

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



REGULAR MEETING

of the California Horse Racing Board will be held on Thursday, February 21, 2013, commencing at 9:30 a.m., in the Baldwin Terrace Room at the Santa Anita Park Race Track, 285 West Huntington Drive, Arcadia, California. The meeting will open at 9:00 a.m., then the Board will adjourn into Closed Session with the regular meeting commencing at approximately 9:30 a.m.

The audio portion only of the California Horse Racing Board regular meeting will be available online through a link at the CHRB website (www.chrb.ca.gov) under "Webcasts."

AGENDA

Action Items:

1. **Approval of the minutes of January 17, 2013.**
2. **Public Comment:** Communications, reports, requests for future actions of the Board. **Note:** Persons addressing the Board under this item will be restricted to **three (3) minutes** for their presentations.
3. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Hollywood Park Racing Association, LLC at BetFair Hollywood Park Race Track**, commencing April 22, 2013 through July 16, 2013, inclusive.
4. Discussion and action by the Board regarding the **Tilted Kilt Pub and Restaurant's license to operate a minisatellite wagering facility and its compliance with Business and Professions Code section 19605.25.**
5. Discussion and action by the Board on the **Application for License to Operate a Minisatellite Wagering Facility at Sammy's of Lake Forest**, for a period of up to five years.
6. Discussion and action by the Board on the **renewal Application for License to Operate a Minisatellite Wagering Facility of the California Commerce Club Inc.**, for a period of up to five years.
7. Discussion and action by the Board regarding the request from **Rancho Paseano Training Center in Santa Fe, California**, to become an authorized training center.

8. Public hearing and action by the Board regarding the **proposed amendment to CHRB Rule 1843.2, Classification of Drug Substances**, to update the California Horse Racing Board's Penalty Categories Listing by Classification, to add and/or reclassify specified drug substances. (Note: This concludes the 45-day public comment period. The Board may adopt the proposal as presented.)
9. Public hearing and action by the Board regarding the **proposed amendment of CHRB Rule 1658, Vesting of Title to Claimed Horse**, which allows a claim to be void if the racing or official veterinarian determines the horse will be placed on the veterinarian list as unsound or lame before it is released to the successful claimant. (Note: This concludes the 45-day public comment period. The Board may adopt the proposal as presented.)
10. Discussion and action by the Board regarding the request from the Jockeys' Guild to **amend CHRB Rule 1632, Jockey's Riding Fee**, to change the definition of "Win Purse" so that fees paid by the owner to enter the horse in the race are no longer deducted prior to calculating the winning jockey's riding fees.
11. Report from the **Medication and Track Safety Committee**.
12. Discussion and action by the Board regarding the **proposed addition of CHRB Rule 1927.1, Tampering with Smoke Detectors Prohibited**, to include penalties relative to tampering with fire safety equipment i.e. smoke detectors.
13. Report from the **Pari-mutuel/ADW and Simulcast Committee**.
14. Discussion and action by the Board regarding **approval of the revised CHRB Governing Procedures notice for disciplinary hearing**.
15. Report and update on the **status of the exchange wagering rulemaking**.
16. Election of **Board Chairman and Vice-Chairman**.
17. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by section 11126 of the Government Code.
 - A. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending litigation described in the attachment to this agenda captioned "Pending Litigation," as authorized by Government Code section 11126(e).
 - B. The Board may convene a Closed Session to confer with and receive advice from its legal counsel regarding the pending administrative licensing or disciplinary matters described in the attachment to this agenda captioned "Pending Administrative Adjudications," as authorized by Government Code section 11126(e).
 - C. The Board may convene a Closed Session for the purposes of considering personnel matters as authorized by Government Code section 11126, (a).

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

CALIFORNIA HORSE RACING BOARD

David Israel, Vice Chairman

Steve Beneto, Member

Jesse H. Choper, Member

Bo Derek, Member

Richard Rosenberg, Member

Chuck Winner, Member

Kirk E. Breed, Executive Director

Jacqueline Wagner, Assistant Executive Director

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**PENDING LITIGATION
FEBRUARY 2013**

SUPERIOR COURT LITIGATION

- A. Patrick Gleason vs. Anne Glasscock and the California Horse Racing Board**
Superior Court of California, County of Sacramento, Case No. 34-2010-00076781
- B. Jeff Mullins vs. CHRB, et al**
Superior Court of California, County of San Diego, Case No. 37-2010-00092212
- C. San Luis Rey Racing, Inc., vs. CHRB, et al**
Superior Court of California, County of San Diego, Case No. 37-2011-00096586
- D. Alexander Sywak vs. CHRB**
Superior Court of California, County of Sacramento, Case No. 34-2011-800001021
- E. Morteza Atashkar vs. CHRB**
Superior Court of California, County of Sacramento, Case No. 34-2008-00024426

PROCEEDINGS of the Regular Meeting of the **California Horse Racing Board** held at the **Santa Anita Park Race Track, Baldwin Terrace Room**, 285 Huntington Drive, Arcadia, California, on **January 17, 2013**.

Present: David Israel, Vice-Chairman
Steve Beneto, Member
Jesse H. Choper, Member
Richard Rosenberg, Member
Chuck Winner, Member
Kirk E. Breed, Executive Director
Robert Miller, General Counsel

APPROVAL OF THE MINUTES OF NOVEMBER 15, 2012

Vice-Chairman Israel asked for approval of the minutes of the Regular Meeting of November 15, 2012. Commissioner Choper **motioned** to approve the minutes. Commissioner Beneto **seconded** the motion, which was **unanimously carried**.

PUBLIC COMMENT

John Bucalo, representing Barona Resort and Casino Off-Track Betting, commented on the financial imbalance between satellite facilities and groups conducting advance deposit wagering (ADW). He said that with a two percent commission satellites could not stay solvent. Vice-Chairman Israel stated that the commission was statutory and if it was going to be changed it would be up to the Legislature. Jack Liebau, representing Hollywood Park, stated that changes needed to be considered in racing's business model, particularly in the takeout. He said that from 2007 to 2012 the total handle went down 36 percent. In that same time on-track handle went from 16 to 14 percent of total handle, while ADW handle went from 11 to 17 percent of total handle. Mr. Liebau stated that with every new change, tracks had taken on more of the risk; and that this risk should be borne by everybody. Commissioner Choper stated that both Mr.

Bucalo's and Mr. Liebau's comments were about the same thing: the diminishing pie; and that the only solution was to get together, as unselfishly as possible, and do something about it. Vice-Chairman Israel stated that a serious market survey by a real research firm needed to be conducted.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE DISTRIBUTION OF RACE DAY CHARITY PROCEEDS OF THE LOS ANGELES TURF CLUB II IN THE AMOUNT OF \$37,073 TO 11 BENEFICIARIES.

Vice-Chairman Israel stated that the Los Angeles Turf Club II proposed to distribute \$37,073 in race day charity proceeds to 11 beneficiaries. He said all of the beneficiaries were horse related charities. Commissioner Beneto **motioned** to approve the request by Los Angeles Turf Club II to distribute its race day charity proceeds. Commissioner Rosenberg **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD REGARDING A REPORT FROM THE CALIFORNIA MARKETING COMMITTEE REGARDING ITS 2013 MARKETING AND PROMOTION PLANS PURSUANT TO BUSINESS AND PROFESSIONS CODE SECTION 19605.73 (b)

Craig Dado, representing the California Marketing Committee (CMC), stated that the fundamental challenge faced by the CMC was the lack of funding. In 2004 CMC funding was as high as six million, in 2012 two million, and projections for 2013 were also about two million. He said that for the 2013 budget the emphasis of the CMC was in two specific areas: handle generation, and product enhancement. The CMC had four programs of handle generation: the Significant Player Program, a brand new Pick 6 promotion, minisatellite support, and racing information. Mr. Dado stated that, at the Board's suggestion, the CMC was no longer funding

the phone racing results line. Santa Anita was picking up the cost of the line, and after its current meet was over it was up to Hollywood Park to continue it. The CMC also had four programs of product enhancement: the Two Year Old Stakes Program, the Golden State Series, the Del Mar Paddock Sale, and the horse recruitment efforts which allocated money to the California Authority of Racing Fairs (CARF) and all other tracks, with the exception of Del Mar, to assist them in bringing new horses to California. Commissioner Rosenberg asked if there was a limit on the number of horses at Del Mar's paddock sale and if in-state horses could be sold there. Mr. Dado stated that the number of horses was limited to around 36 due to the capacity of the barns during the sale and concurrent race meet. He said that California horses were not sold at the paddock sale because the sale's goal was to bring out-of-state horses into California. Commissioner Choper asked Mr. Dado to elaborate on the deep cuts in satellite marketing. Mr. Dado stated that two members of the six member CMC board, by law, represented the satellite interest; however, over time the downsizing of the CMC budget collaterally reduced the portion for satellite marketing from \$425,000 to \$180,000. To increase efficiency the satellite marketing had become more focused on database type marketing and trying to get the current players to return more often. Commissioner Rosenberg asked if racing association satellite facilities or Indian casino satellite facilities received any benefit from these marketing funds. Mr. Dado replied that they did not, stating that some members of the CMC board did not agree with how satellite marketing funds benefitted only CARF satellites. He said that Chris Korby, Executive Director of CARF, was working on a plan that would help determine if that policy should be revised. Vice-Chairman Israel stated that the ten percent administrative costs for CMC were high for such a small budget. Mr. Dado stated that most of the administrative costs were for the salary for Shannon McDonald, the CMC Executive Director, who had not asked for or received a

raise in many years. He said the CMC looked for a complimentary position to defer some of her expenses, and that there was a plan in the works but it was not finalized. Commissioner Winner asked if the CMC would be willing to conduct the market research that Vice-Chairman Israel had referred to during public comments. Mr. Dado stated that CMC would be perfect for such a task and that they could plan on having one completed for 2014. Vice-Chairman Israel stated that Commissioner Winner was an expert in market research and suggested he make himself available for consult on this project. Commissioner Winner stated that he would be. John Bucalo, representing Barona Resort and Casino Off-Track Betting, stated that the CMC was entirely funded by money taken out of wagers from all of the satellite facilities, and that Barona and other non-CARF satellites were being left out of CMC marketing programs. Mr. Bucalo said he was aware that CMC had a rebate program but that the Barona customers were excluded from participation. He said that satellites had two representatives on the CMC board, but neither of them had spoken to him or asked him for ideas. Mr. Dado stated that although CMC funding came from satellite wagers, it did not come out of the satellite's portion. The CMC was funded by a portion of the wagers that would otherwise go into purses and track commissions. He said that the Barona patrons were eligible for rebates; they just needed to sign up for a Cal Racing card and use them in the machines when they bet. Vice-Chairman Israel stated that both Mr. Dado and Mr. Bucalo should get together and establish a plan to get Barona's patrons better access to the Cal Racing cards. Mr. Dado stated that Mr. Bucalo should contact Chris Korby, and although Barona was not a CARF member, Mr. Korby's seat on the CMC board represented all satellite facilities. Commissioner Rosenberg asked for clarification on how the Pick 6 Supplement cap was going to work. Mr. Dado stated that the supplement expenses for 2013 were estimated to be around \$300,000. The CMC capped its support at \$150,000, and the

remainder would be supplied jointly by the tracks and the Thoroughbred Owners of California. Mr. Dado said the Pick Six Supplement was new and had only been run for two weeks, too early to analyze; but CMC expected Santa Anita to commit through February, 2013. Mr. Dado, speaking on behalf of Del Mar, stated that Del Mar was planning to participate, but that it was waiting to fully commit. Jack Liebau, representing Hollywood Park, stated that Hollywood Park was also interested but was waiting to commit as well. Vice-Chairman Israel thanked CMC for its report.

DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR A LICENSE TO OPERATE A MINISATELLITE FACILITY AT THE TILTED KILT PUB AND RESTAURANT IN DOWNTOWN SAN DIEGO, CALIFORNIA.

Rick Baedecker, representing Southern California Off Track Wagering Incorporated (SCOTWINC), stated that the Tilted Kilt was a great location, surrounded by density, and had easy access. He said that if the Board approved the application the minisatellite could open in as soon as a week. John Bucalo, representing Barona Casino and Resort Off Track Betting, asked if Surfside Race Place at Del Mar (Surfside) had given permission for the Tilted Kilt's application, and if there was a deal between the two that the permission was made contingent upon. Mr. Baedecker stated that there was a side agreement between Surfside and the Tilted Kilt, involving co-promotion and revenue sharing, but that Surfside's permission was not contingent on the agreement. Caroline Perry, representing the San Diego Padres, stated that the Tilted Kilt was a member of the East Village Square Owners Association and as such signed its Covenants, Conditions and Restrictions (CC&Rs) explicitly prohibiting gambling within any of its buildings. Commissioner Choper stated that the referenced CC&Rs specifically banned casinos only and that under California Law there was a big difference between horse racing and casinos. Ms. Perry stated that the

intent of the CC&Rs was for a more general definition of "casino" as a place of wagering or gambling. Commissioner Rosenberg stated that the San Diego Padres accept advertising from casinos such as Sycuan. Ms. Perry stated that advertising could not be accepted from casinos that ran a sports book. Mr. Baedecker stated that Sycuan had a satellite horse racing wagering facility. Ms. Perry stated that it was not right outside the park. Commissioner Rosenberg **motioned** to approve the application for a minisatellite wagering facility by East Village Kilt, LLP doing business as Tilted Kilt Pub and Eatery for a period of five years. Commissioner Winner **seconded** the motion, which was **unanimously carried**.

DISCUSSION AND ACTION BY THE BOARD REGARDING THE BETFAIR HOLLYWOOD PARK 2013 ALLOCATED FALL RACE DATES.

Jack Liebau, representing Hollywood Park (HP), stated that HP was to notify the Board by January 1, 2013, or thereabouts, as to whether HP would run its fall race meeting. He said Chairman Brackpool and Executive Director Breed were informed by email that HP was confirming it would run its fall race dates. Lou Raffetto, representing Thoroughbred Owners of California thanked HP for deciding to run the fall meet. He said he hoped it would keep operating beyond the fall of 2013; however, everyone still needed to look ahead to when HP ceased to race. Commissioner Rosenberg asked what month race dates were normally approved. Vice-Chairman Israel stated September. Commissioner Rosenberg said that in previous years HP agreed to give six months notice. Mr. Liebau stated that the practice started in 2005, when HP was purchased. At that time HP committed to continue in business for three years, and after that to continue with a six month notice. Vice-Chairman Israel asked if the agreement between HP and the Thoroughbred Owners of California (TOC) was informal. Mr. Liebau stated yes; it was between HP, TOC, and the California Thoroughbred Trainers. He said when dates were

allocated in August, 2012 the TOC gave HP five minutes notice regarding conditions that would be placed on its race dates. Commissioner Rosenberg stated that depending on the success of the negotiations over the fate of HP the Board would be faced with the same situation the next time it allocated race dates.

MEETING ADJOURNED AT 10:30 A.M.

Proceedings of the Regular Meeting of January 17, 2013

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A full and complete transcript of the aforesaid proceedings are on file at the office of the California Horse Racing Board, 1010 Hurley Way, Suite 300, Sacramento, California, and therefore made a part hereof.

Chairman

Executive Director

CALIFORNIA HORSE RACING BOARD

FEBRUARY 21, 2013
REGULAR BOARD MEETING

There is no board package material for Item 2

STAFF ANALYSIS
February 21, 2013

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE HOLLYWOOD PARK RACING ASSOCIATION, LLC AT HOLLYWOOD PARK APRIL 22, 2013 THROUGH JULY 16, 2013.

Hollywood Park Racing Association (HPRA), LLC filed its application to conduct a thoroughbred horse racing meeting at Hollywood Park:

- April 22 through July 16, 2013, HPRA will host simulcast only wagering for Southern California on days when live racing is not presented. Live racing will commence April 25, 2013 through July 14, 2013, or 49 days, one less than 2012. The association proposes to race a total of 434 races, or 8.8 per day. In 2012 they raced 8.78 races per day with an average of 7.48 runners per race. In 2012 they were allocated 50 race days the (actual) average daily purse for the meet was \$453,525. The (estimated) average daily purse for this meet is \$462,859.
- The race dates proposed are the dates the Board allocated.

April - 2013						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May - 2013						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June - 2013						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July - 2013						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- Racing 4 days per week, Thursday through Sunday, with 8 races on Thursdays and Fridays. 9 or 10 races on a selected basis on Saturdays, Sundays and holidays, with 11 races on May 4, 18 and June 8 (Triple Crown).
- First post 1:00 p.m. daily.
 - 11:00 a.m. post Saturday, May 4th Kentucky Derby, May 18th Preakness and June 8th Belmont Day.
 - May 4, 18 and June 8th post times will be adjusted to coordinate with Triple Crown races.
- Business and Professions Code section 19464(b) specifies no application for license to conduct a horse racing meeting shall be granted unless the applicant has deposited with the Board a surety bond in the amount of \$100,000, or a greater amount, as determined by the Board, which is sufficient to ensure payment of employees wages and benefits including, but not limited to, health, welfare and pension plans. The surety bond shall be maintained during the period of the meeting that all payments are made. In the event of a dispute over the amount owed, the dispute shall be resolved through the grievance

procedures set forth in the labor agreement of the union representing the class of employees affected.

This subdivision does not apply to any person or association licensed to operate a horse race meeting prior to January 1, 2001, which has conducted a race meeting in each of the immediate three previous consecutive calendar years.

- Hollywood Park Racing Association, LLC's initial race meeting was conducted after 2001. Therefore, it is subject to the provisions of the Business and Professions Code section 19464(b).
- Pursuant to Business and Profession Code 19464(b) Hollywood Park Racing Association is required to submit a \$100,000 surety bond payable to the Treasurer of the State of California to ensure payment of employee wages and benefits. The Hollywood Park \$100,000 surety bond on file will expire March 31, 2014.
- Request Jennifer Paige be appointed horse identifier pursuant to CHRB Rule 1525, Racing Officials Appointed by the Board.
 - Track safety inspection has been requested and will be completed before the beginning of the race meet.
- Inspection of backstretch worker housing has been requested and will be completed before the beginning of the race meeting.
- Wagering program will use CHRB and ARCI rules.
 - Early wagering 8:30 a.m. on the day of.
 - \$.50 Pick 5 will be offered on the first five races. The major share of the pool will be designated as 100%.
 - Pick 6 on last 6 races - 70% of net pool to be retained for the jackpot and no cap be set.
 - Pick 4 on races 2 through 5 and on the last 4 races - designate the major share of pool as 0%.
 - Offering option of an alternate selection in the place Pick all, Pick 5, Pick 6 and Pick 4.
 - Super High Five on the last race in accordance with ARCI Pick(n) Position(x) pools rules.
- The Advance Deposit Wagering (ADW) providers are TVG, Xpressbet and Twinspires the television providers will be TVG and HRTV.

Pursuant to Business and Profession Code section 19604, specific provisions must be met before an ADW provider can accept wagers.

Summary of B&P code 19604

To accept wagers on races conducted in California from a resident of California.

- The ADW provider must be licensed by the Board.
- A written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made.
- The agreement shall have been approved in writing by the horsemen's organization responsible for negotiating purse agreements for the breed on which the wagers are made.

To accept wagers on races conducted outside of California from a resident of California.

- The ADW provider must be licensed by the Board.
- There is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wager is placed, and (ii) the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is conducted.

Documents received in compliance with Business and Professions code 19604:

- ODS Technologies, L.P. d/b/a TVG Network has submitted all documents required in compliance with Business and Professions code 19604.
- XpressBet LLC. dba XpressBet.com, has submitted all documents required in compliance with Business and Professions code 19604.
- Churchill Downs Technology Initiatives Company, dba Twinpires, has submitted all documents required in compliance with Business and Professions code 19604.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.

Specific information **still needed** to complete this application includes:

1. Horsemen Agreement
2. 2012 Audited Financials
3. Promotional Marketing Plans
4. Fire clearance

RECOMMENDATION:

If the application is considered for approval, staff recommends a contingent approval upon the submission of outstanding items.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone, fax numbers, and the email address for associations contact person: **Hollywood Park Racing Association, LLC**
1050 South Prairie Avenue
Inglewood, California 90301
(310) 419-1500 phone (310) 671-4460 fax
jackliebau@yahoo.com
- B. Breed of horse: TB QH H
- C. Racetrack name: **Betfair Hollywood Park**
- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to Business and Professions Code section 19490. On File
- E. Was the association licensed to operate a race meeting prior to January 1, 2001?
Yes No
- If no, attach a surety bond in the amount of one hundred thousand dollars. **On File with CHRB**

NOTICE TO APPLICANT: No application for a license to conduct a race meeting shall be granted unless the applicant has deposited with the Board a surety bond in the amount of one hundred thousand dollars (\$100,000), or a greater amount, as determined by the board, which is sufficient to ensure payment of employee wages and benefits including, but not limited to, health, welfare, and pension plans. The surety bond shall be maintained during the period of the meeting and for an additional period, as determined by the board, sufficient to assure that all payments are made. This subdivision does not apply to any person or association licensed to operate a horse race meeting prior to January 1, 2001, which has conducted a race meeting in each of the immediate three previous consecutive calendar years. The \$100,000 surety bond amount maybe increased to an amount determined by the Board at the time the application is scheduled for hearing pursuant to Business and Professions Code section 19464(b).

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF RACE MEETING

- A. Inclusive dates allocated for the entire meeting: **April 22 through July 16, 2013 with live racing beginning on April 25 and continuing through July 14 as indicated below (Sec. 2B).**
Hollywood Park Racing Association will be the Southern California host for simulcast only wagering to be offered on all days when live racing is not presented during the period from April 22 through July 16.
- B. Actual dates racing will be held: **April 25, 26, 27, 28, May 2, 3, 4, 5, 9, 10, 11, 12, 16, 17, 18, 19, 23, 24, 25, 26, 27, 30, 31, June 1, 2, 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 23, 27, 28, 29, 30, July 4, 5, 6, 7, 11, 12, 13, 14**

CHRB CERTIFICATION	
Application received: 1/24/13	Hearing date: 2/21/13
Deposit received: on file	Approved date:
Reviewed: <i>ap</i>	License number:

- C. Total number of days or nights of racing: **49**
- D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify) **Thursday through Sunday with racing on Monday May 27th. Simulcast only wagering to be offered on all days when live racing is not being conducted.**
- E. Number of days or nights of racing per week: **4 Except as noted above.**

3. RACING PROGRAM

- A. Total number of races: **434**
- B. Number of races for each day or night: **8 races on Thursdays and Fridays; 9 or 10 races on a selected basis on Saturdays and Sundays and Holidays, 11 races on Saturdays May 4, May 18, June 8 (Triple Crown days).**
- C. Total number of stakes races: **30 + 16 Overnight stakes for a total of 46**
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Attached**
- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

<i>Race</i>	All days except Saturdays May 4, 18, & June 8		**Saturday May 4 (Kentucky Derby Day) Saturday May 18 (Preakness Day) Saturday June 8 (Belmont Day)
1 st	1:00 pm		11:00 am
2 nd	1:30 pm		11:30 am
3 rd	2:00 pm		12:00 noon
4 th	2:30 pm		12:31 pm
5 th	3:00 pm		1:02 pm
6 th	3:30 pm		1:34 pm
7 th	4:00 pm		2:06 pm
8 th	4:30 pm		2:44 pm
9 ^{th*}	5:00 pm		3:40 pm
10 ^{th*}	5:30 p.m.		4:11 pm
11 ^{th*}			4:40 pm

* When applicable.

** May 4, May 18 & June 8 post times will be adjusted to coordinate with the Triple Crown tracks races

HOLLYWOOD PARK PROPOSED
2013 SPRING/SUMMER STAKES SCHEDULE

<u>DATE</u>	<u>STAKE</u>	<u>PURSE/DISTANCE</u>
Thur. April 25	HARRY HENSON STAKES Three Year Olds	\$70,000 Added Six Furlongs (Turf)
***** GOLD RUSH *****		
Saturday April 27	SNOW CHIEF STAKES Three Year Olds, Bred in California	\$300,000# One Mile & One Eighth
	MELAIR STAKES Fillies, Three Years Old, Bred in California	\$250,000 @+ One Mile & One Sixteenth
	B. THOUGHTFUL STAKES Fillies & Mares, Four Year Olds & Upward Bred in California	\$125,000@ Seven & One Half Furlongs
	TIZNOW STAKES Four-Year-Olds & Upward, Bred in California	\$125,000@ Seven & One Half Furlongs
	GREY MEMO STAKES Three-Year-Olds & Upward, Bred in California Which have not won \$3,000 O/T M, C or S	\$70,000 Seven Furlongs
	WARRENS THOROUGHBREDS STAKES F&M, Three-Year-Olds & Upward, Cal-Bred Which have not won \$3,000 O/T M, C or S	\$70,000 Seven Furlongs
	NTRA STAKES Maiden Colts & Geldings, 3&Up, Cal-Bred	\$60,000 Six & One-Half Furlongs
	ALPHABET KISSES STAKES Maiden Fillies & Mares, 3&Up, Cal-Bred	\$60,000 Six & One-Half Furlongs

Sunday April 28	WILSHIRE HANDICAP (GRADE III) Fillies & Mares, Three Year Olds & Upward	\$100,000 One Mile (Turf)
Saturday May 4	MERVYN LEROY HANDICAP (GR. II) Three Year Olds & Upward	\$150,000 One Mile & One Sixteenth
	COOL FRENCHY STAKES Three Years Old & Upward	\$70,000 Added Five Furlongs

Sunday May 5	TIME TO LEAVE STAKES Fillies & Mares, Three Years Old & Upward	\$70,000 Added Five Furlongs
Saturday May 11	SENORITA STAKES (GRADE III) Fillies, Three Years Old	\$100,000 One Mile (Turf)
	CAME HOME STAKES Three Year Olds	\$70,000 Added Seven Furlongs
Sunday May 12	ROUND TABLE HANDICAP Four Year Olds & Upward	\$70,000 added One Mile & One Half (Turf)
Saturday May 18	MILADY HANDICAP (GII) Fillies & Mares, Three Year Olds & Upward	\$150,000 One Mile & One Sixteenth
	FRAN'S VALENTINE STAKES Fillies & Mares, Three Year Olds & Upward Bred In California	\$100,000 One Mile (Turf)
Sunday May 19	RAILBIRD STAKES Fillies, Three Years Old	\$70,000 Added Seven Furlongs
Saturday May 25	THE AMERICAN HANDICAP (GR II) Three Year Olds & Upward	\$150,000 One Mile (Turf)
Sunday May 26	THE GREAT LADY M STAKES Fillies & Mares, Three Year Olds & Upward	\$70,000 Added Six Furlongs (Turf)
Monday May 27	THE GAMELY STAKES (GRADE I) Fillies & Mares, Three Years Old & Upward	\$250,000 One Mile & One Eighth (Turf)
	LOS ANGELES HANDICAP (GR. III) Three Year Olds & Upward	\$100,000 Six Furlongs
Saturday June 1	THE CALIFORNIAN (GRADE II) Three Year Olds & Upward	\$150,000 One Mile & One Eighth
Sunday June 2	AFFIRMED HANDICAP (GRADE III) Three Year Olds	\$100,000 One Mile & One Sixteenth

Saturday June 8	CHARLES WHITTINGHAM MEM. HCP (GR II) Three Year Olds & Upward	\$200,000 One Mile & One Quarter (Turf)
	HONEYMOON HCP (GR II) Fillies, Three Years Old	\$150,000 One Mile & One Eighth (Turf)
	MANHATTAN BEACH STAKES Fillies, Three Years Old	\$70,000 Added Six Furlongs (Turf)
Sunday June 9	REDONDO BEACH STAKES Fillies & Mares, Three Year Olds & Upward Non-winners of a Grade I or II in 2013 at one mile or over	\$70,000 Added One Mile (Turf)
Saturday June 15	VANITY HANDICAP (GRADE I) Fillies & Mares, Three Year Olds & Upward	\$250,000 One Mile & One Eighth
	WILLARD L. PROCTOR MEMORIAL STAKES Two Year Olds	\$100,000 Five & One Half Furlongs
	CINDERELLA STAKES Fillies, Two Years Old	\$100,000 Five & One Half Furlongs
Sunday June 16	DESERT STORMER HANDICAP Fillies & Mares, Three Year Olds & Upward	\$70,000 Added Six Furlongs
Saturday June 22	HOLLYWOOD OAKS (GII) Fillies, Three Years Old	\$150,000 One Mile & One Sixteenth
Sunday June 23	TSUNAMI SLEW Three Year Olds	\$70,000 Added One Mile (Turf)
Saturday June 29	SHOEMAKER MILE (GRI) (Breeders' Cup "Win And Your In") Three Year Olds & Upward	\$300,000 One Mile (Turf)
	TRIPLE BEND HCP. (GI) Three Year Olds & Upward	\$250,000 Seven Furlongs
Sunday June 30	ROBERT K. KERLAN MEMORIAL HCP. Three Year Olds & Upward	\$70,000 Added Six Furlongs (Turf)

Thurs. July 4	SWAPS STAKES (GR. II) Three Year Olds	\$150,000 One Mile & One Eighth
Saturday July 6	HOLLYWOOD GOLD CUP (GRADE I) Three Year Olds & Upward	\$500,000 One Mile & One Quarter
	ROYAL HEROINE MILE (GII) Fillies & Mares, Three Year Olds & Upward	\$150,000 One Mile (Turf)
Sunday July 7	LE CLE STAKES Fillies, Three Years Old	\$70,000 Added One Mile (Turf)
Saturday July 13	AMERICAN OAKS (GRADE I) Three Year Old Fillies (Invitational)	\$350,000 One Mile & One Quarter (Turf)
	A GLEAM HANDICAP (GR. II) (Breeders' Cup "Win And Your In") Fillies & Mares, Three Year Olds & Upward	\$200,000 Seven Furlongs
	LANDALUCE STAKES Fillies, Two Years Old	\$150,000* Six Furlongs
	HOLLYWOOD JUVENILE CHAMPIONSHIP (GR III) Two Year Olds	\$150,000* Six Furlongs
Sunday July 14	SUNSET HCP (GRADE III) Three Year Olds & Upward	\$100,000 One Mile & One Half (Turf)

\$95,000 from CTBA Golden State Series Fund

+ \$82,000 from ctba Golden State Series Fund

@ \$25,000 from California Bred Fund.

* \$35,000 from CMC

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to Business and Professions Code section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
- LLC (complete subsection D)
- Other (specify, and complete subsection E)

B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. On File

C. CORPORATION

- 1. Registered name of the corporation:
- 2. State where incorporated:
- 3. Registry or file number for the corporation:
- 4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
- 5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
- 6. Number of outstanding shares in the corporation:
- 7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
- 8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
- 9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

A. Is parent and/or paired corporation or entity a publically traded or privately held company that guarantees the obligation of the applicant? If no, proceed to section F. If yes, answer questions 10-17. Yes No

- 10. Registered name of the corporation:
- 11. State where incorporated:
- 12. Registry or file number for the corporation:
- 13. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
- 14. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
- 15. Number of outstanding shares in the corporation:
- 16. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
- 17. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:

D. LLC

- 1. Registered name of the LLC: Hollywood Park Racing Association, LLC
- 2. State where articles of organization are filed: Delaware
- 3. Registry or file number for the LLC: 3993456
- 4. Attach a list of the names of all members (including individuals (true names), corporations, other LLCs and or foreign entities), titles, and the number of shares of the LLC held by each:

Terrence Fancher, Chairman & Director	0
Jack Liebau, President	0
Kristin Renaudin, Secretary	0
Charlene Kiley, Vice President	0
Eual Wyatt, Vice President	0
Barbara Helm, Vice President, Finance	0
Martin Panza, Vice President	0
Bernie Thurman, Vice President	0
Dyan Grealish, Vice President	0

- 5. Are the shares listed for public trading? Yes No

If yes, on what exchange and how the stock is listed:

- 6. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

SBHC

- A. Is parent and/or paired entity either a publically traded or privately held company that guarantees the obligation of the applicant? If no, proceed to section F. If yes, answer questions 7-12. Yes No

- 7. Registered name of the LLC/Corporation: **Stockbridge HP Holdings Company, LLC and Subsidiaries (SBHC)**

- 8. State where articles of organization are filed: **Delaware limited liability company formed June 29, 2005**

- 9. Registry or file number for the LLC: **3993233**

- 10. Attach a list of the names (true names) of all members (members may include individuals, corporations other LLCs and foreign entities), titles, and the number of shares of the LLC held by each: **The following entities are members of SBHC which owned 92.30% of Hollywood Park Racing Association, LLC at 12/31/2011. (percentage of membership is as of 12/31/2011)**

- Bay Meadows Land Company, LLC (33.49%)
- Stockbridge Hollywood Park Co-Investors, LP (41.36%)
- Stockbridge Real Estate Fund II-B, LP (9.28%)
- Stockbridge Real Estate Fund II-C, LP (8.95%)
- Stockbridge Real Estate Fund II-A, LP (6.28%)
- Stockbridge Real Estate Fund II-T, LP (0.64%)

- 11. Are the shares listed for public trading? Yes No

- 12. If yes, on what exchange and how the stock is listed:

E. OTHER – N/A

- 1. Name(s) of partner(s)/sole proprietor:
- 2. If a partnership, attach partnership agreement.

F. FINANCIAL INFORMATION *

1. Attach the most recent audited annual financial statement or financial report for the applicant. The financial statement or financial report shall include all relevant financial information specific to the applicant including: **The Audited 2010 and 2011 Financials and the projected 2013 Profit and Loss Statement are on file. We anticipate that Audited 2012 financials will be available for submission the CHRB prior to the end of March.**
 - Statement of Financial Position: also referred to as a balance sheet. Statement should report on applicant's assets, liabilities, contingent liabilities and ownership equity as of the date of the prepared statement.
 - Statement of Comprehensive Income: also referred to as Profit and Loss ("P&L") Statement. Statement should include report on applicant's income, expenses, and profits.
 - Profit and Loss statement for prior two years race meeting and Profit and Loss statement for projected year race meeting.
 - Statement of Changes in Equity: to include the changes of the applicants' equity through the reporting period.
 - Statement of Cash Flows: to include a report of the applicant's cash flow activity, particularly its operating investing and financing activities during the reporting period.
 - Copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

***NOTICE TO APPLICANT:** The financial information provided pursuant to subsection (F) above is exempt from disclosure pursuant to Government Code section 6254(k) and non-disclosable to the public.

G. MANAGEMENT AND STAFF

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 13B, who will be listed in the official program:

F. Jack Liebau, President
Eual G. Wyatt, Jr., Vice President & General Manager
Charlene Kiley, Vice President
Dyan Grealish, Vice President Sales & Marketing
Barbara Helm, Vice President, Finance
Martin Panza, Vice President-Racing
Bernie Thurman, Vice President
Don Barney, Director of Security & Safety
Benoit & Associates, Inc., Track Photographers
Cleon Bounds, Property Manager
Marcus Crunk, Director of Marketing & Sales
Bernie Eastridge, Turf Course Superintendent
Diane Hudak, Stable Superintendent
Russell Hudak, Timer, Morning Line Maker
Sandy King, Horsemen's Liaison
Bob Mieszerski, Director of Media Relations
Dennis Moore, Track Surface Consultant
Tami Morris, Director of Pari-Mutuels

Roger Roman, Director of Broadcasting
Vic Stauffer, Track Announcer
Mark Tomes, Plant Superintendent
Bob Vella, Quick Official
Susan Winter, Paymaster of Purses
Cole Younger, Operations Manager
Kerlan-Jobe Orthopedic, Jockeys' Physician

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing and email address of such person(s). **F. Jack Liebau, President, 1050 So. Prairie Avenue, Inglewood, CA 90301 jackliebau@yahoo.com**

5. TAKE OUT PERCENTAGE

1. If this is a thoroughbred race meeting, will the percentage deducted for any type of wager be adjusted pursuant to Business and Professions Code section 19601.01? If no, proceed to subsection 6. If yes, identify the wager and the proposed takeout percentage.

Yes No

Wager(s) to be adjusted: _____ Proposed percentage: _____

- A. Attach copy of written notice requesting the proposed takeout adjustment, the proposed percentage and the wager(s) affected. The notice must include the written agreement of the thoroughbred association and the horsemen's organization for the meeting of the thoroughbred association accepting the wager.

NOTICE TO APPLICANT: Pursuant to Business and Professions Code section 19601.01 notwithstanding any other provision of law, a thoroughbred association or fair, upon the filing of a written notice with, and approval by, the board specifying the percentage to be deducted, may deduct from the total amount handled in the pari-mutuel pool for any type of wager an amount of not less than 10 percent nor more than 25 percent. The written notice shall include the written agreement of the thoroughbred association or fair and the horsemen's organization for the meeting of the thoroughbred association or fair accepting the wager. The established percentage to be deducted shall remain in effect until the filing of a subsequent notice with, and approval by, the board, unless otherwise specified in the notice.

6. HANDLE HISTORY

1. Complete the table below providing the last five years of handle and attendance for your racing association. If your association has been operating for fewer than five years, provide information for the period of time it has been in operation. If the racing association has changed ownership include the handle information for the previous racing association.

Year	Handle		Attendance
	Total	Total excluding N. CA Handle on Hollywood Park	
2012 50 Days	453,205,706	429,738,327	605,092
2011 54 Days	499,554,063	472,094,475	678,175
2010 57 Days	540,125,931	510,714,677	722,529
2009 55 Days	580,872,742	547,944,978	778,189
2008 60 Days	708,557,165	666,560,918	838,299

7. PURSE PROGRAM (Excluding supplements, nominations, sponsorships and starter fees.):

A. Purse distribution: Please note, there were 50 race days during the prior year race meeting compared to 49 days for the current meet.

1. All races other than stakes:

Current meet estimate: **\$14,944,344**
 Prior meet actual: **\$14,741,795**

Average Daily Purse (7 A1 ÷ number of days):

Current meet estimate: **\$ 304,987**
 Prior meet actual: **\$294,836**

2. Overnight stakes:

Current meet estimate: **\$1,088,800**
 Prior meet actual: **\$1,141,750**

Average Daily Purse (7 A2 ÷ number of days):

Current meet estimate: **\$22,220**
 Prior meet actual: **\$22,835**

3. Non-overnight stakes:

Current meet estimate: **\$4,379,500**
 Prior meet actual: **\$4,670,325**

Average Daily Purse (7 A3 ÷ number of days):

Current meet estimate: **\$ 89,378**
 Prior meet actual: **\$93,407**

4. Total Purses: (7A1+7A2+ 7A3)

Current meet estimate: **\$20,412,644 / Avg. daily: \$416,585**
 Prior meet actual: **\$20,553,870 / Avg. daily: \$411,077**

B. California-bred Stakes Races:

1. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:

Current meet estimate: **12.4%**
 Prior meet actual: **11.3%**

Average Daily Purse (7 B1 ÷ number of days):

Current meet estimate: **\$13,132**
 Prior meet actual: **\$13,154**

C. Funds to be generated for all California-bred incentive awards (including breeder awards and owners premiums):

Current meet estimate: **\$1,630,950/Avg. daily \$33,285**
 Prior meet actual: **\$1,657,604/Avg. daily \$33,152**

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization	Current meet estimate:	Prior meet actual:
TOC	\$ 172,661	\$171,463
CTT – Pension	172,661	171,463
CTT – Admin	86,330	85,732
NTRA	32,169	36,125
CTBL – Workers Comp	<u>172,661</u>	<u> </u>
Total	\$636,482	\$ 464,783

E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (7 A+7 C+7 D):

Current meet estimate: **\$22,680,077**
 Prior meet actual: **\$22,676,257**

Average Daily Purse (7 E ÷ number of days):

Current meet estimate: **\$462,859**
 Prior meet actual: **\$453,525**

F. Purse funds to be generated from on-track handle and intrastate off-track handle (excluding carry-overs from prior race meet(s):

Current meet estimate: **\$13,723,770**
 Prior meet actual: **\$13,941,108**

Average Daily Purse (7 F ÷ number of days):

Current meet estimate: **\$280,077**
 Prior meet actual: **\$278,822**

G. Purse funds to be generated from interstate handle:

Current meet estimate: **\$6,608,386**
 Prior meet actual: **\$6,537,052**

Average Daily Purse (7 G ÷ number of days):

Current meet estimate: **\$ 134,865**
 Prior meet actual: **\$130,741**

H. Bank and account number for the Paymaster of Purses' purse account: **Union Bank of CCA # On File with CHRB**

I. Name, address, email and telephone number of the pari-mutuel audit firm engaged for the meeting: **Bowen & McBeth, Inc. 10722 Arrow Highway, Ste 110, Rancho Cucamonga, CA 91730 909/944/6465**

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse

owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by Business and Professions Code section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

8. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1,950**
- B. Minimum number of stalls believed necessary for the meeting: **1,950**
- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **1,500**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Santa Anita 1,500**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **On File with CHRB**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by Business and Professions Code sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, proceed to section 9.

