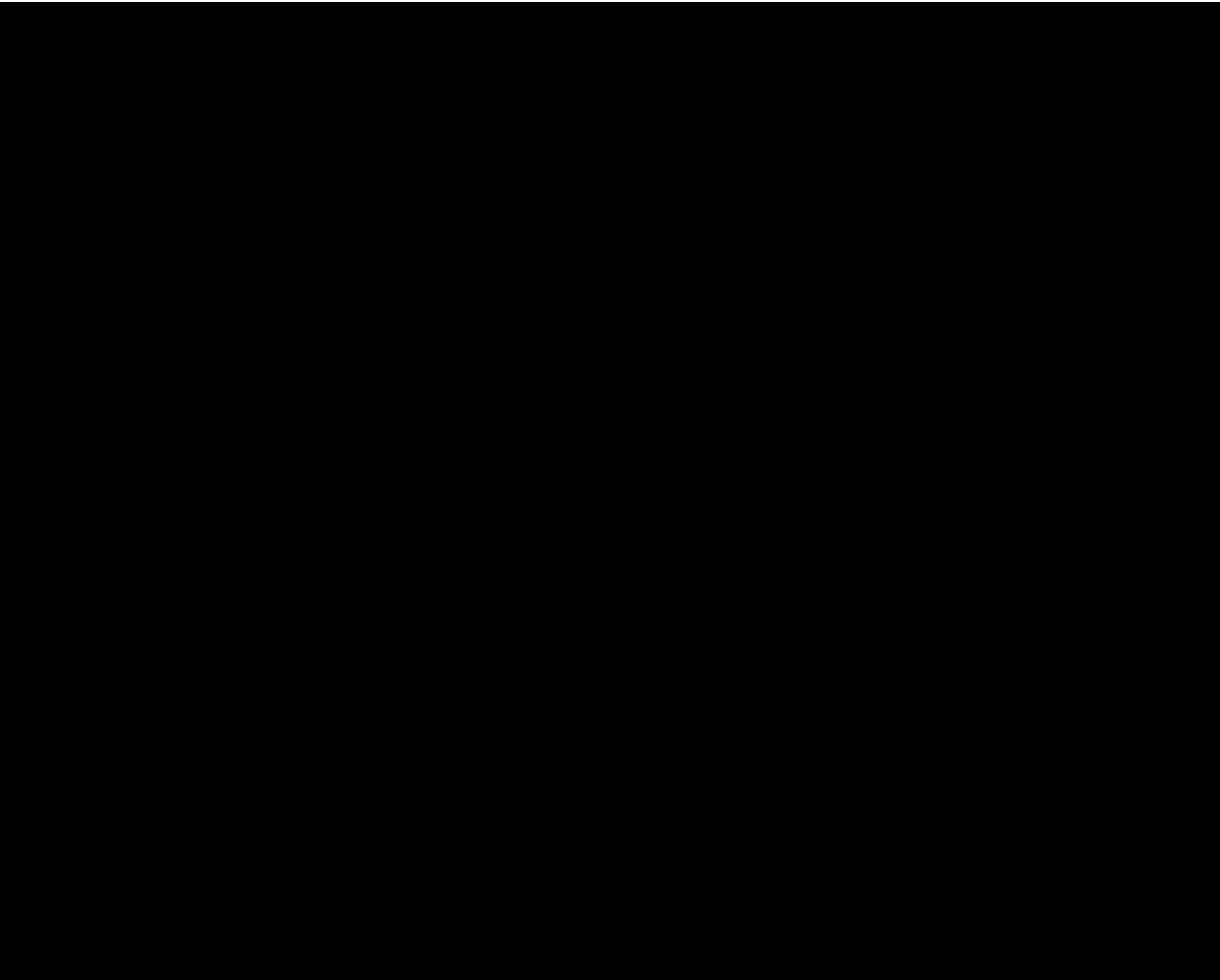


While the *size* of the database gives Fanatics Sportsbook an impressive audience to target effectively, the *quality* of this audience confirms its ripeness for acquisition:

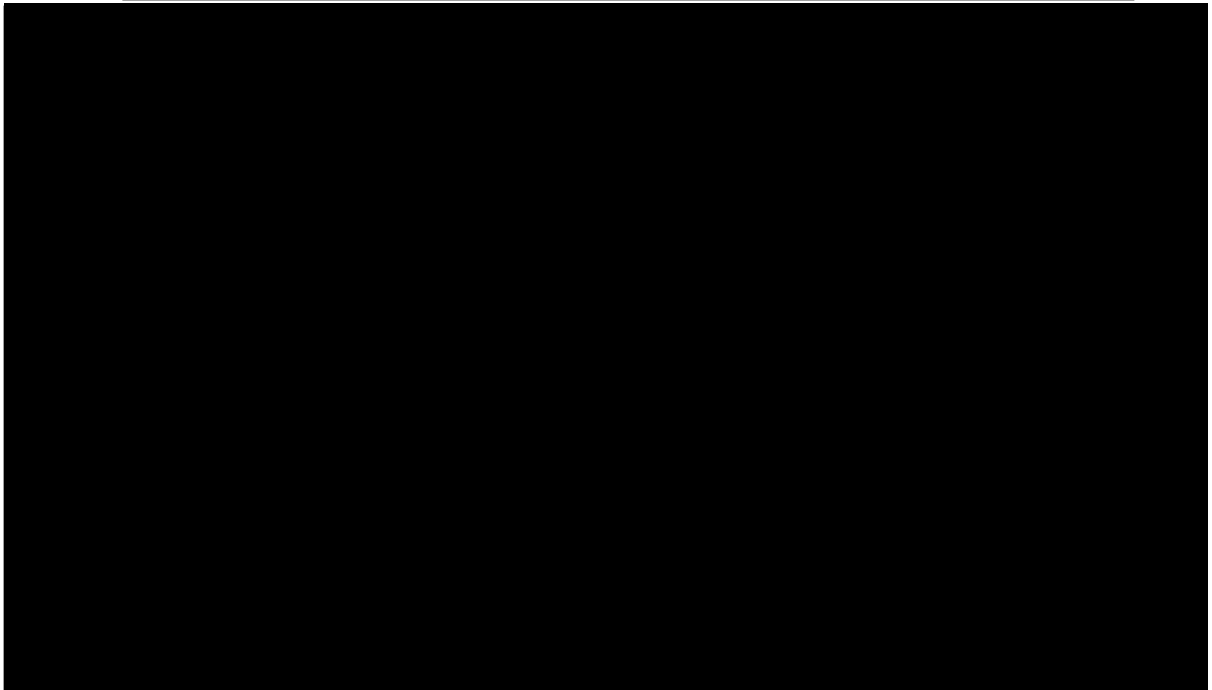
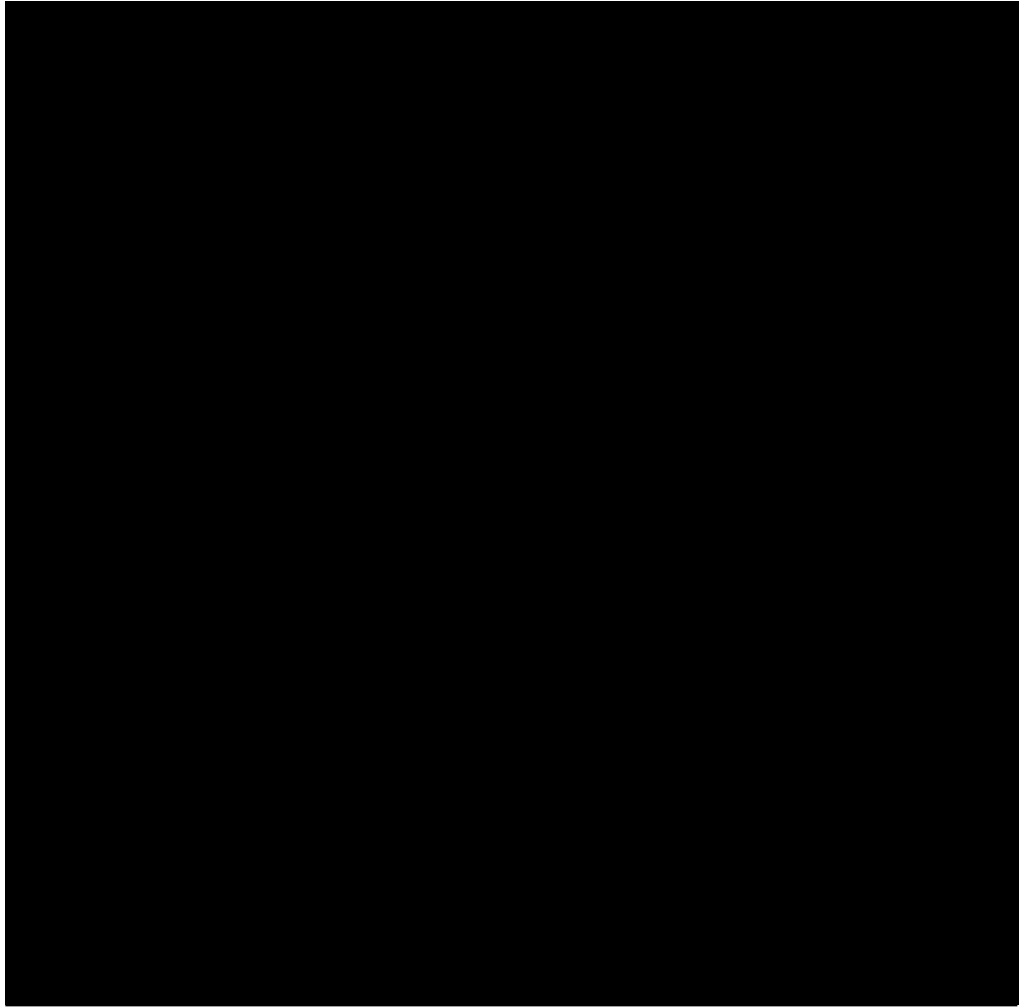
- New York-Based – [REDACTED]
- Sports-Betting Focused – [REDACTED]
- Financially-Capable – [REDACTED]

