

**STATE OF MICHIGAN
MICHIGAN GAMING CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR**

In the matter of:

AmRace & Sports, LLC

Application for a 2019 Race Meeting License and 2019 Simulcast Permit.

**ORDER GRANTING
A 2019 RACE MEETING LICENSE
AND 2019 SIMULCAST PERMIT**

AmRace & Sports, LLC, filed applications for a 2019 Race Meeting License and a 2019 Simulcast Permit. The applications were filed under the Horse Racing Law of 1995, MCL 431.301 *et seq.*, as amended (the Act), and the administrative rules promulgated thereto. The applicant has requested 30 live racing days, on Fridays and Saturdays, from May 24, 2019 to August 31, 2019.

An investigation of the applicant and the applications have been conducted to determine whether the applicant, applications, and proposed race meeting comply with the licensing requirements. Upon meeting statutory requirements and specific conditions set forth below, AmRace & Sports, LLC will meet the standards and requirements for granting a 2019 Race Meeting License and Simulcast Permit under the Act and the administrative rules.

The 2019 Race Meeting License and Simulcast Permit are subject to the terms and conditions set forth below.

IT IS ORDERED, as follows:

- 1) The application of AmRace & Sports, LLC (the licensee) for a 2019 Race Meeting License to be conducted at the location previously known as Sports Creek Raceway, located at 4290 Morrish Road, Swartz Creek, Michigan, 48473 is granted and will be valid and continue in full force and effect from January 1, 2019, through December 31, 2019, unless hereafter suspended or revoked.
- 2) The 2019 Race Meeting License and Simulcast Permit are conditioned upon the applicant meeting all of the following conditions:

- a) Produce on or before December 1, 2018, a lease, contract, or agreement to use the track located at 4290 Morrish Road, Swartz Creek, Michigan. Said track must also be licensed by the Executive Director.
- b) Produce on or before December 28, 2018, a fire inspection report of the grandstand at the track.
- c) Produce on or before December 28, 2018, additional information about the security measures and emergency preparedness plan that will be implemented at the track.
- d) Produce on or before December 28, 2018, the executed written contract with a certified horsemen's organization for the 2019 race meeting.
- e) Ensure all persons working in a restricted area of the grandstand are licensed prior to December 28, 2018.
- f) Produce on or before December 28, 2018, a fully executed written contract with a totalisator company for the 2019 race meeting.
- g) Produce on or before December 28, 2018, export and import simulcast wagering agreements for the 2019 race meeting.
- h) Produce on or before December 28, 2018, proof of an interest-bearing account for all funds due to the horsemen's purse pools. Such proof must include the bank name, address, and account number.

Failure to meet the conditions set forth above may result in disciplinary action including a fine, suspension, and/or revocation of the Race Meeting License and Simulcast Permit.

- 3) The 2019 Race Meeting License and Simulcast Permit are conditioned upon the licensee's compliance with the Act, administrative rules, and orders of the Executive Director, and all other applicable local, state and federal laws. In particular, but not limiting the licensee's responsibility to comply with all laws, administrative rules, and orders of the Executive Director, the licensee must:

- a) Immediately inform the Executive Director in writing of any changes or amendments in the licensee's ownership, including but not limited to:
 - Affiliates, stockholders, shareholders;
 - Partners, members, officers, directors;
 - Officials, and employees participating in, involved in, or otherwise having to do with horse racing, pari-mutuel wagering or simulcasting; and

- Any person who has significant control over the horse racing, pari-mutuel wagering, or simulcasting at the licensee's race meeting.

Any change in the holders of the 2019 Race Meeting License must be first approved by the Executive Director in accordance with the Act and administrative rules.