- F. Total number of usable stalls made available on-site for the **1986** meeting, pursuant to Business and Professions Code section 19535(c): **2,000**
- G. Estimated cost to provide off-site stalls for this meeting: **\$1,409,076**. Show cost per day per stall:
Average cost: \$11.60.
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: **\$200,000** **Roundtrip from:** **Santa Anita** **\$180**

Los Alamitos **\$180**

9. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to Business and Professions Code section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Race #1*	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PPN	CHRB 1976.8 (Covering Races 1 - 10)
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	50¢ PNP (Pick 5)	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
Race #2*	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	50¢ PNP (Pick 4)	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
	Race #3*	\$2DD
\$1E		CHRB 1959
\$1PK3		CHRB 1977
\$2Q		CHRB 1958
\$2 PNP (Pick 6 when 8 races)		CHRB 1976.9
\$1 Trifecta		CHRB 1979
10¢ Superfecta		CHRB 1979.1
Race #4*		\$2DD
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$2 PNP (Pick 6 when 9 races)	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
	Race #5*	\$2DD
\$1E		CHRB 1959
\$1PK3		CHRB 1977
\$2Q		CHRB 1958
\$2PNP (Pick 6 when 10 races)		CHRB 1976.9
\$.50 PNP (Pick 4 when 8 races)		CHRB 1976.9
\$1 Trifecta		CHRB 1979
10¢ Superfecta		CHRB 1979.1
Race #6*	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3	CHRB 1977
	\$2Q	CHRB 1958
	\$2PNP (Pick 6 when 11 races)	CHRB 1976.9
	\$.50 PNP (Pick 4 when 9 races)	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
Race #7*	\$2DD	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3 (when 9 or more races)	CHRB 1977

	\$2Q	CHRB 1958
	50¢ PNP (Pick 4 when 10 races)	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
Race #8*	\$2 DD (when 9 or more races)	CHRB 1957
	\$1E	CHRB 1959
	\$1PK3 (when 10 races)	CHRB 1977
	\$2Q	CHRB 1958
	50¢ PNP (Pick 4 when 11 races) ⁺	CHRB 1976.9
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
When 8 races:	50¢ Super High 5	ARCI 004-105 (Pick (n) position (x) pools)
Race #9*	\$1E	CHRB 1959
	\$2Q	CHRB 1958
	\$2 DD (when 10 races)	CHRB 1957
	\$1PK3 (when 11 races) ⁺	CHRB 1977
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
When 9 races:	50¢ Super High 5	ARCI 004-105 (Pick (n) position (x) pools)
Race #10*	\$1E	CHRB 1959
	\$2Q	CHRB 1958
	\$2 DD (when 11 races) ⁺	CHRB 1957
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
When 10 races:	50¢ Super High 5	ARCI 004-105 (Pick (n) position (x) pools)
Race #11*	\$1E	CHRB 1959
	\$2Q	CHRB 1958
	\$1 Trifecta	CHRB 1979
	10¢ Superfecta	CHRB 1979.1
When 11 races:	50¢ Super High 5	ARCI 004-105 (Pick (n) position (x) pools)

* The 50¢ Pick 5 will be offered on the first 5 races of the card. In accordance with CHRB Rule 1976.9 we designate that the major share of the Pick 5 pool be 100%. The Pick 6 [P(n)P] will be offered on the last 6 races of the card. In accordance with CHRB Rule 1976.9 we designate that seventy percent (70%) of the net Pick 6 pool be retained for the jackpot and that no cap be set on the jackpot. A 50¢ Pick 4 (PnP) will be offered races 2 through 5 and on the last 4 races of the card. In accordance with CHRB Rule 1976.9 we designate that the major share of the Pick 4 pool be 0%. Additionally, we will offer our patrons the option of an alternate selection pick in the place Pick All, Pick 5, Pick 6 and Pick 4. We will also offer 50¢ Super High Five on the last race of the card in accordance with the ARCI Pick(n) Position(x) pools rule.

NOTE: Applicant reserves the right to offer or substitute additional wagers approved prior to or during its meeting.

- B. Maximum carryover pool to be allowed to accumulate before its distribution OR the date(s) designated for distribution of the carryover pool: **Last live racing day, July 14, 2013**
- C. List any options requested with regard to exotic wagering: **We will deduct the maximum amount allowable in accordance with B&P Code Section 19611.5.**

D. Will "advance" or "early bird" wagering be offered? Yes No

If yes, when will such wagering begin? Specify days and time for "early bird" wagering: **8:30 am on the day of.**

- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract: **Sportech, Inc., September, 2015**

10. ADVANCE DEPOSIT WAGERING (ADW)

- A. Identify the ADW provider(s) to be used by the association for this race meeting:
TVG, Xpress Bet & Twinspires.com (Television providers will be TVG and HRTV)
- B. Attach a copy of the agreement/contracts with each ADW provider to be used for this race meeting.
On file with the CHRB
- C. Have the contract/agreements been approved by the respective horsemen's groups?

Yes No

If yes, attach a copy of the approval. **On File with CHRB**
If no, explain the status of the approval.

NOTICE TO APPLICANT: Pursuant to Business and Professions Code section 19604, ADW providers may accept wagers on races conducted in California from a resident of California if: 1) the ADW provider is licensed by the Board; 2) a written agreement allowing those wagers exists with the racing association or fair conducting the races on which the wagers are made; 3) the agreement shall have been approved in writing by the horsemen's organization responsible for negotiating purse agreements for the breed on which the wagers are made. ADW providers may accept wagers on races conducted outside of California from a resident of California if: 1) the ADW provider is licensed by the Board; 2) there is a hub agreement between the ADW provider and one or both of (i) one or more racing associations or fairs that together conduct no fewer than five weeks of live racing on the breed on which wagering is conducted during the calendar year during which the wagers are placed and (ii) the horsemen's organization responsible for negotiating purse agreements for the breed on which wagering is conducted.

11. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering: **Southern California Off-Track Wagering, Inc. (SCOTWINC)**
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
On File with CHRB
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

NORTHERN CALIFORNIA

Alameda County Fair, Pleasanton
Big Fresno Fair, Fresno
California State Fair & Exposition, Sacramento
Club One, Fresno
Golden Gate Fields, Albany
Jockey Club at San Mateo, San Mateo
Kern County Fair, Bakersfield
Monterey County Fair, Monterey
San Joaquin County Fair, Stockton
Santa Clara County Fair, San Jose
Shasta District Fair, Anderson
Solano County Fair, Vallejo
Sonoma County Fair, Santa Rosa
Stanislaus County Fair, Turlock
Tulare County Fair, Tulare

SOUTHERN CALIFORNIA

Barona Valley Ranch Resort & Casino, Lakeside
Cabazon Fantasy Springs Casino, Indio
Derby Club, Seaside Park, Ventura
Fairplex Park, Pomona
Los Alamitos Race Course, Los Alamitos
Santa Anita Park, Arcadia
Shalimar Sports Center, Indio
Sports Center, San Bernardino
Sports Pavilion at The Farmers Fair, Lake Perris
Sports Pavilion, San Bernardino Cty. Fair, Victorville
Surfside Race Place at Del Mar, Del Mar
Sycuan Gaming Center, El Cajon
Viejas Casino & Turf Club, Alpine
Watch & Wager, Antelope Valley Fgds, Lancaster



January 17, 2013

Mr. Eual Wyatt, Jr.
Vice President & General Manager
Hollywood Park
1050 S. Prairie Ave.
Inglewood, CA 90301

RE: 2013 Hollywood Park Spring/Summer Race Meeting Interstate Simulcast Approvals

Dear Eual,

This letter shall serve as TOC's authorization for Hollywood Park (HP) to transmit the audiovisual signal of HP Thoroughbred races to, and accept wagers on those races placed through, the out-of-state betting systems ("Guests") in accordance with the conditions of, and at Host Fee rates no lower than those specified in the rate sheet provided to TOC by Monarch Content Management ("Monarch") on behalf of HP, during the HP racing season commencing April 25, 2013, continuing through July 14, 2013.

As a condition of TOC's authorization of the acceptance of wagers on HP races by Guests which engage in phone and/or Internet wagering, herein called "ADW," HP shall take all reasonable steps to distinguish between ADW and other wagering handled through such Guests, including requiring tote vendors of both HP and Guest to facilitate the separation of ADW and non-ADW data in reports used by HP and/or CHRIMS to account for and settle balances between HP and Guest.

TOC's authorization shall not serve, nor should it be construed as, a precedent to future requests for permission to simulcast to the Guests specified herein or to any other Guest. TOC reserves the right to cancel or withdraw its authorization for any Guest, at any time, upon 48 hours written notice.

Pursuant to AB-701, raising the takeout to fund Workers' Compensation costs, HP shall collect the incremental increase in takeout as an addition to the money room adjustment, for the transmittal to the Fund in accord with such legislation. Should any Guest herein authorized fail to enter into a contractual obligation with HP to allocate this additional takeout in this manner, TOC authorization for that site is hereby immediately rescinded.

Please feel free to contact me, should you have any questions.

Sincerely,

Lou Raffetto
President

OFFICERS

MIKE PEGRAM
CHAIR
PABLO SUAREZ
VICE CHAIR, SOUTHERN CA.
JACK OWENS
VICE CHAIR, NORTHERN CA.
GEORGE KRITORIAN
SECRETARY/TREASURER
ED MOGER
AT LARGE
JOHN SADLER
AT LARGE

DIRECTORS

MADELINE AUERBACH
BOB BAFFERT
DENNIS CARDOZA
MARK DEDOMENICO
MIKE HARRINGTON
WILLIAM E. MOREY
GEORGE TODARO
KATHY WALSH
MICHAEL WELLMAN

EXECUTIVE STAFF

LOU RAFFETTO
PRESIDENT
KELLE BREEN
CHIEF FINANCIAL OFFICER
MARY FORNEY
DIRECTOR OF OPERATIONS
RICHARD SCHEIDT
NO. CA. DIRECTOR OF
OPERATIONS

CHAIRS EMERITUS

ED FRIENDLY (1996-97)
ROBERT B. LEWIS (1997-2001)
GARY BURKE (2001)
JACK B. OWENS (2001-03, 04-05,
2011)
RON CHARLES (2003-04)
ALAN LANDSBURG (2005-07)
MARSHA NAIFY (2007-10)
ARNOLD ZETCHER (2010-11)

CORPORATE OFFICE

285 W. HUNTINGTON DRIVE
ARCADIA, CA 91007
T: 626-574-6620
F: 626-821-1515
WWW.TOCONLINE.COM

And any other similar site that becomes duly licensed by the California Horse Racing Board

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal: **Common Pool Sites, Separate Pool, Flat Fee Sites (Attachment "A")**
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association: **Attachment "A", see D above.**
- F. California mini-simulcast facilities the association proposes to offer its live audiovisual signal:
 Commerce Casino Racebook, Commerce
 OC Tavern Grill & Sports Bar, San Clemente
 Original Roadhouse Grill, Santa Maria
 Santa Clarita Lanes, Saugus
 Tilted Kilt Pub and Restaurant, San Diego
 And any similar site duly licensed by California Horse Racing Board
- G. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **Attachment "B"**

NOTICE TO APPLICANT: Business and Professions Code section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 50 imported thoroughbred races statewide. The limitation of 50 imported thoroughbred races per day statewide does not apply to those races specified in Business and Professions Code section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---------------------------------------------------

- H. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---------------------------------------------------

- I. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **N/A**

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
--------------------	------------	---------------------------------------------------

- J. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: **Wagering will be offered on all races conducted or imported by Los Alamitos Quarter Horse Association and Watch and Wager LLC Harness (Cal Expo)**

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
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Hollywood Park 2013 Spring Meet
Commingled Locations

Attachment A Section 11 D

AmWest Entertainment	Delta Downs	Maryland Jockey Club	Scioto Downs
Amwest Accounts	Dover Downs	Maywood	Seabrook Greyhound
Greenbrier (WV)	Ebet	Meadowlands	Social Gaming
Riders Up (SD)	Elite Turf Club (1 to 10)	Meadows The	Sol Mutuel
Time Out Lounge (SD)	Ellis Park	Meadows The (ADW) - PA regional	Southland Greyhound
Triple Crown (SD)	Emerald Downs	Millers OTB	Sports Creek Raceway
Arapahoe-Mile High	Evangeline Downs	Mobile Greyhound	State Fair (Lincoln, NE)
Colorado phone	Evangeline Downs AWA	Monmouth Park	Suffolk District OTB
Arima Race Club	Euro Off Track	Montana OTB	Suffolk Downs
Arlington I	Fair Grounds	Monticello	Pat's Pizza
Atlantic City Racecourse	Fair Grounds ADW	Mountaineer Park	Sunland Park
Atokad	Fair Meadows	Mt. Pleasant Meadows	SunRay Park & Casino
Balmoral	Finger Lakes	MTPBets	Tampa Bay Downs
Balmoral ADW (BETZOTIC)	Fonner	Nassau Regional OTB	Taunton Acct Wagering
Bangor Raceway	Freehold	New Jersey Casino Assoc.	Taunton Dog Track Inc.
Batavia	Gillespie County Fair	Nevada Pari-Mutuel Assoc.	The Downs at Albuquerque
Bettor Racing	Global Wagering Solutions	Newport Jai Alai	ThistleDown
Beulah Park	Bwin International Ltd.	NJ Mobile	Tioga Downs
Birmingham	Intl Betting Assoc. Ltd	Northfield	Tri-State GH (Mardi Gras)
Bluffs Run Greyhound	Magna Bet	Cedar Downs OTB	Turf Paradise
Buffalo Raceway	Racebets	Northville	Turfway Park
Calder Racecourse	Greenetrack	NYRA	TVG Chester
Canterbury Day	Greyhound @ Post Falls	NYRA Account Wagering	TVG Network
Capital District OTB	Gulf Greyhound	Oaklawn	TVG Prairie
Catskills OTB	Gulfstream	Ocean Downs	TVG Yonkers
Charles Town Race Course	Harrington Raceway	Panama	Twin River Greyhound
Chester Downs & Marina LLC	Hawthorne Race Course	Penn National	TwinSpires
Churchill Downs	Hawthorne ADW	Penn National Telebet	TwinSpires High Volume
Club Hipica InTurf	Hazel Park	Peru	Velocity Wagering Ltd.
Coeur d' Alene Casino	Hoosier Park	Philadelphia Park	Venezuela OTB
Colonial Downs	Horseman's Park	Philly Park Phone Bet	Vernon Downs
Colonial Downs Phone Bet	Indiana Downs	Plainridge Race Course	WatchandWager
Columbus Raceway	Evansville OTB	Plainridge Telephone Wagering	Western OTB
Connecticut OTB	Clarkesville OTB	Player Management Group	Wheeling Downs
Bradley Teletheater, Bristol	Intermountain Racing	Pocono Account Wagering	Will Rogers Downs
New Britain, Norwalk, Milford	IP Tote (Venezuela)	Pocono Downs and OTB	Wyoming
East Haven, Hartford, Putnam	Keeneland	Portland Meadows	XpressBet
Shoreline Star, Sports Haven	Keeneland Select ADW	Potawatomi Casino/ OTB	Yonkers Raceway
Torrington, Waterbury	Kentuck Downs	Prairie Meadows	Youbet Group 1
Manchester, New London	Kentucky OTB	Premiere Gateway (Phumelela)	Youbet Illinois
Willimantic	Lebanon	Premier Turf Club	Zia Park
John Martin's Manor Restaurant	Les Bois (Treasure Valley)	Presque Isle Downs	
Connecticut OTB ADW	Lewiston OTB's	Raceway Park	
Coushatta Casino	Lien Games	Racing2Day LLC	
Paragon Casino	Chips Lounge and Casino	Racing2Day Intl. (Stan James)	
Ho-Chunk Casino and Racebook	Howard Johnsons OTB	Remington Park	
Mohegan Sun Casino	Rumors OTB	Remington OTB Network	

Oneida Bingo and Casino	Skydancer Casino OTB	Attachment A Section 11 D	Separate Pool Locations
Pony Bar Simulcast Center	Lien Games ADW	Retama	Camarero (Puerto Rico)
Tote Investment Racing	BetAmerica and Offtrackbetting	Racing & Gaming Services	Caymanas (Jamaica)
Randall James Racetrack	Lone Star	Ripley de Venezuela (Callente)	MIR Books (Callente)
Millenium Racing	Louisiana Downs	River Downs	NDS Books (Nevada)
Royal Beach Casino	LVDC	Rockingham Park	
Divi Carina Bay Casino	Atlantis Paradise Casino	Rockingham Account Wagering	
Fair Chance	Avatar Ventures	Ruldoso Downs	
Winner's Circle	Buffalo Thunder Resort	Running Aces Harness Park	
Corpus Christi Greyhound	Foxwoods Resort Casino	Saddle Brook Park	
Cypress Bayou OTB	Meskwaki Bingo & Casino	Sam Houston	
Delaware	Maronas (South America)	Valley Greyhound Park	
		Saratoga Harness Raceway	
		Saratoga Bets (ADW)	
Canadian Locations		Scarborough	
Assinboia, Barrie, Charlottetown, Clinton Teletheatre, Dresden, Elmira Raceway, Evergreen Park, Exhibition Park, Flamboro Downs,			
Fraser Downs, Fort Erie, Fredericton Raceway, Georgian Downs, Grand River, Hanover Raceway, Hastings Park, Hiawatha, Hipodrome de Quebec,			Inverness Raceway
Kawartha Downs, Marquis Downs, Mohawk, Northlands, Northside Downs, Picov Downs, Quinte Raceway, Rideau Carlton,			
Rocky Mountain Turf Club, Royal Britlana Hub, St. Johns, Sudbury Downs, Summerside, TBC Sandown, TBC Teletheaters			
Truro Raceway, Western Fair, Woodbine, Woodstock/Ontario			

Attachment B – Section 11 G

Hollywood Park Spring Summer Meet
 April 25, 2013 to July 14, 2013
 Out-of-State & International Imports - Full or Partial Card (Subject to Change)

2013 Import Tracks	
Track	Full or Partial Cards and Stakes
Arlington	Full or Partial Cards
Assiniboia	Full or Partial Cards
Australia Racing	Full or Partial Cards
Beulah	Full or Partial Cards
Calder	Full or Partial Cards
Canterbury	Full or Partial Cards
Churchill Downs	Full or Partial Cards
Delaware Park	Full or Partial Cards
Ellis Park	Full or Partial Cards
Emerald	Full or Partial Cards
Evangeline	Full or Partial Cards
Fort Erie	Full or Partial Cards
Gulfstream	Full or Partial Cards
Hastings Park	Full or Partial Cards
Hawthorne	Full or Partial Cards
Indiana Downs	Full or Partial Cards
Keeneland	Full or Partial Cards
Lone Star	Full or Partial Cards
Louisiana Downs	Full or Partial Cards
Monmouth	Full or Partial Cards
Mountaineer Park	Full or Partial Cards
Northlands	Full or Partial Cards
NYRA - Aqueduct	Full or Partial Cards
NYRA - Belmont	Full or Partial Cards
Penn National	Full or Partial Cards
Philadelphia Park (Parx)	Full or Partial Cards
Pimlico	Full or Partial Cards
Prairie Meadows	Full or Partial Cards
Presque Isle	Full or Partial Cards
River Downs	Full or Partial Cards
South America Racing	Full or Partial Cards
Suffolk Downs	Full or Partial Cards
Sunray Park	Full or Partial Cards
Tampa Bay	Full or Partial Cards
Thistledown	Full or Partial Cards
Turf Paradise	Full or Partial Cards
United Kingdom	Full or Partial Cards
Woodbine	Full or Partial Cards
Yavapai Downs	Full or Partial Cards

- K. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in Business and Professions Code sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). N/A

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of Business and Professions Code sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 7.)

12. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Hollywood Park Racing Association, 1050 South Prairie Avenue, Inglewood, CA 90301 310-419-1566**
- B. Names and addresses of the trustees or directors of the distributing agent:

**Hollywood Park Racing Association
F. Jack Liebaw, President
1050 South Prairie Avenue
Inglewood, CA 90301**
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of Business and Professions Code section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 50% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of Business and Professions Code section 19556(b) and (c).

13. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A.

Racing officials nominated:	Dana Stead, D.V.M.
Association Veterinarian(s)	Tim Grande, D.V.M.
Clerk of Scales	Kevin Colosi
Clerk of the Course	Melanie Stubblefield
Film Specialist	Ruben Hernandez

Horse Identifier	Jennifer Paige
Horseshoe Inspector	Louis Damore
Paddock Judge	Karen Denovel
Patrol Judge	Ruben Hernandez
Placing Judges	Bob Moreno Zach Soto
Starter	Gary Brinson
Timer	Russell Hudak

B. Management officials in the racing department:

Director of Racing	N/A
Racing Secretary	Martin Panza
Assistant Racing Secretary	Richard Wheeler and Daniel Eidson
Paymaster of Purses	Susan Winter
Others (identify by name and title)	Charles McCaul (Asst. Clerk of Scales)

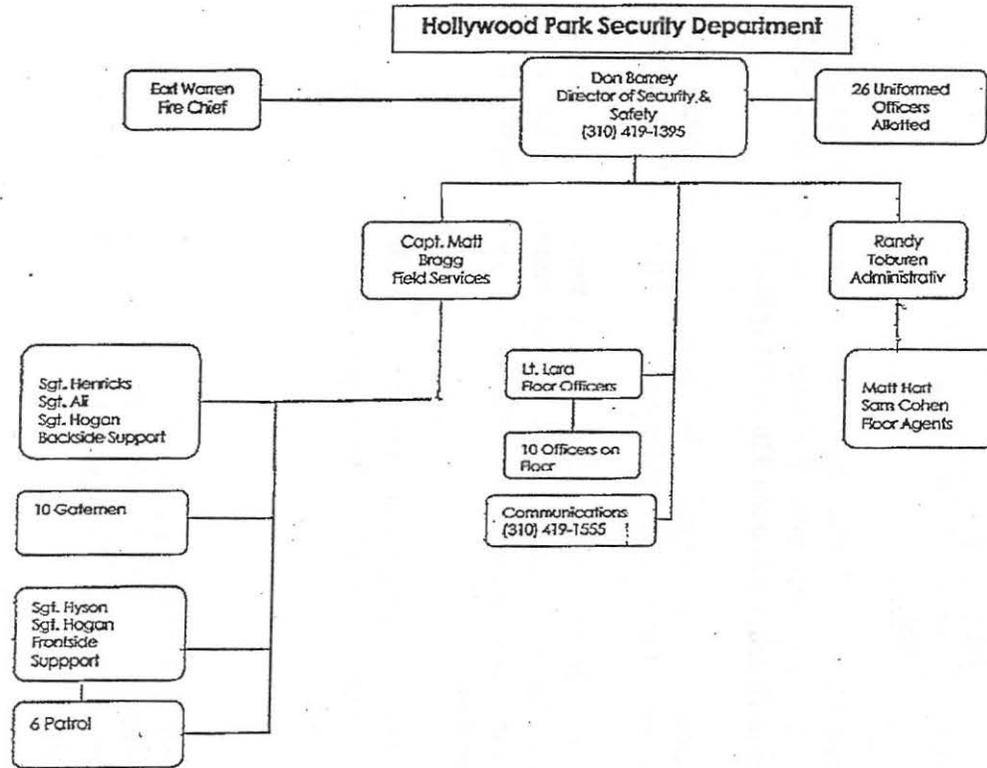
- C. Name, address, email and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Weinstein Court Reporters, 9582 Hamilton Avenue, Suite 265 Huntington Beach, California 92646 (714) 964-7102**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract: **Plusmic, USA 12/31/13**
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. **Association provides its own service and equipment. Equipment utilized is described in Attachment "C"**
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract: **American Teletimer, 12/31/13**

14. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Donald Barney, Director of Security 310-419-1395 – organizational chart attached.**
- C. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

- 26 Uniformed Officers**
- 3 Agents**
- 1 Firemen**
- 10 Gatemen**
- 3 Communication Operators**

- 1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention stalls. **The security for stakes races will be deployed in**



Attachment C – Section 13 E**VIDEO EQUIPMENT****CAMERAS**

Eight DXC-35 Sony Cameras
 Six DXC-637 Sony Cameras
 One BRC-H700 Sony remote control camera
 Pan (Wide) w/44X1 Fuji Lens
 Pan (Close up) w/55X1 Fuji Lens
 7/8 Dirt Tower w/45X1 Canon Lens
 7/8 Turf Tower w/22X1 Fuji Lens
 1/4 Tower w/26X1 Angenieux Lens
 3/16 Sony robo cam 16x1 Lens
 3/8 Dirt Tower w/45X1 Canon Lens
 3/8 Turf Tower w/33X1 Canon Lens
 One Autodome PTZ Day/Night Color Camera 23X 1 lens for Turf Chute Backside
 Winner's Circle w/18X1 Canon Lens
 Paddock view Camera w/18X1
 Ground Level Finish w/18X1 Canon Lens
 Gate Start Camera w/15X1 Fuji Lens
 Horse Tunnel Camera w/15X1 Canon Lens
 Studio Camera w/15X1 Canon Lens
 Paddock view Camera w/15X1

VIDEO TAPE RECORDING EQUIPMENT

12 - Channels Leitch 300 Video Servers
 2 - BVW - 75 Beta SP (slo-mo)
 4 - PVW - 2800 Beta Sp
 1- DPS Velocity video edit system

DISTRIBUTION/SWITCHING EQUIPMENT

Utah 132X132 A/V Router
 Ross Synergy 3 Production Switcher
 Ross "Squeeze & Tease" four Channel Digital Video Effects Unit

OTHER

Four "Autotote" VGS Units - Betting Screens
 Data links wagering system
 Dekocast Graphic System with Pegasus Datalinks software
 Clear-com "Matrix" Intercom System
 Approximately 1,100 Color Televisions

accordance with our agreement with TOC.

2. Detention Stalls:

A. Attach a plan for use of graded stakes or overnight races.
Detention barn is to be used as directed by the CHRB.

B. Number of security guards in the detention stall area during a 24-hour period.
As needed at the direction of the CHRB.

C. Describe number and location of surveillance cameras in detention stall area.
There are currently 10 cameras over the stalls and 2 covering the shedrow.

3. TCO2 Testing:

A. Number of races to be tested, and number of horses entered in each race to be tested.
Will follow CHRB staff directives.

B. Plan for enhanced surveillance for trainers with high-test results.
Will follow CHRB directives.

C. Plan for detention stalls for repeat offenders.
Will follow CHRB directives.

D. Number of security personnel assigned to the TCO2 program.
As needed per the advice of CHRB staff.

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention stall and stable gate.
Camera at each of our two stable gates, also see 2C above

D. For night racing associations. Describe emergency lighting system: **The track lighting system, which is used primarily for Friday night racing is on a preferred electrical current provided by Southern California Edison. Additionally we have an emergency lighting system powered by two karolite 125 k.w. 277/480 volt generators which are activated and placed on line during the running of every race run after dark.**

15. EMERGENCY SERVICES

A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races: Westmed/McCormick Ambulance Service 13933 Crenshaw Blvd., Hawthorne, CA 888-8944, Advanced Life Support Unit staffed by two paramedics.

1. Attach a certification from the ambulance service(s) listed in 15A, certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority. **On file with CHRB**

B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: Santa Anita- Ambuserve. Inc. 15105 S. Broadway Ave., Gardena, CA 90248 310 644 0500, Advanced Life Support Unit staffed by two paramedics.

1. Attach a certification from the ambulance service (s) listed in 15B, certifying that the paramedic staff are licensed with the California Emergency Medical Services Authority. **On**

file with CHRB

- C. Describe the on-track first aid facility, including equipment and medical staffing: **Our first aid facility is located on the ground level in the hallway between the paymaster of purses and the track photographer offices. The rear entrance to the first aid facility opens to tunnel 1A and is approximately 12ft from the Jocks' room entrance. During training hours two certified Paramedics are stationed in an ambulance located on the backstretch just off the main track. They have access to the first aid facility should the need arise. During racing hours a certified EMT staffs and maintain the first aid facility with an additional team of two Paramedics stationed in an ambulance on the race track. Also during racing hours there is a medical doctor on duty who is provided through Kerlan-Jobe clinic.**

The facility is equipped with the following: beds, stethoscope, otoscope, flash light, forceps, clamps, scissors, scalpel, tourniquet, sterile syringes, blood pressure kit, oxygen, eye flushes, splints, bandages, trauma dressing, hydrogen peroxide etc., nasal packing, topical anesthetic, thermometer, Silver nitrate sticks (AgNO3), ice packs, backboards for spinal precautions, cervical collars, immobilization straps hare traction splints for closed femur fractures, KED splints, bag valve mask for CPR, Automated external defibrillator., oxygen masks, cannula tubing and a variety of addition supplies and over the counter drugs (aspirin etc.)

- D. Name and emergency telephone number of the licensed physician on duty during the race meeting: **(If quarter horse racing association see D (1) : Dr. John Goff 310/419 1562 There will be other doctors who will be pre scheduled to relieve Dr. Goff from time to time during the race meeting . That schedule will be provided to the CHRB when it becomes available.**

1. Name address and emergency telephone number of hospital located within 1.5 miles of the racetrack, which whom an agreement is in place to provide emergency medical services, pursuant to Business and Professions Code section 19481.3(a):

- E. Name, address and emergency telephone number of the hospital to be used for admittance and treatment of emergency injuries in the event of an on-track injury to a jockey: **Centinela Hospital, 555 East Hardy Street, Inglewood, CA- Dr Lee Wise - Chief of staff 310/697-9180**

- F. Attach, in English and Spanish, the emergency medical plan procedures that will be posted in each jockey's room to be used in the event of an on-track injury to a jockey: **Refer to Attachment "D"**

- G. Name of health and safety manager and assistant manager responsible for compliance of health and safety provisions pursuant to Business and Professions Code section 19481.3(d): **Don Barney Safety Manager- Sam Cohen, Assistant Safety Manager**

- H. Attach a fire clearance from the fire authority having jurisdiction over the premises. **Inspection has been requested. See attached.**

- I. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **Sea Bright Insurance Company BB 1124259**

- J. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/05/2012

Page 1 of 1

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis Insurance Services of California, Inc. c/o 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME: PHONE (A/C, NO, EXT): 877-945-7378 FAX (A/C, NO): 888-467-2378 E-MAIL ADDRESS: certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE INSURER A: SeaBright Insurance Company	NAIC# 15563-100
INSURED Stockbridge Capital Group, LLC dba Hollywood Park 4 Embarcadero Center, Suite 3300 San Francisco, CA 94111	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES

CERTIFICATE NUMBER: 18721823

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$	
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input type="checkbox"/> Y/N (Mandatory in NH) if yes, describe under DESCRIPTION OF OPERATIONS below		N/A	BB1124259	9/23/2012	9/23/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, if more space is required)

CERTIFICATE HOLDER

CANCELLATION

CHRB
 1010 Hurley Way
 Suite 300
 Sacramento, CA 95825

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Attachment D - Section 15 F**MEMORANDUM**

From: Don Barney, Director of Security & Safety

Subject: Emergency Medical Action Plan for Injured Jockeys

Since May 1, 2003 we at Hollywood Park have had in place an emergency medical action-plan for injured jockeys. There is now a new law requiring such an action plan. Pursuant to the Business and Professions Code section 19481.3 (b) each racing association shall adopt and maintain an emergency medical action plan for injured jockeys and shall be posted in English and Spanish within the jockeys room.

The system we have in effect follows the exact guidelines required by the above statute. The emergency action plan we deploy goes as follows:

“Upon the observed or reported injury of a jockey, medical assistance will be immediate. The responding medical technician, track doctor or security will contact communications (via hand held radio or calling 310 4191555). Security will then activate the emergency contact procedure. This procedure will be the responsibility of the Safety Director or his designee. The Safety Director will contact the Chief of Medical Staff at Centinela Hospital and prepare for the injured jockeys arrival. The phone number of Centinela Hospital is 310- 4198636 and is located at 555 East Hardy Street, Inglewood.

The Chief of Staff will ensure that his personnel are standing by to receive the injured jockey. The Chief of Staff will also contact any specialists who are contracted for the care of an injured jockey. This will lay the foundation for a rapid admittance and treatment of the injured Jockey. A Security Agent will also be dispatched to respond to the emergency room to assist family members of the injured jockey and to also maintain the integrity of the injured jockeys needs. It will also be the responsibility of the Security Agent to keep the Director of Safety informed as to the condition and progress of the injured jockey. It will be the responsibility of the Security Agent to obtain a copy of the accident from the T.V. department. The Security Agent will prepare a report as to the accident and treatment. The agent will also ensure that all workers compensation information pertaining to the jockey is accurate and current.”

From: Don Barney, Director of Security & Safety

Subjecto: Emergencia Medica Accion de plan para el Jinete Lastimado

Desde Mayo 1, 2003 Hollywood Park a tenido un plan de Emergencia Medica para los jinetes lastimados. Hay nueva ley que requiere accion de plan. Siguiendo las leyes del negocio y Profesion Codigo seccion 19481.3(b) cada asociado de carrera tiene que adaptar y mantener el plan de emergencia en el cuarto de los jinetes.

El sistema en efectivo que tenemos sigue exactamente todas las reglas y guias. El plan de

emergencia se dirige asi:

“Asistencia medica sera inmediata al observar o reportar un jinete lastimado. El medico tecnico, el doctor de hipodromo o seguridad se comunicara via radio o llamara (310)419-1555. Seguridad activara el proceso de el contacto de emergencia. Este proceso sera la responsabilidad de el Director de Seguridad o su designado. El Director de Seguridad contactara al Jefe Medico de Centinela Hospital localizado en la 555 East Hardy Street, Inglewood.

El Jefe de Estafa se asegurara que su personal se encargue de recibir al jinete herido y contactar a otros especialistas en el contrato y cuidado de el jinete. Este fundamento sera rapido para admitir y tartar al jinete herido. Un agente de seguridad sera despachado al cuarto de Emergencia para asistir a la familia y mantener la integridad y necesidades de el jinete herido. Sera la responsabilidad del agente, reportar e informar al Director de Seguridad de la condicion y el progreso de el jinete. Es la responsabilidad del agente de obtener copia del accidente de el Departamento de Television. El agente se asegurara que toda la informacion de compensacion de trabajo que pertenezca a el jinete sea fija y corriente.”

termination of insurance that secures the liability of the association for payment of workers' compensation. **Attached**

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall pursuant to Business and Professions Code section 19481.3 maintain, staff, and supply an on-track first aid facility, that may be either permanent or mobile, and which shall be staffed and equipped as directed by the board. A qualified and licensed physician shall be on duty at all times during live racing, except that this provision shall not apply to any quarter horse racing at the racetrack if there is a hospital situated no more than 1.5 miles from the racetrack and the racetrack has an agreement with the hospital to provide emergency medical services to jockeys and riders. An ambulance licensed to operate on public highways provided by the track shall be available at all times during live racing and shall be staffed by two emergency medical technicians licensed in accordance with Division 2.5 (commencing with Section 1797) of the Health and Safety Code, one of whom may be an Emergency Medical Technician Paramedic, as defined in section 1797.84 of the Health and Safety Code. (b) Each racing association and racing fair shall adopt and maintain an emergency medical plan detailing the procedures that shall be used in the event of an on-track injury. The plan shall be posted in each jockey room in English and Spanish. (c) Prior to every race meeting, the racing association or racing fair shall contact area hospitals to coordinate procedures for the rapid admittance and treatment of emergency injuries. (d) Each racing association or racing fair shall designate a health and safety manager and assistant manager, who shall be responsible for compliance with the provisions of this section and one of whom shall be on duty at all times when live racing is conducted. The health and safety manager may, at the discretion of the racing association, be the person designated to perform risk management duties on behalf of the association.

16. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each: **See Attachment "E"**

Does the association provide its own concessions? Yes No

17. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

- A. Attach a copy of the promotional and marketing plans for the race meeting: **This will be submitted separately via mail and email.**
- B. Promotional/ Marketing budget for this race meeting: **The Marketing Budget for 2013 and 2012 Actuals will be submitted with the Promotional and Marketing Plans referred to in Item A above.**

Promotional/Marketing budget for prior race meeting:

- C. Number of hosts and hostesses employed for meeting: **There will be 20 Customer Service Representatives employed for the Spring/Summer Meeting.**
- D. Describe facilities set aside for new fans: **The Tributo Bar serves as the location for the Fiesta Friday's event featuring Fan friendly drinks and happy hour food specials. Every Sunday there will also be a Family Fun Day event on the North Park Lawn with pony rides, race painters, balloon artists, and family entertainment offered.**
- E. Describe any improvements to the physical facility in advance of the meeting that directly benefit:
1. Horsemen
 2. Fans – **Facilities in the restricted areas – The most recent improvement to the facility benefiting both Horsemen and Fans is the addition of the very popular Betfair Lounge. Located in the Player's Club, the Lounge features large screen TVs, Wi-Fi connectivity,**

iPad enabled wagering, and full bar service, along with a dedicated TVG window and clerk.

18. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (general)	\$10.00
17 years old & under	Free
Thursday Senior Citizens	\$5.00
Admission (clubhouse)	N/A
Admission (Turf Club)	\$20.00
Betfair Lounge - crossover	\$5.00
Reserved seating (general)	\$2.00
Reserved seating (clubhouse)	N/A
Parking (general)	Free
Parking (preferred)	\$5.00
Parking (valet)	\$10.00
Programs (on-track)	\$2.50
(off-track)	\$2.50

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Box Seats	*Turf Club Membership		
4 seat Box	\$1,280	Single Turf Club	\$ 640
6 seat Box	\$1,600	Double Turf Club	\$ 1,000
8 seat Box	\$2,080	Corporate Membership	\$ 1,920
8 seat SuperBox	\$2,400		
*Includes Spring/Summer, Fall Meets and Simulcast			

C. Describe any "package" plans such as combined parking, admission and program: **Admission includes parking and program.**

19. JOCKEYS/DRIVERS' QUARTERS

A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="text" value="80"/>
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

B. Describe the quarters to be used for female jockeys/drivers: **Separate quarters, including restroom, facilities, showers, cubicles, scale, televisions, couch, sauna, massage table, etc.**

20. BACKSTRETCH EMPLOYEE HOUSING

A. Inspection of backstretch housing was completed by Phillip Miyazaki on January 29, 2013, accompanied by the County of Los Angeles Public Health Dept.

B. Number of rooms used for housing on the backstretch of the racetrack: **459**

- C. Number of restrooms available on the backstretch of the racetrack: **77 including: 155 toilets, 81 urinals and 167 sinks.**
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: **Minimum of 1 to 10 including non-resident personnel.**

21. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: **Main Track – 1 mile & 1/8 – 5,940 feet; Turf Track – 1 mile 165 feet – 5,445 feet**
- B. Describe the type of track surface at the facility, including the specific track surface composition: **Cushion track – sand, fibers, rubber and wax.**
- C. The percent of cross slope in the straight-aways is: **3%**
The percent of cross slope in the center of the turns is: **5 ½%**
- D. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course. **Main Track – aluminum gooseneck post, aluminum railing, as well as aluminum safety panels covering the gooseneck post. Turf Course – inner rail – Fontana turf rail 40" in height, outer rail – metal uprights.**
- E. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Dennis Moore**
- F. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file.**
- G. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

22. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **To be submitted under**

22. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **To be submitted under separate cover.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **On File.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **The following Union Contracts will be open for negotiations during our meet on the date indicated - 6/30/13 Teamsters Truck Drivers Local 495 - 6/30/13 The Master Turf Agreement which includes IBEW Local 11 Op Eng Local 12, Laborers Local 300 and Painters Dist. Council 36 - 6/30/13 Plumbers Local 78 - 6/30/13, Carpenters Local 409 - 5/1/13 United HERE Local 11 - 4/30/13 Teamsters Print Shop Local 572.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

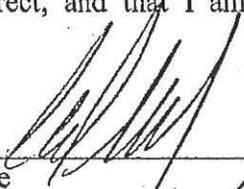
NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

23. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Eual G. Wyatt
Print Name

Vice President & General Manager
Print Title


Signature

1/23/13
Date

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD
REGARDING THE TILTED KILT'S LICENSE
TO OPERATE A
MINISATELLITE WAGERING FACILITY
AND COMPLIANCE WITH
BUSINESS AND PROFESSIONS CODE SECTION 19605.25

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19605.25 provides that the Board may approve an additional 15 minisatellite wagering facilities in each zone. Business and Professions Code section 19605.25(a)(1) states no minisatellite wagering facility may be within 20 miles of a racetrack, a satellite wagering facility, or a tribal casino that has a satellite wagering facility. If the proposed minisatellite wagering facility is within 20 miles of one of the above-referenced satellite facilities, then the consent of each facility within a 20-mile radius must be given before the proposed minisatellite wagering facility may be approved by the Board.

At its January 17, 2013 Regular Meeting the Board approved the application for license to operate a minisatellite wagering facility at the Tilted Kilt Pub and Restaurant (Tilted Kilt) in downtown San Diego, California. The Tilted Kilt application represented that "*Tilted Kilt is located within the protective circles of both Del Mar racetrack and Surfside Satellite Wagering. Both entities have agreed to grant waivers; the Del Mar racetrack waiver is included as Exhibit F [of the application].*"

On February 4, 2013 a representative of the Sycuan Band of the Kumeyaay Nation (Sycuan Tribe) submitted a letter stating that the proposed Tilted Kilt minisatellite wagering facility is located within a 20-mile radius of the existing Sycuan Tribe satellite wagering facility. The letter stated that because the Sycuan Tribe's satellite facility was within a 20-mile radius and the Sycuan Tribe did not consent to the Tilted Kilt minisatellite wagering facility, the Board should not have approved the application. The Sycuan Tribe contends the approval violated Business and Professions Code section 19605.25, and must be revoked. Staff verified the Sycuan Tribe's claim to the best of its ability by using two independent web sites to determine the distance between the Tilted Kilt and the Sycuan Tribe satellite wagering facility. The site, Distance Finder at distance.aniri.ro, calculated the distance at 32 km, or 19.88 miles. The site, DistanceFromTo at distancefromto.net, calculated the distance at 19.82 miles. If the Board determines the Sycuan Tribe's claim is valid, and the parties do not reach an agreement, it's option is to rescind the Tilted Kilt's license to operate a minisatellite wagering facility.

Southern California Off Track Wagering, Inc. (SCOTWINC) has indicated it made an error in its calculation of the distance between the Sycuan Tribe satellite facility and the Tilted Kilt. SCOTWINC is currently working to arrive at a solution that will allow the Tilted Kilt to operate as a minisatellite wagering facility

RECOMMENDATION

This item is presented for Board discussion and Action. A SCOTWINC representative is prepared to address the Board.