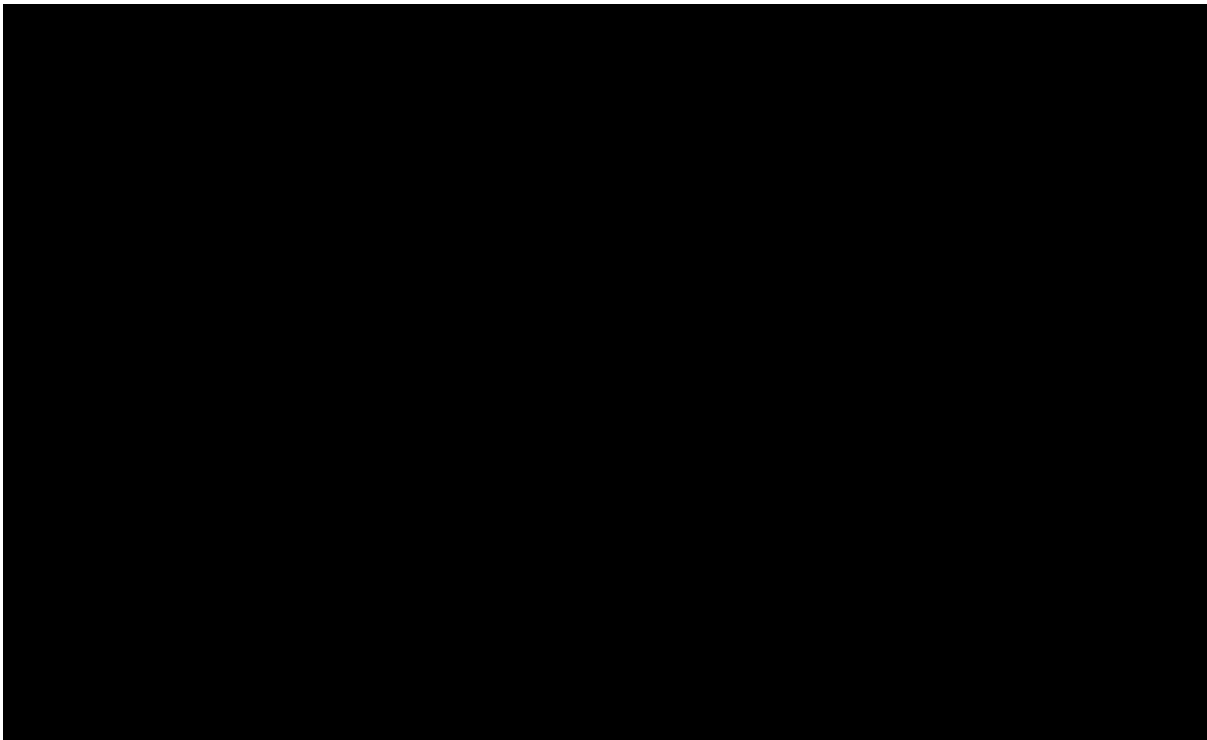
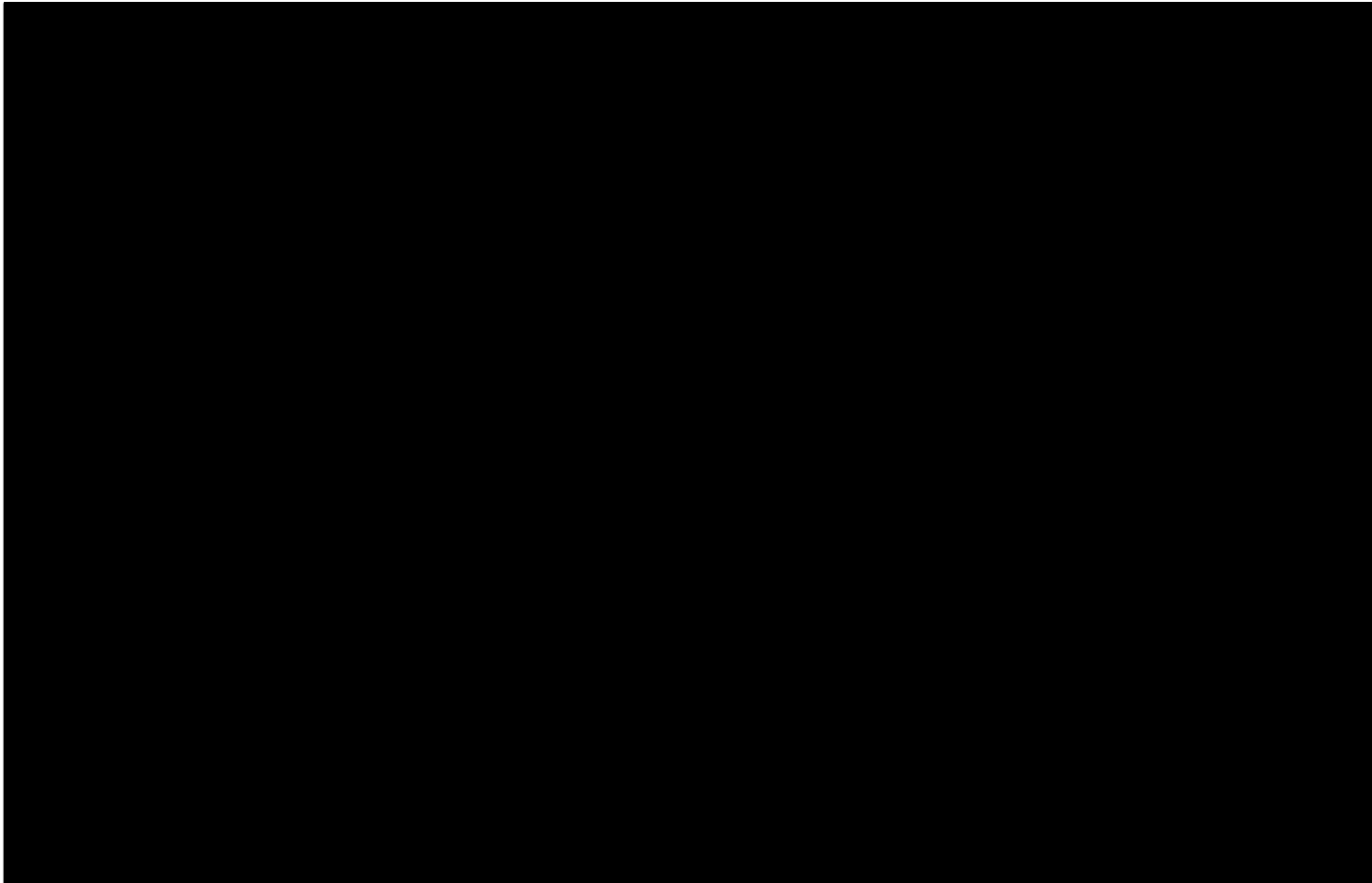
- Age-Eligible & Primed for Growth – [REDACTED]
[REDACTED]
- Safe & Secured Gambling – [REDACTED]
[REDACTED]