- b) Notify the Executive Director in writing prior to initiation or commencement of any proposed extensions, additions, modifications or improvements to the racecourse, roadways, parking lots, buildings, stables, lighting and electrical service, plumbing, public utilities, drainage, totalisator system and equipment, hardware and software for all approved methods of conducting pari-mutuel wagering, and security on the grounds of the licensed track where the licensee is conducting its race meeting. MCL 431.307(4).
- c) Notify the Executive Director in writing of the names and addresses of proposed racing officials not less than 30 days before the start of the licensee's 2019 live race meeting. Administrative Rule 1095(29). For each racing official position, the licensee must also name an employee to use in a backup capacity. For the duration of the 2019 Race Meeting License, the licensee must promptly notify the Executive Director in writing of all changes in status of approved racing officials and of proposed new racing officials.
- d) Provide security at all times so as to reasonably ensure the safety of all persons and horses on the grounds and to protect and preserve the integrity of horse racing, pari-mutuel wagering, and simulcasting at licensed race meetings. MCL 431.307(2) and Administrative Rule 1095(2).
- e) Ensure that only authorized persons enter any restricted areas including, but not limited to, the restricted area of the grandstand, the stables, and paddocks, and where applicable, those persons must be wearing on his or her outer apparel a valid identification card issued by the Michigan Gaming Control Board. Administrative Rule 1095(4) and 1101(2).
- f) For the duration of the 2019 Race Meeting License and Simulcast Permit, have a fully executed written contract with a certified horsemen's organization, to be able to conduct live and simulcast horse races with pari-mutuel wagering on the results of the horse races in 2019. MCL 431.318(2)(a).

- g) Submit all financial reports upon request. MCL 431.307(5).
 - h) Have all forms of pari-mutuel wagering it intends to conduct pre-approved by the Executive Director. MCL 431.317(1) and Administrative Rule 2070.
 - i) Immediately inform the Executive Director in writing and provide copies of any notification it receives from any local, state, or federal agency other than the Michigan Gaming Control Board. MCL 431.307(5).
 - j) Before March 31, 2019, the licensee must file with the Executive Director a certified statement of receipts from all sources during the previous calendar year and of all expenses and disbursements, itemized in a manner and on a standardized form as directed by the state treasurer, showing the net revenue from all sources derived by the holder of the license. MCL 431.315(1).
- 4) The licensee, in cooperation with the track licensee, must conspicuously post at each entrance and exit of the racetrack and at each location on the racetrack where wagers on horse races are accepted, a visually prominent sign that contains the toll-free compulsive gaming help line number (800-270-7117). MCL 431.309a. The licensee must also include the toll-free compulsive gaming help line number (800-270-7117) in a prominent manner on all advertisement and promotional materials.
- 5) The licensee, in cooperation with the track licensee, department of human services, and persons that provide point of sale devices or automated teller machine services on the licensed premises, must prevent individual's access to cash benefits from Michigan bridge cards through a point of sale device or withdrawal from an automated teller machine on the licensed premises. MCL 431.309b.
- 6) The licensee must implement its approved emergency preparedness plan, together with any additional requirements or clarifications on said plan requested of the licensee by the Executive Director, throughout and for the duration of its 2019 Race Meeting License and Simulcast Permit. Any proposed changes, updates, or amendments to said plan must be promptly submitted in writing to the Executive Director.
- 7) Thoroughbred Race Meeting:
- a) The licensee is allocated the following Thoroughbred horse racing dates in 2019 on which live horse racing shall be conducted by the licensee during the term of its 2019 Race Meeting License:

A total of 26 Thoroughbred horse race dates, from Friday, June 14, 2019, through Saturday, September 7, 2019, with live racing to be held two days per week, Fridays and Saturdays, with no less than 8 live horse races programmed per race date. Post time for the first race is 6:30 pm, any purse race scheduled at a different post time must be approved by the Executive Director.

- b) Each of the foregoing live racing dates allocated herein shall be utilized by the licensee to conduct live Thoroughbred horse races with pari-mutuel wagering on the results of horse races, unless the date is hereafter cancelled by order of the Executive Director. Live racing dates allocated herein will not be cancelled except for those reasons permissible under the Act and administrative rules, including but not limited to budgetary reductions, insufficient staff, insufficient appropriations, or upon request of the licensee for good cause shown in accordance with MCL 431.312.

8) Simulcast Permit:

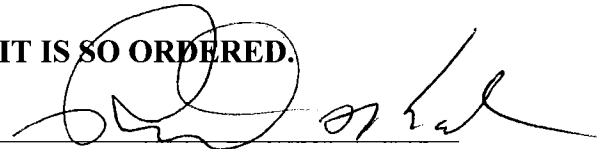
- a) Subject to statutory exceptions, simulcasting is conditioned on the holder of the license conducting not fewer than 8 live horse races on each live racing date allocated in the holder's race meeting license. Further, and still subject to statutory exceptions, a race meeting licensee shall not conduct simulcast wagering unless the race meeting licensee conducts 30 or more live racing days in that calendar year. MCL 431.218.
- b) The licensee is granted a 2019 Simulcast Permit from January 1, 2019, through December 31, 2019. This permit authorizes the licensee to simulcast horse races to and from its race meeting to the full extent permitted by the Act and administrative rules during the term of its 2019 Race Meeting License. MCL 431.318.
- c) The licensee is granted permission to combine pari-mutuel wagers made under this license on interstate simulcast races with pari-mutuel wagers made at out-of-state sending host tracks on the same races to form common pari-mutuel pools created at out-of-state sending host tracks. MCL 431.318(3).
- d) The licensee is authorized to transmit simulcasts of live horse races conducted under this 2019 Race Meeting License to locations outside of this state in accordance with the Interstate Horse Racing Act of 1978, 15 U.S.C. 3001 et seq., as amended, or any other applicable laws. MCL 431.318(5). Furthermore, the licensee is permitted to combine pari-mutuel pools on such simulcast races created under the laws of the

jurisdiction in which the receiving entities are located in a common pool with pari-mutuel pools on the same races created at the licensee's track.

- e) For the duration of the 2019 Race Meeting License and Simulcast Permit, the licensee must have a fully executed written contract with a totalisator company to be able to conduct live or simulcast horse races with pari-mutuel wagering on the results of the horse races in 2019.
- f) All simulcasts to or from the race meeting during the term of the 2019 Race Meeting License and Simulcast Permit must at all times be conducted in compliance with the Act, administrative rules and orders of the Executive Director and applicable provisions of the Interstate Horse Racing Act of 1978, 15 U.S.C. 3001 et seq., as amended.
- g) The export simulcast wagering agreement template submitted with the licensee's 2019 Simulcast Permit application is hereby approved. Any changes to the template must be submitted in writing to the Executive Director for approval or denial not less than thirty (30) days prior to distribution of said agreement.
- h) Promptly forward to the Executive Director all copies of and all summaries of all simulcast wagering agreements that it enters into to either transmit or receive simulcast race signals; all such agreements must be provided to the Executive Director prior to receiving any remuneration from said agreements. MCL 431.307(5).
- i) Any changes in the licensee's simulcast schedule or format must be submitted in writing to the Executive Director for approval prior to the changes. MCL 431.318(2)(i) and Administrative Rule 2015(1). In such cases where the change is an emergency cancellation or substitution and there is insufficient time to request and receive prior written approval from the Executive Director, the licensee must promptly notify the Executive Director in writing of the emergency changes or substitutions.
- j) The licensee must promptly pay an amount contractually agreed upon to the horsemen's simulcast purse account. MCL 431.319.
- k) The licensee must not receive or offer wagers on an interstate simulcast unless the interstate simulcast is available to all race meeting licensees in this state at the same rate. MCL 431.318(6).

- 9) The licensee must maintain an interest-bearing account for all funds due to the horsemen's purse pools and must timely deposit such funds in the account and credit all interest earned by the account to and for the horsemen's purse pools. MCL 431.314(7), 431.315(2), 431.317(3), 431.318(5), and 431.319.
- 10) On the first day, other than Sunday, after each day of operation, the licensee must remit all monies due and payable, including simulcast tax deposits to the State of Michigan, and all other entities, at the close of the day of operation with a detailed statement of that money in accordance with and as required by the Act, administrative rules, and as otherwise directed by the Executive Director. MCL 431.315(2)
- 11) The licensee must provide, during all racing and training hours, at least one ambulance and one horse ambulance with personnel to render first aid and transport injured persons or horses. Administrative Rule 1095(17). Additionally, Administrative Rule 1095(18) requires adequate on-site first aid facilities complete with medical personnel and equipment. The licensee in cooperation with the certified horsemen's organization must ensure a veterinarian is on-site at all times when the track is open for training or racing of horses unless otherwise authorized by the Stewards.
- 12) If after the issuance of this 2019 Race Meeting License a determination is made that the licensee has not met or will be unable to meet the requirements of the Race Meeting License or Simulcast Permit, the Executive Director may impose a fine or suspend or revoke the 2019 Race Meeting License or Simulcast Permit, or both, for all or part of the remainder of the time period for which they were granted. MCL 431.314(4).

IT IS SO ORDERED.


Richard S. Kalm, Executive Director
Michigan Gaming Control Board

Date: 10-31-18