February 1, 2013

Daniel J. Tucker
Chairman

Ricci LaBrake
Vice Chairman

Candelita Billingsly
Secretary

LaShunna Davidson
Treasurer

Orlando Sandoval
Council Member

Jamie D. LaBrake
Council Member

Henry R. Murphy
Council Member

FEDERAL EXPRESS US AIRBILL NO. 7946 6273 1999

California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, California 95825

Dear Commissioners:

My client, the Sycuan Band of the Kumeyaay Nation ("Sycuan Tribe"), recently learned that at your January 17, 2013, meeting the California Horse Racing Board ("Board") approved a license application for a minisatellite wagering facility to be located at the Tilted Kilt Pub and Restaurant ("Applicant") in downtown San Diego. In reading the meeting transcript, it appears the Board is aware that the Sycuan Tribe operates a satellite wagering facility. However, it is clear that neither the Applicant nor the Board conducted the due diligence necessary to determine whether the Applicant was required to obtain the Sycuan Tribe's consent to the issuance of this license.

Pursuant to California Business and Professions Code Section 19605.25, if a proposed minisatellite facility is located within a 20-mile radius of an existing satellite wagering facility, the Board may not approve the location unless the consent of each facility within the 20-mile radius is obtained. As verified by the enclosed maps, the Sycuan Tribe's facility is indeed within a 20-mile radius of the proposed site. Because the Sycuan Tribe did not consent to the proposed facility, the Board should not have approved the application. As issuance was in clear violation of the law, the Board must immediately revoke the license.

The Sycuan Tribe appreciates your immediate attention to this matter as it is clear from the meeting transcript the Applicant intends to begin operations within the very near future.

If you have any questions concerning this letter, please do not hesitate to contact me at 619.445.4564 x1052.

Sincerely,

Michelle A. Carr
Sycuan Legal Director

Enclosures (2)

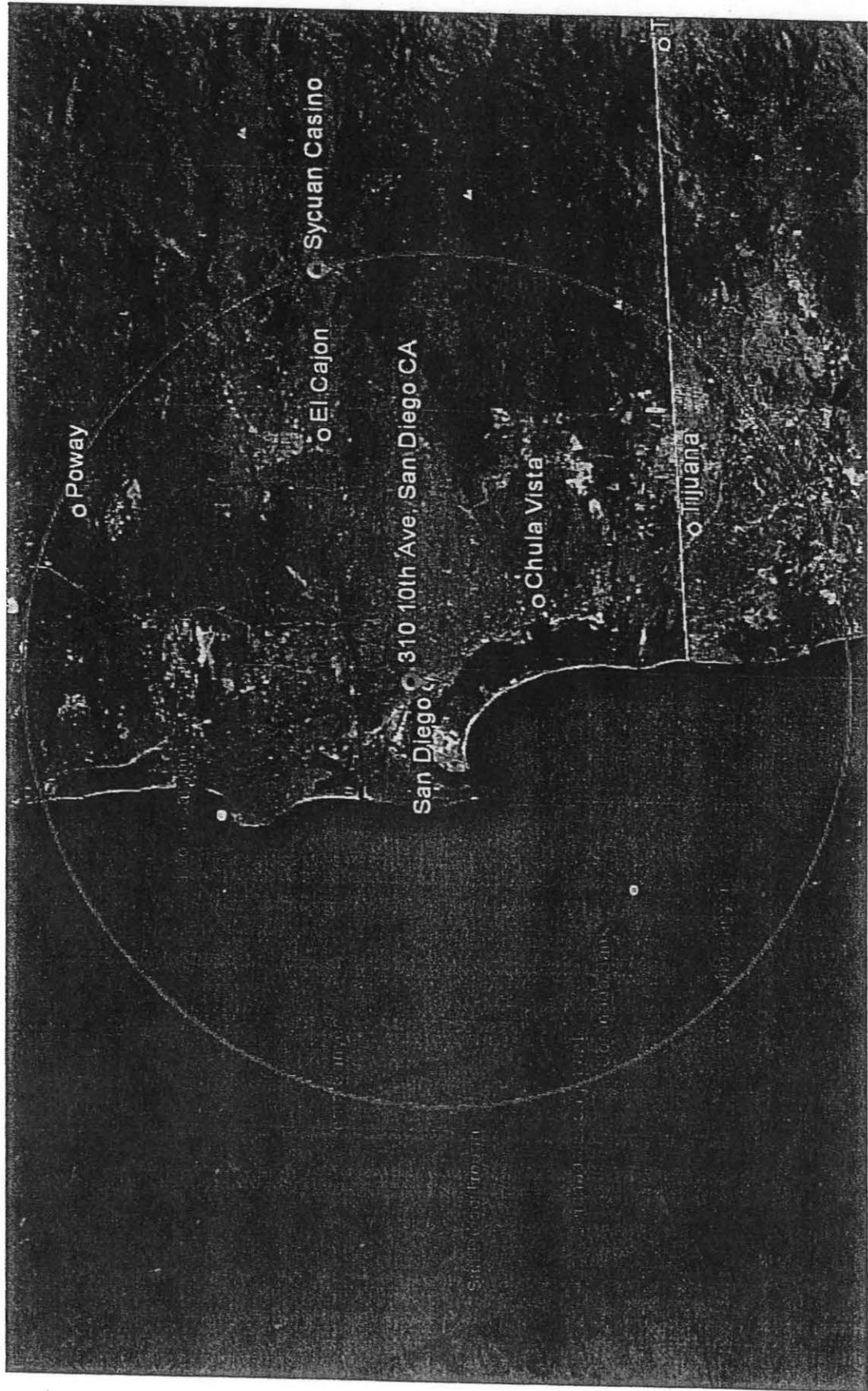
RECEIVED
CHRB

2013 JAN 35 AM 9:14

RECEIVED
CHRB

2013 FEB -4 AM 10:11

20 Mile Radius





BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 8. SPECIAL BUSINESS REGULATIONS [18400. - 22948.7.] (*Division 8 added by Stats. 1941, Ch. 44.*)

CHAPTER 4. Horse Racing [19400. - 19668.] (*Chapter 4 repealed and added by Stats. 1959, Ch. 1828.*)

ARTICLE 9.2. Satellite Wagering [19605. - 19608.8.] (*Article 9.2 added by Stats. 1990, Ch. 131, Sec. 15.*)

19605.25. (a) The California Horse Racing Board may approve an additional 15 minisatellite wagering sites in each zone, if all of the following conditions are met:

- (1) No site is within 20 miles of a racetrack, a satellite wagering facility, or a tribal casino that has a satellite wagering facility. If the proposed facility is within 20 miles of one of the above-referenced satellite facilities, then the consent of each facility within a 20-mile radius must be given before the proposed facility may be approved by the board.
 - (2) An agreement in accordance with subdivision (a) of Section 19605.3 has been executed and approved by the board. In addition to the requirements set forth in that provision, the agreement shall specify which components of its racing program, including live, out-of-zone, out-of-state, and out-of-country races, an association or fair will make available to the site. The terms and condition of the agreement, including all fees payable pursuant to paragraph (3) of that provision, a portion of which may be paid to horsemen in the form of purses, shall be subject to the approval of the horsemen's organization responsible for negotiating purse agreements with the association or fair.
 - (3) The site is approved by the board.
 - (4) The wagers are accepted in an area that is accessible only to those who are at least 21 years of age.
 - (5) The board has approved the accommodation, equipment used in conducting wagering at the site, communications system, technology, and method used by the site to accept wagers and transmit odds, results, and other data related to wagering.
- (b) Parimutuel clerks shall be available to service the self-service tote machines at these locations, and to cash wagering vouchers on a regularly scheduled basis.
- (c) Until January 1, 2013, if the proposed minisatellite wagering site is in the northern zone in a fair district where the fair has operated a satellite wagering facility for the previous five years, the approval of the fair must be obtained even if the proposed location is more than 20 miles from the existing satellite wagering facility operated by the fair.
- (d) For purposes of commissions, deductions, and distribution of handle, wagers placed at minisatellite sites shall be treated as if they were placed at satellite wagering facilities authorized under Section 19605, 19605.1, or 19605.2. Section 19608.4 shall apply to minisatellite wagering facilities.
- (e) The written consent of the San Mateo County Fair shall be obtained prior to the approval of any minisatellite wagering site located within a 20-mile radius of its fairground.
- (f) Minisatellite wagering facilities created pursuant to this section are not eligible for satellite wagering commission distributions pursuant to Section 19604.
- (g) The board, in adopting regulations to implement this section, shall minimize the expense to both the

operator of the minisatellite facility and the host racetrack.

(h) If there are more than 15 applications for minisatellite wagering facilities in any zone, the board shall determine which facilities will generate the largest handle, and give priority to the approval of those facilities. The board shall license a minisatellite facility for up to five years, and then review the operation and the size of the handle, and determine if it is in the best interest of horse racing to relicense the facility or, in the alternative, license another minisatellite facility that might generate a greater handle.

(i) Except as may be provided in the agreement required pursuant to paragraph (2) of subdivision (a), no association or fair shall be required to make all or part of its racing program available to a minisatellite wagering facility. Notwithstanding subdivision (e) of Section 19608.2, all costs incurred by the organization executing that agreement in excess of the amounts distributable to the organization from wagers placed at the site on that racing program, shall be borne by the minisatellite wagering facility.

(Amended by Stats. 2011, Ch. 334, Sec. 1. Effective January 1, 2012.)

Distance finder



This app helps you find the distance between two points, both the direct distance and the distance on a route.

To find the distance between two locations just **write the addresses** (they can be as detailed as you want) in the two text fields, **choose the route type** and **press the "Show" button!**

If you want, you can also choose an intermediate point on the route.

First address:

Second address:

Via (Optional):

You can drag the markers to check new locations.

Route type:

Show

= 19.88 mi

The **distance** between the two points (in a **straight line**) is: 32 km

The **distance** between the two points on the **chosen route** is: 24.5 mi

The **aproximative travel time** is: 35 mins

To share the result use the link: <http://tinyurl.com/avlevck>

Share with your friends on: [Share](#)
[Send some feedback](#)

Designed and developed by aniri.ro

DistanceFromTo 584
measure the distance between cities

 Search

Distance Between Cities Places On Map

Type city or location names and hit measure button to measure the distance between cities or two places.

From To

Find the distance between two cities in miles and kilometers, and show on map.

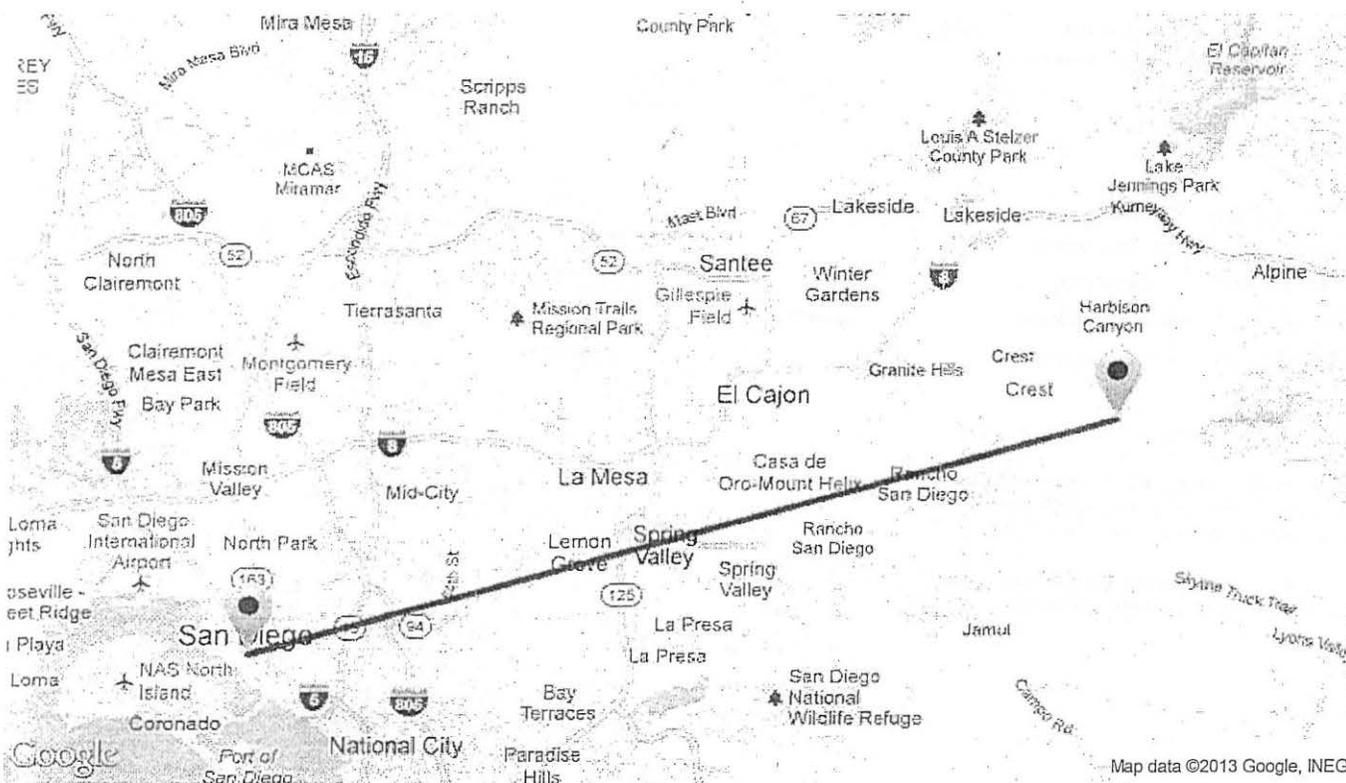
Distance in km

Distance in miles

31.89

19.82

584



STAFF ANALYSIS

February 21, 2013

Issue: APPLICATION FOR LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY BY LAKE CENTER DRIVE, LP DBA SAMMY'S OF LAKE FOREST, LAKE FOREST.

Lake Center Drive, LP (Sammy's of Lake Forest), filed an application for a license to operate a minisatellite wagering site in its Sammy's of Lake Forest restaurant in Lake Forest, California. Southern California Off-Track Wagering Inc. (SCOTWINC) has acted as the coordinator during the application process. The city of Lake Forest has granted Sammy's of Lake Forest a conditional Use Permit for a restaurant with minisatellite wagering. One of the conditions of the Use Permit is that the CHRB has issued all necessary approvals for the minisatellite wagering facility. Sammy's of Lake Forest minisatellite application requests that the CHRB grant a conditional license beginning February 21, 2013 through February 20, 2018, for a period of up to five years. The CHRB conditional license would require that Sammy's of Lake Forest meets all of the city of Lake Forest's conditions. If granted a conditional license by the CHRB, Sammy's of Lake Forest will begin remodeling of the facility that should be completed in late spring 2013. Once the city of Lake Forest and the CHRB conditions are met Sammy's of Lake Forest minisatellite will become operational until February 20, 2018.

- The Sammy's of Lake Forest is a restaurant located in Lake Forest, California. The proposed wagering site will be located in the Southern zone.

Business and Professions Code section 19605.25 (a) (1) provides no minisatellite may be within 20 miles of a racetrack, a satellite wagering facility, or a tribal casino that has a satellite wagering facility. If the proposed facility is within 20 miles of one of the above-referenced satellite facilities, then the consent of each facility within a 20-mile radius must be given before the proposed facility may be approved by the Board.

- SCOTWINC has provided there is no racetrack(s), satellite wagering facility or tribal casino that has a satellite wagering facility located within 20 radius miles of the applicant.
- Sammy's of Lake Forest has contracts/agreement with the following racing associations:

Del Mar Thoroughbred Club
Los Alamitos Quarter Horse Racing Association
Los Angeles County Fair
Los Angeles Turf Club
Pacific Racing Association
Watch and Wager LLC

- The simulcast organization engaged by the contracted association(s) to conduct simulcast wagering is SCOTWINC.

- Applicant proposes to operate the minisatellite wagering site from 10:30 a.m. until 10:30 p.m. on race days and dark day simulcasting events, or as needed to accommodate the program of live and simulcast races as determined by the host track. Hours may be adjusted for special events.
- Estimated number of pari-mutuel terminals machines available: 8 reversible manned pari-mutuel wagering stations and 20 self-service machines. Seating Capacity is 222; the number of tables in the minisatellite wagering area is 85. Seventy-two HD, LCD flat screen televisions as follows: eighteen 60 inch; twenty-seven 55 inch; fifteen 42 inch; twelve 36 inch. Plus, each private carousel will be equipped with a monitor and two video walls with nine screens each.
- Staffing: Mutuel Supervisor; two clerks on most weekdays and three or more on weekend days as needed; self service attendant (to be determined as needed); one security officer during all hours of operation.

Specific information still needed to complete this application include:

1. Association approvals: CARF and Hollywood Park
2. SCOTWINC Agreement
3. Fire Clearance

RECOMMENDATION:

Staff recommends the Board hear from the applicant.

If the application is considered for approval, staff recommends a contingent approval upon the submission of outstanding items.

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Application is hereby made to the California Horse Racing Board (CHRB/Board) for a license to operate a minisatellite wagering facility in connection with a horseracing meeting and/or parimutuel wagering in accordance with the Business and Professions Code, Chapter 4, Division 8 (Horse Racing Law) and the California Code of Regulations, Title 4, Division 4 (Rules and Regulations of the California Horse Racing Board).

Part I: To be completed by applicant seeking to operate a minisatellite wagering facility pursuant to Business and Professions Code section 19605.25.

Part II: To be completed by association(s) that has/have reached an agreement with the applicant to conduct minisatellite wagering.

Part III: To be completed by simulcast organization that has reached an agreement to provide services necessary for the conduct of minisatellite wagering pursuant to Business and Professions Code sections 19605.25 & 19605.3.

PART I
MINISATELLITE WAGERING APPLICANT INFORMATION

APPLICANT INFORMATION

Name of applicant: LAKE CENTER DRIVE LP		<input type="checkbox"/> Card Room/Gambling Establishment	
The applicant is: (dba Sammy's of Lake Forest)		<input checked="" type="checkbox"/> Restaurant/Bar	
<input type="checkbox"/> Racing Association		<input type="checkbox"/> Other Business Entity	
<input type="checkbox"/> Fair			
<input type="checkbox"/> Federally Recognized Indian Tribe			
Facility street address: 23221 Lake Center Drive, Lake Forest, CA 92630			
Mailing address (if different from above): 23151 Moulton Parkway, Suite 103, Laguna Hills, CA 92653			
E-mail address: NONE			
City: LAGUNA HILLS	State: CA	Zip Code: 92653	
Phone: 949 859 8511	Fax: 949 859 0269	Website: NONE	
County: ORANGE	Zone Location: North <input type="checkbox"/> South <input type="checkbox"/> Central <input type="checkbox"/>		
(To be completed by CHRB staff)			

CONTACT PERSON
 (Authorized Representative)

Name and title of the contact person: BRAD MCKINZIE		
Business street address: c/o Los Alamitos Race Course, 4961 Katella Avenue, Los Alamitos, CA 90720		
Mailing address (if different from above):		
City: LOS ALAMITOS	State: CA	Zip Code: 90720
County: ORANGE		
Phone: (714) 820-2743	E-mail: bradmckinzie@aol.com	Fax: NONE

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Dates during which the applicant proposes to operate as a minisatellite wagering facility:

5 years from January 2013 or final CHRB approval

NOTICE TO APPLICANT: If approved for license, the term of license shall not exceed two years pursuant to Business and Professions Code section 19605.25 (h).

Have you previously operated a licensed gaming operation in California or another state? Yes No

Do you currently operate a licensed gaming operation in California or another state? Yes No

If yes to either question above, provide the following: **N/A**

Valid licensure period: Begin Date: _____ End Date: _____

Facility name and address:

City:	State:	Zip Code:
County:		

Zone Location:
 North South Central
 (To be completed by CHRB staff)

Have you had a gaming operation license that has been revoked or suspended. Yes No

If yes, provide the following if different from above: **N/A**

Facility name and address:

City:	State:	Zip Code:
Racing Jurisdiction:		

BUSINESS STRUCTURE

<input type="checkbox"/> Corporation <input type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Sub-S <input type="checkbox"/> Sub-C <input checked="" type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership & Joint Venture <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other If you have listed your company as other please identify your company structure:
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------

Registered Business Name: **Lake Center Drive, LP (A California Limited Partnership)**

Fictitious Business Name: **Sammy's**

Address: **23151 Moulton Parkway, Suite 103**

E-mail Address: **blehman@armadallc.com**

City: Laguna Hills	State: CA	Zip Code: 92653
---------------------------	------------------	------------------------

Phone: (949) 216-3090	Fax: (949) 216-3092
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State where registered or Articles of Organization are filed: CA	Registry or File number: 201120900005
-------------------------------------------------------------------------	----------------------------------------------

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Name of all officers, directors, and managers. For officers, directors, and managers that have no ownership, enter "0%" in the ownership column. For members of a Limited Liability Company, list membership interest in ownership column. For partners, following the individual's name indicate whether general or limited partners. (true names)

Entity/Individual Name and Title	Entity's Business Address/ Individual's Address of Record	Ownership% (if any)	Compensation Agreement

**SEE ATTACHED STATEMENT
 REGARDING CHRB LICENSE APPLICATION**

Are shares listed for public trade?

Yes No

If yes on what stock exchange?

If more than 50 percent of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity.

All entities that own 5 percent or more must fulfill the instructions for Full Disclosure Statement.

Attach the most recent annual financial statement for the applicant, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

**MANAGEMENT AND STAFF
 (Minisatellite Wagering Facility)**

Name and title of the managing officer(s) and/or general manager(s) of the business.

Name	Title
PETER GENOVESE	GENERAL PARTNER, MEMBER
BRAD MCKINZIE	GENERAL PARTNER, MEMBER (OFFICER)

ASSOCIATION CONTRACT/AGREEMENT

Name(s) of racing association(s) with whom you intend to have a contract or agreement: **SCOTTWINC**

Addresses of racing association(s): **TAB III: EXHIBIT C**

Racing association(s) phone numbers: **TAB III: EXHIBIT C**

Proposed contract dates: From: _____ To: _____ (inclusive).

STATEMENT REGARDING CHRB LICENSE APPLICATION
For OPERATION of MINISATELLITE WAGERING FACILITY
LAKE CENTER DRIVE, LP

The following information is intended to supplement the accompanying submittal of License Application to the CHRB.

APPLICANT and associated individuals represent this supplemental information to be true and correct. Confidential treatment is respectfully requested.

The intent of this appended information is to provide 100% transparency with respect to the legal structure, ownership and capitalization of APPLICANT along with economic interests held in both General and Limited Partner capacities by and for INDIVIDUALS where ultimate ownership resides. As well, operational and investor roles are distinguished and delineated.

The APPLICANT is Lake Center Drive, LP (a California Limited Partnership). Ownership of Lake Center Drive, LP is as follows:

NAMES	ADDRESS	INITIAL CAPITAL CONTRIBUTION	PERCENTAGE INTEREST
<u>General Partner</u>			
Lake Center Drive GP, LLC	23151 Moulton Pkwy Laguna Hills, CA 92653	\$ 20,000	1.00%
<u>Limited Partners</u>			
Lehman Family Trust, Bruce Lehman, Trustee	812 Aleppo Street Newport Beach, CA 92660	\$500,000	25.00%
Peter and Kathleen Genovese	23151 Moulton Pkwy Laguna Hills, CA 92653	\$780,000	39.00%
O'Brien Family Trust UTD July 17, 1996, Lawrence J. O'Brien, Trustee	37161 Doral Place Laguna Niguel, CA 92677	\$100,000	5.00%
Albert J. & Patricia A. Clerc Family Trust, Albert Clerc, Trustee	23331 Antonio Pkwy Rancho Santa Margarita, CA 92688	\$200,000	10.00%
Matthew Martha	18 Edelweiss Rancho Santa Margarita, CA 92688	\$200,000	10.00%
Brad McKinzie	3241 Francois Huntington Beach, CA 92649	\$200,000	10.00%
Total		\$2,000,000	100.00%

The GENERAL PARTNER of Applicant is Lake Center Drive GP, LLC [See Above]. Pursuant to Section 6 of the APPLICANT'S Limited Partnership Agreement, the GENERAL PARTNER is designated to direct the operations and conduct of APPLICANT'S business endeavors, namely operation of a Restaurant and Sports Bar offering MiniSatellite wagering. Ownership of the GENERAL PARTNER is as follows:

MEMBER *	CAPITAL CONTRIBUTIONS	PERCENTAGE INTERESTS
Crestmark Investments, LLC	\$11,250	45%
Bear Flag, Inc.	\$11,250	45%
Armada Real Estate Group, LLC	<u>\$ 2,500</u>	<u>10%</u>
	\$25,000	100%

* As Members of the GENERAL PARTNER, the foregoing entities ("Crestmark Investments, LLC", "Bear Flag, Inc.", "Armada Real Estate Group, LLC" and, in turn, the individuals exercising control of those entities), acting with approval of majority ownership, are delegated operational and management authority for the APPLICANT are:

Entities with ownership interests in the GENERAL PARTNER are owned/controlled by the following INDIVIDUALS, each of whom separately hold Limited Partnership interests in the APPLICANT.

ENTITY	OWNERSHIP	PERCENTAGE OWNED
Crestmark Investments, LLC	Peter and Kathleen Genovese	100%
BearFlag, Inc.	Brad McKinzie	100%
Armada Real Estate Group, LLC	Lehman Family Trust, Bruce Lehman, Trustee	100%

AGENTS FOR SERVICE OF PROCESS are as follows:

Lake Center Drive, LP	Dan Winton, Esq. 4685 MacArthur Court, Suite 450 Newport Beach, CA 92660 (949) 252-0516
Lake Center Drive, GP, LLC	Dan Winton, Esq. 4685 MacArthur Court, Suite 450 Newport Beach, CA 92660 (949) 252-0516
Crestmark Investments, LLC	Dan Winton, Esq. 4685 MacArthur Court, Suite 450 Newport Beach, CA 92660 (949) 252-0516
Bear Flag, Inc.	John C Hill, CPA 1334 Park View Ave. STE 100 Manhattan Beach, CA 90266 (310) 546-8195
Armada Real Estate Group, LLC	Linda Flannelly 350 E. 17 th Street, Suite 212 Costa Mesa, CA 92626 (949) 216-3090

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Attach a certified check payable to the Treasurer of the State of California in the amount of \$500 for the nonrefundable minisatellite application fee.

CHRB CERTIFICATION

Application filed on: 12/3/12

30-day Notice Letter:

Fee received by: 12/3/12

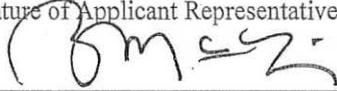
Approved on:

Reviewed by: GW

License number issued:

CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant contractor to attest to this application on its behalf.

Name BRAD MCKENZIE	Signature of Applicant Representative 
Title General Partner; Shareholder	Date: 6-4-12

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION
One copy of Part II shall be completed by each contracted association

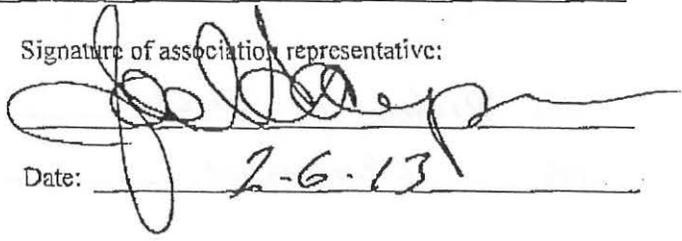
APPROVAL OF SAMMY'S LAKE FOREST MINISATELLITE

Name of Association: DEL MAR THOROUGHBRED CLUB
Address: P.O. Box 700 DEL MAR CA 92014
Telephone: 858-755-1141 Fax number: 858-755-5284
Racetrack name: DEL MAR

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

JOE HARPER, PRES. & CEO

Name JOE HARPER
Title PRES / CEO

Signature of association representative: 
Date: 2-6-13

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION
One copy of Part II shall be completed by each contracted association

APPROVAL OF SAMMY'S LAKE FOREST MINISATELLITE

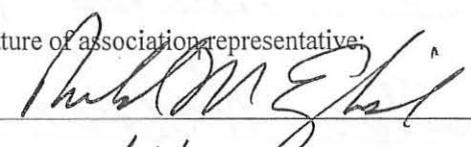
Name of Association: Los Alamitos Quarter Horse Racing Association

Address: 4961 KATELLA AVE Los Alamitos, CA 90720

Telephone: (714) 820-2671 Fax number: (714) 820-2806

Racetrack name: Los Alamitos Race Track

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

<hr/>		Signature of association representative:
Name <u>Richard M. ENGLISH</u>		
Title <u>CHAIRMAN</u>	Date: <u>2/4/13</u>	

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

APPROVAL OF SAMMY'S AT LAKE FOREST PROPOSED MINISATELLITE

Name of Association: LOS ANGELES COUNTY FAIR ASSOCIATION

Address: 1161 W. MCKINLEY AVE., POMONA, CA 91768

Telephone: 909-865-4203 Fax number: 909-865-2481

Racetrack name: FAIRPLEX PARK

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

MICHAEL D. SEDER

Signature of association representative:

Name MICHAEL D. SEDER



Title CFO

Date: 1/7/13

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

APPROVAL OF SAMMY'S AT LAKE FOREST PROPOSED MINISATELLITE

Name of Association: LOS ANGELES TURF CLUB, INC.

Address: 295 W. HUNTINGTON DR., ARCADIA, CA, 91006

Telephone: 626 574 6723 Fax number: 626 821 1514

Racetrack name: SANTA ANITA

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

<hr/>	
Name <u></u> Title <u>PRESIDENT</u>	Signature of association representative: <u>GEORGE HAINES</u> Date: <u>1/17/13</u>

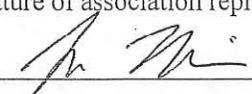
State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION
One copy of Part II shall be completed by each contracted association

APPROVAL OF SAMMY'S LAKE FOREST MINISATELLITE

Name of Association: Pacific Racing Association
Address: 1100 Eastshore Hwy, Berkeley, CA 94710
Telephone: (510) 559-7360 Fax number: (510) 559-7465
Racetrack name: Golden Gate Fields

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Signature of association representative:
Name Joseph Morris 
Title G.M. Date: 2-7-13

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

APPROVAL OF SAMMY'S AT LAKE FOREST PROPOSED MINISATELLITE

Name of Association: WATCH AND WAGER LLC
 Address: 2335 AMERICAN RIVER DR, SUITE 301, 95825
 Telephone: 916-800-1395 Fax number: _____
 Racetrack name: CAL EXPO HARNESS RACING

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

CHRISTOPHER J. SCHICK

Name CHRISTOPHER J. SCHICK
 Title General Mgr

Signature of association representative:

Date: 1/9/2013

**PART III
SIMULCAST ORGANIZATION INFORMATION**

To be completed by approved simulcast organization that has executed an agreement approved by the CHRB with the association conducting a racing meeting with the minisatellite wagering facility pursuant to Business and Professions Code sections 19605.25 and 19605.3.

I. OPERATION OF THE MINISATELLITE WAGERING FACILITY

Simulcast organization engaged by the association to conduct simulcast wagering:

Southern California Off-Track Wagering, Inc.

Attach the agreement between the association and simulcast organization permitting the minisatellite wagering facility to use the association's live audiovisual signal for wagering purposes and providing access to it's totalizator for the purpose of combining on-track and off-track pari-mutuel pools.

See Exhibit B: (to come)

Submit a copy of each horsemen's written approvals.

See Exhibit B: (to come)

Hours for operation of the facility: **10:30 a.m. - 2:00 a.m.**

Hours for operation of the minisatellite wagering site :

10:30 a.m. (7 a.m. on selected days) to 10:30 p.m.or concurrent with race schedule as determined by Southern California host track.

Racing Days/Nights (generally Wed-Sun but also selected Mondays and Holidays)

Time periods during the calendar year the facility **will not** be utilized as a minisatellite wagering facility (explain why): **NONE**

If approved, wagering will be offered on live race meetings being held or conducted by the following California racing association(s):

	See Exhibit C	
--	----------------------	--

List the host track from which the minisatellite wagering facility proposes to import out-of-state and/or out-of-country races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races": **See Exhibit C**

Estimated number of pari-mutuel terminals machines available:

Approximately 8 reversible manned pari-mutuel wagering stations and 20 self-service machines.



TOC

Thoroughbred Owners of California

*Serving the California
Thoroughbred Racehorse Owner*

January 30, 2013

Ms. Erica Ward
CHRB
1010 Hurley Way, Suite 300
Sacramento, CA 95825

RE: Application for License to Operate a Minisatellite Facility
CHRB-88 (New, 11/08)

Dear Ms. Ward,

The Thoroughbred Owners of California (TOC) approves the licensing by the CHRB of Sammy's in Lake Forest, CA as a minisatellite.

Sincerely,

Louis Raffetto
President

cc: Rick Baedeker, SCOTWINC

OFFICERS

MIKE PEGRAM
CHAIR

PABLO SUAREZ
VICE CHAIR, SOUTHERN CA.

JACK OWENS
VICE CHAIR, NORTHERN CA.

GEORGE KRICKORIAN
SECRETARY/TREASURER

ED MOGER
AT LARGE

JOHN SADLER
AT LARGE

DIRECTORS

MADELINE AUERBACH
BOB BAFFERT
DENNIS CARDOZA
MARK DEDOMENICO
MIKE HARRINGTON
WILLIAM E. MOREY
GEORGE TODARO
KATHY WALSH
MICHAEL WELLMAN

EXECUTIVE STAFF

LOU RAFFETTO
PRESIDENT
KELLEE BREEN
CHIEF FINANCIAL OFFICER
MARY FORNEY
DIRECTOR OF OPERATIONS
RICHARD SCHEIDT
NO. CA. DIRECTOR OF
OPERATIONS

CHAIRS EMERITUS

ED FRIENDLY (1996-97)
ROBERT B. LEWIS (1997-2001)
GARY BURKE (2001)
JACK B. OWENS (2001-03, 04-05,
2011)
RON CHARLES (2003-04)
ALAN LANDSBURG (2005-07)
MARSHA NAIFY (2007-10)
ARNOLD ZETCHER (2010-11)

CORPORATE OFFICE

285 W. HUNTINGTON DRIVE
ARCADIA, CA 91007
T: 626-574-6620
F: 626-821-1515
WWW.TOCONLINE.COM



CALIFORNIA HARNESS HORSEMEN'S ASSOCIATION

**P.O. Box 254767
Sacramento, CA. 95865
Phone (916) 263-7888**

**David Neumeister, President
Alan Horowitz, Executive Director**

January 30, 2013

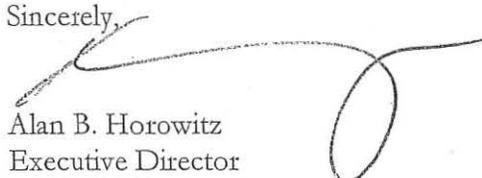
Ms. Erica Ward
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Dear Ms. Ward:

This letter will confirm the approval of the California Harness Horsemen's Association for the licensing of Sammy's, the minisatellite in Lake Forest.

If you have any questions, please do not hesitate to call me at your convenience.

Sincerely,


Alan B. Horowitz
Executive Director

RECEIVED
CHRB
2013 JAN 30 PM 1:14



Pacific Coast Quarter Horse Racing Association

Erica Ward
CHRB
1010 Hurley Way, #300
Sacramento, CA 95825

Pacific Coast Quarter Horse Racing Association is the Horsemen's Organization designated by the State of California to represent racing Quarter Horse owners, breeders and trainers. This organization approves the licensing of SAMMY'S Lake Forest as a minisatellite.

If you have any questions please feel free to contact us.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Dominic Alessio', with a long horizontal flourish extending to the right.

Dominic Alessio
President

Attach a proposed staffing plan for the facility and/or minisatellite wagering site, to include the number of security personnel and the number of pari-mutuel clerks pursuant to Business and Professions Code section 19605.25 (5)(b).

Mutuel Supervision/Clerks/Self-Service attendant (to be determined as needed)

Also See Exhibit C

II. SUPERVISION, SECURITY AND FIRE PREVENTION

Changes to management personnel and minisatellite manager(s)
must be immediately reported to the Board.

Name of the individual(s) responsible for the day-to-day operation of the minisatellite facility:

Name and Title	CHRB License No. and Expiration Date
- Brad McKinzie: Managing Member	None
- Mutuel Union Supervisor as Assigned by Host Track Mutuel Manager	

SEE
AMENDED
EXHIBIT C

Attach a certificate of insurance for workers' compensation coverage including carrier and the policy number securing the applicant's liability for payment of workers' compensation is (if self-insured, provide details):

To Be Provided by Scotwinc

Attach a fire clearance from the fire authority having jurisdiction.

See Memo from Orange County Fire Authority Dated April 4, 2012

Attach a security plan to include: the name, title and phone number of the person having responsibility for security controls, the number of security officers and/or guards and the police or sheriff's department having jurisdiction for criminal law enforcement over the premises of the facility.

Security at Sammy's will be under the supervision of Pete Genovese, Operating Manager of the facility (949) 859-8511. The security at Sammy's will be operated in cooperation with the Orange County Sherriff's Department, the organization contracted by the City of Lake Forest to provide police services. Unlike other mini-satellites, Sammy's will be operated as a facility limited to patrons 21 years of age and older. This operational decision is directed towards (1) providing an improved experience for our customers at Sammy's, and (2) eliminating the necessity for security personnel to keep minors from entering the wagering area. Subject to approval by the City of Lake Forest and the OC Sherriff's Department, Sammy's security plan can be expected to include at least one security staffer on site during all business hours with additional security personnel added based on crowd size. Greeting station location of security personnel will be such that 100% screening of age 21 requirement for all patrons is assured. (See Exhibit D) All manned wagering lines and money rooms at Sammy's have been designed to be inaccessible by patrons in the interests of security.

Is there a backup emergency plan for power failure? Yes No

If yes, describe.

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Attach a proposed staffing plan for the facility and/or minisatellite wagering site, to include the number of security personnel and the number of pari-mutuel clerks pursuant to Business and Professions Code section 19605.25 (5)(b).

Mutuel Supervision/Clerks/Self-Service attendant (to be determined as needed)

Also See Exhibit C

II. SUPERVISION, SECURITY AND FIRE PREVENTION

Changes to management personnel and minisatellite manager(s)
 must be immediately reported to the Board.

Name of the individual(s) responsible for the day-to-day operation of the minisatellite facility:

Name and Title	CHRB License No. and Expiration Date
- Brad McKinzie: Managing Member	None
- Mutuel Union Supervisor as Assigned by Host Track Mutuel Manager	

Attach a certificate of insurance for workers' compensation coverage including carrier and the policy number securing the applicant's liability for payment of workers' compensation is (if self-insured, provide details):

To Be Provided by Scotwine

Attach a fire clearance from the fire authority having jurisdiction.

See Memo from Orange County Fire Authority Dated April 4, 2012

Attach a security plan to include: the name, title and phone number of the person having responsibility for security controls, the number of security officers and/or guards and the police or sheriff's department having jurisdiction for criminal law enforcement over the premises of the facility.

Security at Sammy's will be under the supervision of Pete Genovese, Operating Manager of the facility (949) 859-8511. The security at Sammy's will be operated in cooperation with the Orange County Sherriff's Department, the organization contracted by the City of Lake Forest to provide police services. Unlike other mini-satellites, Sammy's will be operated as a facility limited to patrons 21 years of age and older. This operational decision is directed towards (1) providing an improved experience for our customers at Sammy's, and (2) eliminating the necessity for security personnel to keep minors from entering the wagering area. Subject to approval by the City of Lake Forest and the OC Sherriff's Department, Sammy's security plan can be expected to include at least one security staffer on site during all business hours with additional security personnel added based on crowd size. Greeting station location of security personnel will be such that 100% screening of age 21 requirement for all patrons is assured. (See Exhibit D) All manned wagering lines and money rooms at Sammy's have been designed to be inaccessible by patrons in the interests of security.

Is there a backup emergency plan for power failure? Yes No

If yes, describe.



ORANGE COUNTY FIRE AUTHORITY

Fire Prevention Department

P. O. Box 57115, Irvine, CA 92619-7115 • 1 Fire Authority Road, Irvine, CA 92602

Planning and Development Services • www.ocfa.org • (714) 573-6100 / Fax (714) 368-8843

Date: April 4, 2012

To: City of Lake Forest Planning Department
Attention: Jennifer Mansur, Planner

From: Lynne Pivaroff, Fire Prevention Analyst

Subject: **OCFA Service Request SR #172897**
Sammy's Restaurant and bar- 23221 Lake Forest Drive, Lake Forest
Service Code: PR105 Site Development Review/CUP

The OCFA has reviewed the proposed project and there do not appear to be any significant issues associated with this proposal that would prevent further submittals to the OCFA should the city approve the CUP. Please provide the conditions listed below on the resolution issued to the applicant.

CONDITIONS OF APPROVAL

Plan Submittal: The applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review. Approval shall be obtained on each plan prior to the event specified.

Prior to issuance of a building permit:

- architectural (service codes PR200-PR285)

Prior to concealing interior construction:

- fire sprinkler system (service codes PR430-PR455), if the building is currently sprinklered and the system requires modification
- hood and duct extinguishing system (service code PR335)- *if applicable*

Specific submittal requirements may vary from those listed above depending on actual project conditions identified or present during design development, review, construction, inspection, or occupancy. Standard notes, guidelines, submittal instructions, and other information related to plans reviewed by the OCFA may be found by visiting www.ocfa.org and clicking on "Fire Prevention" and then "Planning & Development Services."

If you need additional information or clarification, please contact me by phone at (714) 573-6133, by fax at (714) 368-8843, or by email: lynnepivaroff@ocfa.org.

III. MINISATELLITE WAGERING SITE

Attach a detailed scale plan of the facility indicating all points of access to facility, emergency exits, placement of offices, and food and beverage service location and detailing the location of the proposed minisatellite wagering site. Identify how the designated minisatellite wagering area will be restricted to patrons 21 years and over. Attach photos of the minisatellite wagering site.

See Exhibit D

NOTICE TO APPLICANT. Pursuant to Business and Professions Code section 19605.25(a) (4) wagers placed at a minisatellite site must be in an area that is restricted to those who are 21 years of age or older.

