

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 4. OCCUPATIONAL LICENSES  
RULE 1481. OCCUPATIONAL LICENSES AND FEES

1481. Occupational Licenses and Fees.

No person required to be licensed shall participate or attempt to participate in a race meeting without holding a valid license authorizing that participation.

(a) A person acting in any capacity within the restricted area of an inclosure, simulcast facility or auxiliary stabling area shall procure the appropriate license(s) and pay the fee required.

(b) A person acting in any of the following capacities shall procure the appropriate license(s) and pay the fee required:

- (1) Horse Owner by Open Claim.....\$250
- (2) Officer, Director, Partner, or any individual or person who holds 5% or more of the outstanding shares of an advance deposit wagering, mini-satellite wagering or exchange wagering provider, racing association, simulcast service supplier, or totalizator company.....\$200
- (3) Horse Owner.....\$150
- (4) Trainer, Assistant Trainer, Driver, Jockey, Apprentice Jockey, Jockey Agent.....\$150
- (5) Veterinarian.....\$150
- (6) Steward, Associate Steward, Steward (Veterinary Service), Simulcast Facility Supervisor, Assistant Simulcast Facility Supervisor, Racing Official, Administrative or Managerial personnel including General Manager of a racing association, advance deposit wagering, mini-satellite wagering or exchange wagering provider, simulcast

organization or an intrastate guest association, who exercise control over other licensees, horse racing, pari-mutuel wagering, or simulcast operations, or whose duties routinely require access to restricted areas of the inclosure.....\$150

(7) Bloodstock Agent.....\$150

(8) Valet, Jockey Room or Drivers' Room Attendant or Custodian or Service Person, Colors Attendant, Paddock Attendant.....\$75

(9) Assistant to a Racing Official or Official, Assistant General Manager of a racing association, simulcast organization or an intrastate guest association, Assistant Starter, Assistant to the Veterinarian, Assistant Manager, Announcer, Paymaster of Purses, Superintendent, Starting Gate Driver, Flagman, Marshal, Stewards' Aide.....\$75

(10) Exercise Rider, Pony Rider, Outrider.....\$75

(11) Horseshoer, Stable Agent, Vendor or Vendor's Employee when duties require access to the restricted area, Stable Foreman.....\$75

(12) Pari-mutuel Employee, Totalizator Technician, Video Operator, Photofinish Operator..... \$75

(13) Security Officer, Security Guard, Stable Gateman, Fire Guard, Security Investigator \$75

(14) Clerical Employee or Uncategorized Employee of a racing association, intrastate guest association, simulcast organization, simulcast service supplier, totalizator company, horsemen's organization or concessionaire when employed in a restricted area.....\$75

(c) A person acting in the capacity of Backstretch Event Personnel, Groom, Provisional Exercise Rider, Stable Employee or Stable Assistant shall procure the appropriate annual license. The fee for an original license is \$35, and the annual renewal of license is \$20.

(d) A person acting in the capacity of Authorized Agent shall register an authorized agent agreement and registration of authorized agent and pay a fee of \$25 for each registration.

(e) A person or persons electing to conduct racing operations by use of a Stable Name, or stable name group, shall register the Stable Name, or stable name group, and pay a fee of \$300.

(f) A person or persons conducting racing operations as a syndicate, an entity running under a stable name group or as a partnership having more than ten general partners or having one or more limited partners shall register the syndicate, entity running under a stable name group or partnership as a multiple ownership and pay a fee of \$300.

(g) A person participating in any capacity required to be licensed under this rule who participates or attempts to participate at a mule racing meeting shall procure an annual Mule Racing Participant license and pay an annual fee of \$25. A license for participating in a mule racing meeting is valid only at mule racing meetings and any license otherwise valid for horse racing meetings is not valid for mule racing meetings.

(h) A person whose license-identification card is lost, destroyed or mutilated shall procure a replacement license-identification card and pay a fee of \$15.

(i) A person who elects to participate in the Association of Racing Commissioners International (ARCI) Licensing Reciprocity Program shall pay the associated costs charged by the ARCI and the Federal Bureau of Investigation.

(j) The date the payment of the required fee is received and recorded by the Board is the effective date of issuance of a continuous occupational license for the capacity in which licensed. The fees required herein are for the entire period for which the issued license is to be valid.

Authority: Sections 19440, 19510, 19520 and 19704,  
Business and Professions Code.

Reference: Sections 19510, 19520 and 19704,  
Business and Professions Code.

CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 26. ADVANCE DEPOSIT WAGERING  
RULE 2071. LICENSE TO CONDUCT ADVANCE DEPOSIT WAGERING  
BY A CALIFORNIA APPLICANT

2071. License to Conduct Advance Deposit Wagering by a California Applicant.

(a) Prior to an Account being established or wagering being conducted the Applicant located in California must be licensed by the Board. All licenses granted shall be subject to the provisions of Business and Professions (~~B&P~~) Code ~~Section~~section 19460 et. seq.

(b) An Applicant for license shall complete an Application for License to Conduct Advance Deposit Wagering, CHRB-132 (~~New~~Rev. 029/019), hereby incorporated by reference, which is available at the Board's administrative office. The Application must be filed not later than 90 days in advance of the scheduled start date of operation. A bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000 must accompany the Application. The term of the license shall be two years from the date the license is issued.

(c) Applicants shall establish security access policies and safeguards pursuant to ~~B&P~~ Business and Professions Code Section 19604.

(d) Applicants that accept wagers from California residents shall provide a full accounting and verification of the source of the wagers, and a detailed wagering information file that includes, but is not limited to, dollar amount wagered, pool on which the wager was placed, race number and racing venue, zone, breed, zip code of the Account Holder, time wagering stopped, and time of the wager in the form of a daily download of pari-mutuel data to the Board designated database, ~~California Horse Racing Information Management System~~CHRIMS, Inc., that is compatible with a Comma Delimited Text File.

(e) Applicants shall provide financial information that demonstrates the financial resources to operate Advance Deposit Wagering and provide a detailed budget that shows anticipated revenue, expenditures and cash flows by month projected for the term of the license.

(f) The Board may conduct investigations, inspections or request additional information from the Applicant as it deems appropriate in determining whether to approve the license.

(g) The Board, or its designee, shall be given access for review and audit of all records. The Applicant shall, at their location during hours of operation, make such information available. The Board may require the Applicant to annually submit audited financial statements.

(h) All advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization.

(i) Applicants shall enter into a written contractual agreement with the bona fide labor organization that has historically represented the same or similar classifications of employees at the nearest horse racing meeting.

(j) The Board shall notify the Applicant in writing within 30 calendar days from the receipt date by the Board's administrative office if the Application is complete or deficient. If the Application is deficient, the notice shall include:

(1) Instructions as to what is required of the Applicant to complete the Application.

(2) Instructions for requesting additional time to satisfy the requirements listed in the notification, if needed.

(k) The Board shall approve or deny an Application within 90 calendar days from the

receipt date by the Board unless the Applicant requests and is granted additional time to supply information.

(l) If the Board denies an Application, the Applicant has 30 calendar days, from the receipt date of the Board's denial notification, to request a reconsideration of the Board's decision. The request must be in writing and sent to the Board's administrative office. The Board shall respond in writing to the reconsideration request within 30 working days from the receipt date of the request. If reconsideration is denied, the Applicant may file for judicial review in accordance with ~~Section~~section 11523 of the Government Code.

(m) Subsequent to the issuance of a license to conduct Advance Deposit Wagering under this article, changes or amendments to information or operating procedures contained in an Application will be permitted by order of the Board or by Board approval of a request submitted in writing by the Applicant.

Authority: Sections 19440 and 19590,  
Business and Professions Code.

Reference: Sections 19460 and 19604,  
Business and Professions Code.

Application is made to the CHRB for a license to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

**1. APPLICANT**

- A.  Racing Association (Licensee)       Racing Fair (Licensee)  
 Betting System       CA Multi-jurisdictional Wagering Hub (CA Hub)

B. Name, mailing address, telephone and fax numbers:

C. Names, and titles and CHRB license number of all management personnel directly involved in the management of advance deposit wagering operations:

<u>Name and title</u>	<u>License Number</u>

**NOTICE** – All management personnel must be CHRB licensed.

- D. Racing Fairs are not required to complete Section 3, Business Structure.
- E. Betting Systems and CA Hubs - attach the contract with the Licensee and the required horsemen’s approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the Licensee for access to the California market for wagering purposes.

**2. DATES OF OPERATION**

- A. Dates Advance Deposit Wagering will be conducted:
- B. Hours Advance Deposit Wagering will be conducted:

**3. BUSINESS STRUCTURE**

<b>CHRB CERTIFICATION</b>	
Application received: Reviewed: Hearing date:	Approval date: License number:

- A.  Corporation (complete subsection B)  
 LLC (complete subsection C)  
 Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:
2. State where incorporated:
3. Registry or file number for the corporation:
4. Name and CHRB license number of all officers and directors, Include titles, and 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. Include each person's CHRB license number (Notice: per Rule 1481, all persons that hold 5% or more of outstanding shares must hold a CHRB license.):
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:
10. Attach the prior two years' most recent annual financial statements for the corporation, including balance sheets and profit and loss statements, and a copy of all reports made issued during the preceding 1224 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission/Department of Business Oversight.
11. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 12. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.