The expansion and retention of members of the Fanatics Database [REDACTED] [REDACTED] has driven consistent and sustainable growth for its eComm business. Fanatics will bring its existing expertise in monetizing this database into the online sports betting category.









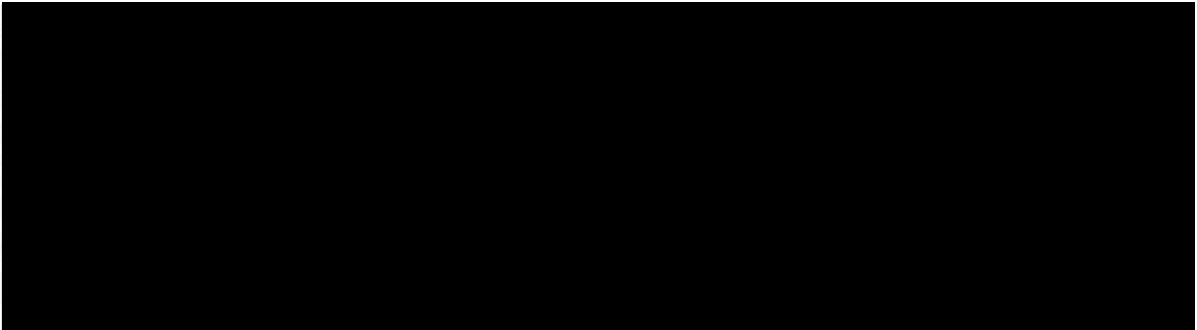
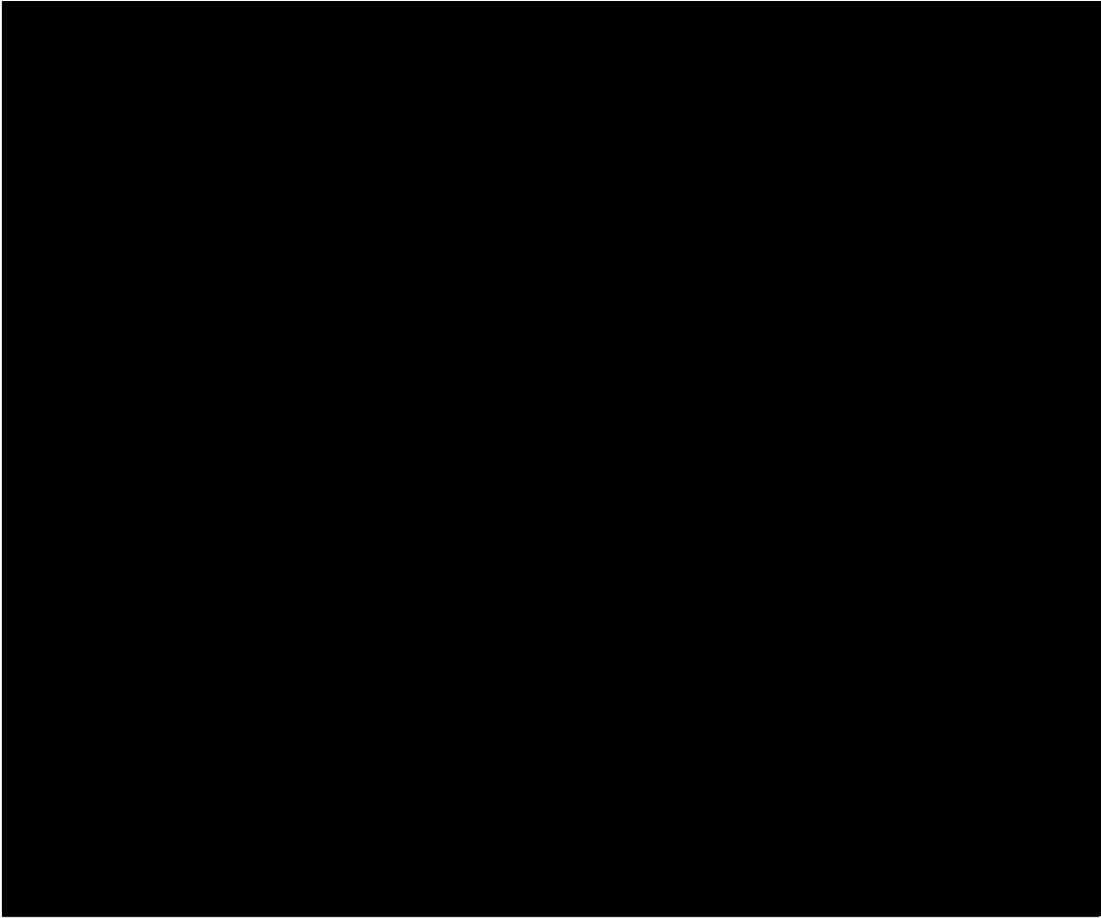
