

State of Michigan Michigan Gaming Control Board Office of the Executive Director Online Gaming & Legal Affairs Division 3062 W. Grand Blvd., L-700 Detroit, MI 48202 Phone: (313) 456-4100

Fax: (313) 456-2864 www.michigan.gov/mgcb

# STATE OF MICHIGAN MICHIGAN GAMING CONTROL BOARD OFFICE OF THE EXECUTIVE DIRECTOR Online Gaming & Legal Affairs

### **APPLICATION FOR 2024 RACE MEET LICENSE**

Applicants for a race meeting license pursuant to the Horse Racing Law of 1995, as amended, (the Act) must provide the following information to the Michigan Gaming Control Board (MGCB), Online Gaming & Legal Affairs Division.

<u>NOTE:</u> Please do NOT reply, to any question, "Copy on file with the MGCB Online Gaming & Legal Affairs Division". The application requires an actual copy of the specific document requested to be attached.

#### **SECTION I - GENERAL INFORMATION**

| \ace i  | Meet Business Entity Verification and Doc     | cumentation   |
|---------|---|---|
| a. If a | corporation, limited liability company, or li | mited partnership:  |
| i.      | Date of incorporation/formation:              |   |
| ii.     | Place of incorporation/formation if other     | than Michigan:  |
| iii.    |   | ity's authorization to conduct business in<br>Il Department of Licensing and Regulatory |
| iv      | . List any registered assumed names and       | d their year of expiration:   |
|         |   | Expiration  |
|         |   | Expiration  |
|         |   | Expiration  |
|         |   |   |

|    |             |  | me" expiration    |                                      | of Persons Conducting Business Under (applicant <u>must</u> enclose a copy with |  |
|----|-------------|--|-------------------|--------------------------------------|---|--|
|    | c. <i>F</i> |  |                   | ership agreemen<br>cent annual repor | nt or articles of incorporation/formation, all<br>rt.                           |  |
| 3. | pri<br>reg  | Provide the name(s), address(es), telephone number(s) and title(s) of the applicant(s) including principal contact person(s), representative(s), corporate directors, LLC members, officers, registered agent(s), corporate shareholder(s) and partner(s) on a completed <b>Attachment A</b> (required). |                   |                                      |   |  |
| 4. | ls th       | he business entity   | applicant orga    | nized for:                           |   |  |
|    |             | ☐ charitable   | purposes?         |                                      |   |  |
|    |             | the purpo  | se of distributir | ng its income or p                   | profit to charitable organizations?   |  |
|    |             | profit?  |                   |                                      |   |  |
| 5. |             | ecify the licensed in<br>ning facilities with  |                   |                                      | I 2024 race meet will be held including all                                     |  |
|    | a.          | Legal Name of L  | icensed Racet     | rack's Business E                    | Entity:   |  |
|    | b.          | Principal Addres   | s:                |                                      |   |  |
|    |             | Street Address   |                   |                                      |   |  |
|    |             | City of  |                   | County of                            | State of  |  |
|    | C.          | Legal Address of   | f Track:          |                                      |   |  |
|    |             | County of  |                   | Municipali                           | ity   |  |
|    |             | Physical Addres  | ss                |                                      |   |  |
|    | d.          | Training Facilitie   |                   |                                      |   |  |
|    |             |  |                   |                                      |   |  |
| 6. |             | ecify the horse bre<br>oposed 2024 race  |                   | n the applicant de                   | esires to conduct live racing at the  |  |
|    |             | Thoroughbred Ra  | ace Meeting       |                                      |   |  |
|    |             | Standardbred Ra  | ce Meeting        |                                      |   |  |

| <u>NOTE:</u> Under the Act the term of the race meeting license may be for the entire calendar year, January 1 through December 31, and need not be limited to the time period during which live racing will be conducted. Simulcasting may only be conducted by the holder of the current race meeting license and simulcast permit from the MGCB, Office of the Executive Director.   |
|---|
| Specify the total number of days, the specific days/dates of the week <b>in a calendar format</b> , on which the applicant proposes to conduct live horse racing in 2024 and the number of live horse races proposed in 2024 for each live racing date allocated to the applicant. Lack of specific days will be regarded as an incomplete application. (Attach a completed <b>Attachment B</b> .)  |
| Does the applicant have a valid contract with a certified horseman's organization to conduct its proposed 2024 race meet?  Each applicant must submit a copy of its written and fully executed contract with a certified horsemen's organization who represents the applied for breeds. The term of the contract must include the term of the applied for license. If the applicant has applied for thoroughbred/mixed breed racing and standardbred racing, the contract or contracts submitted must cover all applied for breeds. The contract must be filed with the Executive Director before September 1 of the year preceding the proposed race meet and must adhere to all rules and regulations of the Act. |
| ☐ Yes, a copy of the horsemen's contract including original, legible agreement(s) plus any addenda is attached, as required. ( <b>Attachment C</b> )  |