IV. FACILITY DESCRIPTION

Describe the food and beverage services to be offered (full meals served; cafeteria-style full meals; short-order counter service; pre-ordered prepared sandwiches and fast foods available; full bar services; or other description as appropriate):

Sammy's will offer full food and beverage services. The menu can generally be characterized as American Grille. Traditional offerings will include premium hamburgers, hot dogs, and hand carved sandwiches. The broader and more contemporary elements of the menu will include upscale and currently popular choices designed to attract and appeal to customers coming to Sammy's strictly for lunch or dinner or late night entertainment. There will be full waitress table service at Sammy's, as well as a fully staffed bar offering beer, wine and cocktails.

The seating capacity in the minisatellite wagering facility is: Approx 222

The number of tables in the minisatellite wagering area is: Approx 85

Overall square footage in the minisatellite wagering area is:

Total square footage = 9,843 square feet; less approx 3,343 sf Kitchen/Office = 6,500 sf approx

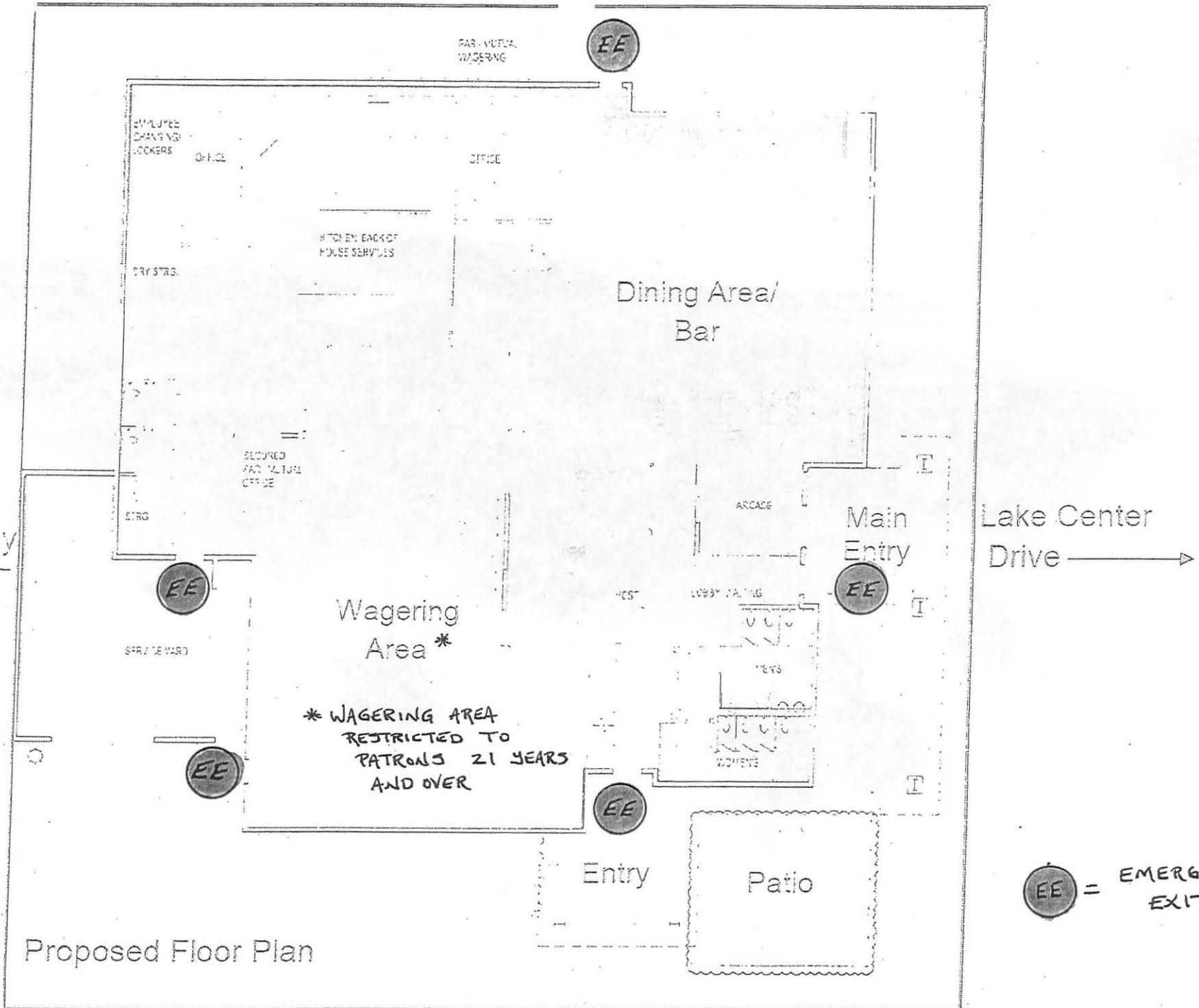
Attach a photograph of the minisatellite wagering area.

See plans and elevation renderings. Photos of existing premises available upon request.
 Buildout photography to come upon completion of facility redesign/remodel.

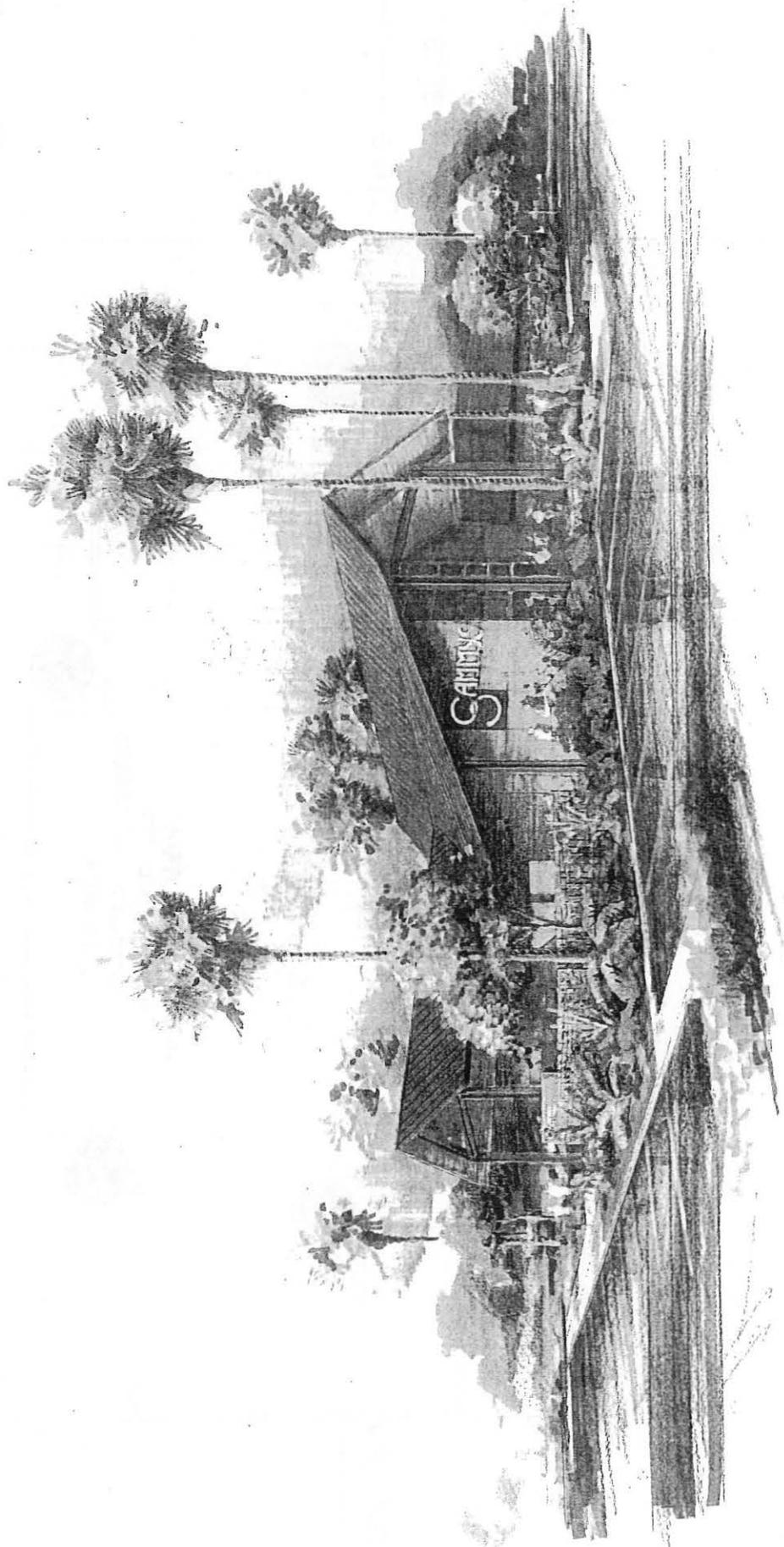
Describe occupancy restrictions, if any, imposed by the fire authority having jurisdiction: None

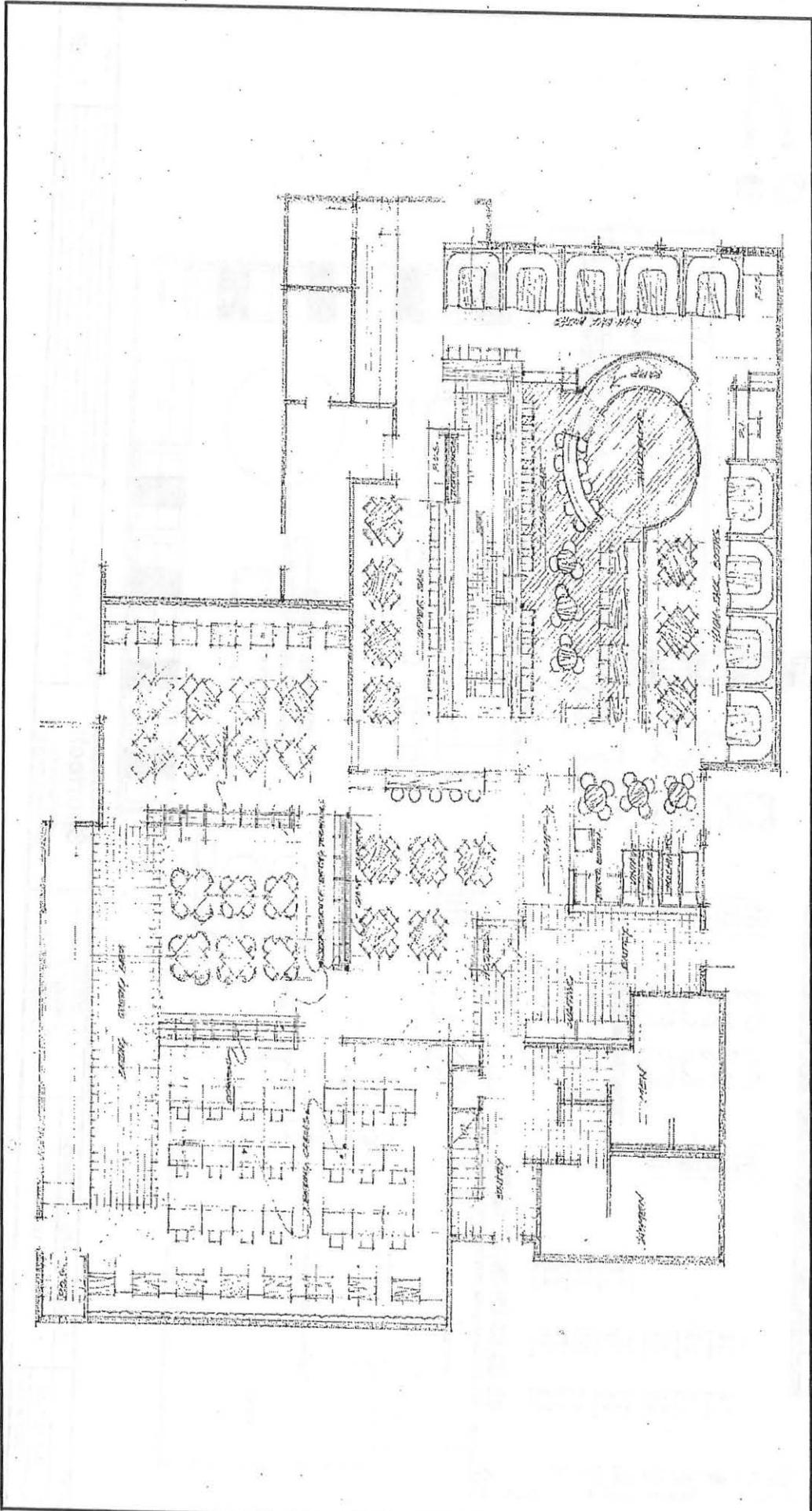
The total number of parking spaces available in the parking areas can accommodate (number of standard sized automobiles):

There are a total of 105 parking sites directly on site at Sammy's. Although this parking capacity is expected to be more than adequate based upon the Independent Analysis of Trip Generation and Parking Analysis Prepared by RK Engineering Group, excess parking demand in peak instances can be readily accommodated under an existing reciprocal parking agreement with an adjoining retail center.



Proposed Floor Plan





Sheet:
1 of 9

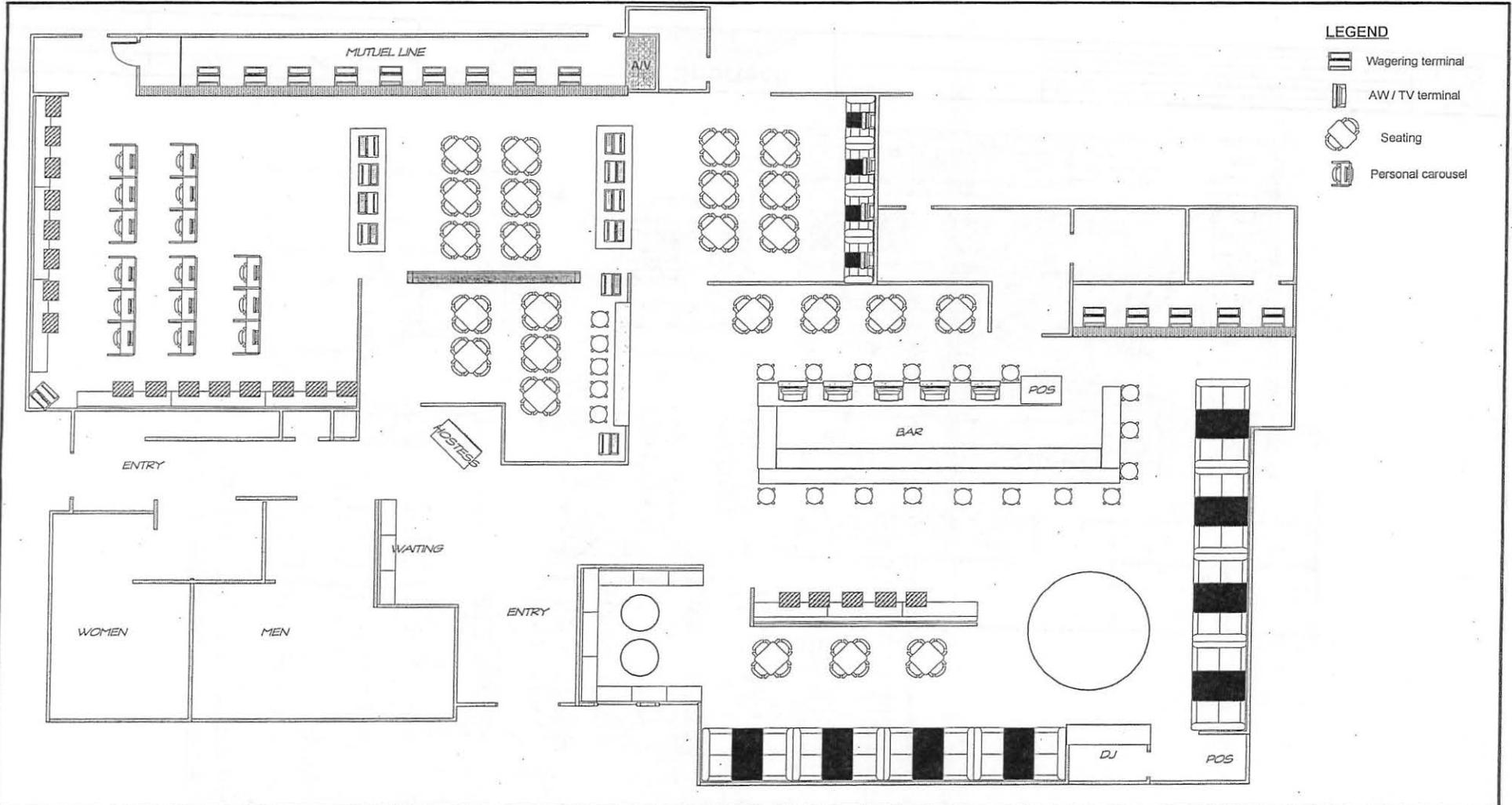
Drawing by:

Sportech
4961 Katiella Ave.
Los Alamitos, CA 90270

PROJECT
Sammy's
23221 Lake center Drive
Lake Forest, CA

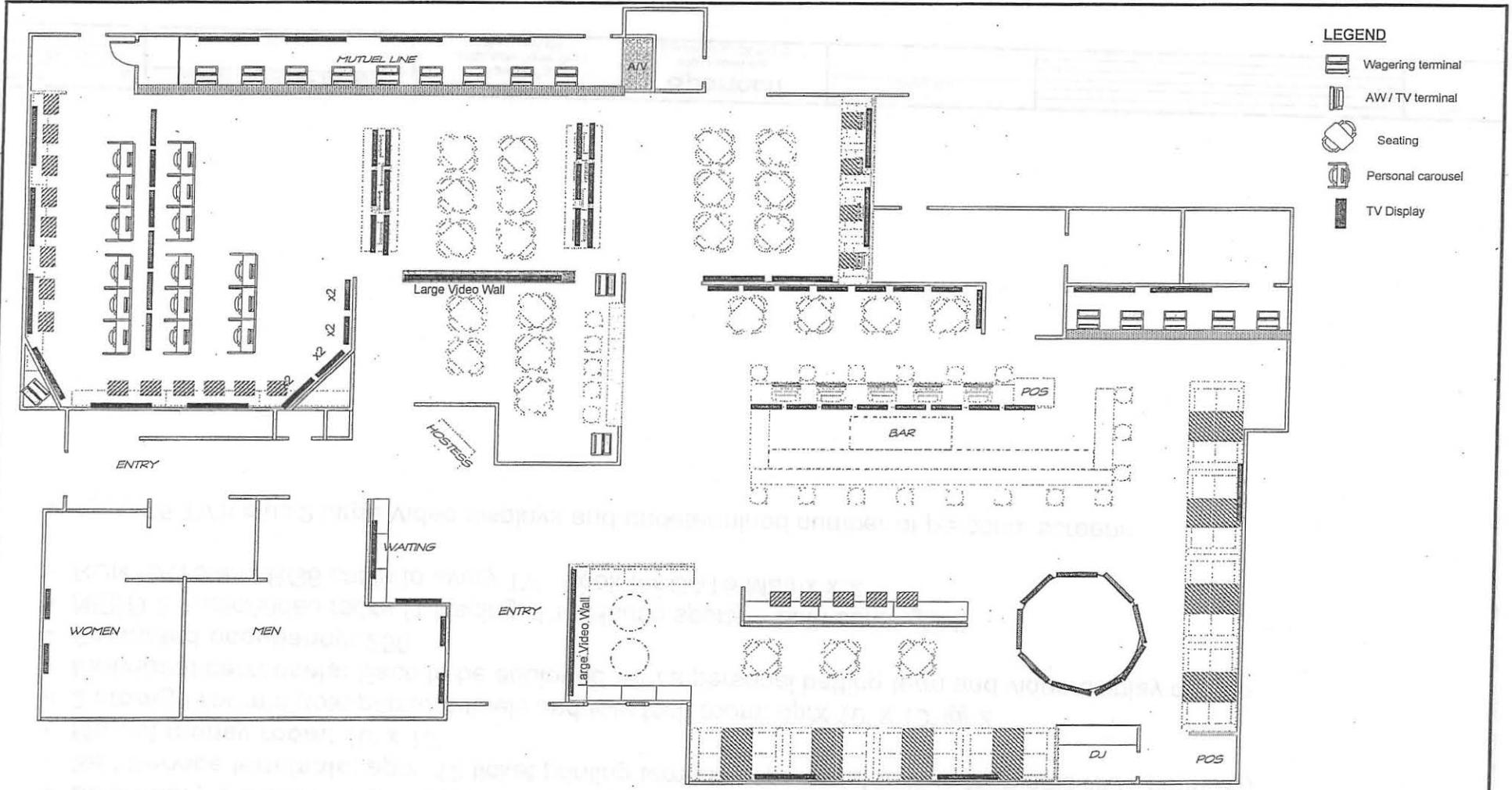
Sammy's Lake Forest_sketch
Original sketch

Revision: A
Dec 12, 2012



- LEGEND**
-  Wagering terminal
 -  AW/TV terminal
 -  Seating
 -  Personal carousel

Revision: A	Sammy's Lake Forest_Concept 1	PROJECT	Sportech 4961 Katella Ave. Los Alamitos, CA 90270	Drawing by:	Lance Ku	Sheet:	1 of 9
Date: Dec 12, 2012	PARTIAL FLOOR PLAN	Sammy's 23221 Lake center Drive Lake Forest, CA.					



- LEGEND**
-  Wagering terminal
 -  AW/TV terminal
 -  Seating
 -  Personal carousel
 -  TV Display

Revision: A	Sammy's Lake Forest_AV Concept	PROJECT	Sportech 4961 Katella Ave. Los Alamitos, CA 90270	Drawing by: Lance Ku	Sheet:
Date: Dec 12, 2012	PARTIAL FLOOR PLAN	Sammy's 23221 Lake center Drive Lake Forest, CA.			1 of 9

- **Main mutuel line:** 28' x 8' aprx. 9 convertible terminals
- **Secondary mutuel line (bar bar):** 18' x 8' aprx. 5 convertible terminals
- **Self Service terminals:** aprx. 12 ticket printing terminals (personal betting terminals NOT counted)
- **Mutuel money room:** 10' x 10'
- **2 storage room's** (tote paper/mutuels and tote tech room: aprx 10' x 10' @ 2
- **Individual carrousel:** Each to be equipped with a personal betting term and video display combo
- **Estimated occupancy:** 250
- NEED 2 Audio/Video racks (1 Racing, 1 In-House sports – both comingled)
- RUN CAT5 and RG6 cable to every TV. Look for CAT5 Matrix x 2
-
- Aprx. 75 TV's plus 2 large Video displays and undetermined number of personal screens

Revision: A	Sammy's Lake Forest_Concept 1	PROJECT	Sportech 4961 Katella Ave. Los Alamitos, CA 90270	Drawn by: Lance Ku	Sheet: <hr/> <hr/> <hr/> <hr/>
Date: Dec 12, 2012	Notes	Sammy's s			
Scale: 3/32" = 1'-0"		23221 Lake center Drive Lake Forest, CA.			

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Describe any other activities to be scheduled on or near the facility premises that may have a negative impact on available parking: None

V. EQUIPMENT PROVIDED BY THE MINISATILLITE WAGERING FACILITY

Describe the television equipment (satellite receivers, decoders, controls, monitors, etc.) to be utilized at the facility:

To come from Sportech (also see Exhibit C)

Describe the public address equipment (controls, microphones, speakers, etc.) to be utilized at the facility:

Sammy's is contracting with Pegasus Communications (a leading provider of audio/visual services for the California horse industry) to design a state of the art audio system that will enable the management at Sammy's to not only make important announcements concerning the racing program, but to also switch audio feeds throughout the facility to feature the race calls of races as they are being run.

VI. ADVERTISING AND PATRON DEVELOPMENT

Describe any advertising or promotional plans:

The management of Sammy's is committed to a very aggressive marketing and promotional plan that will start with an extensive employee training program. It is a given that many of Sammy's customers will be newcomers to horseracing and it is imperative that all of the employees at Sammy's are well trained in order to be the sport's goodwill ambassadors to these new customers. In that vein, Sammy's will also be working with the various racing associations to organize group outings for Sammy's customers to see live horse racing. It is our strong belief that the best way to make newcomers truly appreciate the sport is to expose them to live racing in a group setting among friends. This approach is directed towards developing fans of horse racing, who in turn will become regular customers of Sammy's. The management at Sammy's will also be working with the various racing associations to ensure that the marketing funds generated from the handle at Sammy's are used with maximum efficiency and impact. Whenever possible, we plan to participate in on-track promotions such as calendar giveaways or mystery mutuel vouchers, with the idea being to give our customers the feeling of being at the races. Based upon the belief that placing a bet on a racehorse leads to the main excitement of horseracing, Sammy's will also be spending a great deal of our marketing energies hosting how to wager seminars as well as hosting guest handicappers for special events.

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Describe any improvements to the facility that will directly benefit minisatellite wagering:

Sammy's will be a unique facility due to the fact that the entire interior of the building is being remodeled with the primary objective of accommodating mini-satellite wagering. The back section of the existing interior (approx.. 2,500 sq. ft.) is being completely redesigned to create a race book atmosphere with a large open area, furnished with customized seating carols, self service wagering islands and an eight-person manned wagering line. In addition, the entire back room is being designed for maximum television monitor coverage. The front dining and bar areas of the facility are being designed as dual purpose areas which will service both race patrons and local customers coming to Sammy's for lunch, dinner or evening entertainment. From visual layout, to furnishings, to traffic flows, every aspect of the facility's interior is being designed with the objective of creating and efficiently operating a state of the art mini-satellite facility.

NOTICE TO APPLICANT: Pursuant to Board Rule 2066 all advertisement shall contain a statement that persons under 21 are not allowed to participate in minisatellite wagering. All advertisement shall contain contact information for a recognized problem-gambling support organization.

VII. ADMISSIONS, CHARGES AND SERVICE FEES

Complete if applicable and note N/A if not

Admissions charges, if any, are:	NONE
Parking charges, if any, are:	NONE
Program charges, if any, are:	AS PER AGREEMENT WITH RACING ASSOCIATIONS
Seating charges, if any, are:	NONE

VIII. RENEWAL

Complete this section only if renewing your license.

Is this a renewal application: Yes No

Have there been any changes since the submission of your last application for authorization to operate a minisatellite wagering facility? Yes No

Have any changes occurred affecting ownership or controlling interest in your business structure or establishment since your last application? Yes No

If you have answered, "Yes", to any of the questions above please attach a detailed statement describing the change.

How many years have you been an approved minisatellite wagering facility?

AGREEMENTS

Attach copies of all applicable county, city or agency agreements that may affect the minisatellite wagering facility.

None Anticipated; (subject to pending City of Lake Forest Approval of Conditional Use Permit).

NOTICES TO APPLICANT

Notice is given to the applicant that its application, if approved by the Board, authorizes the applicant to offer pari-mutuel wagering at its minisatellite wagering facility for a period of two years per Business and Professions Code section 19605.25(h).

RESOLUTION NO. PC 2012-24

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LAKE FOREST, CALIFORNIA APPROVING USE PERMIT 7-12-2725 FOR THE OPERATION OF A RESTAURANT WITH MINI SATELLITE HORSE RACE WAGERING AND LATE NIGHT HOURS, A FAÇADE REMODEL TO THE EXISTING BUILDING AND SITE MODIFICATIONS AT 23221 LAKE CENTER DRIVE

WHEREAS, on July 13, 2012, Bruce Lehman filed a Use Permit application for a restaurant with mini satellite horse race wagering with late night hours, façade remodel to the existing building and site modifications at 23221 Lake Center Drive, in the Community Commercial District in the Lake Forest Planned Community; and

WHEREAS, the Lake Forest Planned Community requires a Use Permit for mini-satellite wagering facilities and uses with late night hours; and

WHEREAS, on August 10, 2012, the City gave public notice by advertisement in a newspaper of general circulation, and on August 10, 2012 posted the public notice at City Hall and the El Toro and Foothill Ranch branches of the public library, and mailed to all property owners within 300 feet of the project boundary; and

WHEREAS, the Director of Development Services has reviewed the project's potential effects on the environment and has recommended that the project is categorically exempt from the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15301, Class 1 for existing facilities; and

WHEREAS, on August 23, 2012, the Planning Commission continued the item to September 13, 2012;

WHEREAS, on September 13, 2012, the Planning Commission conducted a noticed public hearing at which time interested persons had an opportunity to testify in support of, or opposition to, the Use Permit and at which the Planning Commission considered the Use Permit;

WHEREAS, the public hearing was continued to the October 25, 2012 Planning Commission meeting, and subsequently to the November 8, 2012 Planning

Commission meeting, at which the Planning Commission gave further consideration to the Use Permit.

NOW THEREFORE, THE PLANNING COMMISSION OF THE CITY OF LAKE FOREST DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. FINDINGS. The Lake Forest Planning Commission hereby finds, based on consideration of the whole record before it, as follows:

1. CEQA: The approval of the permit application is in compliance with the requirements of the California Environmental Quality Act.

Pursuant to the California Environmental Quality Act, Article 19, the proposed project is exempt under Section 15301. CEQA Section 15301 exempts projects which involve additions to an existing building, that is less than 2,500 square feet. The project falls under this Class 1 exemption for existing facilities because the project includes a façade remodel and the addition of a 381 square foot outdoor patio area.

2. General Plan Consistency: The use or project proposed is consistent with the General Plan.

The General Plan Land Use Designation for the property is Commercial. The proposed use, does not conflict with the Commercial Land Use Designation. Furthermore, the project is consistent with the following applicable General Plan Policies:

- *General Plan Policy 2.2 in the Land Use Element states that the City should promote high quality in design of development projects. The façade remodel incorporates new entry ways, a new color scheme and new materials which provides the building with articulation and architectural interest. The remodel includes the elimination of the wood eyebrow on the building and introduces stucco material to the building, which is consistent with materials used on buildings in the adjacent area. Accordingly, the façade remodel will enhance the aesthetics of the existing restaurant building.*
- *General Plan Policy 3.1 states that the city should ensure that new development fits within the existing setting and is compatible with the physical characteristics of available land, surrounding land uses and public infrastructure availability. As detailed in Finding 4 of this resolution, the building, including the landscaping, parking lot and architecture is compatible with the surrounding buildings and the proposed use is compatible with the surrounding uses.*

- *General Plan Policy 4.1 states that the City should ensure that all development proposals within the planned community areas conform to applicable development plans and agreements. As stated in Finding 3 of this resolution, the project is in compliance with all the regulations in the Lake Forest Planned Community.*

Therefore, the proposed project, as conditioned, is consistent with the General Plan and all applicable goals and policies.

3. Zoning Code: The use, activity, or improvement(s) proposed by the application is consistent with the provisions of the Zoning Code.

The project site is zoned Community Commercial in the Lake Forest Planned Community. The proposed restaurant with mini-satellite horse race wagering with late night hours (open after midnight) requires approval of a Use Permit. Furthermore, the project is in compliance with all applicable zoning code requirements, including setback, building height, and parking. The parking is being satisfied in accordance with Section 9.168.110 of the City's Municipal Code which allows up to a 5% reduction in parking for the purpose of accommodating modifications to an existing development to meet current legal requirements or regulations for purposes of accessibility and safety. With the approval of this Use Permit, the project will be in compliance with all applicable zoning code requirements.

4. Compatibility: The location, size, design and operating characteristics of the proposed use will not create significant noise, traffic, or other conditions or situations that may be objectionable, detrimental or incompatible with other permitted uses in the vicinity.

The proposed use is a freestanding building located adjacent to an office building, the Rockfield Showplace retail commercial center and the Interstate 5 freeway. The project is not adjacent to any residential properties. Most of the activities at the restaurant/wagering facility will occur within the interior of the building. The project includes an outdoor patio area, which as conditioned, will not include any speakers, wagering or live entertainment. Therefore, there will be minimal noise impacts from the restaurant, even with the late hours proposed. A traffic generation study was conducted that concluded the proposed use would not generate any more traffic than the previous restaurant use. Furthermore, the project has been designed to make the building architecture more compatible with the surrounding area by replacing the deteriorating wood eyebrow with

stucco and painting the building neutral brown and tan colors. Therefore, the proposed use, as conditioned, will not create significant noise, traffic, or other conditions that may be objectionable, detrimental, or incompatible with surrounding uses.

5. General Welfare: The application will not result in conditions or circumstances contrary to the public health and safety and the general welfare.

The project, as conditioned, is subject to compliance with all applicable State, County, and City design, building, and other safety related laws, codes, and regulations, including, but not limited to, the California Building Code, Uniform Fire Code and the regulations from the California Horse Racing Board. Furthermore, the project as conditioned, will comply with all measures identified in the approved security plan. Therefore, the proposed use will not endanger the public health, safety or welfare.

6. Development Fees for Provision of Public Facilities.

The proposed project is located in an existing building for which all applicable development fees were paid at the time the building was constructed.

7. City Design Guidelines: The project has been reviewed in accordance with Citywide Design Guidelines, and is consistent with the purpose and intent of the guidelines.

In accordance with the design guidelines, the façade remodel is creating new identifiable entries into the restaurant, providing new articulation to the façade facing the street and adding new landscaping to soften the appearance of the building. Furthermore, the proposed restaurant is part of the "Lake Forest Planned Community Freeway Area" Design Guideline district. Pursuant to the Guidelines, the project incorporates landscaping that softens the appearance of the building along the freeway. In addition, the elevation along the freeway will be improved with the removal of the satellite dish, replacement of the deteriorating wood with stucco and the repainting of the building. Accordingly, the project has been reviewed in accordance with the Citywide Design Guidelines and is found consistent with the purpose and intent of the Guidelines.

SECTION 2. PLANNING COMMISSION ACTIONS. The Planning Commission hereby takes the following actions:

1. Approve a categorical exemption for the project under CEQA Guidelines Section 15301, (Class 1) and file a Notice of Exemption with the Clerk for the County of Orange as provided under Public Resources Code Section 21152(b) and CEQA Guidelines Section 15062. A copy of the Notice of Exemption is on file and available for public review at Lake Forest City Hall, 25550 Commercentre Drive, Suite 100, Lake Forest, CA 92630.
2. Approve Use Permit 7-12-2725 subject to the following conditions.

CONDITIONS OF APPROVAL:
Use Permit 7-12-2725

1. Indemnification: The applicant shall indemnify, protect, defend, and hold the City, and/or any of its officials, officers, employees, agents, departments, agencies, authorized volunteers and instrumentalities thereof, harmless from any and all claims, demands, lawsuits, writs of mandamus, and other actions and proceedings (whether legal, equitable, declaratory, administrative or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to arbitrations, mediations, and other such procedures), judgments, orders, and decisions (collectively "Actions"), brought against the City, and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof, that challenge, attack, or seek to modify, set aside, void, or annul, any action of, or any permit or approval issued by the City and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof (including actions approved by the voters of the City) for or concerning the project, whether such Actions are brought under the Ralph M. Brown Act, California Environmental Quality Act, the Planning and Zoning Law, the Subdivision Map Act, Community Redevelopment Law, Code of Civil Procedure Sections 1085 or 1094.5, or any other federal, state, or local constitution, statute, law, ordinance, charter, rule, regulation, or any decision of a court of competent jurisdiction. It is expressly agreed that the City shall have the right to approve, which approval will not be unreasonably withheld, the legal counsel providing the City's defense, and that applicant shall reimburse City for any costs and expenses directly and necessarily incurred by the City in the course of the

defense. City shall promptly notify the applicant of any Action brought and City shall cooperate with applicant in the defense of the Action.

2. Expiration: Use Permit No. 7-12-2725 shall expire 24 months from the date of this approval if building permits for the project have not been issued or if the use has not been established and an extension of time has not been approved by the Director of Development Services. (PLNG)

Prior to any construction to the building or site, the following shall be completed:

3. The applicant shall obtain all necessary building, plumbing, electrical or mechanical permits for the proposed modifications. (BLDG)

Prior to the issuance of building permits, the following shall be completed:

4. The Water Quality Management Plan shall be approved by the Public Works Department. (ENG)
5. The construction plans shall indicate that all downspouts from the building shall be directed into the landscaped areas, unless otherwise approved by the engineering division. (ENG)
6. The final conditions of approval shall be printed on each plan set submitted for building permits. (PLNG)
7. The construction plans shall include a detail of the striping for the parking stalls, which shall comply with the City's standards. (PLNG)
8. The landscape plans shall be revised to include vines on the proposed green screen around the new patio. (PLNG)
9. The construction plans shall be revised to screen any existing and proposed roof-mounted mechanical equipment that is visible from the freeway. (PLNG)
10. The applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review and approval:
 - a. Architectural (service codes PR200- PR285). (OCFA)
11. The applicant shall revise the site plan and landscape plan to accommodate a landscape island at the end of the row of parking on the

southeast property line adjacent to the Rockfield Showplace parking lot and reduce the number of parking stalls in this row of parking to 15 spaces. The landscape island shall be expanded to maximum extent possible without obstructing the row of parking. The landscaping shall be consistent with the landscaping at the site and include a minimum of one tree. These revisions shall be subject to the review and approval of the Director of Development Services.

Prior to any work in the City's right-of-way, the following shall be completed:

12. An encroachment permit shall be obtained for any work in the City's right-of-way, including but not limited to the landscaping in the City's parkway.

During construction of the project, the following shall be completed:

13. Grading and construction activities shall be prohibited between the hours of 8:00 p.m. and 7:00 a.m. Monday through Friday; 6:00 p.m. and 8:00 a.m. Saturday; and at any time on Sunday or a federal holiday. (PLNG)
14. Prior to concealing interior construction, the applicant or responsible party shall submit the plan(s) listed below to the Orange County Fire Authority for review and approval:
 - a. Fire sprinkler system (service codes PR 430-455) if the building is currently sprinklered and the system requires modification.
 - b. Hood and duct extinguishing system (service code PR 355) – if applicable. (OCFA)

Prior to the finaling of building permits, the following shall be completed:

15. The satellite dish on the roof of the building shall be completely removed from the site. (PLNG)
16. The trash bins shall include attached lids, in accordance with the approved Water Quality Management Plan. (ENG)
17. A storm insert shall be installed for the drain located in the trash enclosure area, in accordance with the approved Water Quality Management Plan. (ENG)
18. All storm drains on the property shall have the appropriate storm stenciling and signage, in accordance with the approved Water Quality Management Plan. (ENG)

19. The applicant shall submit a letter of certification to the Director of Development Services from the project architect certifying that all improvements have been constructed in accordance with the approved building plans. Determination of consistency shall be subject to the review and approval of the Director of Development Services. (PLNG)
20. The applicant shall have installed the landscaping and irrigation in accordance with the approved construction plans. The applicant shall submit a landscape installation verification letter from the project's landscape architect or landscaper indicating that the landscaping for the project was installed in accordance with the approved plan. (PLNG)

Prior to the operation of the mini-satellite wagering, the following shall be completed:

21. The applicant shall submit evidence to the Director of Development Services demonstrating the California Horse Racing Board (CHRB) has issued all necessary approvals for the mini-satellite horse wagering facility, including but not limited to wagering equipment, and operation plans. (PLNG)
22. Prior to the operation of the business, the applicant shall submit a security plan for review and approval of Lake Forest Police Services and the Director of Development Services. The security plan shall include, but not be limited to, a written description of the process for hiring security personnel or the security firm that is being contracted, required qualifications of the security personnel or firm, the number of security personnel that will be on-site, hours that the security personnel will be on-site, specific locations in the building that security will be patrolling, description of how security is to be stationed at the restaurant entrance to ensure the facility is restricted to customers 21 years of age or older, locations of security surveillance both inside and outside the building, security for money that is on-site and specific measures to ensure parking lot safety at night. (POL)

The use shall be operated and maintained in substantial conformance with the following:

23. The business shall not be open between the hours of 2:00 a.m. to 9:00 a.m., unless specifically approved by amendment to the Use Permit by the Planning Commission. (PLNG)

24. The applicant shall comply with the approved security plan. Any amendments to the security plan shall be approved by the Lake Forest Police Services and the Director of Development Services. (POL)
25. The facility shall be restricted to customers 21 years old or older. Any changes to this condition of approval shall require an amendment to the Use Permit by the Planning Commission and an amendment to the approved security plan. (PLNG)
26. Pursuant to Chapter 5.36 of the Lake Forest Municipal Code, live entertainment shall only be allowed with a valid entertainment permit. A fee shall not be required for entrance to any live entertainment at the facility and there shall be no third party promotions of any live entertainment events at the facility. (PLNG)
27. Only a type 47 (On-Sale General for Bona Fide Public Eating Place) alcohol license shall be allowed at the restaurant, unless specifically approved by an amendment to this Use Permit by the Planning Commission. (PLNG)
28. If the business changes ownership, the new owner shall show evidence to the City's planning division of the California Horse Racing Board's approval of the change in ownership. (PLNG)
29. All Best Management Practices identified in the approved Water Quality Management Plan (WQMP) shall be implemented. (ENG)
30. The business shall comply with City's Noise Ordinance (Chapter 11.16 of the Lake Forest Municipal Code). (PLNG)
31. There shall be no speakers or live entertainment in the patio area or anywhere outside of the building, unless approved by an amendment of this Use Permit by the Planning Commission or temporarily allowed by a Temporary Outdoor Promotion Permit and/or a Special Event permit. (PLNG)
32. Business identification signs are not a part of this approval. All business identification signage will be subject to separate approval in compliance with the City's Sign Ordinance. Any freeway oriented signage will require approval of a Minor Planned Sign Program by the Planning Commission. (PLNG)

33. The project shall be operated in substantial conformance with the project description and plans as conditioned and approved by the Lake Forest Planning Commission on November 8, 2012 and on file with the Development Services Department. Any changes to the approved facility shall be subject to additional review as determined by the Development Services Director. (PLNG)

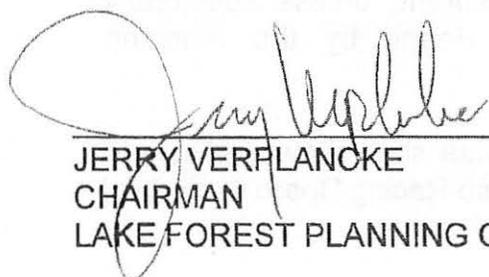
APPROVED this 8th day of November, 2012, by the following vote, to wit:

AYES: COMMISSIONERS CARTER, ANDERSON, VERPLANCKE
AND HUGHES

NOES: NONE

ABSENT: COMMISSIONER HUGHES

ABSTAINED: NONE



JERRY VERPLANCKE
CHAIRMAN
LAKE FOREST PLANNING COMMISSION

12/13/2012
DATE

ATTEST:



GAYLE ACKERMAN, AICP
DEVELOPMENT SERVICES DIRECTOR

12/17/2012
DATE

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Notice is given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulations of the Board.