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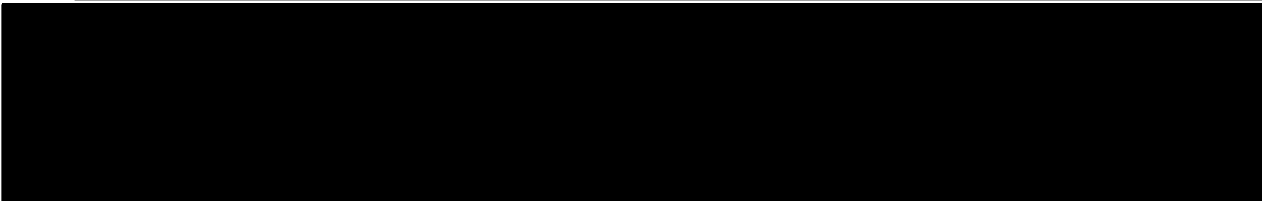
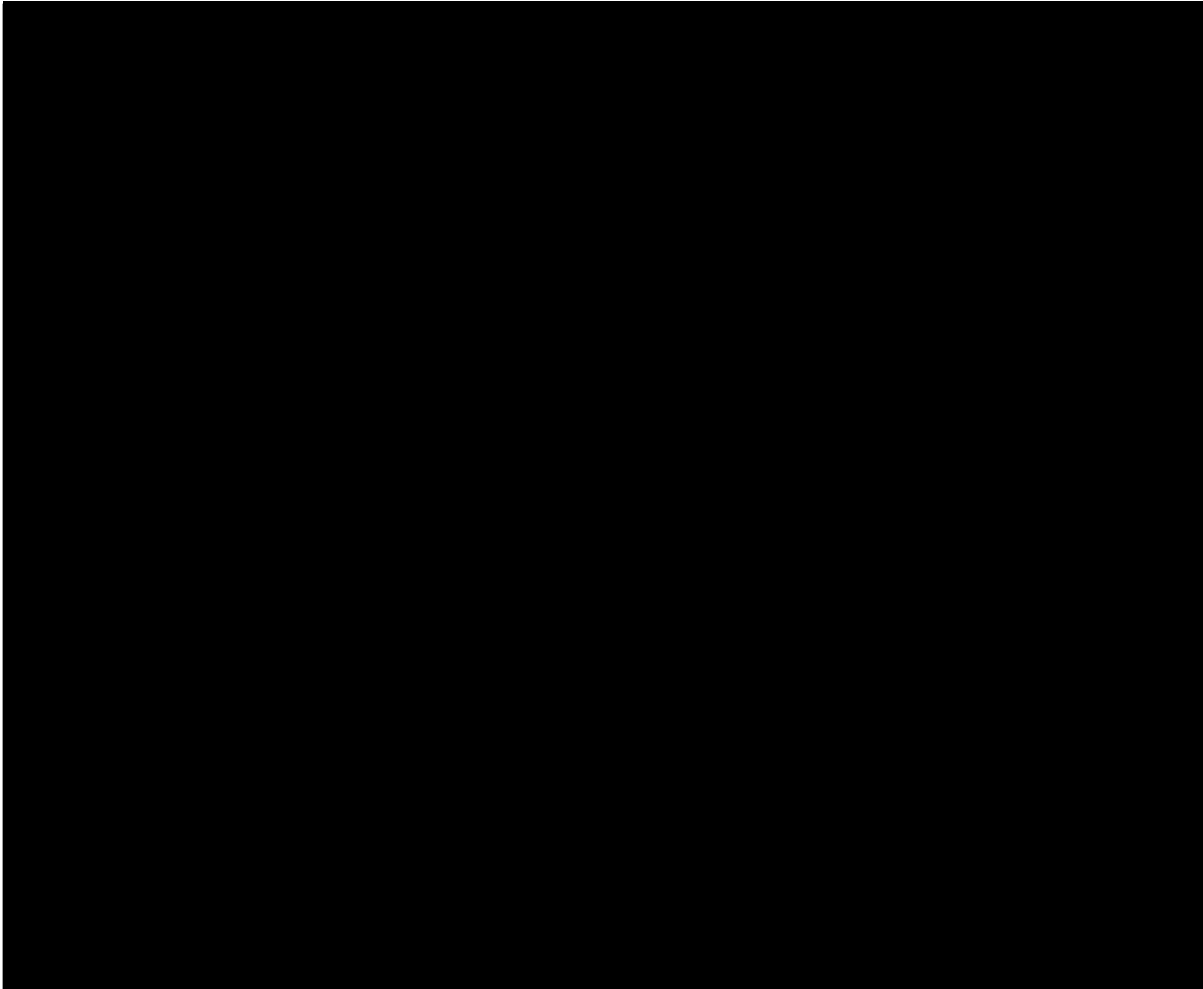
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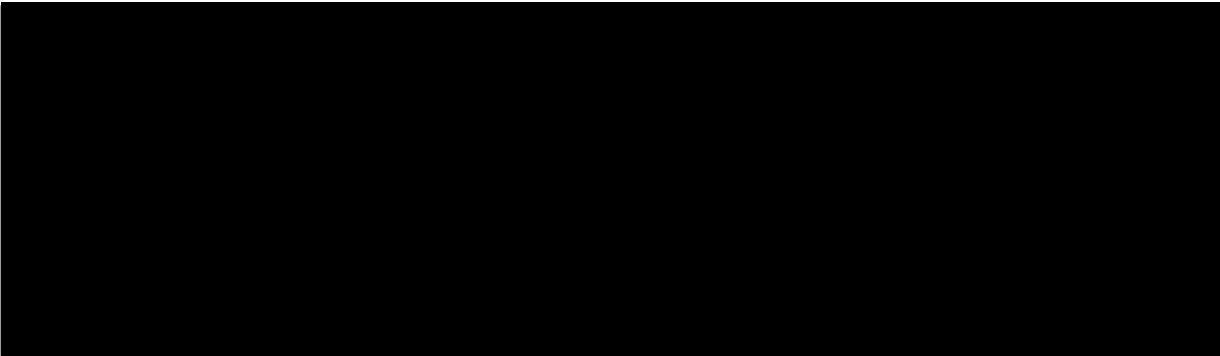
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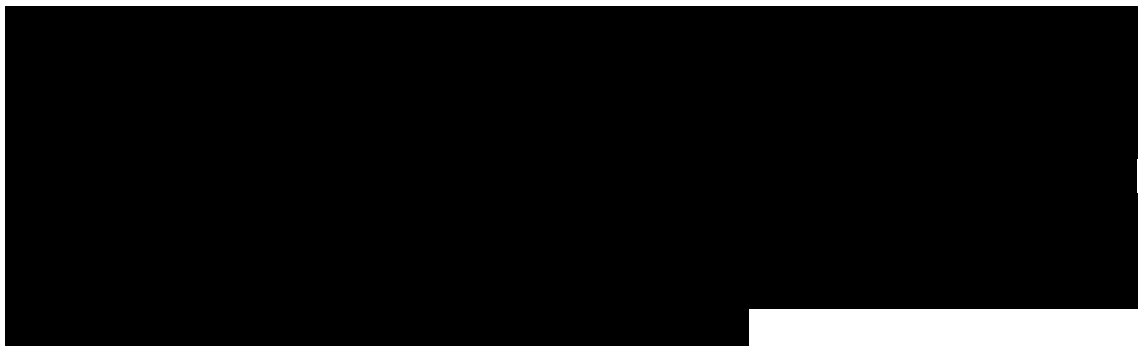
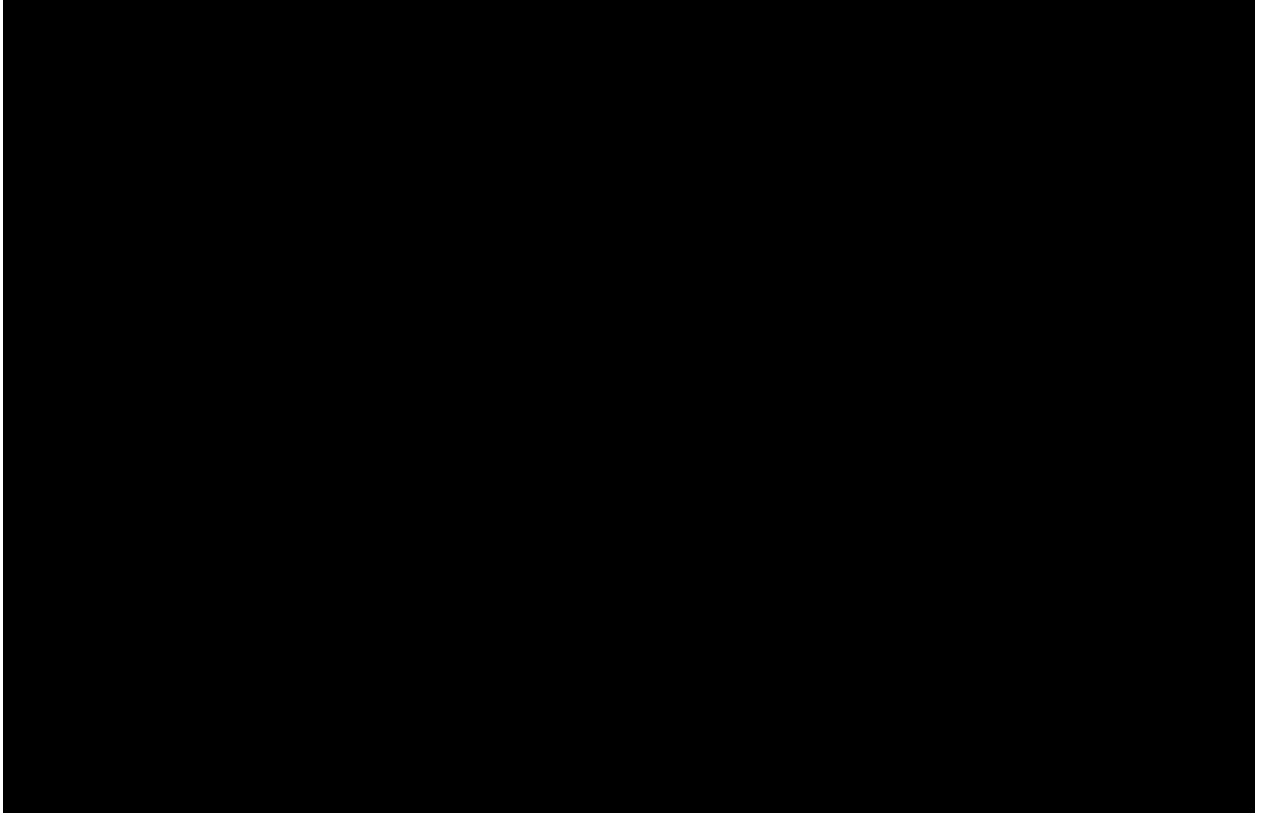