NOTE: The only horsemen's organizations currently certified by the MGCB, Office of the Executive Director are the Horseman's Benevolent & Protective Association (HBPA) and the Michigan Harness Horseman's Association (MHHA). Other horsemen's organizations may be certified by the Michigan Gaming Control Board only if they demonstrate to the satisfaction of the MGCB Executive Director that they meet the requisite criteria for certification under Section 2(b) of the Horse Racing Law of 1995, as amended.

## **SECTION II - SIMULCASTING INFORMATION**

| 1. | Does the applicant request or plan to request permission to conduct simulcasting during the term of the proposed race meeting? |   |  |  |
|----|--|---|--|--|
|    |  | ∐Yes  | □No  |  |
|    | Exe<br>spe<br>a pe<br>the  | cutive Dire<br>cific days c<br>ermit holde<br>dates, time | ctor. Simulcasti<br>of the week, time<br>or wishes to subs<br>or simulcast | r simulcasting will not be given by the MGCB, Office of the ing permission will only be given for the specified dates, es, and entities that the applicant specifies in this application. If stantially change its approved simulcasting program in terms of contractors, then the permit holder must first request Executive Director for its revised simulcasting program. |
|    | spe  | cific day(s)  | of the week in   | permission for simulcasting, specify the date(s), the a calendar format, and the time(s) the applicant plans to d <b>Attachment D</b> .)   |
| 2. |  |   | •  | plan to request permission to export its live race meet signals ed 2024 race meet?   |
|    |  | Yes   | ☐ No (if no, sl  | kip to question #3)  |
|    | a.   |   |  | ties that the applicant intends to contract with to export its live pplicant must enclose a completed <b>Attachment E</b> .)   |
|    | b.   |   |  | ntities that the applicant intends to contract with to export itslive abel the required listing as <b>Attachment F</b> .)  |
|    |  | state, hu<br>headqua                                      | b, and whether   | full legal name of business entity (guest association), city, or not the entity is licensed in the jurisdiction that it is de copies of any State simulcast authorization letters with contracts.  |
|    | C.   | will be us  | sing to contract   | plicant's export simulcast wagering agreement template that it with or export its live race meet signals to. (Label the required ate as <b>Attachment G</b> .)   |
|    |  | below as  |  | agering agreement must identify the specific areas listed as Michigan requirements regarding off-track betting, internet g.  |
|    |  | rates, mi<br>standard                                     | nimum wager a scratch times,   | ormation: Include races, available pari-mutuel pools, takeout amounts, maximum number of betting interest per race, stop wagering, decoder services, totalisator company(s), se and other program services, and commissions.   |
|    |  | Law of 1 the Mich   | 995, the Admini<br>igan Gaming Co  | lude the following text: "Pursuant to the Michigan Horse Racing istrative Rules promulgated thereto, and all Written Orders of ontrol Board, Office of the Executive Director, nothing in this strued to allow wagering in Michigan on simulcast races at any  |

location other than a licensed racetrack under this agreement where a race meeting licensee has been granted live race dates and a simulcast permit by the Michigan

Gaming Control Board."

For out-of-state guest tracks, the document must include the following text: "To the extent that Guest or any of its Secondary Recipients is deemed to be a private wagering network and/or an advanced deposit wagering provider, the Guest and such Secondary Recipients, as the case may be, shall not accept or facilitate the acceptance of wagers either directly or through an agent, from any Michigan resident regardless as to the form of wager placement to include, but not limited to, telephone or computer assisted/generated wagering. In the case of computer assisted/generated wagers, this restriction applies to wagers originating from a computer located in Michigan. In addition, Guest and Secondary Recipients, as the case may be, shall include in their respective customer terms and conditions a prohibition for bettors to network their computers with out-of-state computers to circumvent this restriction. Guest and Secondary Recipients, as the case may be, shall block access to any and all incoming calls originating from a Michigan area code and/or from technologies, who transmissions originate in Michigan to include, but not limited to, cellular, cable, and/or satellite technology."

