§ 1404. Required safeguards, minimum standards. 1. As a condition of registration in New York state, each operator and registrant shall implement the following measures:

(a) limit each authorized player to one active and continuously used account, and prevent prohibited players from maintaining accounts or participating in any contest offered by such operator or registrant;

(b) prohibit minors from participating in any contest, which includes:

(i) if a registrant becomes or is made aware that a minor has participated in one of its contests, such registrant shall promptly, within no more than two business days, refund any deposit received from the minor, whether or not the minor has engaged in or attempted to engage in a contest; provided, however, that any refund may be offset by any prizes already awarded;

(ii) each registrant shall publish and facilitate parental control procedures to allow parents or guardians to exclude minors from access to any contest or platform. Such procedures shall include a toll-free number to call for help in establishing such parental controls; and

(iii) each registrant shall take appropriate steps to confirm that an individual opening an account is not a minor.

(c) when referencing the chances or likelihood of winning in advertisements or upon contest entry, make clear and conspicuous statements that are not inaccurate or misleading concerning the chances of winning and the number of winners;

(d) enable authorized players to exclude themselves from contests and take reasonable steps to prevent such players from entering a contest from which they have excluded themselves;

(e) permit any authorized player to permanently close an account registered to such player, on any and all platforms supported by such operator or registrant, at any time and for any reason;

(f) offer introductory procedures for authorized players, that shall be prominently displayed on the main page of such operator or registrant's platform, that explain contest play and how to identify a highly experienced player;

(g) identify all highly experienced players in any contest by a symbol attached to such players' usernames, or by other easily visible means, on all platforms supported by such operator or registrant;

(h) disclose the number of entries a single authorized player may

submit to each contest;

(i) disclose the maximum number of total entries allowed for each contest;

(j) implement measures to protect the privacy and online security of authorized players and their accounts;

(k) offer all authorized players access to his or her account history and account details;

(l) ensure authorized players' funds are protected upon deposit and segregated from the operating funds of such operator or registrant and otherwise protected from corporate insolvency, financial risk, or criminal or civil actions against such operator or registrant;

(m) list on each website, in a prominent place, information concerning assistance for compulsive play in New York state, including a toll-free number directing callers to reputable resources containing further information, which shall be free of charge;

(n) ensure the value of any prizes and awards offered to authorized players shall be established and made known to such players in advance of the contest, and such value shall not be determined by the number of authorized players or the amount of any entry fees paid by such players;

(o) ensure all winning outcomes reflect the relative knowledge and skill of the authorized players and shall be determined predominantly by accumulated statistical results of the performance of individuals in sports events;

(p) ensure no winning outcome shall be based on the score, point spread, or performance of a single sports team, or any combination of such teams;

(q) ensure no winning outcome shall be based solely on any single performance of an individual athlete in a single sport or athletic event; and

(r) ensure no game or contest shall be based on a prohibited sports event.

2. Each registrant shall restrict the number of entries submitted by a single authorized player for any contest to a maximum of one hundred fifty entries per player per contest, or a maximum of three percent of the total number of entries by all players for any contest, whichever is less, or as determined by the commission. Registrants shall take

reasonable steps to prevent authorized players from submitting more than the allowable number of entries per contest. The commission shall promulgate regulations to further effectuate this subdivision to ensure that the number of entries submitted by a single authorized player for any contest will lead to a fair and equitable distribution of number of entries.

3. (a) Operators shall not directly or indirectly operate, promote, or advertise any platform or contest to persons located in New York state unless registered pursuant to this article.

(b) Unless otherwise approved by regulation of the commission, operators and registrants shall not directly or indirectly promote or advertise any online fantasy or simulation sports games or contests with an entry fee during the conduct of any online fantasy or simulation sports games or contests without an entry fee. This paragraph shall not apply to any operator or registrant that prohibits prohibited players from participating in online fantasy or simulation sports games or contests without an entry fee.

4. Registrants shall not offer any contest based on any prohibited sports event.

5. Registrants shall not permit any minor or prohibited participant to enter any contest.

6. Advertisements for contests and prizes offered by a registrant shall not target prohibited participants, minors, or self-excluded persons. Representations or implications about average winnings from contests shall not be unfair or misleading. Such representations shall include, at a minimum:

(a) the median and mean net winnings of all authorized players participating in contests offered by such registrant; and

(b) the percentage of winnings awarded by the registrant to highly experienced players participating in contests offered by such registrant within the preceding calendar year.

7. Registrants shall prohibit the use of third-party scripts or

scripting programs for any contest and ensure that measures are in place to deter, detect and, to the extent reasonably possible, prevent cheating, including collusion, and the use of cheating devices, including use of software programs that submit entry fees or adjust the athletes selected by an authorized player.

8. Operators and registrants shall develop and prominently display procedures on the main page of such operator's or registrant's platform for the filing of a complaint by the authorized player against such registrant. An initial response shall be given by such registrant to such player filing the complaint within forty-eight hours. A complete response shall be given by such registrant to such player filing the complaint within ten business days. An authorized player may file a complaint alleging a violation of the provisions of this article with the commission.

9. Registrants shall maintain records of all accounts belonging to authorized players and retain such records for five years from the date an account was created.