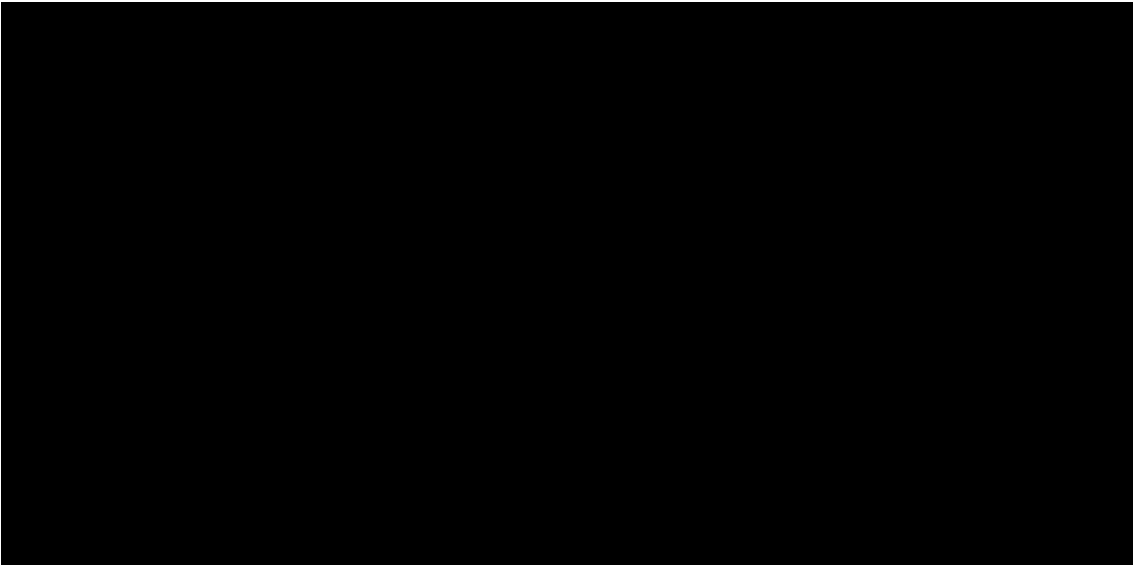
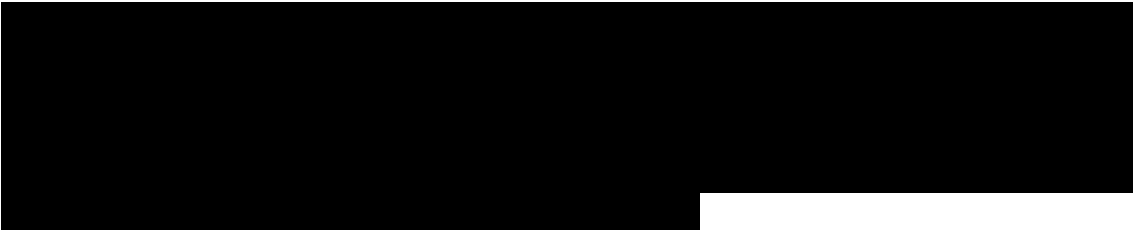
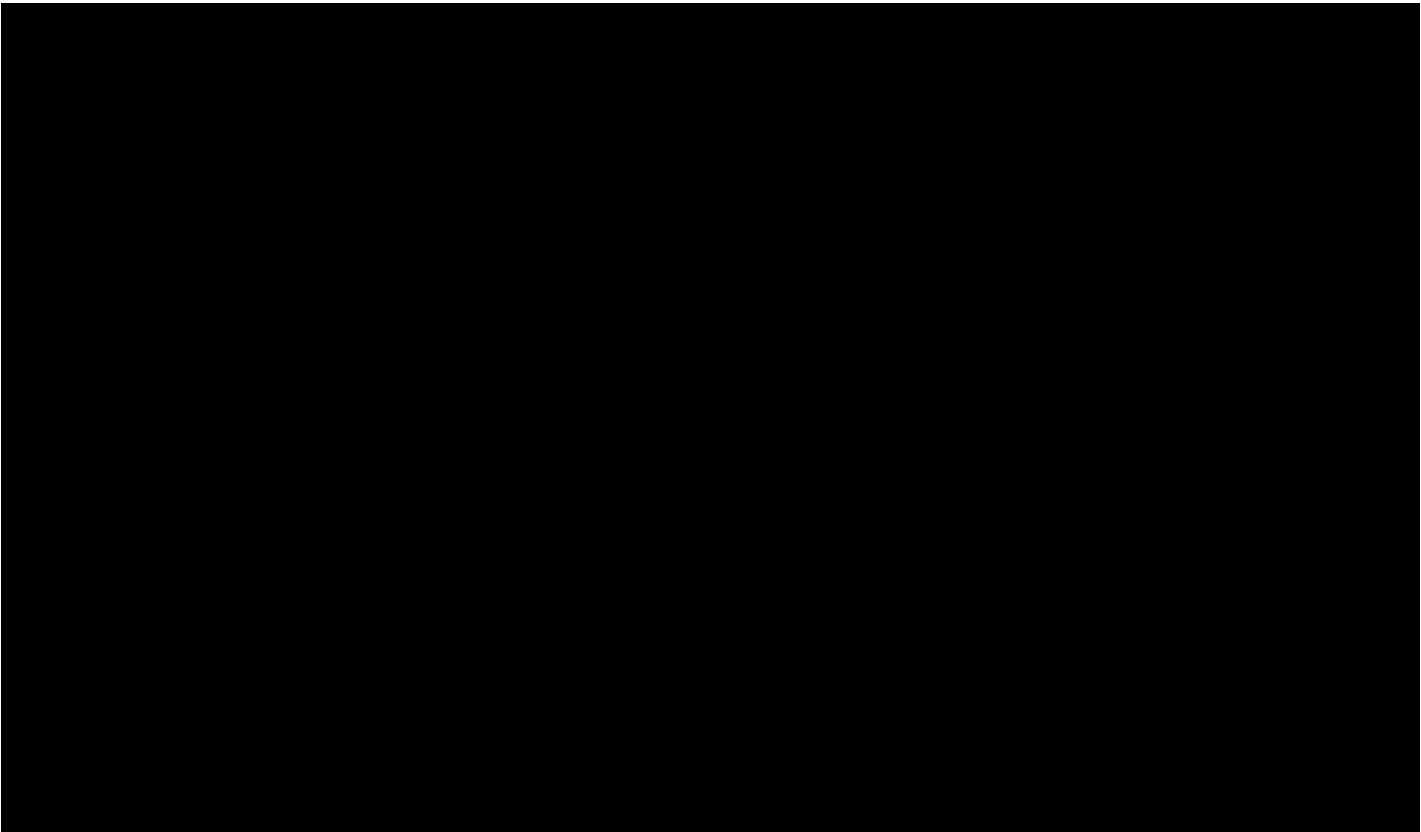