| 3. |    | s the applicant request or plan to request permission to import live race meet signals ng the term of the proposed 2024 racing meeting?  |
|----|----|--|
|    |    | ☐ Yes ☐ No (if no, skip to Section III)  |
|    | a. | Identify all Michigan entities that the applicant intends to contract with to import the entities' live race meet signals. (Applicant must enclose a completed <b>Attachment H</b> .)  |
|    | b. | Identify all out-of-state entities that the applicant intends to contract with to import the entities' live race meet signals. (Label the required listing as <b>Attachment I</b> .)   |
|    |    | The listing must include full legal name of business entity (host association), city, state, hub, and whether or not the entity is licensed in the jurisdiction that they are headquartered in. Provide copies of any State authorization letters with the executed contracts. |

## **SECTION III - PARI-MUTUEL AND RACETRACK OPERATIONS**

| 1. | Does the applicant own or lease the race conducted?  | etrack at which the prop   | osed race meet will be   |  |  |  |
|----|--|--|--------------------------|--|--|--|
|    | Own (if own, skip to question #2)  | Lease  |                          |  |  |  |
|    | If the racetrack is leased, attach a copy of evidencing the legal right for the use of the simulcast application period. (Label the re   | he premises on the spec  | cified race dates and    |  |  |  |
| 2. | Has the applicant (or track licensee) made the racetrack premises for the proposed   | (or track licensee) made or intend to make any capital improvement(s) to nises for the proposed race meet? |                          |  |  |  |
|    | ☐ Yes ☐ No (if no, skip  | to question #3)  |                          |  |  |  |
|    | If yes, attached a completed Attachmen   | nt K.  |                          |  |  |  |
|    | Note: Capital improvement(s) do <u>not</u> inc<br>expenses.  | clude ordinary maintena  | nce or other operating   |  |  |  |
| 3. | Specify the totalisator company(s) respo proposed race meet:   | nsible for providing tota  | lisator services for the |  |  |  |
|    | ☐ Amtote International, Inc. De  | elaware Corporation  | LARA# 641262             |  |  |  |
|    | Sportech Racing, LLC Po  | ennsylvania  | LARA#B9463H              |  |  |  |
|    | (Legal Name)   | (State & Entity Type)  | (MI LARA ID#)            |  |  |  |
| 4. | Attach copies of all executed and signed contracts with totalisator companies that will be in effect during the proposed 2024 race meet. (Label the required contract(s) as <b>Attachment L</b> .)       |  |                          |  |  |  |
| 5. | 5. Does the applicant request or plan to request permission to use a Third Party Facilitate<br>(TPF) to facilitate wagering on live and simulcast racing during the term of the propose<br>race meeting? |  |                          |  |  |  |
|    | ☐ Yes ☐ No (if no, skip to question  | on #6)   |                          |  |  |  |
|    | List each TPF under contract with the ra-  | ce meeting applicant:  |                          |  |  |  |

| 6. | Provide documentation (most recent inspection report and fire permit) that the racetrack is in                             |
|----|--|
|    | compliance with local fire and safety ordinances, building codes, and any current orders of                                |
|    | the MGCB Executive Director requiring improvements, additions, or corrections to the                                       |
|    | racetrack premises, fixtures, or equipment. (Label the documents as <b>Attachment M</b> .) Is the racetrack in compliance? |
|    | ☐ Yes (if yes, skip to question #8) ☐ No (complete question #7)  |
| 7  | If the recetrack is not in compliance with any of the foregoing in #5, state what stone have                               |

7. If the racetrack is <u>not in compliance</u> with any of the foregoing in #5, state what steps have been taken or are planned to be taken to bring the racetrack into compliance, and state expected date of full compliance.

If a municipality has cited the applicant or track licensee for fire, safety, or building code violations within the past year, attach copies of the citations and state whether the alleged violations are contested or admitted. If contested, explain the basis for contesting the alleged code violations, and attach any pleading or other documentation filed by the applicant or track licensee in answer to the alleged code violations. If admitted, state whether the alleged violation has been corrected. If not corrected, state expected date of correction. (Label documents as **Attachment N**.)