Notice is given that CHRB Rules 1870 and 1871 require that the Board be given 15 days notice in writing of any intention to terminate operations, engagements, or services by any licensee, or approved contractor.

DECLARATIONS

All labor agreements, concession contracts, service contracts, horsemen's agreements, lease agreements, agreements with the simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility, lease or rental agreement with the facility landlord and all applicable county, city or agency agreements that may affect the minisatellite wagering facility have been finalized except as follows (if there are no exceptions, so state):

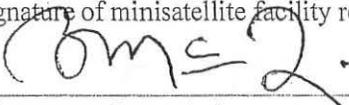
All service contractors and concessionaires have valid State, County or City licenses authorizing each to engage in the type of service to be provided and have valid labor agreements (when applicable) which remain in effect for the entire term of the license except as follows (if there are no exceptions, so state):

Absent natural disasters or causes beyond the control of the applicant, its service contractors, concessionaires or employees engaged at the facility, no reasons are believed to exist that may result in a stoppage to the conduct of pari-mutuel wagering at the facility or the withholding of any vital service to the applicant except as follows (if there are no exceptions, so state):

By authority of Article 9.2, Chapter 4, of the Business and Professions Code; and the Federal Indian Gaming Act; to allow an evaluation of the competence, integrity, and character of potential simulcast facility operators, any person, corporation, trust association, partnership, joint venture, or management firm who submits an application for such license or who is named in such application and who is not a State or County entity, or has not previously completed such disclosure when filing for a horseracing application pursuant to Article 4, section 19480 of the Business and Professions Code shall be required to complete and submit a full disclosure statement.

CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant to attest to this application on its behalf.

Print name of minisatellite facility applicant representative: Brad McKinzie	Date: 1-9-13
Signature of minisatellite facility representative: 	Date: 1-9-13
Print name of association representative:	Date:
Signature of association representative:	Date:
Print name of simulcast organization representative: Rick Baedeker	Date:

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Notice is given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulations of the Board.

Notice is given that CHRB Rules 1870 and 1871 require that the Board be given 15 days notice in writing of any intention to terminate operations, engagements, or services by any licensee, or approved contractor.

DECLARATIONS

All labor agreements, concession contracts, service contracts, horsemen's agreements, lease agreements, agreements with the simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility, lease or rental agreement with the facility landlord and all applicable county, city or agency agreements that may affect the minisatellite wagering facility have been finalized except as follows (if there are no exceptions, so state):

All service contractors and concessionaires have valid State, County or City licenses authorizing each to engage in the type of service to be provided and have valid labor agreements (when applicable) which remain in effect for the entire term of the license except as follows (if there are no exceptions, so state):

Absent natural disasters or causes beyond the control of the applicant, its service contractors, concessionaires or employees engaged at the facility, no reasons are believed to exist that may result in a stoppage to the conduct of pari-mutuel wagering at the facility or the withholding of any vital service to the applicant except as follows (if there are no exceptions, so state):

By authority of Article 9.2, Chapter 4, of the Business and Professions Code; and the Federal Indian Gaming Act; to allow an evaluation of the competence, integrity, and character of potential simulcast facility operators, any person, corporation, trust association, partnership, joint venture, or management firm who submits an application for such license or who is named in such application and who is not a State or County entity, or has not previously completed such disclosure when filing for a horseracing application pursuant to Article 4, section 19480 of the Business and Professions Code shall be required to complete and submit a full disclosure statement.

CERTIFICATION BY APPLICANT

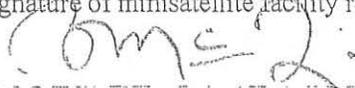
I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant to attest to this application on its behalf.

Print name of minisatellite facility applicant representative:

Brad McKinzie

Date: 1-9-13

Signature of minisatellite facility representative:

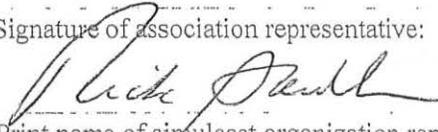


Date: 1-9-13

Print name of association representative:

Date:

Signature of association representative:



Date: 01-28-13

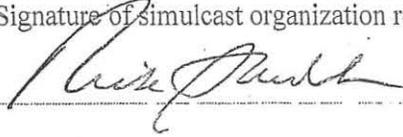
Print name of simulcast organization representative:

Rick Baedeker

Date:

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Signature of simulcast organization representative:



Date:

01/28/13

SAMMY'S of Lake Forest
Mini-Satellite Application

September 17, 2012
Amended January 18, 2013
Amended February 8, 2013

Amendments in bold.

EXHIBIT C

1. Applicant/Dates. SAMMY'S of Lake Forest is applying for **CONDITIONAL APPROVAL** for a five-year license to operate a mini-satellite beginning approximately March 1, 2013 through April 31, 2018, or as amended following final city and state approvals .

If applicant's conditional license is granted by the CHRB at its February 21 meeting, applicant will begin extensive remodeling of the facility which should be completed in late spring. It is requested that the license be conditioned upon receipt by applicant of the occupancy permit by the building department of the city of Lake Forest, after which the minisatellite may open for business.

Therefore, if a conditional five year license is granted by the Board on February 21, 2013, applicant would remain licensed until February 20, 2018. The minisatellite will become operational when permitted to do so by the city of Lake Forest and removal of the CHRB license condition, with operation continuing until February 20, 2018.

2. Simulcast Organization.
Southern California Off-Track Wagering, Inc.
4961 Katella Avenue
Los Alamitos, CA 90720
Rick Baedeker, Manager, Mini-Satellite Development
(310) 345-3416
3. Hours of Operation of the minisatellite wagering site: From approximately **10:30a.m.** until **10:30p.m.** on race days and dark day simulcasting events. Hours may be adjusted for special events, such as Breeders' Cup, and as needed to accommodate the program of live and simulcast races as scheduled by the host

track. Minisatellite operator understands that it has no control whatsoever over the live and simulcast races that comprise each day's program. Those decisions rely solely with the host track.

4. California Racing Associations. The Mini-Satellite will offer the same program of California races as all other California Satellites as determined by the local day/night host track and approved by the CHRB, as follows:

Golden Bear Racing/Cal Expo 1600 Exposition Blvd. Sacramento, CA 95815 (916) 263-3000	CARF 1776 Tribute Rd. Suite 205 Sacramento, CA 95815 (916) 927-7223
------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------

Del Mar Thoroughbred Club 2260 Jimmy Durante Blvd. Del Mar, CA 92014 (858) 755-1141	Fairplex (L.A. County Fair) 1101 W. McKinley Ave. Pomona, CA 91768 (909) 426-7600
----------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------

Golden Gate Fields 1100 E. Shore Highway Albany, CA 94710 (510) 559-7430	Hollywood Park 1050 S. Prairie Ave. Inglewood, CA 90301 (310) 419-1500
-----------------------------------------------------------------------------------	---------------------------------------------------------------------------------

Los Alamitos 4961 Katella Ave. Los Alamitos, CA 90720 (714) 820-2760	Los Angeles Turf Club (Santa Anita) 285 W. Huntington Dr. Arcadia, CA 91007 (626) 574-7223
-------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------

5. Imports. The Mini-Satellite will offer the same program of out-of-state and out-of-country races as all other California Satellites as determined by the local day/night host track and approved by the CHRB.

Arlington/Hawthorne
Balmoral/Maywood
Calder/Gulfstream
Churchill Downs/Keeneland/Turfway
Laurel/Pimlico
Meadowlands/Monmouth
Northfield
NYRA
Remington

Retama/Sam Houston/Lone Star
 Turfway Park
 Turf Paradise
 Woodbine
 Hastings
 South America

***NOTE: The mini-satellite will offer the same imports that the host track and other satellites offer and the Host Racing Association will determine the schedule and signals.

6. Staffing Plan.

- **Mutuels:** The host track mutuel manager will assign mutuel clerks according to the projected daily handle. On most weekdays, two clerks will be assigned, with three or more on weekend days as needed.
- **Mutuel Union Supervisor is Randy Hartzell, Director of Mutuels at Santa Anita.** His CHR B license number is 306778, expires 02/2014.
- **Security: SAMMY'S will be restricted to persons 21 and older.** There are two entrances to the facility, one on the east and one on the west, which lead to a single interior point of admission to the entire restaurant / minisatellite. This is the host/concierge stand. There is no other public access to the facility. A security guard will be positioned at that location during all hours of restaurant and minisatellite operation to limit access to persons 21 and older.

7. Mutuel Layout: Per Sportech drawing and description.

8. Television Equipment: There will be 72 HD, LCD flat screen televisions as follows: 18 @ 60-inch; 27 @ 55-inch; 15 @ 42-inch; 12 @ 36-inch. Plus, each private carousel will be equipped with a monitor (size tbd). In addition there will be two video walls of nine screens each.

Note: exact number of TVs may be changed after interior remodeling is completed.

9. Public Address Equipment: The public address system will be located at the audio racks located behind the teller line. Announcements can be made via microphone through the television speakers.

10. Advertising and Promotional Plans. In addition to the Plan outlined in Part III, a co-op advertising budget (minimum \$15,000) comprised of funding from the CMC, Sportech and SAMMY's will be used to promote the opening of the facility (subject to 2013 budgeting approvals).

11. 20 Mile Radius. The nearest satellite wagering facility, racetrack, or tribal casino that has a satellite wagering facility is Los Alamitos Racecourse, located 22.6 miles from SAMMY's. Therefore, no waiver from any protected facility is required.

12. Workers Compensation: Carrier will not provide a certificate of insurance until the site receives its occupancy permit from the city of Lake Forest. SAMMYS acknowledges that its CHRB license, if approved, will be conditioned upon final receipt and submission to the Board of this document.

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD ON THE RENEWAL APPLICATION FOR
LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY OF THE
CALIFORNIA COMMERCE CLUB INC., FOR A PERIOD OF UP TO FIVE YEARS.

Regular Board Meeting
February 21, 2013

The California Commerce Club Inc. d/b/a Commerce Casino filed an application for a license to operate a minisatellite wagering site at its facility, the Commerce Casino in Commerce, California, for a period of up to five years. It is currently licensed through April 25, 2013 as a minisatellite wagering facility.

- Commerce Casino is a card club located in the southern zone. Its card club license is valid through March 31, 2013. The proposed minisatellite wagering site will be located in the California Commerce Club (facility).

Business and Professions Code section 19605.25 (a) (1) provides no ministatellite may be within 20 miles of a racetrack, a satellite wagering facility, or a tribal casino that has a satellite wagering facility. If the proposed facility is within 20 miles of one of the above-referenced satellite facilities, then the consent of each facility within a 20-mile radius must be given before the proposed facility may be approved by the board.

- Racetrack(s), satellite wagering facility or tribal casino that have a satellite wagering facility located within 20 mile of applicant are:
 - Santa Anita Park – 17.2 miles
 - Hollywood Park – 20.0 miles
 - Los Alamitos – 18.4 miles
- Commerce Casino has contracts/agreement with the following racing associations:
 - California Authority of Racing Fairs
 - Cal State Fair and Exposition
 - Del Mar Thoroughbred Club
 - Hollywood Park Racing Association
 - Los Alamitos Quarter Horse Racing Association
 - Los Angeles County Fair Association
 - Los Angeles Turf Club
 - Pacific Racing Association
 - Watch and Wager Harness
- The simulcast organization engaged by the contracted association(s) to conduct simulcast wagering is Southern California Off Track Wagering, Inc. (SCOTWINC).
- Applicant proposes to operate minisatellite wagering site when signals are available. Opening 11:00 a.m. - 9:00 p.m. The minisatellite wagering room will be open to patrons

60 minutes before the first race and 30 minutes after the last race.

- Seating Capacity is 54 in the main area and 64 in the patio; the number of tables in the minisatellite wagering area is nine (main) and eight (patio). The overall square footage is 900 (main) and 1,200 (patio). The 2009 application does not identify patio seating or square footage.
- Staffing (Days): Mutuel Supervisor, utility clerk, two clerks on weekdays, three clerks on weekends or clerks to be determined by attendance. Staffing (Nights): Mutuel Supervisor, one clerk on Thursday, two clerks on Friday, Saturday and Sunday. Staffing will be determined by level of business.

Specific information still needed to complete this application include:

1. SCOTWINC Agreement missing date.

RECOMMENDATION:

If the application is considered for approval, staff recommends a contingent approval upon the submission of outstanding items.

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Application is hereby made to the California Horse Racing Board (CHRB/Board) for a license to operate a minisatellite wagering facility in connection with a horseracing meeting and/or parimutuel wagering in accordance with the Business and Professions Code, Chapter 4, Division 8 (Horse Racing Law) and the California Code of Regulations, Title 4, Division 4 (Rules and Regulations of the California Horse Racing Board).

Part I: To be completed by applicant seeking to operate a minisatellite wagering facility pursuant to Business and Professions Code section 19605.25.

Part II: To be completed by association(s) that has/have reached an agreement with the applicant to conduct minisatellite wagering.

Part III: To be completed by simulcast organization that has reached an agreement to provide services necessary for the conduct of minisatellite wagering pursuant to Business and Professions Code sections 19605.25 & 19605.3.

PART I
MINISATELLITE WAGERING APPLICANT INFORMATION

APPLICANT INFORMATION

Name of applicant: Commerce Casino		<input checked="" type="checkbox"/> Card Room/Gambling Establishment	
The applicant is:		<input type="checkbox"/> Restaurant/Bar	
<input type="checkbox"/> Racing Association		<input type="checkbox"/> Other Business Entity	
<input type="checkbox"/> Fair			
<input type="checkbox"/> Federally Recognized Indian Tribe			
Facility street address: 6121 & 6131 E. Telegraph Road, Commerce, CA 90040			
Mailing address (if different from above): 6131 E. Telegraph Road, Commerce, CA 90040			
E-mail address: r.wong@commercecasino.net			
City: Commerce	State: CA	Zip Code: 90040	
Phone: 323-838-3227	Fax: 323-728-8874	Website: commercecasino.com	
County: Los Angeles		Zone Location:	
		North <input type="checkbox"/> South <input type="checkbox"/> Central <input type="checkbox"/>	
(To be completed by CHRB staff)			

CONTACT PERSON
 (Authorized Representative)

Name and title of the contact person: Ralph Wong		
Business street address: 6131 E. Telegraph Road		
Mailing address (if different from above):		
City: Commerce	State: CA	Zip Code: 90040
County: Los Angeles		
Phone: 323-838-3227	E-mail: r.wong@commerceca	Fax: 323-728-8874

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

Dates during which the applicant proposes to operate as a minisatellite wagering facility:

Renewal Application

NOTICE TO APPLICANT: If approved for license, the term of license shall not exceed two years pursuant to Business and Professions Code section 19605.25 (h).

Have you previously operated a licensed gaming operation in California or another state? Yes No

Do you currently operate a licensed gaming operation in California or another state? Yes No

If yes to either question above, provide the following:

Valid licensure period: Begin Date: April 1, 2011 End Date: March 31, 2013

Facility name and address: Commerce Casino, 6131 E. Telegraph Road

City: Commerce State: CA Zip Code: 90040

County: Los Angeles

Zone Location:

North South Central

(To be completed by CHRB staff)

Have you had a gaming operation license that has been revoked or suspended. Yes No

If yes, provide the following if different from above:

Facility name and address:

City: State: Zip Code:

Racing Jurisdiction:

BUSINESS STRUCTURE

<input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Public <input type="checkbox"/> Private <input checked="" type="checkbox"/> Sub-S <input type="checkbox"/> Sub-C <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Limited Liability Company	<input type="checkbox"/> Partnership & Joint Venture <input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Other If you have listed your company as other please identify your company structure:
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------

Registered Business Name: California Commerce Club, Inc.

Fictitious Business Name: Commerce Casino

Address: 6131 E. Telegraph Road

E-mail Address: r.wong@commercescasino.net

City: Commerce State: CA Zip Code: 90040

Phone: 323-838-3227 Fax: 323-728-8874

State where registered or Articles of Organization are filed: California Registry or File number: C1153506

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Name of all officers, directors, and managers. For officers, directors, and managers that have no ownership, enter "0%" in the ownership column. For members of a Limited Liability Company, list membership interest in ownership column. For partners, following the individual's name indicate whether general or limited partners. (true names)

Entity/Individual Name and Title	Entity's Business Address/ Individual's Address of Record	Ownership% (if any)	Compensation Agreement
See attached "Schedule A"			

Are shares listed for public trade?
 Yes No

If yes on what stock exchange?

If more than 50 percent of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity.

All entities that own 5 percent or more must fulfill the instructions for Full Disclosure Statement.

Attach the most recent annual financial statement for the applicant, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

MANAGEMENT AND STAFF
 (Minisatellite Wagering Facility)

Name and title of the managing officer(s) and/or general manager(s) of the business.

Name	Title
Haig Papaian, Jr.	President/CEO
Ralph Wong	Vice President/CAO
Dante Oliveto	Vice President/CFO
Andrew Schneiderman	Vice President/General Counsel
Jeff Harris	Casino Manager

ASSOCIATION CONTRACT/AGREEMENT

Name(s) of racing association(s) with whom you intend to have a contract or agreement:

Southern California Off-Track Wagering, Inc.

Addresses of racing association(s):

4961 Katella Avenue, Los Alamitos, CA 90720

Racing association(s) phone numbers:

714-761-1660

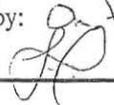
Proposed contract dates: From: To: (inclusive).

April 25, 2013 to April 25, 2018

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB-88 (New 11/08)

Attach a certified check payable to the Treasurer of the State of California in the amount of \$500 for the nonrefundable minisatellite application fee.

CHRB CERTIFICATION

Application filed on: 1-3-13
Fee received by: On File CHRB
Reviewed by: 

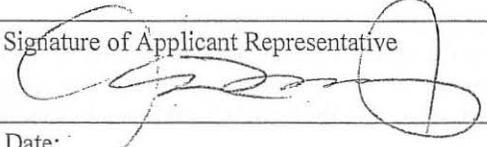
30-day Notice Letter:
Approved on:
License number issued:

CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant contractor to attest to this application on its behalf.

Name Ralph Wong

Signature of Applicant Representative



Title Vice President/CAO

Date:

1-4-2013

CALIFORNIA HORSE RACING BOARD

APPLICATION FOR LICENSE TO OPERATE A MINISATELLITE WAGERING FACILITY

FORM: CHRB-88

2013 RENEWAL

OFFICERS, DIRECTORS AND MANAGERS:

NAME	TITLE	ADDRESS	OWNERSHIP
HAIG PAPAIA, JR.	PRESIDENT/CEO/CHAIRMAN	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	5.8%
LYSA GREGORIAN	DIRECTOR	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	22.5%
GEORGE TUMANJAN	DIRECTOR	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	6.8%
TOM MALKASIAN	DIRECTOR	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	0.7%
LES HARRIS	DIRECTOR	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	1.3%
RALPH WONG	VICE PRESIDENT/CAO/SEC.	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	0.0%
DANTE OLIVETO	VICE PRESIDENT/CFO	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	0.0%
ANDREW SCHNEIDERMAN	VICE PRESIDENT/GENERAL COUNSEL	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	0.0%
JEFF HARRIS	CASINO MANAGER	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	0.0%

5% OR MORE SHAREHOLDERS:

Patricia Gribskov	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	6.8%
Richard J. Iboosh and Lucia J. Iboosh -Trustors/Trustees,	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	8.2%
Maureen Orbus	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	5.5%
Suzanne Papaian - Trustor/Trustee, Beneficiary	6131 E. TELEGRAPH ROAD, COMMERCE, CA 900	5.8%



January 25, 2013

Andrea Ogden
CHRB
1010 Hurley Way
Sacramento, CA

Dear Andrea;

Regarding the renewal of the Mini-Satellite license for Commerce Casino

A notice was emailed to each of the entities listed below advising them of their right to object, either to me or directly to the CHRB, to the renewal of Commerce Casino no later than January 23, 2013. As of this writing, I have received no objections from associations or horse owner groups, as follows:

Associations:

Santa Anita

Hollywood Park

Del Mar

Fairplex Park

Los Alamitos*

Golden Gate Fields

Watch and Wager Harness

CARF

Horse Owner Groups:

Thoroughbred Owners of California

Pacific Coast Quarter Horse Racing Association

California Harness Horsemen's Association

Sincerely,

Rick Baedeker

Manager, Mini-Satellite Development

SCOTWinc

State of California
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CHRB-88 (New 11/08)

PART II
CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

APPROVAL OF COMMERCE CASINO MINISATELLITE RENEWAL

Name of Association: WATCH AND WAGER LLC, OPERATOR CAL EXPO HARNESS

Address: 2335 AMERICAN RIVER DR, SUITE 301, SACRAMENTO, CA 95825

Telephone: 916-800-1395 Fax number: 916-760-7410

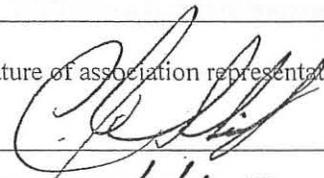
Racetrack name: CAL EXPO

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

CHRISTOPHER SCHERZ

Signature of association representative:

Name CHRISTOPHER SCHERZ



Title General Manager

Date: 2/3/2013

State of California
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 CHRB -88 (New 7/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Los Angeles County Fair Association 1101 W. McKinley Ave. Pomona, CA 91768

Telephone:
 (909) 865-4203

Fax number: (909) 865-2940

Racetrack name:

Fairplex Park

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name

Mike Seder

Title

CFO

Signature of association representative



Date:

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 Application for License to Operate a Minisatellite Wagering Facility
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PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

California Authority of Racing Fairs
 1776 Tribute Rd. Suite 205 Sacramento, CA 95815

Telephone:
 (916) 263-3348

Fax number: (916) 263-3341

Racetrack name:
 C.A.R.F.

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name Christopher Korby	Signature of association representative <i>X Christopher Korby</i>
Title Executive Director	Date: <i>C</i>

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CHRB -88 (New 7/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Del Mar Thoroughbred Club 2260 Jimmy Durante Blvd. Del Mar, CA 92014

Telephone:
(858) 792-4221

Fax number: (858) 794-1007

Racetrack name:

Del Mar

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name

Craig Fravel

Title

Executive Vice President

Signature of association representative



Date:

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Application for License to Operate a Minisatellite Wagering Facility
CHRB -88 (New 7/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Los Angeles Turf Club, Inc. 285 W. Huntington Dr. Arcadia, CA 91007

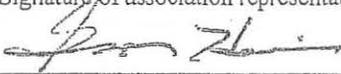
Telephone:
(626) 574-7223

Fax number: (626) 254-1351

Racetrack name:

Santa Anita Park

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name	Signature of association representative
George Haines	
Title	Date:
President	1/19/2011

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PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Golden Gate Fields
1100 Eastshore Hwy. Albany, CA 94706

Telephone:
(510) 559-7223

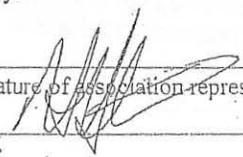
Fax number: (510) 559-7474

Racetrack name:
Golden Gate Fields

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name
Robert Hartman

Signature of association representative



Title
General Manager

Date:

1/19/11

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB -88 (New 7/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

Hollywood Park Racing Association 1050 S. Prairie Ave. Inglewood, CA 90301

Telephone:
(310) 419-1520

Fax number: (310) 671-4460

Racetrack name:

Hollywood Park

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

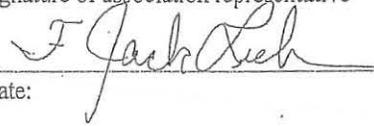
Name

F. Jack Liebau

Title

President

Signature of association representative



Date:

State of California
California Horse Racing Board
Application for License to Operate a Minisatellite Wagering Facility
CHRB -88 (New 7/08)

PART II

CONTRACTED ASSOCIATION INFORMATION

One copy of Part II shall be completed by each contracted association

Name and mailing address of association:

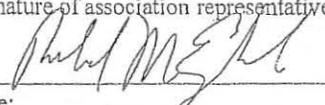
Los Alamitos Quarter Horse Racing Assoc. 4961 Katella Ave. Los Alamitos, CA 90720

Telephone:
(714) 820-2810

Fax number: (714) 820-2811

Racetrack name:
Los Alamitos

Name and title of the person(s) authorized to receive notices on behalf of the association in conjunction with this applicant application for approval to operate a minisatellite wagering facility:

Name Rick English	Signature of association representative 
Chairman	Date: 1/20/11



January 25, 2013

Andrea Ogden
CHRB
1010 Hurley Way
Sacramento, CA

Dear Andrea;

Regarding the renewal of the Mini-Satellite license for Commerce Casino

Part III of the CHRB Form 88 remains unchanged with the following exception:

II. Supervision, Security and Fire Prevention

Ralph Wong, General Manager, Commerce Casino

Randy Hartzell, Director of Mutuels, CHRB License #306778, expires 02/2014.

There are no other changes to Part III.

Sincerely,

Rick Baedeker
Manager, Minisatellite Development
SCOTWinc
(310 345-3416)

State of California
 California Horse Racing Board
 Application for License to Operate a Minisatellite Wagering Facility
 CHRB-88 (New 11/08)

PART III
SIMULCAST ORGANIZATION INFORMATION

To be completed by approved simulcast organization that has executed an agreement approved by the CHRB with the association conducting a racing meeting with the minisatellite wagering facility pursuant to Business and Professions Code sections 19605.25 and 19605.3.

I. OPERATION OF THE MINISATELLITE WAGERING FACILITY

Simulcast organization engaged by the association to conduct simulcast wagering:

Attach the agreement between the association and simulcast organization permitting the minisatellite wagering facility to use the association's live audiovisual signal for wagering purposes and providing access to it's totalizator for the purpose of combining on-track and off-track pari-mutuel pools.

Submit a copy of each horsemen's written approvals.

Hours for operation of the facility: 24 hours per day.

Hours for operation of the minisatellite wagering site:

11:00 a.m. to 9:00 p.m.

Time periods during the calendar year the facility **will not** be utilized as a minisatellite wagering facility (explain why):

None anticipated.

If approved, wagering will be offered on live race meetings being held or conducted by the following California racing association(s):

Los Alamitos	Hollywood Park	Del Mar
Santa Anita	Cal Expo	Pomona Fairplex

List the host track from which the minisatellite wagering facility proposes to import out-of-state and/or out-of-country races. Include the dates imported races will be held, and whether or not a full card will be accepted.

If the full card will not be imported, state "selected feature and/or stakes races":

Estimated number of pari-mutuel terminals machines available:

Attach a proposed staffing plan for the facility and/or minisatellite wagering site, to include the number of security personnel and the number of pari-mutuel clerks pursuant to Business and Professions Code section 19605.25 (5)(b).

II. SUPERVISION, SECURITY AND FIRE PREVENTION

Changes to management personnel and minisatellite manager(s)
 must be immediately reported to the Board.

Name of the individual(s) responsible for the day-to-day operation of the minisatellite facility:

Name and Title	CHRB License No. and Expiration Date
Edgar Wai-mun Wong	#103861; Expires April 2012

Attach a certificate of insurance for workers' compensation coverage including carrier and the policy number securing the applicant's liability for payment of workers' compensation is (if self-insured, provide details):

Attach a fire clearance from the fire authority having jurisdiction.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
12/27/2012

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER 1-818-539-2300 Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. License #0726293 505 North Brand Boulevard, Suite 600 Glendale, CA 91203-3944 Michael Hampar INSURED California Commerce Club, Inc. dba Commerce Casino 6131 E. Telegraph Road Commerce, CA 91006	CONTACT NAME: Megan McArdle PHONE (A/C, No, Ext): 818-539-1340 FAX (A/C, No): 818-539-1640 E-MAIL ADDRESS: megan_mcardle@ajg.com <table style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 80%;">INSURER(S) AFFORDING COVERAGE</th> <th style="width: 20%;">NAIC #</th> </tr> <tr> <td>INSURER A: TRAVELERS PROP CAS CO OF AMER</td> <td>25674</td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: TRAVELERS PROP CAS CO OF AMER	25674	INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
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INSURER B:															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES

CERTIFICATE NUMBER: 30971079

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS																				
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$																				
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$																				
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$																				
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	TC2JUB419J533312	12/31/12	12/31/13	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 5%; text-align: center;"><input checked="" type="checkbox"/></td> <td style="width: 15%;">WC STATUTORY LIMITS</td> <td style="width: 5%; text-align: center;"><input type="checkbox"/></td> <td style="width: 15%;">OTHER</td> <td style="width: 60%;"></td> </tr> <tr> <td></td> <td>E.L. EACH ACCIDENT</td> <td></td> <td></td> <td>\$ 1,000,000</td> </tr> <tr> <td></td> <td>E.L. DISEASE - EA EMPLOYEE</td> <td></td> <td></td> <td>\$ 1,000,000</td> </tr> <tr> <td></td> <td>E.L. DISEASE - POLICY LIMIT</td> <td></td> <td></td> <td>\$ 1,000,000</td> </tr> </table>	<input checked="" type="checkbox"/>	WC STATUTORY LIMITS	<input type="checkbox"/>	OTHER			E.L. EACH ACCIDENT			\$ 1,000,000		E.L. DISEASE - EA EMPLOYEE			\$ 1,000,000		E.L. DISEASE - POLICY LIMIT			\$ 1,000,000
<input checked="" type="checkbox"/>	WC STATUTORY LIMITS	<input type="checkbox"/>	OTHER																								
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	E.L. DISEASE - EA EMPLOYEE			\$ 1,000,000																							
	E.L. DISEASE - POLICY LIMIT			\$ 1,000,000																							

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
Evidence of insurance only.

CERTIFICATE HOLDER

CANCELLATION

To Whom It May Concern	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <div style="text-align: center;"><i>Megan McArdle</i></div>
------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

LOS ANGELES COUNTY FIRE DEPARTMENT
FIRE PROTECTION EQUIPMENT PERFORMANCE CERTIFICATION



RESPONSIBLE PARTY

HRS. 64
PAGE 1 OF 21

TO: (Name) EDWIN FIGUEROA		TITLE: SAFETY DIRECTOR		FIRM OR D.B.A.: CALIFORNIA COMMERCE CLUB INC.	
MAILING ADDRESS: (STREET) 6131 EAST TELEGRAPH ROAD	(CITY) COMMERCE	(STATE) CALIFORNIA	(ZIP) 90040	PHONE: (323) 838-3232	
TEST SITE ADDRESS: (STREET) 6121 EAST TELEGRAPH ROAD	(CITY) COMMERCE	(STATE) CALIFORNIA	(ZIP) 90040	TEST SITE PHONE: (323) 838-3232	
OCCUPANCY TYPE R	NUMBER OF STORIES 9 + 1 SUB	YEAR BUILT 2000	CONSTRUCTION TYPE TYPE I	SQUARE FOOTAGE 230,413	

INITIAL TEST

DATE(S) OF TESTING OCT. 9-18, 2012	TESTING AGENCY 	PHONE: (323) 276-3100
----------------------------------------------	------------------------------------------------------------------------------------------------------	---------------------------------

ADDRESS OF TESTING AGENCY: (STREET) 2705 MEDIA CENTER DRIVE	(CITY) LOS ANGELES	(STATE) CALIFORNIA	(ZIP) 90065
-----------------------------------------------------------------------	------------------------------	------------------------------	-----------------------

EQUIPMENT TESTED AND DESCRIPTION: 1 ANNUAL TEST OF THE FIRE ALARM SYSTEM	SYSTEM CERTIFIED YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------

BUILDING /SYSTEM SUMMARY:

PLEASE SEE ATTACHED SHEETS.

Fire Inspection documents for 6121 E. Telegraph Rd. pgs. 1-21 and 6131 E. Telegraph Rd. pgs. 1-9 are kept on file at California Horse Racing Board Headquarters (916) 263-6000

ADDITIONAL INFORMATION ON ATTACHED SHEET

I hereby certify that the fire protection equipment listed above has been fully tested in accordance with State of California Title-19 Fire Code and that the results are accurately listed above. To the best of my knowledge the equipment is fully operable except as noted.

TESTER'S NAME (Printed); & CERT. # HUGO GONZALEZ C10, 16; 713099	TESTER'S SIGNATURE <i>Hugo Gonzalez</i>	FIRE DEPARTMENT WITNESS: (Signature & Assignment) NOT WITNESSED
----------------------------------------------------------------------------	--------------------------------------------	---------------------------------------------------------------------------

REPAIR AND RETEST: If defects are found in equipment tested, correction on such defects shall commence FORTHWITH and shall be completed as soon as possible, but in every case within 30 days of initial test. At the completion of repair, the system or device shall be re-tested as necessary to determine that it is fully operable.

RETEST IF NEEDED

DATE OF RETEST:	TESTING AGENCY:	PHONE:
ADDRESS OF TESTING AGENCY:		
EQUIPMENT RE-TESTED AND DESCRIPTION:		
I hereby certify that all necessary maintenance and repairs have been made to the equipment listed above in compliance with the State of California Fire Code and the equipment is fully operable.		
TESTER'S NAME & CERT. #	TESTER'S SIGNATURE	FIRE DEPARTMENT WITNESS: (Signature & assignment)

ACKNOWLEDGMENTS

F-340 R-4 IS TO BE RETURNED WITHIN 7 DAYS TO	FIRE DEPARTMENT NOTIFICATION: (2 FULL WORKING DAYS NOTICE)
----------------------------------------------	------------------------------------------------------------

**LOS ANGELES COUNTY FIRE DEPARTMENT
FIRE PROTECTION EQUIPMENT PERFORMANCE CERTIFICATION**



RESPONSIBLE PARTY

HRS. 16
PAGE 1 OF 9

TO: (Name) EDWIN FIGUEROA		TITLE: SAFETY DIRECTOR		FIRM OR D.B.A.: CALIFORNIA COMMERCE CLUB INC.	
MAILING ADDRESS: (STREET) 6131 EAST TELEGRAPH ROAD		(CITY) COMMERCE	(STATE) CALIFORNIA	(ZIP) 90040	PHONE: (323) 838-3232
TEST SITE ADDRESS: (STREET) 6131 EAST TELEGRAPH ROAD		(CITY) COMMERCE	(STATE) CALIFORNIA	(ZIP) 90040	TEST SITE PHONE: (323) 838-3232
OCCUPANCY TYPE R	NUMBER OF STORIES 2 + 1 SUB	YEAR BUILT -	CONSTRUCTION TYPE TYPE II		SQUARE FOOTAGE -

INITIAL TEST

DATE(S) OF TESTING OCT. 9-18, 2012	TESTING AGENCY 	PHONE: (323) 276-3100
----------------------------------------------	------------------------------------------------------------------------------------------------------	---------------------------------

ADDRESS OF TESTING AGENCY: (STREET) 2705 MEDIA CENTER DRIVE	(CITY) LOS ANGELES	(STATE) CALIFORNIA	(ZIP) 90065
-----------------------------------------------------------------------	------------------------------	------------------------------	-----------------------

EQUIPMENT TESTED AND DESCRIPTION: 1 ANNUAL TEST OF THE FIRE ALARM SYSTEM	SYSTEM CERTIFIED YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>
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BUILDING /SYSTEM SUMMARY:

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---------------------------------------------------------------------------	--------------------------------------------	---------------------------------------------------------------------------

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DATE OF RETEST:	TESTING AGENCY:	PHONE:
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-------------------------	--------------------	---------------------------------------------------

ACKNOWLEDGMENTS

F-340 R-4 IS TO BE RETURNED WITHIN 7 DAYS TO FIRE PREVENTION	FIRE DEPARTMENT NOTIFICATION (2 FULL WORKING DAYS NOTICE) FIRE PREVENTION
------------------------------------------------------------------------	-------------------------------------------------------------------------------------

III. MINISATELLITE WAGERING SITE

Attach a detailed scale plan of the facility indicating all points of access to facility, emergency exits, placement of offices, and food and beverage service location and detailing the location of the proposed minisatellite wagering site. Identify how the designated minisatellite wagering area will be restricted to patrons 21 years and over. Attach photos of the minisatellite wagering site.

NOTICE TO APPLICANT. Pursuant to Business and Professions Code section 19605.25(e) (4) wagers placed at a minisatellite site must be in an area that is restricted to those who are 21 years of age or older.

IV. FACILITY DESCRIPTION

Describe the food and beverage services to be offered (full meals served; cafeteria-style full meals; short-order counter service; pre-ordered prepared sandwiches and fast foods available; full bar services; or other description as appropriate): Full meal and bar service

The seating capacity in the minisatellite wagering facility is: Main = 54; Patio = 64

The number of tables in the minisatellite wagering area is: Main = 9; Patio = 8

Overall square footage in the minisatellite wagering area is:

Main = 900 square feet; Patio = 1,200 square feet

Attach a photograph of the minisatellite wagering area.

Describe occupancy restrictions, if any, imposed by the fire authority having jurisdiction: The LAFD has rated the Main Room for 104 and the Smoking Patio for 174.

The total number of parking spaces available in the parking areas can accommodate (number of standard sized automobiles):

3,850

Describe any other activities to be scheduled on or near the facility premises that may have a negative impact on available parking: Operation of the Commerce Casino, Crowné Plaza at Commerce Casino and related business activities.

V. EQUIPMENT PROVIDED BY THE MINISATELLITE WAGERING FACILITY

Describe the television equipment (satellite receivers, decoders, controls, monitors, etc.) to be utilized at the facility:

Dish satellite receivers (RTN) / 37+ Displays

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 CHR-88 (New 11/08)

Describe the public address equipment (controls, microphones, speakers, etc.) to be utilized at the facility: NA

VI. ADVERTISING AND PATRON DEVELOPMENT

Describe any advertising or promotional plans:

General advertising.

Describe any improvements to the facility that will directly benefit minisatellite wagering: Paito improvements

NOTICE TO APPLICANT: Pursuant to Board Rule 2066 all advertisement shall contain a statement that persons under 21 are not allowed to participate in minisatellite wagering. All advertisement shall contain contact information for a recognized problem-gambling support organization.

VII. ADMISSIONS, CHARGES AND SERVICE FEES

Complete if applicable and note N/A if not.

Admissions charges, if any, are:	None
Parking charges, if any, are:	None for Self Park; \$3.00 for Valet
Program charges, if any, are:	\$3.00 each
Seating charges, if any, are:	None

VIII. RENEWAL

Complete this section only if renewing your license.

Is this a renewal application: Yes No

Have there been any changes since the submission of your last application for authorization to operate a minisatellite wagering facility? Yes No

Have any changes occurred affecting ownership or controlling interest in your business structure or establishment since your last application? Yes No

If you have answered, "Yes", to any of the questions above please attach a detailed statement describing the change.

How many years have you been an approved minisatellite wagering facility? 18 months

AGREEMENTS

Attach copies of all applicable county, city or agency agreements that may affect the minisatellite wagering facility.

NOTICES TO APPLICANT

Notice is given to the applicant that its application, if approved by the Board, authorizes the applicant to offer pari-mutuel wagering at its minisatellite wagering facility for a period of two years per Business and Professions Code section 19605.25(h).

Notice is given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulations of the Board.

[Handwritten mark]

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 CHR-88 (New 11/08)

VII. ADMISSIONS, CHARGES AND SERVICE FEES

Complete if applicable and note N/A if not

Admissions charges, if any, are:	None
Parking charges, if any, are:	None for Self Park; \$3.00 for Valet
Program charges, if any, are:	\$3.00 each
Seating charges, if any, are:	None

VIII. RENEWAL

Complete this section only if renewing your license.

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If you have answered, "Yes", to any of the questions above please attach a detailed statement describing the change.

How many years have you been an approved minisatellite wagering facility? 18 months

AGREEMENTS

Attach copies of all applicable county, city or agency agreements that may affect the minisatellite wagering facility.

NOTICES TO APPLICANT

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Notice is given that retention of and control over all moneys generated from pari-mutuel wagering held or conducted at the facility is the responsibility of the simulcast organization(s) which contract(s) to provide the pari-mutuel equipment and pari-mutuel employees; and that such organization(s) is (are) responsible for its proper distribution in accordance with the law and the rules and regulations of the Board.