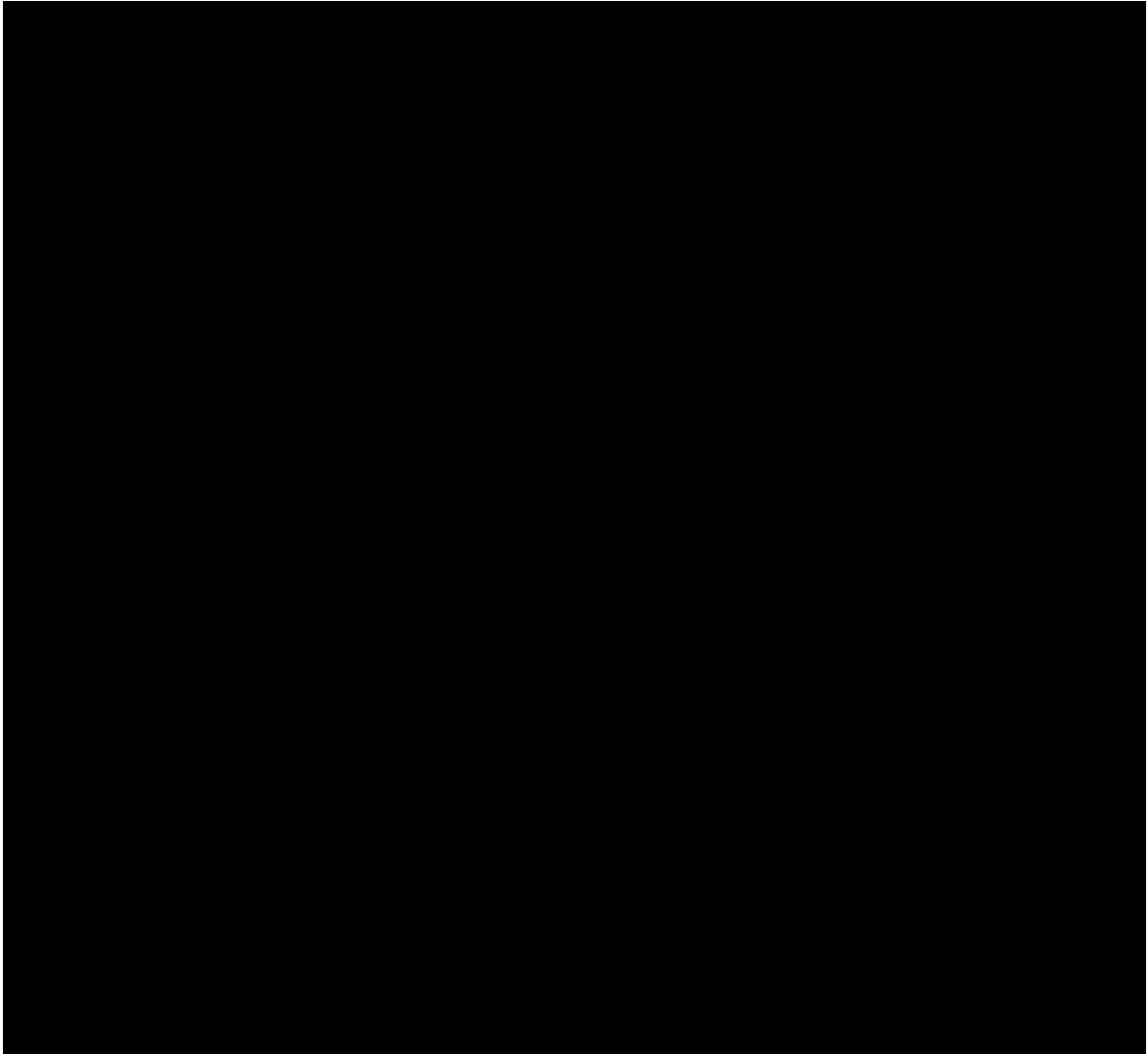
III. Aggressive Organic and Paid Acquisition Model