- 8. Describe in detail all security measures the applicant will provide to ensure the safety of all persons and horses on the grounds of the race meet, and to protect and preserve the integrity of all horse racing, pari-mutuel wagering, and simulcasting conducted at the proposed race meet. Also, describe in detail all pari-mutuel wagering monitoring including, but not limited to, tote security and tote system testing that has been completed. (Attach a completed **Attachment O**.)
- 9. Describe in detail all forms of straight and multiple pari-mutuel wagering and commission, (takeout) rates for each specific form of wager, to be offered to the public during the proposed race meet:

| Wager            | Take Out Rate | Wager        | Take Out Rate |
|------------------|---------------|--------------|---------------|
| Win, Place, Show | %             | Daily Double | %             |
| Perfecta/Exacta  | %             | Pick 3       | %             |
| Trifecta         | %             | Pick 4       | %             |
| Superfecta       | %             | Pick 5       | %             |
| Tri-Superfecta   | %             | Pick 6       | %             |
| Twin Trifecta    | %             | Other:       | %             |
| Pentafecta       | %             | Other:       | %             |
| Quinella         | %             | Other:       | %             |

| 10. | Describe the applicant's fin related to the conduct of liv   |      |                |             |  |  |  |
|-----|--|------|----------------|-------------|--|--|--|
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     | 11. Specify the name of the bank depository, account, and specific account number(s)   |      |                |             |  |  |  |
|     | established by the applicant for deposit of funds due and payable to the horsemen's purse pools during the proposed race meet. |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |
|     | Banking Institution  | City | Account Number | Description |  |  |  |
|     |  |      |                |             |  |  |  |
|     |  |      |                |             |  |  |  |

| Banking Institution | City | Account Number | Description |
|---------------------|------|----------------|-------------|
|                     |      |                |             |
|                     |      |                |             |
|                     |      |                |             |
|                     |      |                |             |
|                     |      |                |             |
|                     |      |                |             |

- 12. Describe in detail the applicant's promotional and advertising plan as well as the plan's budget for the 2024 race meet to include opportunities for the sport of horse racing to continue to develop, to be supported by the local communities, and to attract newpatrons. (Label this document as **Attachment P**.)
- 13. Include name(s), address(es) and phone number(s) of all companies contracted to do business in restricted areas, including, but not limited to, photo finishing companies, voucher machines contractors, companies providing electric timing devices, etc. Include verification that they are authorized to do business in Michigan (current registration with LARA or copy of assumed name certificate from the county the business is physically located) and name of contact person/resident agent for each company. (Attach a completed **Attachment Q**.)

#### **SECTION IV - REQUIRED NARRATIVE STATEMENTS**

1. Evaluate the expected competitive effects, with respect to attendance, handle, and horse supply that the applicant's proposed 2024 race meeting will have among the other proposed race meets in the state.

- 2. State the approximate number and source(s) of horses needed for live racing dates and races requested by the applicant for its proposed 2024 race meet. Specify what other race meet(s) in and around the state have depended upon the described horse supply for their race meet(s). The applicant and each certified horsemen's organization under contract with an applicant for a 2024 race meet must demonstrate how the described horse supply will be available and adequate for the live racing dates requested for the applicant's proposed race meet(s). (Label document as Attachment R1.)
- 3. The applicant and each certified horsemen's organization under contract with an applicant for a 2024 race meet must propose a preliminary budget for purse awards, starter bonuses, live race day compensation, and track conversion costs or any other expenditure from the estimated horsemen's live and simulcast commission for the proposed 2024 race meet. The proposed budget must include the following:
  - a. Projected purse levels per race day and the number of race days proposed;
  - b. Estimate the amount of starter bonuses or live race day compensation and explain the source of the funds; and
  - c. Estimate the horsemen's live and simulcast commission and show how it will cover projected expenditures.

Funding estimates may use the previous year's funding levels plus any funds projected to remain from 2023. (Label document as **Attachment R2**)

- 4. Provide evidence of continued community support for the applicant's proposed 2024 race meet. (Label documents as **Attachment S**.)
- 5. Provide the applicant's affidavit affirming the MGCB, Office of the Executive Director's race meet association's requirements as outlined in Attachment T. (Attach a completed **Attachment T**.)

Note: The application shall be in written form. Any information submitted as part of the application may also be in an electronic format so long as it is usable by the MGCB, Online Gaming & Legal Affairs Division (e.g. Word or Excel, if available in that format to the applicant) and only if approved in advance of it's submission by the MGCB, Online Gaming & Legal Affairs Division.