Exhibit "C"California Racing Associations

Cal Expo
C.A.R.F. (Pleasanton, Santa Rosa, Ferndale, Fresno, Stockton, Vallejo, etc.)
Del Mar Thoroughbred Club
Fairplex Park
Golden Gate Fields
Hollywood Park (Spring/Fall)
Los Alamitos
Oak Tree
Santa Anita

Out-of-State Import Races

Arlington/Hawthorne
Balmoral/Maywood
Calder/Gulfstream
Churchill Downs/Keeneland/Turfway
Laurel/Pimlico
Meadowlands
Northfield
NYRA
Remington
Retama/Sam Houston/Lone Star
Turfway Park
Turf Paradise
Woodbine
Hastings
South America

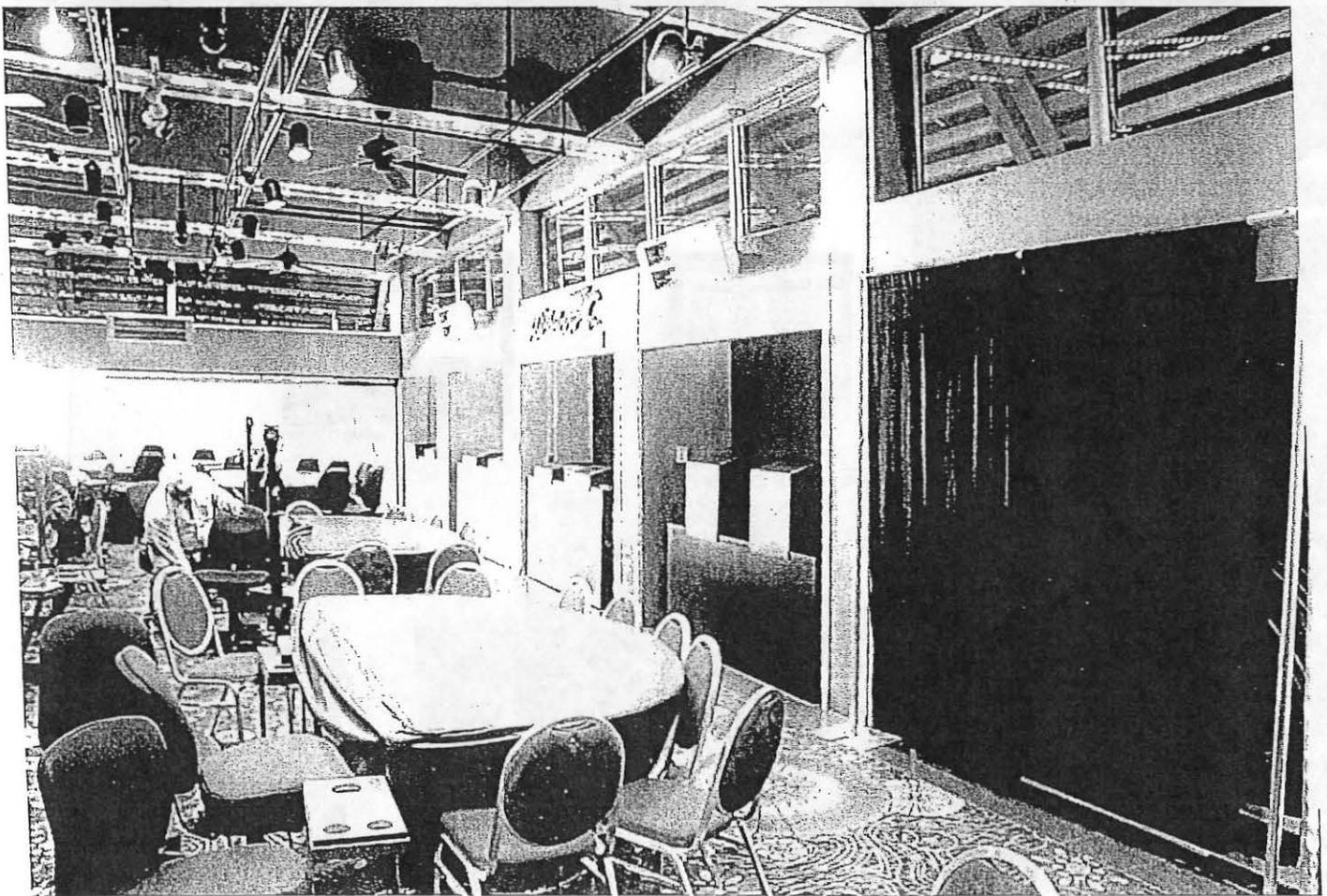
***Schedule and Other Signals to be determined by California Host Racing Association

The current staffing is as follows for the Commerce Casino satellite facility:

Days - mutuel supervisor, utility clerk, two clerks on weekdays, three clerks on weekends

Nights - mutuel supervisor, one clerk on Thursdays, two clerks on Friday, Saturday, and Sunday

I think it is important to note on application that staffing is determined by level of business.





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simulcast organization(s) necessary to conduct and operate the simulcast wagering program at the facility, lease or rental agreement with the facility landlord and all applicable county, city or agency agreements that may affect the minisatellite wagering facility have been finalized except as follows (if there are no exceptions, so state):

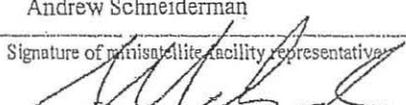
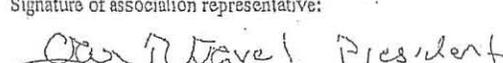
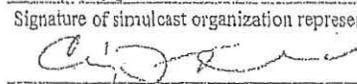
All service contractors and concessionaires have valid State, County or City licenses authorizing each to engage in the type of service to be provided and have valid labor agreements (when applicable) which remain in effect for the entire term of the license except as follows (if there are no exceptions, so state):

Absent natural disasters or causes beyond the control of the applicant, its service contractors, concessionaires or employees engaged at the facility, no reasons are believed to exist that may result in a stoppage to the conduct of pari-mutuel wagering at the facility or the withholding of any vital service to the applicant except as follows (if there are no exceptions, so state):

By authority of Article 9.2, Chapter 4, of the Business and Professions Code; and the Federal Indian Gaming Act; to allow an evaluation of the competence, integrity, and character of potential simulcast facility operators, any person, corporation, trust, association, partnership, joint venture, or management firm who submits an application for such license or who is named in such application and who is not a State or County entity, or has not previously completed such disclosure when filing for a horseracing application pursuant to Article 4, section 19480 of the Business and Professions Code shall be required to complete and submit a full disclosure statement.

CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the applicant to attest to this application on its behalf.

Print name of minisatellite facility applicant representative: Andrew Schneiderman	Date: February 3, 2011
Signature of minisatellite facility representative: 	Date:
Print name of association representative: Del Mar Thoroughbred Club	Date:
Signature of association representative:  President	Date:
Print name of simulcast organization representative: CRAIG J. CRAMPTON	Date:
Signature of simulcast organization representative: 	Date: 2/2/11

STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FROM
RANCHO PASEANA TRAINING CENTER IN SANTA FE, CALIFORNIA TO BECOME AN
AUTHORIZED TRAINING CENTER

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19440 provides that the Board shall adopt regulations for the control of horse racing. Article 3.5, Track Safety Standards, of the Board's Rules and Regulations describes in detail the provisions that any association, fair or training facility must comply with to be used for timed and reported workouts. Within Article 3.5, Rules 1471, General Provisions and Conditions; 1472, Rail Construction and Track Specifications; 1473, Renovation of Dirt Racetrack; and 1474, Maintenance of Dirt Racetrack, address the requirements to be granted the status of an authorized training center.

ANALYSIS

Rancho Paseana Training Center (RPTC), located in Rancho Santa Fe, California, has requested permission to conduct timed workouts for Del Mar, Santa Anita and Hollywood Park. RPTC has stated in writing that these works will not be a vehicle for RPTC to collect stabling and vanning fees, they are meant only as a means of convenience for owners and trainers and will be conducted on Saturdays only. CHRB backside and trackside inspections have been conducted and RPTC is in compliance with all applicable regulations.

Rancho Santa Fe Fire Protection District conducted a general facility and landscaping inspection on January 31, 2013 and February 1, 2013 and found RPTC to be in compliance. These inspections are conducted on an annual basis. Rural/Metro Ambulance will be providing medical support services. The response time of Rancho Santa Fe Fire Protection District is less than five minutes.

The Del Mar Turf Club, The Los Angeles Turf Club and Betfair Hollywood Park have submitted letters indicating they will accept works from RPTC. As an authorized training center, RPTC will come under the jurisdictional oversight of the CHRB.

RPTC has fulfilled the requirements of the items listed in document CHRB-30B; Requirements for Approval to Operate an Auxiliary Stabling Area or Authorized Full Time Training Facility.

RECOMMENDATION

This item is presented for Board discussion and action.



October 19, 2012

Mr. Kirk E Breed, Executive Director
 Attn: Rita Baker
 California Horse Racing Board

RE: Approved Training Center

Dear Mr. Breed:

Rancho Paseana is a premier racehorse facility in sunny San Diego County that has been providing years of quality training and rehabilitation for Thoroughbred horses. The Training facility is nestled between the Pacific Ocean and the scenic hills of Rancho Santa Fe, CA. We are conveniently located fewer than five miles east of the Del Mar Thoroughbred Club and approximately two hours south of either Santa Anita Park or Hollywood Park. Rancho Paseana is seeking approval from the California Horse Racing Board to be designated as a recognized Thoroughbred Training Facility with official clocked workouts.

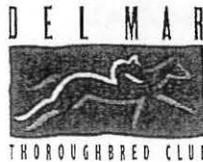
Our Facility features a newly redone and well-maintained three-quarter mile dirt training track with ideal footing for any racehorse. There are approximately 200 horses boarding year-round and 80-100 of these horses are in training. A majority of our graduates race at the three major California racetracks - Del Mar, Santa Anita and/ or Hollywood Park. Even with official workouts, we have no intentions to race or transport horses to local racetracks to run the same day. Trainers and Owners alike would benefit from having official workouts for their horses while at our training center. The horses are shipped to and from license trainers such as: John Sadler, John Shirreffs, Jerry Hollendorfer, David Hofmans, Jim Cassidy & Bob Baffert. There are a number of owners who are greatly involved in the racing industry and prefer to send their horses to Rancho Paseana for training or lay-up such as: Marty & Pam Wygod, Jerry Moss, George Krikorian, Sheehy LLC/ Superhorse Inc, Kaleem Shah Inc., Frank Stronach, and C R K Stables.

As an approved Training Center, our horses would have the benefit of published clocked workouts and our Thoroughbred Training Facility would have the honor of representing a small part of the California Horse Racing Board. The following pages are in response to the CHRB's "Requirements for approval to operate an auxiliary stabling area". We believe our facility meets the established requirements or can be brought into compliance within the allotted time. We look forward to hearing from you and are available for a compliance inspection at your convenience. Feel free to contact us if there are any questions.

Sincerely,

Clifford W. Sise, Jr.
 Training Center Manager, Rancho Paseana

jas
 cc Jenny Craig



Thomas S. Robbins
Executive Vice President
Racing & Industry Relations
Racing Secretary

January 7, 2013

Mr. Kirk Breed
Executive Director
California Horse Racing Board
1010 Hurley Way
Sacramento, CA 95825

Dear Mr. Breed:

Mr. Clifford Sise, Training Center Manager for Rancho Paseana, has requested the Del Mar Thoroughbred Club to accept timed workouts from Rancho Paseana. This is written to advise that we will accept such works as officially timed works as long as Rancho Paseana is in complete compliance with all CHRB Rules and Regulations.

DMTC also acknowledges that any expenses incurred by Rancho Paseana for its compliance and payment for the employment of an official clocker will be borne by Rancho Paseana.

Although noted in Mr. Sise's letter, DMTC will not name Rancho Paseana in its CHRB Racing License Application. We intend this letter to suffice for their approval.

Sincerely,

A handwritten signature in dark ink, appearing to read "T. S. Robbins", is written over the typed name.

Thomas S. Robbins
Executive Vice President, Racing & Industry Relations

cc: Joe Harper
Clifford Sise
Jackie Wagner



November 15, 2012

Mr. Kirk Breed
Executive Director
California Horse Racing Board
1010 Hurley Way, Room 300
Sacramento, California 95825

Dear Kirk:

Betfair Hollywood Park has been asked if we would accept timed workouts from Rancho Paseana during our race meets. This is to inform the CHRB that we will accept such works as official clocked workouts in so long as the CHRB confirms that Rancho Paseana is in compliance with CHRB rule 1471 and that the individual (s) employed by Rancho Paseana to time such workouts are in compliance with any and all necessary CHRB requirements.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Eual G. Wyatt, Jr.", written over the typed name.

Eual G. Wyatt, Jr.
Vice President & General Manager

EGW:slr

Cc: Jackie Wagner
Clifford Sise
George Haines
Mike Ernst



Frank De Marco, Jr., Esq.
Vice President, Regulatory Affairs &
Secretary and General Counsel

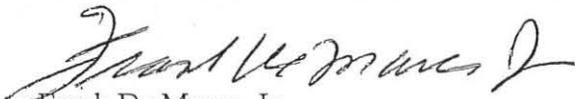
January 3, 2013

Mr. Kirk Breed
Executive Director
California Horse Racing Board
1010 Hurley Way, Room 300
Sacramento, California 95825

Dear Mr. Breed:

Mr. Clifford Sise has requested Los Angeles Turf Club, Incorporated to accept timed workouts from Rancho Paseana during our current meet. This is to advise that we will accept such works as official clocked workouts so long as Rancho Paseana is in compliance with all applicable CHRB rules and the persons employed by Rancho Paseana to time such workouts are likewise in compliance with all CHRB rules and regulations and are compensated by Rancho Paseana and not by LATC.

Very truly yours,



Frank De Marco, Jr.

FDM:sm

cc: Mike Ernst
George Haines
Rick Hammerle
Jack Liebau
Clifford Sise
Jackie Wagner

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
**REQUIREMENTS FOR APPROVAL TO OPERATE AN AUXILIARY STABLING AREA OR
AUTHORIZED FULL TIME TRAINING FACILITY**
CHRB-30B (Rev 9/08)

The California Horse Racing Board's requirements for approval to operate as an auxiliary stabling area or authorized full-time training facility are as follows:

1. The facility premises must be secure; that is, enclosed by perimeter fencing and guarded against unauthorized entry of unlicensed or disqualified persons, and against the unauthorized removal of any racehorse stabled at the facility. The premises must be patrolled during hours of darkness for security and fire detection purposes.
2. All persons within the facility engaged in any racing occupation must possess a valid California Horse Racing Board occupational license. Horses stabled at the facility must be eligible to compete at a California race meeting, be properly registered, properly identified, and not be in the care of, custody of, or owned by a disqualified person. A record must be maintained of the entry and departure of unlicensed visitors to the facility and of all racehorses stabled at the facility.
3. The buildings of the facility must meet the Board's fire prevention standards and have been inspected within the preceding twelve months by the fire authority having jurisdiction, with a fire clearance letter from that fire authority provided to the Board.
4. Every auxiliary stabling or full time authorized training facility shall post in its stable and backstretch worker housing areas the fire regulations applicable on its grounds. The notices shall be in English and Spanish, and posted no more than 100 feet apart or as approved by the local fire authority. No person shall violate the posted fire regulations. The facility shall also post:
 - a. Its emergency evacuation plan, which shall state the nearest exit in case of fire or other emergency.
 - b. The location of the nearest fire alarm box.
 - c. The telephone number of the fire department or other pertinent instructions as to the method for reporting a fire in the area.
5. The racecourse at the facility must have been surveyed and properly marked with the prescribed distance poles. During established training hours, there must be a track attendant on duty with immediate access to a communication or telephone system for emergency use.
6. An ambulance and properly qualified attendants shall be available at all times during training and workout hours, OR the facility may submit an Emergency Procedures Plan for accidents to the Executive Director for approval. The Emergency Procedures Plan shall include the following:
 - a. A list of two emergency medical services used by the facility and two alternative services if the primary services are not available, including response times.
 - b. Names of facility employees trained in basic first aid and holding current CPR certification.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD
**REQUIREMENTS FOR APPROVAL TO OPERATE AN AUXILIARY STABLING AREA OR
AUTHORIZED FULL TIME TRAINING FACILITY**
CHRB-30B (Rev 9/08)

- c. Type and location of communication equipment used to contact emergency medical services.
 - d. Locations where emergency telephone numbers for ambulance, fire, and police services will be posted in public view.
7. The services of an official clocker must be obtained and a regular schedule posted as to the day(s) and times during which recorded workout services are available. Any official clocker at the facility shall record only those workouts actually observed and must identify each horse for which an official workout is being recorded.
 8. The facility cannot be established for any exclusive use; that is, the facility must be open to licensed trainers having eligible racehorses in their care. This does not preclude facility management from exercising lawful discretion as to the persons or horses permitted access to the facility.
 9. Facility management must provide the Board with documented evidence of their surety for Workers' Compensation and for general liability.
 10. In the case of Thoroughbreds, the racecourse of the facility must be accessible to the Daily Racing Form so that official workouts held at the facility will be included in the past performance record for the respective horses.
 11. Facility management and all persons permitted access to the secured stabling facility must be notified (by a sign or other direct method) that by entering the facility, consent is given to the Board to search his/her assigned stabling premises, personal belongings, and vehicle.
 12. Facility management must agree to comply with all Board rules and regulations relating to the conduct and operation of a stable area.
 13. Facility management must agree to comply with all Board rules and regulations relating to Track Safety Standards.

If you believe your facility meets the established requirements, or can be brought into compliance within a reasonable period of time, contact the Chief Investigator, at the headquarters office, and arrange for a site compliance inspection at a mutually convenient time. Following the inspection, your request for approval as an auxiliary stabling area or authorized full-time training facility will be presented before the Board for consideration.



October 19, 2012

RE: CHRB – Requirements for approval to operate an auxiliary stabling area or Authorized Training Facility for Official Workouts Only Please Note: Rancho Paseana is seeking approval to operate as a Training Facility for Official Workouts only. We are not planning to race or transport horses from this training center to the racetracks to be run the same day.

1. The facility perimeter is enclosed by eight foot high v-mesh fencing. Each of the four entrances has a wrought Iron Gate that is controlled by an electronic keypad combination system. The training entrance has the added security of a second gate manual gate that is required to be closed during training hours.
 - a. The property is patrolled regularly 24 hours a day by Rancho Santa Fe Protection Services. A night watchman is on duty 7 nights a week. The Farm Manager and alternate Emergency coordinator both reside on the property.
2. Clifford W Sise Jr is a licensed trainer by through the CHRB. All employees of Craig Stables Inc (dba Rancho Paseana) involved with the horses (grooms, hot walkers, exercise riders, etc) will obtain a license by the CHRB.
 - a. All horses entering the Training Center are identified by Tatoo Number and/or markings with Registration number in correspondence with The Jockey Club's records.
 - b. The horse owner is identified for billing purposes. They often times already have a CHRB owner's license or are instructed on how to obtain one.
 - c. All unlicensed visitors or guest are instructed to call ahead and must be permitted through the gate and accompanied by a Rancho Paseana employee/ CHRB license person. They are also requested to sign our guest book.
 - d. Any transportation company or horse hauler entering the property is required to submit an insurance binder or written proof of general liability.
 - e. All visitors, guests, contractors, etc are notified by posted sign upon entering that this training center is compliant with all CHRB rules and regulations.
3. The Training Center is inspected annually by the Rancho Santa Fe Fire Protection District. The fire extinguishers/hoses are inspected annually by America's Finest Fire Protection Safety Services. A Fire Safety Self-Inspection is complete monthly by our maintenance director.
4. The bilingual fire regulation notices are posts as required by the local fire authority. This includes the Emergency Evacuation procedure and Site Map.

Physical Address: 16094 San Dieguito Road, Rancho Santa Fe, CA 92091

Mailing Address: PO Box 1329 Prospect, KY 40059

Ph: 858-756-6983 Fax: 858-756-3998 Email: ranchopaseana@att.net Website: www.rpaseana.com



5. The racetrack and marking poles has been surveyed. The track certification of approval is on file and can be submitted to the Board for review. A foreman and/or trainer are required have a mobile phone and oversee the racetrack during training hours.
 6. The Fire department, Ambulance and Police have an emergency response time of less than 5 minutes. An Emergency Horse Transport unit is ready and waiting on the sidelines during scheduled workout days. A veterinarian is always on-call and Helen Woodward Equine Hospital is in our backyard, within walking distance. An Emergency procedure plan with site map is posted outside the training center office in public view and will be submitted to the board for review.
 7. An official clocker has agreed to come regularly (ideally one morning per week) to record workouts. The schedule will be posted.
 8. The training center is open licensed and insured trainers having eligible horses in their care provided stalls are available.
 9. Workers Compensation Notice is posted as required by State and Federal Law. "Documented evidence" or binders for Workers' Compensation (currently State Fund) and general liability (currently Allied Insurance) can be provided to the CHRB.
 10. Rancho Paseana is a training center for Thoroughbred racehorses, and we welcome the Daily Racing Form to observe and document official workouts.
 11. All persons entering Rancho Paseana are notified by posted signs, guest book, and employee training that our facility is compliant with all CHRB rules and regulations. This includes the given consent for the Board to search assigned stabling premises, etc.
- 12-13. Licensed management working for Rancho Paseana, an training center for official workouts, represents the CHRB and is obligated and agrees to comply with rules and regulations set forth by the board relating to the operation of a stable area and Track Safety Standards.

Clifford W. Sise Jr.
 Licensed Trainer + Facilities Manager
 Rancho Paseana

Jas (10/2012)

BUSINESS NAME ADDRESS: CRAIG SANDERS, INC (DBA PARCELLO PASADENA)
 16091-16099 SAN DIEGO RD. FALLER VALLEY CA 92027

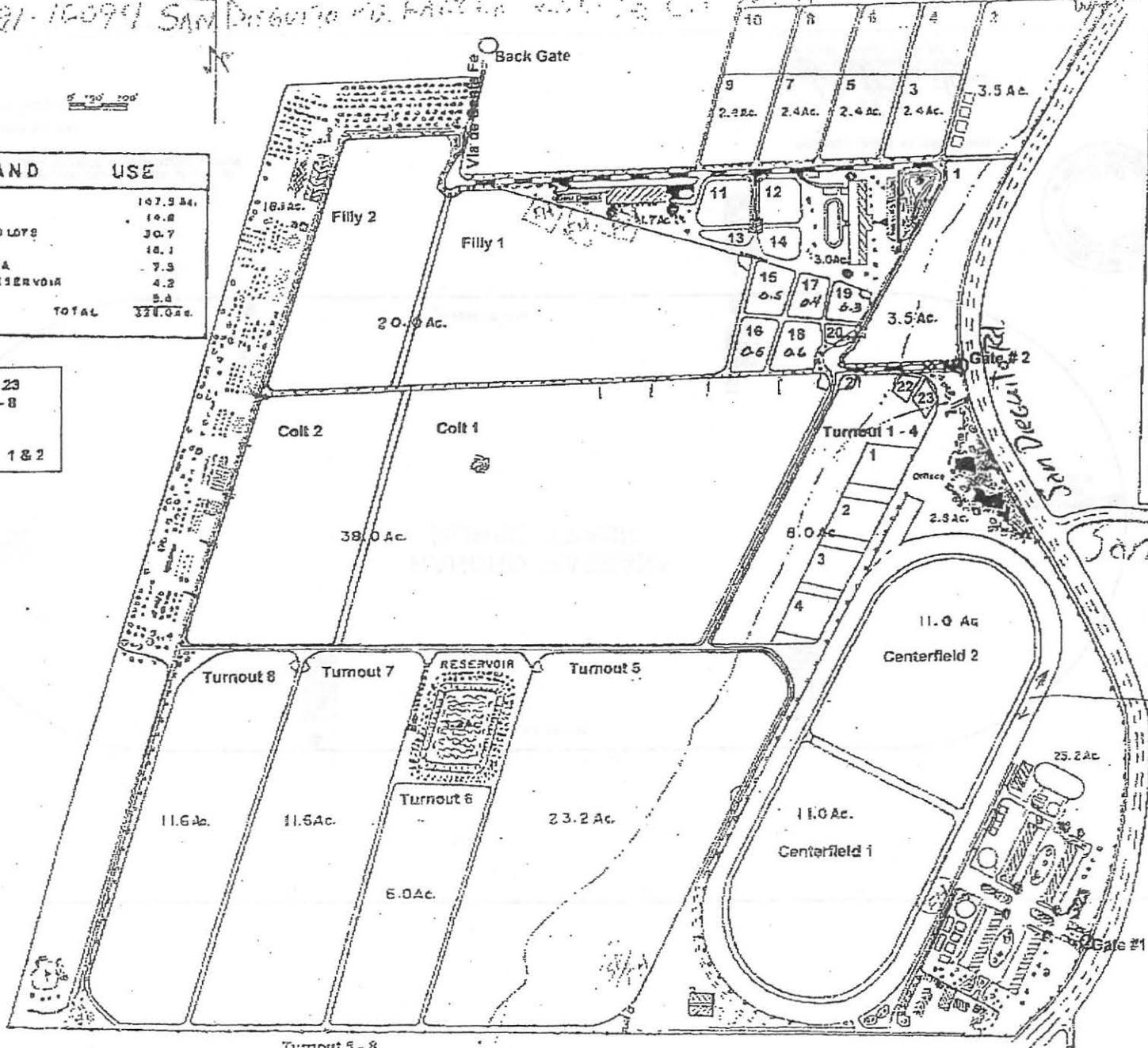
Lay-Up 1-23

HOLEY BOUNDARY

LAND USE	USE
PASTURE	167.5 Ac.
PADDocks	14.8
BUILDINGS & LOYS	30.7
NURSERY	18.1
TRACK AREA	7.9
POND & RESERVOIR	4.2
POOLS	5.0
TOTAL	331.0 Ac.

Lay-Up 1-23
 Turnout 1-8
 Colt 1 & 2
 Filly 1 & 2
 Centerfield 1 & 2

SYMBOLS	
	HIGHWAY
	PAVED ROAD
	LAKE
	GRAVEL ROAD
	TREE
	POND
	RESERVOIR
	BUILDING
	PARKING AREA
	NURSERY
	TRACK
	DRAINAGE



San Diegueno Rd

737,600 sq ft,
 5.32 AC

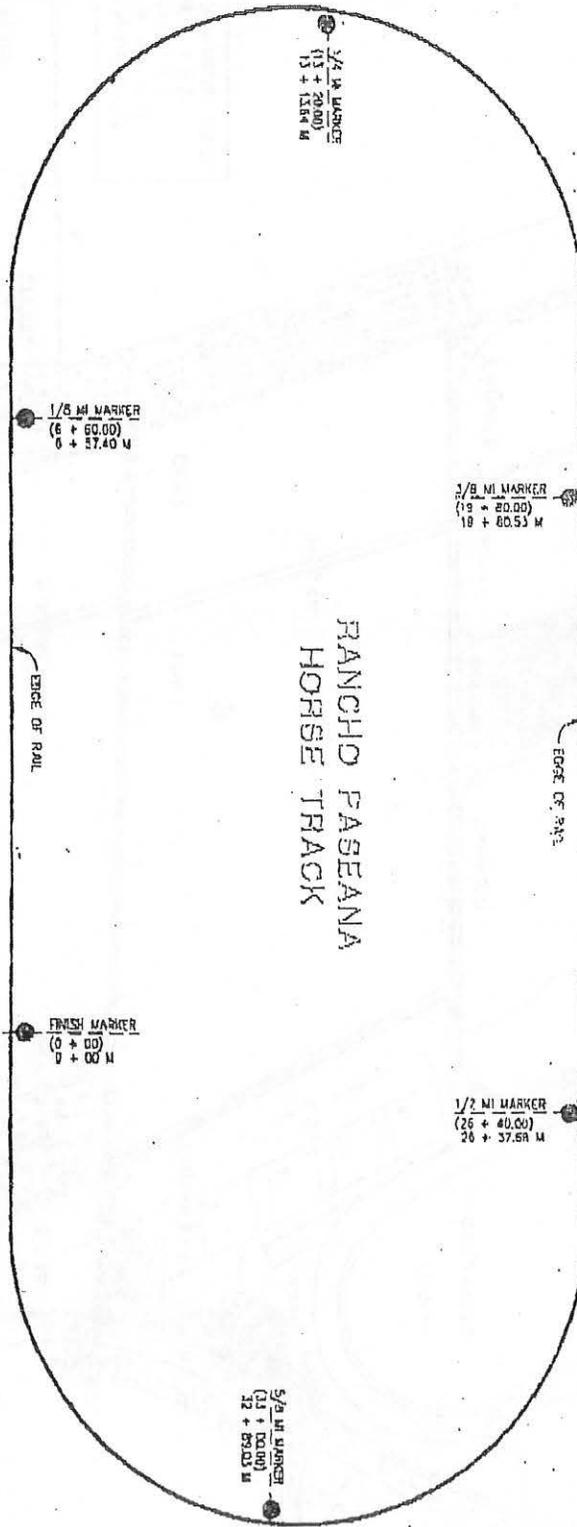
Turnout 5-8

Prepared by
 PARCELLO, INC.
 11200 Wilshire Street

Windland Hills Dr

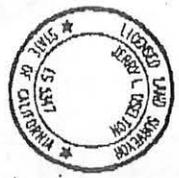
W:\Projects\1996\19960209\19960209.dwg - 11:15:00 - 2/9/96 - 10:11:17

NOTES:
 STATIONS MEASURED FROM FINISH MARKER @ 0 + 00
 CLOCKWISE TO EACH DISTANCE MARKER ALONG OUTSIDE
 EDGE OF RAIL.
 () CALCULATED STATION
 H MEASURED STATION



John L. Uselton
 JOHN L. USELTON, C.S. 5347
 LICENSE EXPIRES 12/31/93

PREPARED UNDER MY SUPERVISION:



FUSCOE
 ENGINEERS
 16792 Van Coman, Suite 100, Irvine, California 92614
 714/447-1212 • Fax 714/447-1213 • www.fuscoe.com

TRACK CERTIFICATION
 RANCHO PASEANA
 16094 SAN DIEGUITO ROAD
 RANCHO SANTA FE, CA 92091

SCALE: AS NOTED
 IN: 1/250.01
 DRAWN BY: JBP
 CHECKED BY: JLU
 SHEET 1 OF 1



Special Event Medical Services

January 30, 2013

Kevin Habell
Rancho Paseana
Via Email: ranchopaseana@att.net

Dear Kevin,

Thank you for retaining Rural/Metro Ambulance to provide medical support services to support thoroughbred horse workouts at Rancho Paseana. It is our pleasure to assist you with this project.

Rural/Metro Ambulance will provide Rancho Paseana one Emergency Medical Technician each Saturday morning per a schedule to begin in February 2013. The EMT will arrive at venue prior to the 6am and will remain on-site until 10am or when released by you or your designee. Rural/Metro will invoice Rancho Paseana an hourly rate of \$45.00. Total estimated charges per date are \$180.00.

Thank you again for providing Rural/Metro with the opportunity to provide these services. Please call me at (619) 726 6776 should you have any questions or alterations to your order.

Sincerely,

John W. Reisdorfer
Special Event Medical Services Manager

EMERGENCY PROCEDURE PLAN

Business Name: Craig Stables, Inc. (dba Rancho Paseana)
 Site Address: 16091-16094 San Dieguito Rd, Rancho Santa Fe, CA 92067
 Telephone: (858) 756-6983 24-Hour: (626) 827-2311A
 Thoroughbred Training Center

In case of an emergency do the following:

MAJOR EMERGENCY

- Evacuate the affected areas per the facility Evacuation Plan
- Notify Employees to evacuate by shouting or audible alarm. Employees will exit through nearest doors and meet at staging area located in inner circle of horse racetrack. Emergency coordinator will be available at staging area to assist emergency responders.
- **CALL 911**
- Report the emergency to the facility Emergency Coordinator

MINOR EMERGENCY

- Try to control the emergency if you are trained to do so and can do it safely
- Report the emergency to the facility Emergency Coordinator

For Release Reporting see Emergency Contacts below

Emergency Coordinators	Name	Work Phone	Mobile Phone
Primary	Clifford W Sise Jr (on-site)	(858) 756-6983	(626) 827-2311
Alternate # 1	Jesse Pintor (on-site)		(858) 692-4034
Alternate # 2	Kevin Habel		(760) 420-6036

EMERGENCY CONTACTS

Agency	Phone
Fire Department, Ambulance, Police (Response Time ≤ 5 min)	9 1 1
North County Dispatch JPA	(858) 756-3006
San Diego County Hazardous Materials Division	(619) 338-2284
California Emergency Management Agency (Cal EMA)	(800) 852-7550
California State Warning Center	(916) 845-8911
Local Non-Emergency San Diego Sherriff (dispatch 24 hrs)	(858)-565-5200

Agency	Phone
Encinitas Sheriff Station (7.66 miles)	(760) 966-3500
Local Non-Emergency San Diego Fire Department (dispatch)	(858) 759-8588
Rancho Santa Fe Fire Department (3.31 miles)	(858) 756-5971
Fairbanks Ranch Fire Department (1.13 miles)	
Hazardous Waste Clean-Up (Ashbury Environmental)	(800) 748-5744
Emergency Fuel Shut Off - Jauregui & Culver	(760) 743-0518
Medical Facility	
Emergency Room -	760-753-6501
Scripps Memorial Hospital (Encinitas, CA - 8.81 miles)	(760)-633-6501
Scripps Memorial Hospital (La Jolla, CA - 10.34 miles)	(858) 626-4123
Urgent Care -	
US Healthworks 24/7 (San Diego, CA - 17.6 miles)	(858) 277-2744
US Healthworks Weekdays 8-5 (San Diego, CA - 11.15 miles)	(858) 455-0200
Water District - Olivenhain Municipal	(760) 753-6466
Water Pumps - Hidden Valley Pump Systems	(760) 749-2209
San Diego Gas & Electric	(800) 611-7343
Waste Management	(800) 596-7444
Security - Rancho Santa Fe Protective Services	(760) 942-0688
Employee Trained in EMT-B & Advanced Cardiac Life Support - Nick Gatto	

HORSE EMERGENCY CONTACTS

Agency	Phone
Helen Woodward Equine Hospital (.8 miles - in Backyard)	(858) 756-4117 x 4
San Dieguito Equine Hospital (17.55 miles) (Primary Veterinarian - Dr. M. Manno)	(760) 591-9952
Haybull Transportation	(760) 420-6036
Brian Strong Transportation	(760) 468-2677
Bob Hubbard Transportation	(951) 369-3770

EMERGENCY EQUIPMENT

Locations of fire extinguishers, fire alarms, and equipment for controlling chemical spills are shown on the facility site plan posted with this notice. Locations of electrical gas and water shut-offs, are also shown on the posted facility plan. Immediate accesses to communication or telephone system for emergency use are available by person mobile phone or located in the training center office.

NOTE: Ensure that employees are familiar with these emergency and evacuation procedures. An emergency coordinator must be available 24-hours to assist emergency response personnel.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/2/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER MOC Insurance Services License No. 0589960 44 Montgomery St., 17th Fl. San Francisco CA 94104	CONTACT NAME: Sara Przemielewski PHONE (A/C, No, Ext): (415) 957-0600 FAX (A/C, No): (415) 957-0577 E-MAIL ADDRESS: sprzemielewski@maroevich.com														
INSURED Finish Line Self Insurance Group, Inc. 4961 Katella Avenue Los Alamitos CA 90720	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="text-align: center;">INSURER(S) AFFORDING COVERAGE</th> <th style="text-align: center;">NAIC #</th> </tr> <tr> <td>INSURER A: New York Marine & General</td> <td></td> </tr> <tr> <td>INSURER B:</td> <td></td> </tr> <tr> <td>INSURER C:</td> <td></td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: New York Marine & General		INSURER B:		INSURER C:		INSURER D:		INSURER E:		INSURER F:	
INSURER(S) AFFORDING COVERAGE	NAIC #														
INSURER A: New York Marine & General															
INSURER B:															
INSURER C:															
INSURER D:															
INSURER E:															
INSURER F:															

COVERAGES **CERTIFICATE NUMBER:** CL12122025325 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below		N/A	WC2013EPP00127	1/1/2013	1/1/2014	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)
CRAIG STABLES, INC (DBA:Rancho Paseana) Start Date: 1/1/13

Coverage extended as of start date above to employees assigned to listed trainer for Horse Racing and Training Codes: 8631, 8810. Thoroughbred Breed Only Trainers

CERTIFICATE HOLDER

CANCELLATION

California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, CA 95825	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE S Przemielewski/SPR
-------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------



RANCHO SANTA FE FIRE PROTECTION DISTRICT

18027 Calle Ambiente • Rancho Santa Fe • California 92067

Tel. (858) 756-5971 • Fax (858) 756-4799

INSPECTION FORM

PROJECT: 1201-55 P. 1, 2, 3 DATE: 1-31-13

ADDRESS: 1201-55 P. 1, 2, 3 LOT: _____

REQUESTED BY: Lee PHONE: (760) 756-6993

SINGLE FAMILY DWELLING

- UNDERGROUND VISUAL
- HYDRO
- BEAM VISUAL
- FINAL
- RE-INSPECTION
- LANDSCAPING
- DRIVEWAY/EASEMENT
- OTHER _____

SEE CORRECTION NOTICE
CARD NOT SIGNED
REASON: _____

COMMERCIAL

- UNDERGROUND VISUAL
- HYDRO
- INTERIM
- FINAL
- RE-INSPECT
- DROP
- ECIP FOLLOW UP
- OTHER _____

OK FOR ADMINSTRATIVE
PERSONNEL TO SIGN CARD
SEE CHECKLIST

COMMENTS/CORRECTIONS _____

INSPECTOR SIGNATURE: _____ NAME: Chris Decker

RECEIVED BY: _____ SIGNATURE: Chris Decker

ACTION TAKEN: APPROVED RE-INSPECT PENDING

ORIGINAL: FIRE PREVENTION YELLOW: CONTRACTOR/CORRECTIONS PINK: SUB-CONTRACTOR

New Fire Hydrant Installed YES NO

STAFF ANALYSIS
PUBLIC HEARING AND ACTION BY THE BOARD
REGARDING THE PROPOSED AMENDMENT TO
CHRB RULE 1843.2, CLASSIFICATION OF DRUG SUBSTANCES,
TO UPDATE THE CALIFORNIA HORSE RACING BOARD'S PENALTY
CATEGORIES LIST BY CLASSIFICATION, TO ADD AND/OR RECLASSIFY
SPECIFIED DRUG SUBSTANCES.

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19580 provides that the Board shall adopt regulations to establish policies, guidelines and penalties relating to equine medication to preserve and enhance the integrity of horse racing in this state. Section 19581 of the Business and Professions Code states that no substance of any kind shall be administered by any means to a horse after it has been entered to race in a horse race, unless the Board has, by regulation, specifically authorized the use of the substance and the quantity and composition thereof. Business and Professions Code section 19582 provides that violations of Business and Professions Code section 19581, as determined by the Board, are punishable in regulations adopted by the Board, and that the Board may classify violations based upon each class of prohibited drug substances, prior violations within the previous three years and prior violations within the violator's lifetime.

A proposal to amend Rule 1843.2, Classification of Drug Substances was discussed at the August 24, 2012 Medication and Track Safety Committee (committee) Meeting. The proposal would amend Rule 1843.2 to reflect changes to the Association of Racing Commissioners International (RCI) drug classifications. The committee agreed to recommend to the Board that Rule 1843.2 be amended as proposed to bring it in line with the RCI Model Rule drug classifications.

At its October 2012 Regular Meeting, the Board discussed the proposal to amend Rule 1843.2. After discussion, the Board directed staff to initiate a 45-day public comment period.

ANALYSIS

The current CHRB drug classification system under Rule 1843.2, Classification of Drug Substances, was adopted in 2008 and is based on the RCI drug classifications as they existed in 2007 when the addition of Rule 1843.2 was first proposed. Since its adoption in 2008, Rule 1843.2 has not been updated. In an effort to promote national uniformity the CHRB drug classification scheme was based on the RCI drug classifications with very few exceptions. The RCI has added or reclassified over 100 drugs since 2008. The proposed amendment of Rule 1843.2 will update the regulation to reflect the RCI changes except as noted in the list below, which are recommendations that differ from the RCI recommendations. The recommendations are based on the consensus recommendations of CHRB Equine Medical Director Dr. Rick Arthur, and Dr. Knych and Dr. Stanley of UC Davis:

- **Venoms Not Otherwise** classified to be added as a Drug Class 1 drug with a Category A penalty to address unforeseen use of other venoms as was the case with the frog venom dermorphin.

- **Snake Venoms** are currently Drug Class 2 with a Penalty Category A. Dr.'s Arthur, Knych and Stanley recommend Snake Venoms be classified as a Drug Class 1 drug with a Category A penalty. This is consistent with α -Cobratoxin (Cobra Venom) classification and penalty.
- **Carisoprodol** (Soma, Relaxin) is a legitimate therapeutic drug used as a muscle relaxant in some cases of muscle spasms. This is currently a CHRB Drug Class 2 with a Penalty Category B which Dr.'s Arthur, Knych and Stanley believe is appropriate for this medication and adequately controls its use. A Penalty Category A is unnecessary.
- **Darbepoetin** (Aranesp) is currently CHRB Drug Class 1 with a Penalty Category A. This is an erythropoiesis stimulating agent similar to Epogen. Erythropoiesis stimulating agents can be used for blood doping. Dr.'s Arthur, Knych and Stanley recommend this drug remain a CHRB Drug Class 1 with a Penalty Category A.
- **Somatrem** and **Somatropin** are recombinant growth hormones which would currently be CHRB Drug Class 1 with a Penalty Category A. The RCI recommend recombinant growth hormones stay Drug Class 1 with a Penalty Category A and these two drugs be specifically so classified.
- Related to the above a language change in Rule 1843.2 is recommended to clarify recombinant growth hormones and recombinant erythropoietins. Recombinant equine growth hormone and recombinant human growth hormone should be combined as **recombinant growth hormones**. This clarifies the use of recombinant growth hormones from other species such as recombinant bovine growth hormone. Similarly, recombinant human erythropoietin should be changed to **recombinant erythropoiesis stimulating agents**. All these should remain CHRB Drug Class 1 with a Penalty Category A.
- ARCI recommends **Dimethylsulfoxide (DMSO)** be moved to Drug Class 4 with a Penalty Category C. Dr.'s Arthur, Knych and Stanley support that change when the blood level exceeds 1 microgram in blood or 15 microgram in urine, the international standard. Otherwise DMSO should remain a Class 5 drug with Category D penalty.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 15. VETERINARY PRACTICES
PROPOSED AMENDMENT OF
RULE 1843.2. CLASSIFICATION OF DRUG SUBSTANCES.