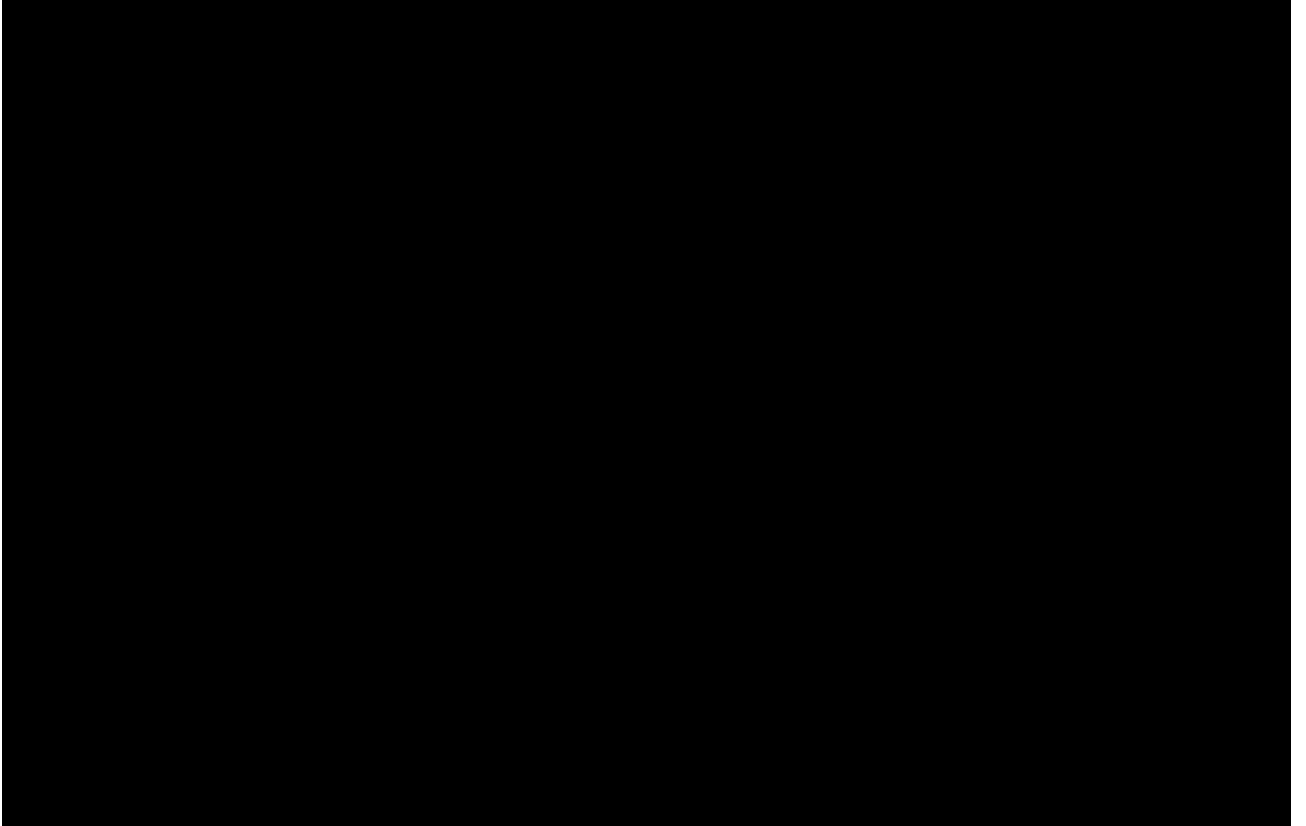
Summary

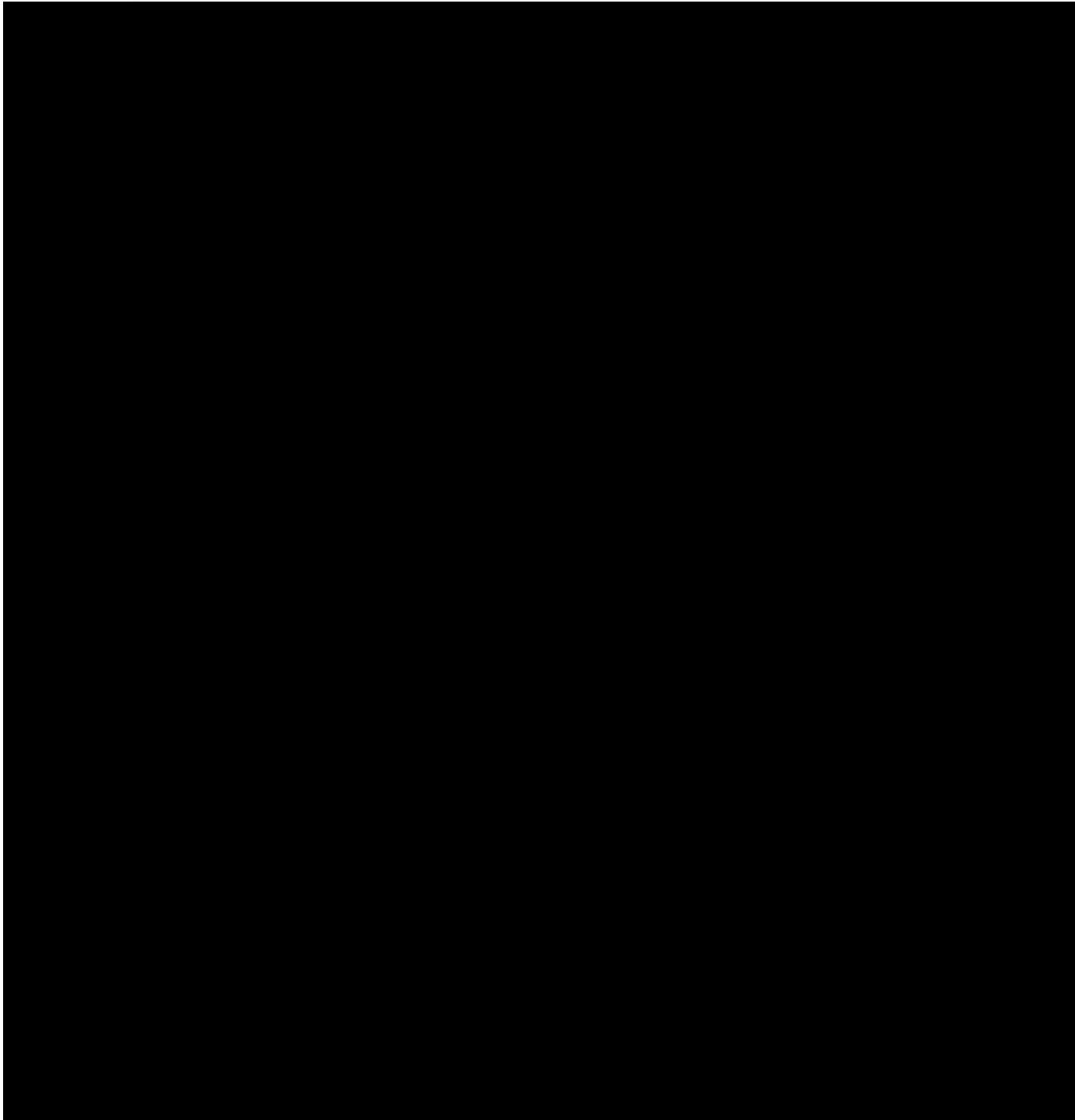












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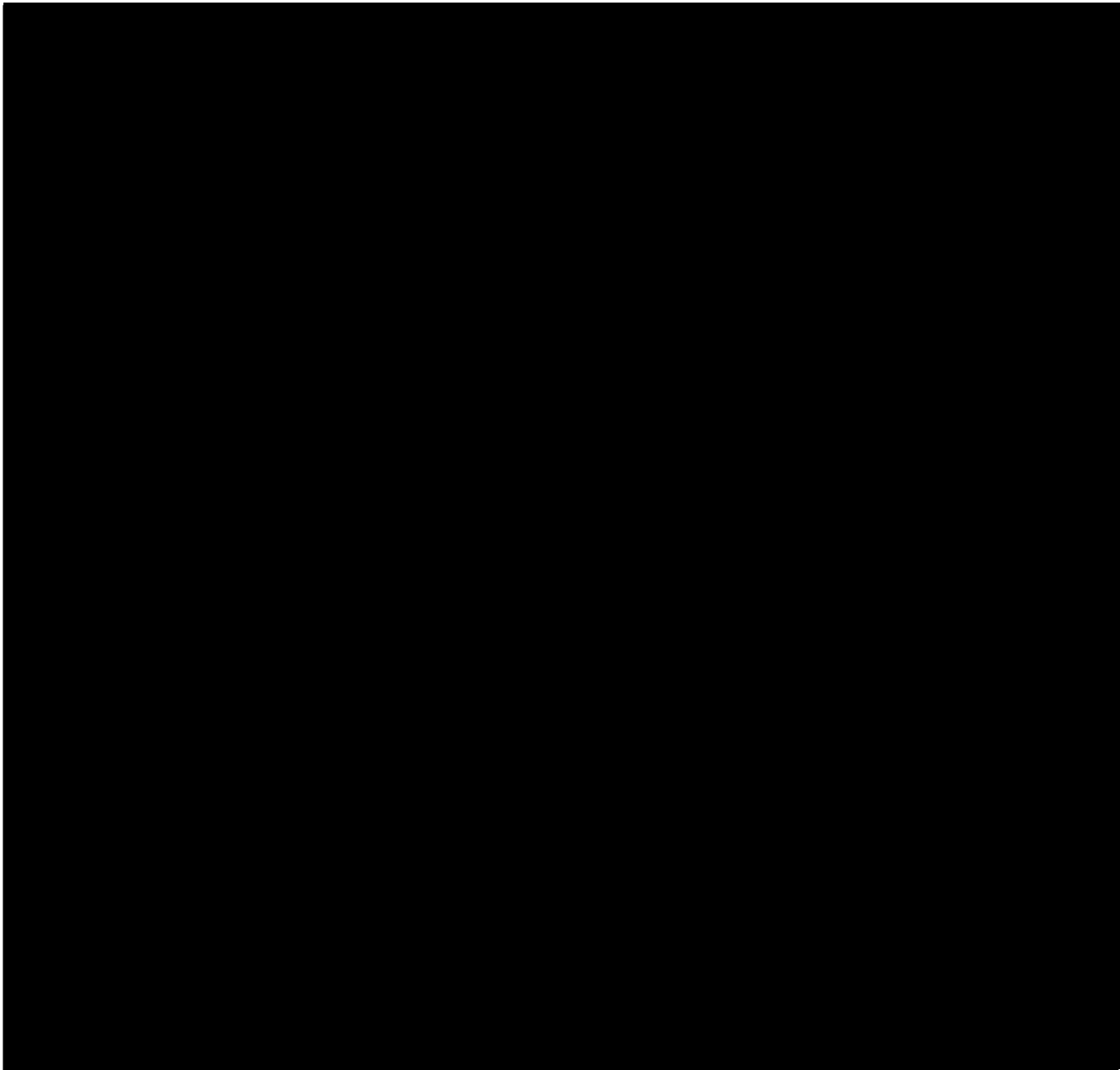


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Roc Nation

Roc Nation is a premier global entertainment organization with a particular expertise for building brands with a connective thread through all facets of sports and entertainment culture.

Founded by JAY-Z, widely regarded as one of the most influential artists of all time, and run by Desiree Perez, Roc Nation can effectively develop the Fanatics brand for the New York audience because of its birth and deep roots in the Empire State. In particular, Roc Nation will leverage the following to help attract new customers, engage existing sports bettors and expand the overall footprint of the Fanatics sportsbook:

- Talent Management – Roc Nation manages a diverse roster of talent across the entertainment and sports industries, including some of the world’s most recognizable artists, like Rihanna and Alicia Keys, as well as premier athletes such as Robinson Cano, Saquon Barkley, CC Sabathia and Kyrie Irving.
- Event Production –Roc Nation provides full-service event production, with past noteworthy work ranging from the iHeartRadio Music Festival and Global Citizen in Central Park to sports-adjacent performances for the NFL Super Bowl and NBA All-Star Game Halftime Shows.
- Digital Reach - [REDACTED]

Roc Nation has utilized these assets to garner massive reach and fan engagement in the sports sector. For example, the Super Bowl halftime shows for 2020 and 2021 amassed over 60 million YouTube views, as they combined top-tier talent (J. Lo, Shakira, The Weeknd), event production and powerful mix of social media distribution channels. Roc Nation similarly brought its artists, athletes and creativity to its PUMA campaign, enabling it to outperform competitors like Nike and Adidas due to social collaborations and brand partnerships with cultural figures like JAY-Z and Rihanna.

Fanatics’ partnership with Roc Nation gives it an ability to reach new audiences as well as the tools to amplify its own marketing messages and consumer experiences, thus bringing new customers into the New York State online betting revenue stream and keeping them there through superior engagement opportunities. This partnership grants Fanatics the ability to not only appeal to sports fans, but also to the music and entertainment industry, the arts, the fashion industry, and more. Fanatics’ name is not only intended to be synonymous with an avid sports fan, but rather, it connotes a complete and all-around entertainment enthusiast. Fanatics will not only promote the sports experience, but also other important aspects of entertainment and culture.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Saint Regis Mohawk Tribe

