

Requiring Verified Opinions of gaming and fintech merchants

A clause for your merchant agreements, a policy for your board, and an onboarding checklist for your team.

Template for the institution's own counsel to adapt. Not legal advice, not tailored to any institution, and no attorney–client relationship is created by using it. Apparently Law reviews opinions only for the relying institution and never advises the merchant whose opinion it reviews.

A merchant, ISO, sponsor-bank program or processing agreement

Verified Opinion clause

1. Definitions

“Covered Activity” means any game, contest, sweepstakes, promotion, wager, event contract or prediction market, and any money transmission, stored value, rewards or investment feature, that Merchant offers to users or that the Program supports.

“Legal Opinion” means a reasoned legal opinion, issued by counsel engaged by Merchant, concluding that the Covered Activity is lawful in each jurisdiction in which Merchant offers it, and stating the facts on which that conclusion relies.

“Verified Opinion” means a Legal Opinion that has been reviewed for [Institution] under the Verified Opinion Standard, with each fact on which it relies tested against Merchant’s systems, code and public documents, and for which [Institution] has received the review record.

“Reviewing Counsel” means counsel engaged by [Institution], and not by Merchant, to perform that review.

2. Before processing begins

Merchant shall not offer a Covered Activity through the Program in any jurisdiction until [Institution] has received a Verified Opinion covering that Covered Activity in that jurisdiction and Reviewing Counsel has approved it, with or without conditions.

Merchant shall give Reviewing Counsel, through the evidence tools [Institution] designates, read-only access to the source repository, database and public documents on which the Legal Opinion relies, and shall not alter any of them during the review except to cure a finding.

3. Keeping it true

Merchant shall maintain the facts on which each Verified Opinion relies. Merchant shall notify [Institution] within [five (5)] business days of any change to the Covered Activity, its structure, its flow of funds or the jurisdictions in which it is offered that could affect any of those facts.

Merchant consents to continuous re-measurement of those facts by the designated evidence tools, and to a bring-down of each Verified Opinion at least every [twelve (12)] months and whenever a change in law or in the Covered Activity affects it.

Where re-measurement shows a fact no longer holds, [Institution] may open a cure window of [fourteen (14)] days. If the finding is not cured within that window, [Institution] may suspend processing of the affected Covered Activity in the affected jurisdictions until a revised Verified Opinion is approved.

4. Independence and cost

Reviewing Counsel acts solely for [Institution]. Nothing in this Agreement makes Reviewing Counsel counsel to Merchant, and Merchant shall not seek to direct or influence Reviewing Counsel’s judgment.

[OPTIONAL] Merchant shall pay the fee for each review of its Legal Opinion. The fee is fixed and paid before the review is decided, does not depend on its outcome, and does not make Merchant Reviewing Counsel’s client. Findings are reported to [Institution].

5. Records

[Institution] may retain the review record, its findings and decisions, and the evidence summary for the longer of [ten (10)] years and the period its record-keeping obligations require, and may produce them to its examiners and regulators.

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Gaming and fintech merchant legal-opinion reliance policy

1. Purpose

This policy sets the conditions on which [Institution] relies on a merchant’s legal opinion to onboard and keep serving merchants whose products involve gaming, prediction markets, money transmission, securities or commodities. It forms part of [Institution]’s policies and procedures for restricted transactions (12 CFR 233.6) and its customer due diligence and third-party risk management programs.

2. Scope

Real-money and social casino games; sweepstakes and dual-currency games; promotional contests; skill games; daily fantasy and pick’em contests; sports and event wagering; event contracts and prediction markets; and money transmission, stored value, rewards, token and trading features offered by a merchant or its program manager.

3. Requirement

No in-scope merchant is onboarded, and no in-scope product is enabled in a jurisdiction, until [Institution] holds a Verified Opinion for it: a reasoned legal opinion reviewed for [Institution] by independent reviewing counsel under the Verified Opinion Standard, with each fact the opinion relies on tested against the merchant’s systems.

A fact the opinion states but that cannot be measured is recorded as stated, not as verified, and does not by itself support enabling a jurisdiction.

4. Independence

Reviewing counsel is engaged by [Institution], acts only for [Institution], and has no engagement with the merchant on the subject of the opinion. Where this policy permits the merchant to fund the review, the fee is fixed and paid before the outcome, and [Institution] remains the only client (ABA Model Rule 1.8(f)).

5. Ongoing monitoring

The facts behind each Verified Opinion are re-measured continuously and brought down at least every [twelve (12)] months. A change in law or in the merchant’s product that affects an opinion triggers a re-review.

A fact that no longer holds opens a cure window of [fourteen (14)] days, notified to [BSA Officer / Merchant Risk]. An uncured finding is escalated to [Risk Committee], which may suspend the affected product in the affected jurisdictions or exit the relationship.

6. Records

For each merchant, [Institution] keeps the examiner file: the opinion relied on (by hash), the review decisions and reviewing counsel’s independence attestation, the evidence summary, the monitoring and cure log, remedial actions, reliance grants and revocations, and the chain of custody. Records are kept at least [five (5)] years (31 CFR 1010.430) and longer under a legal hold.

Beneficial ownership identification and verification (31 CFR 1010.230) is performed under [Institution]’s own CIP/CDD program and is outside the review.

7. Roles

[Merchant Risk] owns onboarding under this policy. [BSA Officer] receives cure notices and escalations. [Risk Committee] decides exceptions and exits, and reviews this policy at least annually.

8. Exceptions

An exception to this policy requires the written approval of [Risk Committee], a stated expiry, and an entry in the examiner file.

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Onboarding checklist: Verified Opinion

#	Step	Who	What proves it
1	Classify the merchant as in scope and list each product and jurisdiction requested.	Merchant Risk	Scoping record in the onboarding file
2	Receive the merchant's legal opinion, drafted and signed by its own counsel.	Merchant	Opinion document, hashed on receipt
3	Engage independent reviewing counsel for [Institution] and confirm it has no engagement with the merchant on the subject.	Merchant Risk	Engagement letter and independence attestation
4	Merchant links its repository, database and public documents, read-only, through the designated evidence tools.	Merchant	Linking checklist with each source verified
5	Every fact in the opinion is tested against the merchant's systems and ranked measured, stated or inferred.	Reviewing counsel	Facts-against-evidence register
6	Findings are delivered: product fixes to the merchant, reasoning gaps to the merchant's own counsel.	Reviewing counsel	Finding register with tiers and owners
7	Each resubmission is checked against the previous round, with proof for every fix.	Reviewing counsel	Round-over-round comparison
8	Reviewing counsel decides, scoring each section of the opinion and stating any conditions with an owner and a date.	Reviewing counsel	Signed decision
9	Enable only the jurisdictions the decision covers. Hold the rest.	Merchant Risk	Enablement record, by jurisdiction
10	Record the reliance grant and file the sealed review record in the examiner file.	Merchant Risk	Reliance grant; examiner file manifest sha256
11	Turn on continuous monitoring and diarise the bring-down date.	Merchant Risk	Monitoring enabled; bring-down date
12	Confirm beneficial ownership under [Institution]'s own CIP/CDD program.	BSA Officer	CIP/CDD record (outside the review)

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