Regular Board Meeting
February 21, 2013

1843.2. Classification of Drug Substances.

The Board, the board of stewards, the hearing officer, or the administrative law judge, when adjudicating a hearing for a violation of Business and Professions Code section 19581, shall consider the classification of the substance as referenced in the California Horse Racing Board (CHRB) Penalty Categories Listing by Classification (Revised ~~05/08~~ 02/13), hereby incorporated by reference, which is based on the Association of Racing Commissioners International (ARCI) Uniform Classification Guidelines for Foreign Substances (~~4/05~~ 12/11), as modified by the Board.

Authority: Sections 19580, 19581 and 19582,
Business and Professions Code.

Reference: Sections 19580, 19581 and 19582,
Business and Professions Code.

California Horse Racing Board (CHRB) Penalty Categories Listing by Classification

Class 1: Stimulant and depressant drugs that have the highest potential to affect performance and that have no generally accepted medical use in the racing horse. Many of these agents are Drug Enforcement Agency (DEA) schedule II substances. These include the following drugs and their metabolites: Opiates, opium derivatives, synthetic opioids and psychoactive drugs, amphetamines and amphetamine-like drugs as well as related drugs, including but not limited to apomorphine, nikethamide, mazindol, pemoline, and pentylenetetrazol.

Drug	Trade Name	DrugClass	Penalty Class
<u>3, 4-methylenedioxypropylpropranolol</u>	<u>MCVP, "BATH Salts"</u>	<u>1</u>	<u>A</u>
Alfentanil	Alfenta	1	A
Amphetamine		1	A
Anileridine	Leritine	1	A
Apomorphine		1	A
Benzylpiperazine (BZP)		1	A
Carfentanil		1	A
<u>Cathinone</u>	<u>Khat</u>	<u>1</u>	<u>A</u>
<u>α-Cobratoxin</u>	<u>Cobra Venom</u>	<u>1</u>	<u>A</u>
Cocaine		1	B
<u>Codeine</u>		<u>1</u>	<u>A</u>
<u>Darbepoetin</u>	<u>Aranesp</u>	<u>1</u>	<u>A</u>
Darb-erythropoetin		1	A
Dermorphin	<u>Frog Venom</u>	<u>1</u>	<u>A</u>
Drug Enforcement Administration (DEA) Class 1 (all)		<u>1</u>	<u>A</u>
Dextromoramide	Palfium, Narcolo	1	A
Diamorphine		1	A
Donepezil	<u>Aricept</u>	<u>1</u>	<u>A</u>
Endorphins		1	A
Enkephalins		1	A
<u>Erythropoietin (EPO)</u>	<u>Procrit, Epogen</u>	<u>1</u>	<u>A</u>
Ethylmorphine	Dionin	1	A
Etorphine HCl	M99	1	A
Fentanyl	Sublimaze	1	A
Heroin		<u>1</u>	<u>A</u>
<u>Hydrocodone (dihydrocodeinone)</u>	<u>Hydrocane</u>	<u>1</u>	<u>A</u>
Hydromorphone	Dilaudid	1	A

Listing by Classification

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Drug	Trade Name	Drug Class	Penalty Class
Hydroxyamphetamine	Paradrine	1	A
ITPP (myo-inositol trispyrophosphate)		1	A
Levorphanol	Levo-Dremoran	1	A
Lofentanil		1	A
Mazindol	Sanorex	1	A
Meperidine	Demerol	1	A
Mephentermine		1	A
Metaraminol	Aramine	1	A
Methadone	Dolophine	1	A
Methamphetamine	Desoxyn	1	A
Methaqualone	Quaalude	1	A
Methcathinone		1	A
Methylphenidate	Ritalin	1	A
Metopon (methyldihydromorphinone)		1	A
Morphine		1	B
Nikethamide	Coramine	1	A
Oxycodone	Percodan	1	A
Oxymorphone	Numorphan	1	A
Pemoline	Cylert	1	A
Pentylenetetrazol	Metrazol, Nioric	1	A
Phenazocine	Narphen	1	A
Phencyclidine (PCP)	Sernylan	1	A
Phendimetrazine	Bontril, etc.	1	A
Phenmetrazine	Preludin	1	A
Picrotoxin		1	A
Piritramide		1	A
Recombinant equine-Growth Hormones		1	A
Recombinant human-Growth Hormone		1	A

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Drug	Trade Name	Drug Class	Penalty Class
Remifentanil	Ultiva	1	A
Recombinant human erythropoietin <u>Stimulating Agents</u>	<u>Erythropoiesis</u>	1	A
<u>Snake Venoms</u>		1	A
Strychnine		1	B
<u>Somatrem</u>	<u>Protropin</u>	1	A
<u>Somatropin</u>	<u>Nutropin</u>	1	A
Sufentanil	Sufenta	1	A
<u>Synthetic cannabis</u>	<u>Spice, K2, Kronic</u>	1	A
<u>Venoms Not Otherwise</u>		1	A
<u>Ziconotide</u>	<u>Cone Snail Venom</u>	1	A

Listing by Classification

Class 2: Drugs that have a high potential to affect performance, but less of a potential than Class 1. These drugs are 1) not generally accepted as therapeutic agents in racing horses, or 2) they are therapeutic agents that have a high potential for abuse.

Drug	Trade Name	Drug Class	Penalty Class
Acecarbromal		2	A
Acetophenazine	Tindal	2	A
Adinazolam		2	A
Alclofenac		2	B
Alcuronium	Alloferin	2	A
Alphaprodine	Nisentil	2	A
Alpidem	Anaxyl	2	A
Alprazolam	Xanax	2	A
Althesin	Saffan	2	A
Amisulpride	Solian	2	A
Amitriptyline	Elavil, Amitril, Endep	2	A
Amobarbital	Amytal	2	A
Amoxapine	Asendin	2	A
Amperozide		2	A
Anilopam	Anisine	2	A
Aprobarbital	Alurate	2	A
Articaine	Septocaine, Ultracaine, etc.	2	A
Atomoxetine	Strattera	2	A
Atracurium	Tracrium	2	A
Azacyclonol	Frenque	2	A
Azaperone	Stresnil, Suicalm, Fentaz (with Fentanyl)	2	A
Barbital	Veronal	2	A
Barbiturates	Benzo, BZD	2	A
Bemegrade	Megimide, Mikedimide	2	A
Benoxaprofen		2	B
Benperidol		2	A
Benzazepam	Tiadipona	2	A
Benzactizine	Deprol, Bronchodiletten	2	A
Benzocetamine		2	A
Benzphetamine	Didrex	2	A
Benztropine	Cogentin	2	A
Biriperone		2	A
Brimonidine	Alphagan	2	A
Bromazepam	Lexotan, Lectopam	2	A
Bromisovalum	Diffucord, etc.	2	A

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Drug	Trade Name	Drug Class	Penalty Class
Bromocriptine	Parlodel	2	A
Bromperidol	Bromidol	2	A
Brotizolam	Brotocol	2	A
Bupivacaine	Marcaine	2	A
Buprenorphine	Temgesic	2	A
Buspirone	Buspar	2	A
Buspropion	Wellbutrin	2	A
Butabarbital (Secbutobarbitone)	Butacaps, Butasol, etc.	2	A
Butalbital (Talbutal)	Fiorinal	2	A
Butanilcaine	Hostacain	2	A
Butaperazine	Repoise	2	A
Butoctamide	Listomin	2	A
Caffeine		2	B
Camazepam	Paxor	2	A
Captodiamine	Covatine	2	A
Carbidopa + levodopa	Sinemet	2	A
Carbromol	Mifudorm	2	A
Carisoprodol	Soma, Rela	2	B
Carphenazine	Proketazine	2	A
Carpipramine	Prazinil	2	A
Carticaine	Ultracain	2	A
Chloralose (Alpha-Chloralose)		2	A
Chloral betaine	Beta-Chlor	2	A
Chloral hydrate	Nactec, Oridrate, etc.	2	A
Chloraldehyde (chloral)		2	A
Chlordiazepoxide	Librium	2	A
Chlormezanone	Trancopal	2	A
Chloroform		2	A
Chlorhexidol		2	A
Chloroprocaine	Nesacaine	2	A
Chlorproethazine	Newiplege	2	A
Chlorpromazine	Thorazine, Largactil	2	A
Chlorprothixene	Taractan	2	A
Citalopram	Celex	2	A
Clobazam	Urbanyl	2	A
Clocapramine		2	A

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Drug	Trade Name	DrugClass	Penalty Class
Clomethiazole		2	A
Clomipramine	Anafranil	2	A
Clonazepam	Klonopin	2	A
Clorazepate	Tranxene	2	A
Clothiapine	Entermin	2	A
Clotiazepam	Trecalmo, Rize	2	A
Cloxazolam	Enadel, Sepazon, Tolestan	2	A
Clozapine	Clozaril, Leponex	2	A
Codeine		2	B
Conorphone		2	A
Corticaine	Ultracain	2	A
Crotetamide		2	A
Cyamemazine	Tercian	2	A
Cyclobarbitol	Phanodorm	2	A
Decamethonium	Syncurine	2	A
Demoxepam		2	A
Desipramine	Norpromine, Pertofrane	2	A
Dezocine	Dalgan®	2	A
Diazepam	Valium	2	B
Dichloralphenazone	Febenol, Isocom	2	A
Diethylpropion	Tepanil, etc.	2	A
Diethylthiambutene	Themalon	2	A
Dihydrocodeine	Parcodin	2	A
Dilorazepam	Briantum	2	A
Diprenorphine	M50/50	2	A
Dixyrazine	Esucos	2	A
Dopamine	Intropin	2	A
Doxacurium	Nuromax	2	A
Doxapram	Dopram	2	A
Doxefazepam	Doxans	2	A
Doxepin	Adapin, Sinequan	2	A
Droperidol	Inapsine, Droleptan, Innovar-Vet (with Fentanyl)	2	A
Duloxetine	Cymbalta, Aricclaim	2	A
Enciprazine		2	A
Ephedrine		2	A

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Drug	Trade Name	DrugClass	Penalty Class
Epibatidine		2	A
Epinephrine		2	A
Ergoloid Mesylates (dihydroergocornine mesylate, dihydroergocristine mesylate and dihydroergocryptine mesylate)	Hydergine	2	A
Erythropoietin (EPO)	Epogen, Procrit, etc.	2	A
Estazolam	Domnamid, Eurodin, Nuctalon	2	A
Ethamivan		2	A
Ethanol		2	BA
Ethchlorvynol	Placidyl	2	A
Ethinamate	Valmid	2	A
Ethopropazine	Parsidol	2	A
Ethylisobutrazine	Diquel	2	A
Etidocaine	Duranest	2	A
Etifoxin	Stresam	2	A
Etizolam	Depas, Pasaden	2	A
Etodroxizine	Indunox	2	A
Etomidate		2	A
Fenarbamate	Tymium	2	A
Fenclozic acid	Myalex	2	B
Fenfluramine	Pondimin	2	A
Fluanisone	Sedalande	2	A
Fludiazepam	Erispam	2	A
Flunitrazepam	Rohypnol, Narcozep, Darkene, Hypnodorm	2	A
Flupromazine	Psyquil, Siquil		
Fluoresone	Caducid	2	A
Fluoxetine	Prozac	2	A
Flupenthixol	Depixol, Fluanxol	2	A
Fluphenazine	Prolixin, Permitil, Anatensol	2	A
Flurazepam	Dalmane	2	B
Fluspirilene	Imap, Redeptin	2	A
Flutoprazepam	Restas	2	A
Fluvoxamine	Dumirox, Faverin, etc.	2	A
Galantamine	Reminyl	2	A
Gallamine	Flaxedil	2	A
Gepirone		2	A

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Drug	Trade Name	DrugClass	Penalty Class
Glutethimide	Doriden	2	A
Halazepam	Paxipam	2	A
Haloperidol	Haldol	2	A
Haloxazolam	Somelin	2	A
Hemoglobin glutamers	Oxyglobin, Hemopure	2	A
Hexafluorenum	Myalexen	2	A
Hexobarbital	Evipal	2	A
Homophenazine	Pelvichthol	2	A
Hydrocodone (dihydrocodeinone)	Hycodan	2	A
Hydroxyzine	Atarax	2	B
Ibomal	Noctal	2	A
Imipramine	Imavate, Presamine, Tofranil	2	A
Isapirone		2	A
Isocarboxazid	Marplan	2	A
Isomethadone		2	A
Isoproterenol	Isoprel	2	A
Isoxicam	Maxicam	2	B
Ketamine	Ketalar, Ketaset, Vetalar	2	B
Ketazolam	Anxon, Laftram, Solatran, Loftran	2	A
Lenperone	Elanone-V	2	A
Levamisole	Ergamisol	2	B
Levomethorphan		2	A
Lidocaine	Xylocaine	2	B
Lithium	Lithizine, Duralith, etc.	2	A
Lobeline		2	A
Loflazepate, Ethyl	Victan	2	A
Loperamide	Imodium	2	B
Loprazolam	Dormonort, Havlane	2	A
Lorazepam	Ativan	2	A
Lormetazepam	Noctamid	2	A
Loxapine	Laxitane	2	A
Maprotiline	Ludiomil	2	A
Mebutamate	Axiten, Dormate, Capla	2	A
Meclofenoxate	Lucidril, etc.	2	A
Medazepam	Nobrium, etc.	2	A

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Drug	Trade Name	DrugClass	Penalty Class
Melperone	Eunerpan	2	A
Memantine	Akatinol, Namenda, Ebixa	2	A
Meparfynol	Oblivon	2	A
Mepazine	Pacatal	2	A
Mephenoxalone	Control, etc.	2	A
Mephentyoin	Mesantoin	2	A
Mephobarbital (Methylphenobarbital)	Mebaral	2	A
Mepivacaine	Carbocaine	2	B
Meprobamate	Equanil, Miltown	2	B
Mesoridazine	Serentil	2	A
Metaclazepam	Talis	2	A
Metazocine		2	A
Metharbital	Gemonil	2	A
Methohexital	Brevital	2	A
Methotrimeprazine	Levoprome, Neurocil, etc.	2	A
Methypylon	Noludar	2	A
Metocurine	Metubine	2	A
Metomidate	Hypnodil	2	A
Mexazolam	Melex	2	A
Midazolam	Versed	2	A
Mirtazepine	Remeron	2	A
Modafinil	Provigil	2	A
Molindone	Moban	2	A
Moperone	Luvatren	2	A
Mosaprimine		2	A
Nalbuphine	Nubain	2	A
Nalorphine	Nalline, Lethidrone	2	A
Nefazodone	Serzone	2	A
Nimetazepam	Erimin	2	A
Nitrazepam	Mogadon	2	A
Nordiazepam	Calmday, Nordaz, etc.	2	A
Norepinephrine		2	A
Nortriptyline	Aventyl, Pamelor	2	A
Olanzapine	Zyprexa	2	A
Oxazepam	Serax	2	A

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Drug	Trade Name	DrugClass	Penalty Class
Oxazolam	Serenal	2	A
Oxilofrine (hydroxyephedrine)		2	A
Oxyperitine	Forit, Integrin	2	A
Paliperidone	Invega	2	A
Pancuronium	Pavulon	2	A
Paraldehyde	Paral	2	A
Paroxetine	Paxil, Seroxat	2	A
Penfluridol	Cyperon	2	A
Pentobarbital	Nembutal	2	A
Perazine	Taxilan	2	A
Perfluorodecalin		2	A
Perfluoro decahydronaphthalen		2	A
Perfluorooctylbromide		2	A
Perfluorotripropylamine		2	A
Perfluorocarbons		2	A
Periciazine	Alodept, etc.	2	A
Perlazine	Hypnodin	2	A
Perphenazine	Trilafon	2	A
Phenaglycodol	Acalo, Alcamid, etc.	2	A
Phenelzine	Nardelzine, Nardil	2	A
Phenobarbital	Luminal	2	A
Phentermine	Iomamin	2	A
Piminodine	Alvodine, Cimadon	2	A
Pimozide	Orap	2	A
Pinazepam	Domar	2	A
Pipamperone	Dipiperon	2	A
Pipecuronium	Arduan	2	A
Pipequaline		2	A
Piperacetazine	Psymod, Quide	2	A
Piperocaine	Metycaine	2	A
Pipotiazine	Lonseren, Piportil	2	A
Pipradrol	Dataril, Gerondyl, etc.	2	A
Piquindone		2	A
Prazepam	Verstran, Centrax	2	A
Prilocaine	Citanest	2	A

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Drug	Trade Name	DrugClass	Penalty Class
Prochlorperazine	Darbazine, Compazine	2	A
Propanidid		2	A
Propiomazine	Largon	2	A
Propionylpromazine	Tranvet	2	B
Propiram		2	A
Propofol	Diprivan, Disoprivan	2	A
Propoxycaine	Ravocaine	2	A
Prothipendyl	Dominal	2	A
Protriptyline	Concordin, Triptil	2	A
Proxibarbitol	Axeen, Centralgol	2	A
Pyrihydione	Hybersulfan, Sonodor	2	A
Quazipam	Doral	2	A
Quetiapine	Seroquel	2	A
Racemethorphan		2	A
Racemorphan		2	A
Raclopride		2	A
Remoxipride	Roxiam	2	A
Reserpine	Serpasil	2	B
Rilmazafone		2	A
Risperidone		2	A
Ritanserin		2	A
Rivastigmine	Exelon	2	A
Rocuronium	Zemuron	2	A
Rofecoxib	Vioxx	2	B
Romifidine	Sedivet	2	B
Ropivacaine	Naropin	2	A
Secobarbital (Quinalbarbitone)	Seconal	2	A
Selegiline	Eldepryl, Jumex	2	A
Sertraline	Lustral, Zoloft	2	A
Snake Venoms		2	A
Spiclomazine		2	A
Spiperone		2	A
Succinylcholine	Sucostrin, Quelin, etc.	2	A

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Drug	Trade Name	DrugClass	Penalty Class
Sulfondiethylmethane		2	A
Sulfonmethane		2	A
Sulforidazine	Inofal	2	A
Sulpiride	Aiglonyl, Sulpitol	2	A
Sultopride	Barnetil	2	A
Talbutal	Lotusate	2	A
Tandospirone		2	A
Temazepam	Restoril	2	A
Tetrabenazine	Nitoman	2	A
Tetracaine	Pontocaine	2	B
Tetrazepam	Musaril, Myolastin	2	A
Thebaine		2	A
Thialbarbital	Kemithal	2	A
Thiamylal	Surital	2	A
Thiethylperazine	Torecan	2	A
Thiopental	Pentothal	2	A
Thiopropazate	Dartal	2	A
Thiopropazine	Majeptil	2	A
Thioridazine	Mellaril	2	A
Thiothixene	Navane	2	A
Tiapride	Italprid, Luxoben, etc.	2	A
Tiletamine	Component of Telazol	2	A
Timiperone	Tolopelon	2	A
Tofisopam	Grandaxain, Seriel	2	A
Topirimate	Topamax	2	A
Tramadol	Ultram	2	A
Tranylcypromine	Parnate	2	A
Trazodone	Desyrel	2	A
Tretoquinol	Inolin	2	A
Triazolam	Halcion	2	A
Tribromethanol		2	A
Tricaine methanesulfonate	Finquel	2	A
Trichloroethanol		2	A
Trichloethylene	Trilene, Trimar	2	A
Triclofos	Triclos	2	A

Listing by Classification

Class 2: Drugs that have a high potential to affect performance, but less of a potential than Class 1. These drugs are 1) not generally accepted as therapeutic agents in racing horses, or 2) they are therapeutic agents that have a high potential for abuse.

Drug	Trade Name	DrugClass	Penalty Class
Trifluomeprazine	Nortran	2	A
Trifluoperazine	Stelazine	2	A
Trifluoperidol	Triperidol	2	A
Triflupromazine	Vetame, Vesprin	2	A
Trimipramine	Surmontil	2	A
Tubocurarine (Curare)	Metubin	2	A
Tybamate	Benvil, Nospan, etc.	2	A
Urethane		2	A
Valdecoxib		2	B
Valnoctamide	Nirvanyl	2	A
Venlafaxine	Efflexor	2	A
Veralipride	Accional, Veralipril	2	A
Vercuronium	Norcuron	2	A
Viloxazine	Catatrol, Vivalan, etc.	2	A
Vinbarbital	Delvinol	2	A
Vinylbital	Optanox, Speda	2	A
Yohimbine		2	A
Zaleplon	Sonata	2	A
Zolazepam		2	A
Zolpidem	Ambien, Stilnox	2	A
Zomepirac	Zomax	2	B
Zopiclone	Imovan	2	A
Zotepine	Lodopin	2	A
Zuclopenthixol	Ciatyl, Cesordinol	2	A

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
19-Norandrostenediol		3	B
19-Norandrostenedione		3	B
4-Hydroxytestosterone		3	B
Acebutolol	Sectral	3	B
Acepromazine	Atrovet, Notensil, PromAce®	3	B
Albuterol (Salbutamol)	Proventil, Ventolin	3	B
Alprenolol		3	A
Ambenonium	Mytelase, Myeuran	3	B
Aminophylline	Aminophyllin, etc.	3	B
Amitraz	Mitaban	3	A
Amlodipine	Norvasc	3	A
Amyl nitrite		3	A
Arecoline		3	A
Arformeterol	Brovana	3	A
Atenolol	Tenormin	3	B
Atropine		3	B
Benazepril	Lotensin	3	A
Betaxolol	Kerlone	3	B
Bethanidine	Esbatal	3	A
Biperiden	Akineton	3	A
Bisoprolol	Zebeta, Bisobloc, etc.	3	B
Bitolterol	Effectin	3	B
Bolasterone		3	B
Boldenone	Equipoise	3	B
Boldione		3	B
Bretylium	Bretylol	3	B
Brimonidine	Alphagan	3	B
Bromfenac	Duract	3	A
Bromodiphenhydramine		3	B
Bufexamac		3	B
Bumetanide	Bumex	3	B
Butorphanol	Stadol, Torbugesic	3	B
N-Butylscopolamine	Bucospan	3	B
Candesartan	Atacand	3	B
Captopril	Capolen	3	B
Carazolol	Carbacel, Conductor	3	A

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
Carbachol	Lentin, Doryl	3	B
Carbamezapine	Tegretol	3	B
Carbinoxamine	Clistin	3	B
Carteolol	Cartrol	3	B
Carvedilol	Coreg	3	B
Celecoxib	Celebrex	3	B
Cimeterol		3	A
Clausterone	Methosorb	3	B
Clemastine	Tavist	3	B
Clenbuterol	Ventipulmin	3	B
Clidinium	Quarezan, Clindex	3	B
Clonidine	Catapres	3	B
Clostebol		3	B
Cyclandelate	Cyclospasmol	3	A
Cycrimine	Pagitane	3	B
Danazol	Danocrine	3	B
Dehydrochloromethyl- testosterone		3	B
Deracoxib ²		3	C
Desoxymethyl-testosterone		3	B
Detomidine	Dormosedan	3	B
Dextropropoxyphene	Darvon	3	B
Diazoxide	Proglycem	3	B
Diflunisal		3	C
Dimeflin		3	A
Diphenhydramine	Benadryl	3	B
Dipyridamole	Persantine	3	B
Divalproex	Depakote	3	A
Dobutamine	Dobutrex	3	B
Doxazosin	Cardura	3	A
Doxylamine	Decapryn	3	B
Dromostanolone	Drolban	3	B
Dyphylline		3	B
Edrophonium	Tensilon	3	B
Eletriptan	Relpax	3	A
Enalapril (metabolite enalaprilat)	Vasotec	3	B
Ergoloid mesylates		3	C

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
Erthryl tetranitrate	Cardilate	3	A
Esmolol	Brevibloc	3	B
Etamiphylline	Millophylline V	3	B
Ethacrynic acid	Edecrin	3	B
Ethosuximide	Zarontin	3	A
Ethylestrenol	Maxibolin, Organon	3	B
Ethylnorepinephrine	Bronkephrine	3	A
Etodolac	Lodine	3	C
Felbamate	Felbatol	3	A
Fenbufen	Gincopal	3	B
Fenoldopam	Corlopam	3	B
Fenoprofen	Nalfon	3	B
Fenoterol	Berotec	3	B
Fenspiride	Respiride, Respan, etc	3	B
Fentiazac		3	B
Flufenamic acid		3	B
Fluoxymesterone	Halotestin	3	B
Flupirtine	Katadolone	3	A
Flurbiprofen	Froben	3	B
Formebolone		3	B
Formoterol	Altram	3	B
Fosinopril	Monopril	3	A
Fosphenytoin	Cerebyx	3	B
Furazabol		3	B
Gabapentin	Neurontin	3	B
Gestrinone		3	B
Glycopyrrolate	Robinul	3	B
Guanadrel	Hylarel	3	A
Guanethidine	Ismelin	3	A
Guanabenz	Wytensin	3	B
Heptaminol	Corofundol	3	B
Homatropine	Homapin	3	B
Hydralazine	Apresoline	3	B
Indomethacin	Indocin	3	B
Ipratropium		3	B
Irbesarten	Avapro	3	A

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
<u>Ibutilide</u>	Corvert	3	B
<u>Iloprost</u>	Ventavis	3	A
Isoetharine	Bronkosol	3	B
Isosorbide dinitrate	Isordil	3	B
Kebuzone		3	B
Ketorolac	Toradol	3	B
Labetalol	Normodyne	3	B
<u>Lamotrigine</u>	Lamictal	3	A
<u>Levobunolol</u>	Betagan	3	B
<u>Lisinopril</u>	Prinivil, Zestril	3	A
Losartan	Hyzaar	3	B
Mabuterol		3	A
Mecamylamine	Inversine	3	B
Medetomidine	Domitor	3	B
Mefenamic acid	Ponstel	3	B
Mestanolone		3	B
Mesterolone		3	B
Metaproterenol	Alupent, Metaprel	3	B
Metenolone		3	B
Methacholine		3	A
Methandienone		3	B
Methandriol	Probollic	3	B
<u>Methandrostenolone</u>	Dianabol	3	A
<u>Methantheline</u>	Banthine	3	B
Methasterone		3	B
Methixene	Trest	3	A
Methoxamine	Vasoxyl	3	A
Methoxyphenamine	Orthoxide	3	A
<u>Methsuximide</u>	Celontin	3	A
Methyl-1-testosterone		3	B
Methylatropine		3	B
Methyldienolone		3	B
Methyldopa	Aldomet	3	A
Methylnortestosterone		3	B
Methyltestosterone	Metandren	3	B
Metolazone		3	B

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
Metoprolol	Lopressor	3	B
Mibefradil	Posicor	3	B
Mibolerone		3	B
Midodrine	Pro-Amiline	3	B
Minoxidil	Loniten	3	B
Moexipril (metabolite moexiprilat)	Uniretic	3	B
Muscarine		3	A
Nabumetone	Anthraxan, Relafen, Relifex	3	B
Nadol	Corgard	3	B
Naloxone	Narcan	3	A
Naltrexone	Revia	3	A
Naratriptan	Amerge	3	B
Nandrolone	Nandrolin, Laurabolin, Durabolin	3	B
Nebivolol		3	A
Nefopam		3	A
Neostigmine	Prostigmine	3	B
Niflumic acid	Nifluril	3	B
Nimesulide		3	B
Nitroglycerin		3	B
Norbolethone		3	B
Norclostebol		3	B
Norethandrolone		3	B
Nylidrin	Arlidin	3	A
Olmesartan	Benicar	3	A
Oxabolone		3	B
Oxandrolone	Anavar	3	B
Oxprenolol	Trasicor	3	B
Oxymesterone		3	B
Oxymetholone	Adroyd, Andarol	3	B
Papaverine	Pavagen, etc.	3	A
Paramethadione	Paradione	3	A
Pargyline	Eutonyl	3	A
Penbutolol	Levatol	3	B
Pentaerythritol tetranitrate	Duotrate	3	A
Pentazocine	Talwin	3	B
Perindopril	Biprel	3	A

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
Phenoxybenzamine	Dibenzyline	3	B
Phentolamine	Regitine	3	B
Phenylephrine	Isophrin, Neo-Synephrine	3	B
Phenylpropanolamine	Propadrine	3	B
Physostigmine	Eserine	3	A
Pindolol	Viskin	3	B
Pirbuterol	Maxair	3	B
Piretanide	Arelix, Tauliz	3	B
Piroxicam	Feldene	3	B
Prazosin	Minipress	3	B
Primidone	Mysoline	3	B
Procaine		3	B
Procaterol	Pro Air	3	A
Procyclidine	Kemadrin	3	B
Promazine	Sparine	3	B
Promethazine	Phenergan	3	B
Propantheline	Pro-Banthine	3	A
Propentophylline	Karsivan	3	B
Propranolol	Inderal	3	B
Prostanazol		3	B
Protokylol	Ventaire	3	A
Pseudoephedrine	Cenafed, Novafed	3	B
Pyridostigmine	Mestinon, Regonol	3	B
Pyrilamine	Neoantergan, Equihist	3	B
Quinapril	Accupril	3	A
Quinbolone		3	B
Ractopamine	Raylean	3	B
Ramipril	Altace	3	A
Ritodrine	Yutopar	3	B
Rizatriptan	Maxalt	3	B
Salmeterol		3	B
Scopolamine (Hyoscine)	Triptone	3	B
Sibutramine	Meridia	3	B
Sildenafil	Viagra	3	A
Sotalol	Betapace, Sotacor	3	B
Spirapril, Spiraprilat	Renormax	3	A

Listing by Classification

Class 3: Drugs that may or may not have generally accepted medical use in the racing horse, but the pharmacology of which suggests less potential to affect performance than drugs in Class 2.

Drug	Trade Name	DrugClass	Penalty Class
Stanozolol Stanazolol	Winstrol-V	3	B
Stenbolone		3	B
Sulindac	Clinoril	3	B
Sumatriptan	Imitrex	3	B
Tadalafil	Cialis	3	A
Telmisartan	Micardis	3	B
Tenoxicam	Alganex, etc.	3	B
Tepoxalin		3	C
Terazosin	Hytrin	3	A
Terbutaline	Brethine, Bricanyl	3	B
Testolactone	Teslac	3	B
Testosterone		3	B
Tetrahydrogestrinone		3	B
Theophylline	Aqualphyllin, etc.	3	B
Tiaprofenic acid	Surgam	3	B
Timolol	Blocadrin	3	B
Tolazoline	Priscoline	3	B
Tolmetin	Tolectin	3	B
Torsemide (Torasemide)	Demadex	3	B
Trandolapril (and metabolite, Trandolaprilat)	Tarka	3	B
Trenbolone	Finoplix	3	B
Trihexylphenidyl	Artane	3	A
Trimethadione	Tridione	3	B
Trimethaphan	Arfonad	3	A
Tripelennamine	PBZ	3	B
Valerenic acid		3	C
Valsartan	Diovan	3	B
Vardenafil	Levitra	3	A
Xylazine	Rompun, Bay Va 1470	3	B
Zolmitriptan	Zomig	3	B
Δ -1-androstene-3,17-diol		3	B
Δ -1-androstene-3,17-dione		3	B
Δ -1-dihydrotestosterone		3	B
Zilpaterol	Zilmax	3	A
Zonisamide	Zonegran	3	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	DrugClass	Penalty Class
Acetaminophen (Paracetamol)	Tylenol, Tempra, etc.	4	C
Acetanilid		4	B
Acetazolamide	Diamox, Vetamox	4	B
Acetophenetidin (Phenacetin)		4	B
Acetylsalicylic acid (Aspirin)		4	C
Acclomethasone	Aclovate	4	C
<u>Adrenochrome monosemicarbazone salicylate</u>		4	B
Aldosterone	Aldocortin, Electro cortin	4	B
Ambroxol	Ambril, etc.	4	B
Amcinonide	Cyclocort	4	C
Amiloride	Moduretic, Midamor	4	B
Aminocaproic acid	Amicar, Caprocid	4	C
Aminodarone		4	B
2-Aminoheptaine	Tuamine	4	B
Aminopyrine		4	B
Amisometradine	Rolictron	4	B
Amlodipine	Norvasc, Ammivin	4	B
Amrinone		4	B
Anisotropine	Valpin	4	B
Antipyrine		4	B
Apazone (Azapropazone)	Rheumox	4	B
Aprindine		4	B
Baclofen	Lioresal	4	B
Beclomethasone	Propaderm	4	C
Benazepril	Lotrel	4	B
Bendroflumethiazide	Naturetin	4	B
Benoxinate	Dorsacaine	4	C
Benzocaine		4	C
Benzthiazide		4	B
Bepridil	Bepadil	4	B
Betamethasone	Betasone, etc.	4	C
Bethanechol	Urecholine, Duvoid	4	C
Bromhexine	Oletor, etc.	4	C
Brompheniramine	Dimetane, Disomer	4	B
Budesonide	Pulmacort, Rhinocort	4	C

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Butacaine	Butyn	4	B
Butamben (butyl aminobenzoate)	Butesin	4	C
Butoxycaine	Stadacain	4	B
Camphor		4	C
Carisoprodol	Relo, Soma	2	B
Carbazochrome		4	C
Carprofen	Rimadyl	4	B
Certirizine	Zyrtec	4	B
Chlormerodrin	Neohydrin	4	B
Chlorophenesin	Maolate	4	C
Chloroquine	Avloclor	4	C
Chlorothiazide	Diuril	4	B
Chlorpheniramine	Chlortriemton, etc.	4	B
Chlorthalidone	Hydroton	4	B
Chlorzoxazone	Paraflex	4	B
Ciclesonide	Alvesco, Omnaris, Omniair	4	B
Cinchocaine	Nupercaine	4	C
Clanobutin		4	C
Clibucaine	Batrax	4	C
Clidinium	Quarezan, Clindex, etc.	4	B
Clobetasol	Temovate	4	C
Clocortolone	Cloderm	4	C
Clofenamide		4	B
Clormecaine	Placacid	4	C
Colchicine		4	B
Cortisone	Cortone, etc.	4	C
Cyclizine	Merazine	4	B
Cyclobenzaprine	Flexeril	4	B
Cyclomethylcaine	Surfacaine	4	C
Cyclothiazide	Anhydron, Renazide	4	B
Cyproheptadine	Periactin	4	C
Dantrolene	Dantrium	4	C
Dembroxol (Dembrexine)	Sputolysin	4	C
Deoxycorticosterone	Percortin, DOCA, Descotone, Dorcostrin	4	C
Desonite	Des Owen	4	C
Desoximetasone	Topicort	4	C

(Revised 08/08 02/13)

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Dexamethasone	Azium, etc.	4	C
Dextromethorphan		4	C
Dibucaine	Nupercainal, Cinchocaine	4	C
Dichlorphenamide	Daramide	4	C
Diclofenac	Voltaren, Voltarol	4	C
Diflorasone	Florone, Maxiflor	4	C
Diflucortolone	Flu-Cortinest, etc.	4	C
Digitoxin	Crystodigin	4	B
Digoxin	Lanoxin	4	B
Dihydroergotamine		4	C
Diltiazem	Cardizem	4	B
Dimethisoquin	Quotane	4	B
Dimethylsulfoxide (DMSO) (>1 ug/ml in blood or >10ug/ml in urine)	Domoso	4	C
Diphenoxylate	Difenoxin, Lomotil	4	B
Dipyrrone	Novin, Methampyrone	4	C
Disopyramide	Norpace	4	B
Dromostanolone	Drolban	4	C
Dyclonine	Dyclone	4	C
Eltenac		4	C
Ergonovine	Ergotrate	4	C
Ergotamine	Gynergen, Cafergot, etc.	4	C
Etanercept	Enbrel	4	B
Ethoheptazine	Zactane	4	B
Ethosuximide	Zarontin	4	B
Ethotoin	Peganone	4	B
Ethoxzolamide	Cardrase, Ethamide	4	C
Ethylaminobenzoate (Benzocaine)	Semets, etc.	4	C
Felodipine	Plendil	4	B
Fexofenadine	Allegra	4	C
Firocoxib		4	C
Flecainide	Idalon	4	B
Floctafenine	Idalon, Idarac	4	B
Flucinolone	Synalar, etc.	4	C
Fludrocortisone	Alforone, etc.	4	C
Flumethasone	Flucort, etc.	4	C

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Flumethiazide	Ademol	4	B
Flunarizine	Sibelium	4	B
Flunisolide	Bronilide, etc.	4	C
Flunixin	Banamine	4	C
Fluocinolone	Synalar	4	C
Fluocinonide	Licon, Lidex	4	C
Fluoroprednisolone	Predef-2X	4	C
Fluprednisolone	Alphadrol	4	C
Flurandrenolide	Cordran	4	C
Flurometholone	FML, Flarex	4	B
Fluticasone	Flixonase, Flutide	4	C
Guaifenesin (glycerol guaiacolate)	Gecolate	4	C
Halcinonide	Halog	4	C
Halobetasol	Ultravate	4	C
Hexocyclium	Tral	4	B
Hexylcaine	Cyclaine	4	C
Hydrochlorthiazide	Hydrodiuril	4	C
Hydrocortisone (Cortisol)	Cortef, etc.	4	C
Hydroflumethiazide	Saluron	4	B
Ibuprofen	Motrin, Advil, Nurpin, etc.	4	B or C
Infliximab	Remicade	4	B
Isoflupredone	Predef	4	C
Isometheptene	Octin, Octon	4	B
Isopropamide	Darbid	4	B
Isoxsuprine	Vasodilan	4	C
Isradipine	DynaCirc	4	B
Ketoprofen	Orudis	4	C
Letosteine	Viscotiol, Visiotal	4	C
Loratidine	Claritin	4	B
Meclizine	Antivert, Bonine	4	B
Meclofenamic acid	Arquel	4	C
Medrysone	Medriusar, etc.	4	C
Meloxicam	Mobic	4	C
Mepenzolate	Cantil	4	B
Mephenesin	Tolserol	4	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Meralluride	Mercuryhydrin	4	B
Merbaphen	Novasural	4	B
Mercaptomerin	Thiomerin	4	B
Mercumalilin	Cumertilin	4	B
Mersalyl	Salyrgan	4	B
Metaxalone	Skelaxin	4	B
Methandrostenolone	Dianabol	4	C
Methantheline	Banthine	4	B
Methapyrilene	Histadyl, etc.	4	B
Methazolamide	Naptazane	4	C
Methdilazine	Tacaryl	4	B
Methocarbamol	Robaxin	4	C
Methotrexate	Folex, Nexate, etc.	4	B
Methscopolamine	Pamine	4	B
Methsuximide	Celontin	4	B
Methylchlorthiazide	Enduron	4	B
Methandrostenolone	Dianabol	4	C
Methylergonovine	Methergine	4	C
Methylprednisolone	Medrol	4	C
Methysergide	Sansert	4	B
Metiamide		4	B
Metoclopramide	Reglan	4	C
Mexilitine	Mexilil	4	B
Milrinone		4	B
Mometasone	Elocon	4	C
Montelukast	Singulair	4	C
Naepaine	Amylsine	4	C
Naphazoline	Privine	4	B
Naproxen	Equiproxen, Naprosyn	4	C
Nicardipine	Cardine	4	B
Nifedipine	Procardia	4	B
Nimodipine	Nemotop	4	B
Norethandrone		4	C
Nortestosterone		4	C
Olsalazine	Dipentum	4	B

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Orphenadrine	Norflex	4	B
Oxaprozin	Daypro, Deflam	4	C
Oxymetazoline	Afrin	4	B
Oxyphenbutazone	Tandearil	4	C
Oxyphencyclimine	Daricon	4	B
Oxyphenonium	Antrenyl	4	B
Paramethasone	Haldrone	4	C
Pentoxifylline	Trental, Vazofirin	4	C
Phenacetamide	Phenurone	4	B
Phensuximide	Milontin	4	B
Phenylbutazone		4	C
Phenytoin	Dilantin	4	B
Polythiazide	Renese	4	B
Pramoxine	Tronothaine	4	C
Prednisolone	Delta-Cortef, etc.	4	C
Prednisone	Meticorten, etc.	4	C
Probenecid		4	C
Procainamide	Pronestyl	4	B
Propafenone	Rythmol	4	B
Propantheline	Pro-Banthine	4	B
Proparacaine	Ophthaine	4	C
Propylhexedrine	Benzedrex	4	B
Quinidine	Quinidex, Quinocardine	4	B
Salicylamide		4	C
Salicylate		4	C
Spironalactone	Aldactone	4	B
Sulfasalazine	Azulfidine, Azaline	4	C
Terfenadine	Seldane, Triludan	4	B
Tetrahydrozoline	Tyzine	4	B
Theobromine		4	C
Thiosalicylate		4	C
Thiphenamil	Trocinate	4	B
Tocainide	Tonocard	4	B
Tranexamic acid		4	C
Triamcinolone	Vetalog, etc.	4	C

Listing by Classification

Class 4: This class includes therapeutic medications that would be expected to have less potential to affect performance than those in Class 3.

Drug	Trade Name	Drug Class	Penalty Class
Triamterene	Dyrenium	4	B
Trichlormethiazide	Naqua, Naquasone	4	C
Tolmetin	Tolectin	4	B
Tridihexethyl	Pathilon	4	B
Trimeprazine	Temaril	4	B
Tripolidine	Actidil	4	B
Tuaminoheptane	Tuamine	4	C
Vedaprofen		4	C
Verapamil	Calan, Isoptin	4	B
Xylometazoline	Otrivin	4	B
Zafirlukast	Accolate	4	C
Zeranol	Ralgro	4	C
Zileuton	Zyflo	4	C

Listing by Classification

Class 5: This class includes *the following* therapeutic medications for which concentration limits have been established.