Fanatics and Penn National Gaming (“PNG”) entered into a strategic alliance with the Saint Regis Mohawk Tribe (“Mohawk Tribe”), which includes not only a 5% revenue share but also a minimum guaranteed annual payment of \$2.5 million regardless of PNG and Fanatics performance in the New York market. The 5% revenue share has no maximum payments, yielding tremendous upside for the Mohawk Tribe. The Mohawk Tribes value in this agreement is limited only by the market share of the Barstool Sportsbook and Fanatics Sportsbook, both of which will be industry leaders in the state of New York. In accordance with the anti-competitive provisions in the RFA, the arrangement with the Mohawk Tribe is non-exclusive, providing the Tribe the ability to benefit from open competition.

The historic Mohawk Tribe is one of the five original members of the Iroquois League, known as the Keepers of the Eastern Door and the ideal partner for Fanatics. As has been established throughout this Application, Fanatics' and PNG's access to expansive and fiercely loyal audiences is what will separate these two sportsbook offerings from the rest of the New York market. As such, not only will the Mohawk Tribe benefit from a large percentage of a significant market share, as well as the protection of a minimum yearly guarantee, the Mohawk Tribe, PNG and Fanatics will each materially benefit from the audiences and access they give one another in the New York market.

VI. Advertising Summary

Building upon an extensive database of diehard and casual sports fans as well as existing technical know-how in the form of digital advertising, paid social acquisition and effective loyalty programs, Fanatics will be able to gain and maintain market share versus its competitors. As described above, Fanatics can target a larger organic audience than its peers, which allows it to spend aggressively while still maintaining viable unit economics. Further, the Fanatics brand resonates deeper and garners more attention through retail venues than the other operators, again allowing its branded sportsbook to gain more awareness with more efficient economic commitment. Lastly, a proven track record of best-in-class user conversion in New York State allows Fanatics to utilize previous marketing strategies to provide greater benefits to the State than its competitors.

Fanatics' marketing strategies have been highly effective in fostering positive brand recognition and customer satisfaction. If selected, Fanatics will use these proven promotional strategies to build and retain a loyal customer base in the Empire State.