Drug	Trade Name	DrugClass	Penalty Class
Anisindione		5	D
Cilostazol	Pletal	5	D
Cimetidine	Tagamet	5	D
Cromolyn	Intel	5	D
Dicumarol	Dicumarol	5	D
Dimethylsulfoxide (DMSO)	Domoso	5	D
Dimethylsulphone (MSM)		5	D
Diphenadione		5	D
Esomeprazole	<u>Nexium</u>	<u>5</u>	<u>D</u>
Famotidine	Gaster, etc.	5	D
Lansoprazole		5	D
Mesalamine	Asacol	5	<u>D</u>
Misoprostel	Cytotec	5	D
Nedocromil	Tilade	5	<u>D C</u>
Nizatidine	Axid	5	D
Omeprazole	Prilosec, Losec	5	D
Pantoprazole	Protonix	<u>5</u>	<u>D</u>
Phenindione	Hedulin	5	D
Phenprocoumon	Liquamar	5	D
Pirenzapine	Gastrozepin	5	D
Polyethylene glycol		5	<u>C</u>
Rabeprazole	Aciphex	<u>5</u>	<u>C</u>
Ranitidine	Zantac	5	D
Warfarin	Coumadin, Coufarin	5	D

STAFF ANALYSIS
PUBLIC HEARING AND ACTION BY THE BOARD
REGARDING THE PROPOSED AMENDMENT TO
CHRB RULE 1658, VESTING OF TITLE TO CLAIMED HORSE,
WHICH CURRENTLY ALLOWS A CLAIM TO BE VOID IF A CLAIMED HORSE
SUFFERS A FATALITY DURING THE RUNNING OF THE RACE OR BEFORE IT IS
RETURNED TO BE UNSADDLED

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19420 provides that the Board has jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings. Business and Professions Code section 19440 states the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board include adjudication of controversies arising from the enforcement of those laws and regulations dealing with horse racing and pari-mutuel wagering. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in California. Rule 1658, Vesting of Title to Claimed Horse, states that title to a horse which is claimed shall be vested in the successful claimant from the time the field has been dispatched from the starting gate and the horse becomes a starter. The successful claimant becomes the owner of the horse whether it is sound or unsound, or injured during the race or after it. However, the claim shall be void if the horse suffers a fatality during the running of the race or before it is returned to be unsaddled, or if the race is called off, canceled, or declared no contest.

A claiming race is a horse race in which each horse entered is made available for purchase, or claiming, at a fixed price which a buyer must agree to pay before the race is run. Claiming allows lesser quality horses to compete equally, as horses are entered for a price at which the owner or trainer feels is reasonable to lose it.

A claiming race is a venue through which a new owner may buy his first horse. It is also a venue where others claim (at bargain prices) horses they believe can compete at higher levels. However, claiming races can also be used by owners and trainers to rid themselves of horses whose performance is not what they expect, so the terms "*Caveat Emptor*" or "*Buyer Beware*" apply. The claimant does not get to examine the horse prior to putting in a claim, and the horse actually belongs to a successful claimant from the time the field is dispatched (unless there is reason to void the claim under the provisions of the rule).

In 2011 Rule 1658 was amended to allow the stewards to void a claim if the horse suffered a fatality during the running of the race or before it was returned to be unsaddled.

ANALYSIS

In July 2011, the Board adopted a modified version of an amendment to Rule 1658 which was recommended by the Medication and Track Safety Committee (Committee). The amendment allowed a claim to be voided by the stewards if the horse suffered a fatality during the running of the race or before the horse was returned to be unsaddled. The stewards have interpreted the provision to mean the horse must die or be euthanized before the horse leaves the track.

On December 2, 2011, the mare Dave's Revenge was pulled up just past the wire after running second in the fourth race at Hollywood Park. By order of the racing veterinarian, Dave's Revenge was removed from the track in the horse ambulance, and shortly thereafter euthanized after evaluation of her injuries. There was an \$8,000 claim in for Dave's Revenge. Even though the racing veterinarian fully expected the attending veterinarian would decide to euthanize Dave's Revenge, she was taken directly in the ambulance to the euthanasia location. Based on their interpretation of Rule 1658, the stewards allowed the claim to stand because the death did not occur before the horse was returned to be unsaddled. More recently, at the 2012 Del Mar meet, a similar scenario occurred when the filly Elivette was claimed and sent by ambulance to the barn of her new trainers and eventually euthanized. Injured horses are removed from the track by ambulance whenever the horse can be safely and humanely transported to allow the horse's owner, trainer and attending veterinarian make the irreversible decision to euthanize a horse.

The decision to euthanize a horse on the track or remove the horse by ambulance is made by the racing (association) veterinarian based on his or her professional opinion. This is a long held policy in California, is supported by recommendations of the American Association of Equine Practitioners for the management of horses injured on the track and is unrelated to whether a horse is claimed or not.

The Medication and Track Safety Committee revisited Rule 1658 at its January 10, 2012 meeting and presented a proposal to amend the rule at the Board's January 2012 Regular Meeting. The proposal was not adopted at the time due to an unclear understanding as to how the proposal would work logistically. In August 2012, the Committee drafted a new proposal to amend Rule 1658. The proposed amendment added a provision to the rule to void claims for horses placed on the Veterinarian's List as unsound or lame.

At its September 2012 Regular Meeting, the Board discussed the Committee's proposal to amend Rule 1658. The amendment would require the stewards to void a claim if the racing or official veterinarian determine the horse will be placed on the Veterinarian's List as unsound or lame before the horse is released to the successful claimant. After discussing the proposal, the Board directed staff to initiate the 45-day public comment period regarding the proposed amendment. During the comment period three comments in opposition were received. Six comments were received in favor of the proposed amendment. Among the six favorable comments were letters from The Jockey Club and the Welfare and Safety of the Racehorse Summit. Those in favor of the proposed amendment stated the proposed rule supports integrity in horse racing and the health and safety of horse and rider.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 7. CLAIMING RACES.
PROPOSED AMENDMENT OF
RULE 1658. VESTING OF TITLE TO CLAIMED HORSE.

Regular Board Meeting
February 21, 2013

1658. Vesting of Title to Claimed Horse.

(a) Title to a horse which is claimed shall be vested in the successful claimant from the time the field has been dispatched from the starting gate and the horse becomes a starter; and said successful claimant becomes the owner of the horse unless voided by the stewards under the provisions of this article ~~whether it is sound or unsound, or injured during the race or after it.~~ Only a horse which is officially a starter in the race may be claimed. A subsequent disqualification of the horse by order of the stewards or the Board shall have no effect upon the claim.

(b) The stewards shall void the claim and return the horse to the original owner if:

(1) The horse suffers a fatality during the running of the race or

(2) The racing or official veterinarian determine the horse will be placed on the Veterinarian's List as unsound or lame before the horse is released to the successful claimant.
~~before the horse is returned to be unsaddled.~~

(c) The claim shall be void if the race is called off, canceled, or declared no contest in accordance with Rule 1544 of this division.

Authority: Sections 19420 and 19440,
Business and Professions Code.

Reference: Section 19562,
Business and Professions Code.

STAFF ANALYSIS

DISCUSSION AND ACTION BY THE BOARD REGARDING THE REQUEST FROM THE JOCKEYS' GUILD TO AMEND CHRB RULE 1632, JOCKEY'S RIDING FEE, TO CHANGE THE DEFINITION OF "WIN PURSE" SO THAT FEES PAID BY THE OWNER TO ENTER THE HORSE IN THE RACE ARE NO LONGER DEDUCTED PRIOR TO CALCULATING THE WINNING JOCKEY'S RIDING FEES.

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19420 states jurisdiction and supervision over meetings in California where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board. Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering. Business and Professions Code section 19501 provides that the Board establishes the minimum wage that jockeys receive as the minimum jockey riding fee, and that jockeys may earn additional amounts if the horse they are racing places first, second or third. Business and Professions Code section 19562 provides that the Board may prescribe rules, regulations, and conditions, consistent with the provisions of this chapter, under which all horse races with wagering on their results shall be conducted in California. Board Rule 1632, Jockey's Riding Fee, provides a scale of jockey riding fees to be used in the absence of a contract or special agreement. This scale defines the pay earned by the jockey of the winning horse as ten percent of the Win Purse. For the purposes of Rule 1632 (d) Win Purse is defined as "the amount paid the winning horse less the fees paid by the owner to enter the horse in the race."

The Jockeys' Guild requested the Board amend Rule 1632 to change the definition of Win Purse to "the amount paid the winning horse." This would remove the language that allows for the subtraction of entry fees from stakes race purses before calculating the ten percent jockey fee.

ANALYSIS

A review of the rules and regulations of the Association of Racing Commissioners International as well as the states of Arizona, Illinois, Kentucky, Louisiana, Maryland, Ohio, Pennsylvania, Texas and Oregon found that Arizona, Maryland and Ohio all have rules, or practices, similar to California, allowing for the subtraction of stakes race entry fees from the winning purse before calculating the jockey fees. The Thoroughbred Owners of California (TOC) has shown that New York also allows for the entry fees to be subtracted before jockey fee calculation. The Jockeys' Guild stated that under Rule 1632 the definition of Win Purse results in lowering jockey fees for winning horses. As the most extreme example, the winning jockey of the 2012 Breeder's Cup Classic, run at Santa Anita, earned \$10,000 less than he would have had the race been run at Churchill Downs (2012 Breeder's Cup entry fee was two percent of gross purse, gross purse for

the Breeders Cup Classic was \$5,000,000; that would make the entry fee \$100,000, ten percent of which would be \$10,000).

The proposed amendment would result in an increase in California jockey fees for the winning horse in a stakes race. The owners' entry costs would no longer be subtracted from the Win Purse before the jockey fee is calculated. Staff contacted the TOC regarding the proposed amendment. The TOC stated it was opposed to the action.

RECOMMENDATION

This item is presented for Board discussion and action.

CALIFORNIA HORSE RACING BOARD
 TITLE 4. CALIFORNIA CODE OF REGULATIONS
 ARTICLE 6. ENTRIES AND DECLARATIONS
 PROPOSED AMENDMENT OF
 RULE 1632. CLASSIFICATION OF DRUG SUBSTANCES.

Regular Board Meeting
 February 21, 2013

1632. Jockey's Riding Fee.

(a) Winning jockey riding fees in the absence of a contract or special agreement are:

GROSS PURSE	Winning Mount
\$100,000 and up: . .	10% of Win Purse
50,000-99,999: . .	10% of Win Purse
25,000-49,999: . .	10% of Win Purse
15,000-24,999: . .	10% of Win Purse
10,000-14,999: . .	10% of Win Purse
5,000-9,999: . . .	10% of Win Purse
3,500-4,999: . . .	10% of Win Purse
2,000-3,499: . . .	10% of Win Purse
1,500-1,999: . . .	10% of Win Purse

(1) The purpose of subsection (a) is not to set a minimum or maximum fee. It provides a fee if the parties have not made a written agreement to the contrary.

(2) All fees pursuant to subsection (a) are payable in the lower purse range until the next higher purse range is reached, unless there is a written agreement to the contrary.

(b) Non-winning jockey riding fees are:

GROSS PURSE	2nd Mount	3rd Mount	Losing Mount
\$100,000 and up: . . .	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	\$135.00
50,000-99,999:	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	110.00
25,000-49,999:	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	95.00
15,000-24,999:	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	85.00
10,000-14,999:	5% of Place Purse, plus \$10.00	5% of Show Purse, plus \$10.00	80.00
5,000-9,999:	\$90.00	\$77.00	75.00
3,500-4,999:	80.00	70.00	65.00
2,000-3,499:	70.00	65.00	63.00
1,500-1,999:	60.00	58.00	58.00

(1) The purpose of subsection (b) is to set a minimum, but not a maximum riding fee. No non-winning jockey shall be paid less than the riding fee set forth in subsection (b).

(2) All fees pursuant to subsection (b) are payable in the lower purse range until the next higher purse range is reached unless there is a written agreement to the contrary. However, no such written agreement shall reduce the minimum required by subsection (b).

(c) A jockey's fee is considered earned when the jockey is weighed out by the clerk of scales. The fee shall not be considered earned if the jockey elects to take himself off of his mount. If there is a substitution of jockeys, no additional jockey fee or double jockey fee need be paid except when ordered by the stewards.

(d) In this rule "Win Purse" means the amount paid the winning horse ~~less the fees paid by the owner to enter the horse in the race.~~

(e) If the parties agree on the fee to be paid the jockey, a contract or agreement in writing signed by the jockey or his agent and the owner or his authorized agent specifying the agreed upon fee if a winning mount, second place mount, third place mount and losing mount shall be delivered to the paymaster of purses before the running of the race in question. The paymaster of purses shall debit the owner's purse account under the contract or written agreement. If no contract or written agreement is submitted before the running of the race in question, the paymaster of purses shall debit the owner's purse account under the fee scale set forth in this rule.

(f) A jockey may not share in the fees of another jockey.

Authority: Sections 19440, 19501 and 19562,
Business and Professions Code.

Reference: Sections 19401 (a) and (e), 19420, 19440 and 19501,
Business and Professions Code.

BROAD & GUSMAN, LLP
ATTORNEYS AT LAW

February 4, 2013

David Israel
Acting Chair
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Re: Support for Regulatory Change, Jockey Purses

Dear Chairman Israel and Member of the Board,

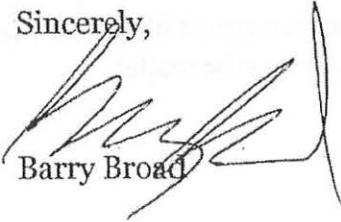
I am writing on behalf of the Jockey's Guild to express its full support for modifying the CHRB's current rule, applicable only to stakes races, which provides that jockeys who finish first, second, or third in a race are paid on a percentage of the net purse, after deductions for owner's fees, rather than the gross purse as in the case of non-stakes races.

As far as we know, California is the only racing state that pays jockeys on the net purse in stakes races.

This has led to a significant loss of income for California jockeys. For example, the most recent Breeder's Cup, we estimate that individual jockeys earned as much as \$15,000 less than they would have earned had the Breeder's Cup still been held in another state.

Essentially, the rule change would conform California's racing standards to the uniform practice in other racing jurisdictions.

Sincerely,


Barry Broad



February 11, 2013

Leeland Turner, Regulations Analyst
 California Horse Racing Board
 1010 Hurley Way, Suite 300
 Sacramento, CA 95825

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 VICE CHAIR, SOUTHERN CA.
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CORPORATE OFFICE

285 W. HUNTINGTON DRIVE
 ARCADIA, CA 91007
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Dear Lee:

Thank you for forwarding the information relating to the proposed modification of CHRB Rule 1632, Jockey's Riding Fee, which is being requested by the Jockeys' Guild.

The Thoroughbred Owners of California are adamantly opposed to such a change. First of all, I want to point out the fact that other major racing states, such as New York and Maryland also pay a fee based upon the "net" winnings to the owner. As a point of fact, New York takes it a step further in that, while the owner receives 60% of the advertised purse, the jockey receives 10% of 55% of the purse AFTER the owner's fees are deducted. In other words, if a purse in a stakes race is \$65,000, then the owner would receive \$39,000. Assuming a 2% fee to enter and run, the jockey would get \$3,445 (\$35,750-1,300x10%), not \$3,900. More importantly though, is the point that the owner does not "win" the entire winner's share. He is simply receiving back the portion of the fees he paid into the purse. They are not winnings. For comparison purposes, it would be similar to an individual who wagers \$1,000, only to collect \$1,100. Would it be fair for the government to tax him on winnings of \$1,100 when, in fact, he has only won \$100? I think this is a reasonable analogy and clearly makes our point.

Should you have any questions, please feel free to contact me. Otherwise, I will be in attendance at next week's CHRB meeting to discuss the matter.

Sincerely,

Louis Raffetto, Jr.

CALIFORNIA HORSE RACING BOARD

FEBRUARY 21, 2013
REGULAR BOARD MEETING

There is no board package material for Item 11

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING THE
PROPOSED ADDITION OF CHRB
RULE 1927.1, TAMPERING WITH SMOKE DETECTORS PROHIBITED
TO INCLUDE PENALTIES RELATIVE TO TAMPERING WITH FIRE
SAFETY EQUIPMENT I.E. SMOKE DETECTORS

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19420 provides that jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board. Business and Professions Code section 19440 states that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of this chapter. Responsibilities of the Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari-mutuel wagering, and administration and enforcement of all laws, rules and regulations affecting horse racing and pari-mutuel wagering. Business and Professions Code section 19460 provides that all licenses granted under this chapter are subject to all rules, regulations and conditions from time to time prescribed by the Board. Business and Professions Code section 19481 states that in performing its duties the Board shall establish safety standards governing track facilities in order to improve the safety of horses, riders and workers at the racetrack. Board Rule 1927, Fire Prevention, states association shall make adequate provision for fire prevention, protection against fire, and fire suppression within the inclosure. A reasonable standard of fire safety shall require that each building, barn or structure which is used by an association for the stabling of horses or human habitation, be equipped with an automatic sprinkler system and an automatic fire alarm system.

Fire safety is a continuing issue within the inclosure. To protect humans and equines the Board requires that racing associations install and maintain sprinkler systems and fire alarms. Racing associations are also required to undergo annual fire inspections, and periodic safety inspections. The disabling of smoke detectors is a problem that occurs especially in habitable rooms used for sleeping. Under Rule 2103, Habitable Rooms, such rooms are required to be provided with battery operated smoke detectors that are maintained in working order, or any other approved fire alarm system. Occupants may wish to smoke where it is otherwise prohibited, or to cook on portable hot plates. To enable such activities, the smoke detectors may be disabled. If a licensee is found to have disabled a smoke detector, the average fine is around \$25.

At the April 2011 Medication and Track Safety Committee Meeting, the issue of prohibiting the tampering with smoke detectors was discussed. The Committee wanted to find a way to prevent the smoke detectors from being disabled. It was agreed that the horsemen, Thoroughbred Owners of California, and California Thoroughbred Trainers needed to meet with the horse racing associations to work jointly to resolve the issue. For the period of February 13, 2012

through February 12, 2013, there have been 21 violations state wide of Rule 1928, Fire Regulations, for "tampering with smoke detector."

At the May 2012 Medication Advisory Committee Meeting, the concern regarding prohibiting the tampering of smoke detectors was again discussed. The Committee agreed to recommend to the Board a fine of no less than \$25 for the offender and no less than \$100 for the trainer whose employee is found to have violated the regulation.

In January 2013 the Office of Administrative Law (OAL) stated it had substantive issues with Rule 1927.1. Although the rule provided for minimum fines, the submitted text was unclear on imposed fine maximums, to whom the \$100 fine was for, and extent of the trainers culpability. OAL also determined that State Fire Marshal approval was needed as the proposed rule falls within the scope of Government Code 11359, requiring State Fire Marshal approval on any fire safety related regulation. Proposed Rule 1927.1 was therefore withdrawn, allowing the Board until August, 2013 for resubmission.

At the February 20, 2013 Medication and Track Safety Committee the proposed revisions to Rule 1927.1 were presented for discussion and action.

ANALYSIS

Rule 1927.1 has been rewritten to satisfy the requirements of OAL, clarifying the fine maximums and extent of the trainer's culpability. Rule 1927.1, Tampering With Smoke Detectors Prohibited, provides that no licensee shall tamper with, dismantle, or disable any automatic fire alarm system or smoke detector that is located on the grounds of a facility under the jurisdiction of the Board. If licensees are found to have violated the proposed regulation, they shall be subject to a hearing before the stewards, and a fine of at least \$25, but not more than \$100. The fine, while not excessive, is meant to prevent future incidents. In addition, the proposed regulation states that the stewards may find a trainer culpable if an employee of that trainer disables a fire alarm in that trainer's assigned area more than once in a 365 day period. The trainer may be fined a minimum of \$100, but not more than \$500. This is designed to encourage trainers to pay attention to what their employees may be doing with fire safety equipment.

If the Board approves the proposed revisions of Rule 1927.1 it will then be sent to the State Fire Marshal for approval before resubmission to OAL.

RECOMMENDATION

This item is presented for Board discussion and action. The Board may wish to hear from the Medication and Track Safety Committee.

CALIFORNIA HORSE RACING BOARD
TITLE 4, CALIFORNIA CODE OF REGULATIONS
ARTICLE 17. FIRE PREVENTION AND SECURITY
PROPOSED ADDITION OF
RULE 1927.1 TAMPERING WITH SMOKE DETECTORS PROHIBITED

1927.1. Tampering With Smoke Detectors Prohibited.

(a) No licensee shall willfully tamper with, dismantle, or disable any automatic fire alarm system or smoke detector that is located on the grounds of a facility under the jurisdiction of the Board.

(b) A violation of this regulation shall result in a hearing before the stewards who may impose a minimum fine of \$25 up to a maximum fine of \$100.

(bc) A licensed trainer who is assigned stalls, tack rooms or other areas within the inclosure may, after a hearing before the stewards, be held culpable for an employee's violation of this rule if the employee of the trainer if an employee of that trainer is found to have violated this regulation has within such assigned areas, committed a second or subsequent violation of this regulation within a 365 day period.

(1) The stewards may impose a fine of \$100 up to a maximum fine of \$500 on the trainer found culpable under subsection (c) of this regulation.

(e) A violation of this regulation shall result in a hearing before the stewards who may impose a fine of not less than \$25.

(1) The stewards may impose a fine of \$100 on the trainer whose employee is found to have violated this regulation.

Authority: Sections 19420, 19440, and 19460, and 19661;
Business and Professions Code.

Reference: Sections 19440 and 19481,
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD

FEBRUARY 21, 2013
REGULAR BOARD MEETING

There is no board package material for Item 13

STAFF ANALYSIS
DISCUSSION AND ACTION REGARDING APPROVAL OF THE REVISED
CHRB GOVERNING PROCEDURES NOTICE FOR DISCIPLINARY HEARING

Regular Board Meeting
February 21, 2013

BACKGROUND

When the California Horse Racing Board Enforcement Unit serves a disciplinary Complaint against a Licensee, the Licensee also receives a copy of the Governing Procedures that will be used in the prosecution of the matter. Attachment 1 is the current version of the Governing Procedures served by the Enforcement Unit.

The Governing Procedures are required to be given to the Licensee to inform him or her how the disciplinary hearing will be conducted. Importantly, the Governing Procedures set forth the rights of the Licensee, including the right to discover the evidence that supports the allegations in the Complaint, the right to have counsel represent the Licensee at the Hearing, the right to cross examine witnesses and present rebuttable evidence, as well as the appeal rights of the Licensee should the Board of Stewards uphold the Complaint.

Presently, there is only one form of Governing Procedures provided to the Licensee, regardless of the type of Rule violation alleged or the penalty to be requested. Staff Counsel and the Office of the Attorney General have reviewed the current Governing Procedures and propose adopting the three separate Governing Procedures, depending upon the type of Rule violation alleged and the penalty sought.

ANALYSIS

A. Attachment 2 is the proposed Governing Procedures for non-drug related violations before the Board of Stewards. Attachment 2 mirrors the current Governing Procedures with one important addition. Paragraph 9 distinguishes between a hearing seeking to revoke a license and a non-revocation hearing. The current Governing Procedures are silent in this important regard and do not provide the Licensee with a clear understanding of his or her rights. In the cases where the revocation of a license is sought, the totality of Chapter 5 (Administrative Adjudication: Formal Hearing) of the Administrative Procedure Act (APA) applies, Government Code section 11500 et seq, as mandated by Business and Professions Code section 19461. A revocation hearing will not be conducted by the Board of Stewards, but will be heard by an Administrative Law Judge, hearing officer or referee who will be taking evidence and drafting a proposed decision on behalf of the California Horse Racing Board to consider. Attachment 2 makes clear that the Board of Stewards may refer a matter to the California Horse Racing Board if license revocation is determined to be appropriate.

However, if license revocation is **not** sought, Business and Professions Code section 19461 does not require the disciplinary hearing to be conducted pursuant to Chapter 5 of the APA. In the

past and currently, non-revocation hearings before the Board of Stewards are conducted pursuant to the Governing Procedures in Attachment 1. Attachment 2 more clearly delineates how non-revocation disciplinary hearings before the Board of Stewards are to be conducted. Attachment 2 provides the non-revocation hearing will be conducted under Government Code section 11513 (Evidence; examination of witness), Government Code section 11514 (Affidavits) and Government Code section 11515 (Official Notice). Further, Attachment 2 conforms to the Administrative Adjudication Bill of Rights stated in Government Code section 11425.10.

Finally, Attachment 2 authorizes hearing officers to hear the appeals in addition to Administrative Law Judges and referees.

B. Attachment 3 is the proposed Governing Procedures for non-revocation Class 1, 2 or 3 Drug Violation cases. Attachment 3 is consistent with the Attachment 2, with an additional provision regarding a Licensee's right to elect to have the matter heard by the Board of Stewards or a hearing officer as permitted by Business and Professions Code section 19517.5.

Appeals from a non-revocation drug violation case will be heard directly by the California Horse Racing Board.

C. Attachment 4 is the proposed Governing Procedures for Class 1, 2 or 3 Drug Violation cases where revocation of license is the penalty sought. Again, a license revocation hearing requires the proceeding be conducted pursuant to Chapter 5 of the APA, Government Code section 11500 et seq.

RECOMMENDATION

Staff recommends the three proposed Governing Procedures be adopted as presented.

RECOMMENDED MOTION

The California Horse Racing Board hereby adopts the Governing Procedures attached to Agenda Item 14 as Attachment 2, Attachment 3 and Attachment 4.

ATTACHMENT 1

CALIFORNIA HORSE RACING BOARD
GOVERNING PROCEDURE
CHRB 204A



GOVERNING PROCEDURE FOR HEARING
BEFORE BOARD OF STEWARDS

1. You are entitled to reasonable advance notice of the charges against you. You are also entitled to receive, in advance of the hearing, copies of all investigative reports and support documentation which the California Horse Racing Board (CHRB) investigators relied upon in bringing the charges against you, as well as all documents which the CHRB intends to put in evidence at the hearings.
2. You will have an opportunity to present your side of the case and rebut the case against you, including the opportunity to cross-examine witnesses who testify against you. You must bring all of your witnesses and all of your evidence to the hearing.
3. You are entitled to be represented by an attorney at the hearing.
4. The hearing shall be open to the public.
5. All or part of the hearing may be conducted telephonically, to the extent that all parties agree, and to the extent that each participant has an opportunity to participate in and to hear the proceeding while it is taking place.
6. If you believe that a steward on the Board of Stewards who will hear your case is biased or prejudiced against you, or has an interest in the outcome of the proceeding, you may challenge the steward. Upon such challenge, the steward may either disqualify him/herself or put the decision to the Board of Stewards, who must then decide whether you have stated a basis for disqualification of the steward. If a steward is disqualified, another steward will be appointed to sit on the Board of Stewards for purposes of hearing the matter. If the challenged steward is not disqualified, you may challenge the decision not to disqualify the steward as a separate matter on appeal. The decision of a steward or the Board of Stewards regarding such challenge is final.
7. From the time that the Complaint and Notice to Appear issues until the Board of Stewards renders its decision, you may not communicate, in any manner, directly or indirectly, with the Board of Stewards, unless at the same time, the communication is shared with all parties to the proceedings including the CHRB. This rule applies equally to the CHRB and its representatives.
8. You may request a subpoena for the production of witnesses or documents at the hearing. The Executive Director of the CHRB shall issue subpoenas at the request of any party to the matter for the purpose of compelling attendance at the attendance of a witness or the production of documents at the hearing. The Board of Stewards will decide disputes.

CALIFORNIA HORSE RACING BOARD
GOVERNING PROCEDURE
CHRB 204A



GOVERNING PROCEDURE FOR HEARING
BEFORE BOARD OF STEWARDS

9. A verbatim record of the proceedings will be made, using either a shorthand reporter or a tape recorder. You may request a tape recording or a transcript of the hearing from the CHRB. It will be provided to you free of charge.

10. You will receive a written decision after the hearing. The decision will be written by the majority, be based on the record, and include a statement of the factual and legal basis for the decision. The decision will also include a description of the penalty imposed, if any. The Board of Stewards will take action upon a majority decision. In the event of a split vote, each steward shall file a separate written decision on the matter.

11. You have 72 hours from the receipt of the written decision to appeal the Board of Stewards decision to the CHRB. You may request a stay of any penalty pending appeal.

12. If you timely appeal a Board of Stewards' decision, the matter will be heard on behalf of the CHRB by an administrative law judge (ALJ) or referee designated by the CHRB. On appeal, you bear the burden of showing that the law was improperly interpreted or applied by the Stewards and/or that the stewards' factual determinations were not supported by substantial evidence or that the best interest of racing in the State maybe better served by reversal or modification of the stewards decision. The ALJ/referee will draft a proposed decision and submit it to the CHRB.

13. The CHRB may adopt, modify and adopt, or reject the proposed decision of the ALJ/referee.

14. If you are dissatisfied with the CHRB's decision, you may appeal that decision to Superior Court.

ATTACHMENT 2

**GOVERNING PROCEDURE FOR DISCIPLINARY HEARING
BEFORE BOARD OF STEWARDS**

1. You are entitled to reasonable advance notice of the charges against you. You are also entitled to receive, in advance of the hearing, copies of all investigative reports and support documentation which the California Horse Racing Board (CHRB) investigators relied upon in bringing the charges against you, and the CHRB will exchange with you copies of all documents which each party intends to put in evidence at the hearing.
2. You will have an opportunity to present your side of the case and rebut the case against you, including the opportunity to cross-examine witnesses who testify against you. You must bring all of your witnesses and all of your evidence to the hearing.
3. You are entitled to be represented by an attorney at the hearing.
4. The hearing shall be open to the public.
5. All or part of the hearing may be conducted telephonically to the extent that all parties agree and to the extent that each participant has an opportunity to participate in and to hear the proceeding while it is taking place.
6. If you believe that a steward on the Board of Stewards who will hear your case is biased or prejudiced against you or has an interest in the outcome of the proceeding, you may challenge that steward. Upon such challenge, the steward may either disqualify him/herself or put the decision to the Board of Stewards, who must then decide whether you have stated a basis for disqualification of that steward. If a steward is disqualified, another steward, will be appointed for purposes of hearing the matter. If the steward is not disqualified, you may challenge the decision not to disqualify the steward as a separate matter on appeal. The decision of the Board of Stewards regarding such challenge is final.
7. While the proceeding is pending, beginning with the issuance of the Complaint and Notice to Appear, you may not communicate, in any manner, directly or indirectly, with the Board of Stewards regarding any issue in the proceeding, unless, at or before the time the communication is made, the communication is shared with all the parties to the proceeding including the CHRB, and an opportunity is afforded to all parties to participate in the communication. This rule applies equally to the CHRB and its representatives. Nothing herein precluded communications made on the record at the hearing. Applicable exception to, and clarifications of, this rule are found in Government Code sections 11430.10 through 11430.80.
8. You may request a subpoena for the production of witnesses at the hearing and/or the production of documents at a reasonable time and place or at the hearing. The Executive Director of the CHRB shall issue subpoenas at the request of any party to the matter for the purpose of compelling attendance of a witness at the hearing or the production of documents. The Board of Stewards, hearing officer or referee will decide disputes.

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9. The Stewards may refer your matter to the CHRB if license revocation is determined to be appropriate. In that case, Chapter 5 of the Administrative Procedure Act will apply to the proceedings to revoke your license and will supplant any inconsistent provisions herein. Chapter 5 is Government Code sections 11500 et seq. If the matter is not referred to the CHRB, the proceedings will be held before the Board of Stewards, Hearing Officer or Referee under the evidentiary provisions of Government Code sections 11513, 11513 and 11515, but Chapter 5 will not otherwise apply.
10. A verbatim record of the proceedings will be made, using either a shorthand reporter or a tape recorder. You may request a record of the hearing from the CHRB. A tape or transcript of the hearing will be provided to you free of charge.
11. You will receive a written decision after the hearing. The written decision will include a statement of the factual and legal basis for the decision. The statement of the factual basis for the decision shall be based on the evidence of record and on matters officially noticed in the proceeding. The decision will also include a description of the penalty imposed, if any. The Board of Stewards will take action upon a majority decision. In the event the decision is not unanimous, one or more dissenting or concurring decisions shall be filed. Each steward shall file his/her own written decision or join in a written decision on the matter.
12. You may appeal the decision of the Board of Stewards' decision to the CHRB. Appeals must be received by a CHRB employee at any of its offices not later than 72 hours from the date of the decision.
13. If you timely appeal a decision, the matter will be heard on behalf of the CHRB by an administrative law judge (ALJ), a referee or a hearing officer designated by the CHRB. The ALJ, referee or hearing officer will draft a proposed decision and submit it to the CHRB. On appeal, you bear the burden of proving the facts necessary to sustain the appeal. The CHRB will consider evidence that was presented to the Board of Stewards. It will also consider whether the stewards mistakenly interpreted the law, whether new evidence of a convincing nature is produced, and whether the best interests of racing and the state may be better served by overruling the stewards' decision.
14. The CHRB may adopt, modify and adopt, or reject the proposed decision of the ALJ, referee or hearing officer.
15. If you are dissatisfied with the CHRB's decision, you may appeal that decision to the Superior Court.

ATTACHMENT 3

**GOVERNING PROCEDURE FOR DISCIPLINARY HEARING
BEFORE BOARD OF STEWARDS OR HEARING OFFICER
NON-REVOCAION ENFORCEMENT PROCEEDINGS
ALLEGING CLASS 1, 2, OR 3 DRUG POSITIVE VIOLATION**

1. Your matter will be heard by the Board of Stewards or by a hearing officer. Below, the term "Presiding Officer" shall refer to the individual or individuals who will hear your case whether it be stewards or a hearing officer.
2. You are entitled to reasonable advance notice of the charges against you. You are also entitled to receive, in advance of the hearing, copies of all investigative reports and support documentation which the California Horse Racing Board (CHRB) investigators relied upon in bringing the charges against you, and the CHRB will exchange with you copies of all documents which each party intends to put in evidence at the hearing.
3. You will have an opportunity to present your side of the case and rebut the case against you, including the opportunity to cross-examine witnesses who testify against you. You must bring all of your witnesses and all of your evidence to the hearing.
4. You are entitled to be represented by an attorney at the hearing.
5. The hearing shall be open to the public.
6. All or part of the hearing may be conducted telephonically to the extent that all parties agree and to the extent that each participant has an opportunity to participate in and to hear the proceeding while it is taking place.
7. If you believe that the Presiding Officer is biased or prejudiced against you or has an interest in the outcome of the proceeding, you may challenge the Officer. Upon such challenge, the Officer may disqualify him/herself. If your challenge is to a steward, the steward may put the decision to the Board of Stewards, who must then decide whether you have stated a basis for disqualification of the steward. If your challenge is to a hearing officer, the hearing officer may put the decision to the Executive Director. If a Presiding Officer is disqualified, another Presiding Officer will be appointed as a replacement. If the challenged Officer is not disqualified, you may challenge the decision not to disqualify the Officer as a separate matter on appeal. The decision of the challenged Presiding Officer, the Board of Stewards or Executive Director regarding such challenge is final.
8. From the time the Complaint and Notice to Appear issues until the CHRB renders its decision, you may not communicate, in any manner, directly or indirectly, with the Presiding Officer regarding

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any issue in the proceeding, unless, at or before the time the communication is made, the communication is shared with all parties to the proceeding including the CHRB, and an opportunity is afforded to all parties to participate in the communication. This rule applies equally to the CHRB and its representatives. Nothing herein precludes communications made on the record at the hearing. Applicable exceptions to, and clarifications of, this rule are found in Government Code sections 11430.10 through 11430.80.

9. You may request a subpoena for the production of witnesses at the hearing and/or the production of documents at a reasonable time and place or at the hearing. The Executive Director of the CHRB shall issue subpoenas at the request of any party to the matter for the purpose of compelling attendance of a witness at the hearing or the production of documents. The Presiding Officer will decide disputes.
10. The hearing will be conducted under the evidentiary provisions of Government Code sections 11513, 11514 and 11515. Otherwise, the only disciplinary proceedings to which Chapter 5 of the Administrative Procedure Act apply are license revocation proceedings, and the Board does not anticipate seeking a revocation of your license in this matter. Chapter 5 is Government Code sections 11500 et seq.
11. A verbatim record of the proceedings will be made, using either a shorthand reporter or a tape recorder. You may request a record of the hearing from the CHRB. A tape or transcript of the hearing will be provided to you free of charge.
12. The Presiding Officer will draft a proposed decision and submit it to the CHRB. The CHRB may adopt, modify and adopt, or reject the proposed decision of the Presiding Officer. The CHRB's written decision will include a statement of the factual and legal basis for the decision. The statement of the factual basis for the decision shall be based on the evidence of record and on matters officially noticed in the proceeding. The decision will also include a description of the penalty imposed, if any.
13. If you are dissatisfied with the CHRB's decision, you may appeal that decision to the Superior Court.

ATTACHMENT 4

**GOVERNING PROCEDURE FOR DISCIPLINARY HEARING
BEFORE BOARD OF STEWARDS OR HEARING OFFICER
REVOCATION ENFORCEMENT PROCEEDINGS
ALLEGING CLASS 1, 2, OR 3 DRUG POSITIVE VIOLATION**

1. Your matter will be heard by the Board of Stewards or by a hearing officer. Below, the term "Presiding Officer" shall refer to the individual or individuals who will hear your case whether it be stewards or a hearing officer.
2. You are entitled to reasonable advance notice of the charges against you. You are also entitled to receive, in advance of the hearing, copies of all investigative reports and support documentation which the California Horse Racing Board (CHRB) investigators relied upon in bringing the charges against you, and the CHRB will exchange with you copies of all documents which each party intends to put in evidence at the hearing.
3. You will have an opportunity to present your side of the case and rebut the case against you, including the opportunity to cross-examine witnesses who testify against you. You must bring all of your witnesses and all of your evidence to the hearing.
4. You are entitled to be represented by an attorney at the hearing.
5. The hearing shall be open to the public.
6. All or part of the hearing may be conducted telephonically to the extent that all parties agree and to the extent that each participant has an opportunity to participate in and to hear the proceeding while it is taking place.
7. If you believe that the Presiding Officer is biased or prejudiced against you or has an interest in the outcome of the proceeding, you may challenge the Officer. Upon such challenge, the Officer may disqualify him/herself. If your challenge is to a steward, the steward may put the decision to the Board of Stewards, who must then decide whether you have stated a basis for disqualification of the steward. If your challenge is to a hearing officer, the hearing officer may put the decision to the Executive Director. If a Presiding Officer is disqualified, another Presiding Officer will be appointed as a replacement. If the challenged Officer is not disqualified, you may challenge the decision not to disqualify the Officer as a separate matter on appeal. The decision of the challenged Presiding Officer, Board of Stewards or Executive Director regarding such challenge is final.
8. From the time the Complaint and Notice to Appear issues until the CHRB renders its decision, you may not communicate, in any manner, directly or indirectly, with the Presiding Officer regarding

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any issue in the proceeding, unless, at or before the time the communication is made, the communication is shared with all parties to the proceeding including the CHRB, and an opportunity is afforded to all parties to participate in the communication. This rule applies equally to the CHRB and its representatives. Nothing herein precludes communications made on the record at the hearing. Applicable exceptions to, and clarifications of, this rule are found in Government Code sections 11430.10 through 11430.80.

9. You may request a subpoena for the production of witnesses at the hearing and/or the production of documents at a reasonable time and place or at the hearing. The Executive Director of the CHRB shall issue subpoenas at the request of any party to the matter for the purpose of compelling attendance of a witness at the hearing or the production of documents. The Presiding Officer will decide disputes.
10. Chapter 5 of the Administrative Procedure Act (Government Code section 11500 et seq.) is applicable to this proceeding except for the provisions of Chapter 5 that are inconsistent with Business & Professions Code, section 19517.5 or any other section of the Horse Racing Law (Chapters 4 and 4.5, Division 8 of the Business & Professions Code.)
11. A verbatim record of the proceedings will be made, using either a shorthand reporter or a tape recorder. You may request a record of the hearing from the CHRB. A tape or transcript of the hearing will be provided to you free of charge.
12. The Presiding Officer will draft a proposed decision and submit it to the CHRB. The CHRB may adopt, modify and adopt, or reject the proposed decision of the Presiding Officer. The CHRB's written decision will include a statement of the factual and legal basis for the decision. The statement of the factual basis for the decision shall be based on the evidence of record and on matters officially noticed in the proceeding. The decision will also include a description of the penalty imposed, if any.
13. If you are dissatisfied with the CHRB's decision, you may appeal that decision to the Superior Court.

STAFF ANALYSIS
REPORT AND UPDATE
ON THE STATUS OF THE
EXCHANGE WAGERING RULEMAKING

Regular Board Meeting
February 21, 2013

BACKGROUND

Business and Professions Code section 19604.5(e)(1) provides that the Board shall have full power to prescribe rules, regulations, and conditions under which exchange wagering may be conducted in California consistent with this section, including the manner in which exchange wagers may be accepted and the requirements for any person to participate in exchange wagering. Business and Professions Code section 19604.5(m) states the Board shall promulgate administrative rules and regulations to effectuate the purposes of this section. At its November 2102 Regular Meeting the Board adopted the proposed addition of Article 27, Exchange Wagering, which comprises 25 regulations governing the conduct of exchange wagering in California. The following applies to the exchange wagering rulemaking file under the Administrative Procedures Act:

- The exchange wagering rulemaking file was submitted to the Office of Administrative Law (OAL) on January 31, 2013.
- OAL has 30-working days to review the file.
- Staff calculates OAL will provide a decision approximately March 15, 2012.
- Recent changes in the Government Code have resulted in new effective dates. Rather than a file becoming effective 30 days after OAL files it with the California Secretary of State, it will now be effective on a quarterly basis. If a file is submitted to the Secretary of State on March 1 to May 31, it will be effective July 1. However, staff has requested an effective upon filing date. If that is granted, and OAL approves the file, it would be effective March 15, 2013. If the request for an effective upon filing request is denied, the file would be effective July 1, 2013.
- If OAL denies the rulemaking file the CHRB has 120 days to make corrections.
- If the corrections are non-substantive, the file may be returned to OAL without readoption.
- If substantive provisions of the regulations have been significantly changed the CHRB must renotice for 45 days and readopt the regulations.
- Upon resubmission of a disapproved regulation to the OAL, it shall only review the resubmitted regulation for those reasons expressly identified in the written opinion, or for those issues arising as a result of a substantial change to a provision of the resubmitted regulation.

CALIFORNIA HORSE RACING BOARD

FEBRUARY 21, 2013
REGULAR BOARD MEETING

There is no board package material for Item 16