1244. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Name and CHRB license number of all officers and directors; Include titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each. Include each person's CHRB license number (Notice: per Rule 1481, all persons that hold 5% or more of outstanding shares must hold a CHRB license.):
6. Are the shares listed for public trading?  Yes  No  
If yes, on what exchange and how is the stock listed:
7. 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:
8. Attach the prior two years' most recent annual financial statements for the LLC, including balance sheets and profit and loss statements, and a copy of all reports made issued during the preceding 1224 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission Department of Business Oversight.
9. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 10. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.

1099. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

D. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach the prior two years' annual financial statements for the partnership/sole proprietor. Include balance sheets and profit and loss statements, and a copy of all

reports issued during the preceding 1224 months to shareholders and/or the Securities and Exchange Commission, and/or the California Corporations Commission  
Department of Business Oversight.

4. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 5. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.
5. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

**4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2074.**

- A. List the procedures to establish an Account:
- B. If an application form is used to establish an Account attach a copy of the form.
- C. Name and address of the third party you will use to verify identity, residence and age verification:

**5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.**

- A. Submit a copy of your plan for operation.
- B. List the type of deposits you will accept:
- C. Identify any fees or transaction-related charges and the amount that will be assessed:

**6. SECURITY ACCESS**

- A. Attach your security access policy and safeguards pursuant to B&P Business and Professions Code section 19604-(c)-(2). Policy must include the following:
1. Description of the technology to ensure identity, residence, and age verification when an Account is established:
  2. Description of the technology to ensure confidentiality of the Means of Personal Identification:
  3. Methods and locations available for Account Holders to withdraw funds from their Account:
  4. If the Advance Deposit Wagering records will be maintained at a site other than the applicants provide the name, address, telephone and fax numbers and the hours of operation:

**7. PARI-MUTUEL**

- A. Name, address and telephone number of the pari-mutuel audit firm:
- B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:
- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

**NOTICE** – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

**8. CONTRACTS AND AGREEMENTS**

- A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:
- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

**NOTICE** – Pursuant to ~~B&P Business and Professions Code section~~ Section 19604-(c)-(1) you must contract with the bona fide labor organization that has historically represented the same or similar classifications of employees at the nearest horse racing meeting.

**9. ADVERTISING**

Name and address of the advertising agency you will use:

**NOTICE** – Pursuant to Rule 2071-(h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to ~~B&P Business and Professions Code section~~ Section 19604-(d)-(3) advertisements shall not be deceptive to the public.

**10. CERTIFICATION**

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 to attest to this Application.

Print Name	Signature
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Print Title	Date
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CALIFORNIA HORSE RACING BOARD  
TITLE 4. CALIFORNIA CODE OF REGULATIONS  
ARTICLE 26. ADVANCE DEPOSIT WAGERING  
RULE 2072. APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING  
BY AN OUT-OF-STATE APPLICANT

2072. Approval to Conduct Advance Deposit Wagering by an Out-of-State Applicant.

(a) Prior to an Account being established or wagering being conducted the Applicant located out-of-state must be Board-approved. All approvals granted shall be subject to the provisions of Business and Professions (~~B&P~~) Code ~~Section~~section 19460 et. seq.

(b) An out-of-state Applicant shall complete an Application For Approval to Conduct Advance Deposit Wagering, CHRB-133 (~~New~~Rev. 029/019), hereby incorporated by reference, which is available at the Board's administrative office. The Application must be filed not later than 90 days in advance of the scheduled start date of operation. A bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000 must accompany the Application. The term of approval is two years from the date the approval is issued.

(c) Out-of-state Applicants shall establish security access policies and safeguards pursuant to ~~B&P~~Business and Professions Code Section 19604.

(d) Out-of-state Applicants that accept wagers from California residents shall provide a full accounting and verification of the source of the wagers, and a detailed wagering information file that includes, but is not limited to dollar amount wagered, pool on which the wager was placed, race number and racing venue, zone, breed, zip code of the Account Holder, time wagering stopped, and time of the wager in the form of a daily download of pari-mutuel data to the Board designated database, ~~California Horse Racing Information Management System~~CHRIMS, Inc., that is compatible with a Comma

Delimited Text File.

(e) Out-of-state Applicants shall provide financial information that demonstrates the financial resources to operate Advance Deposit Wagering and provide a detailed budget that shows anticipated revenue, expenditures and cash flows by month projected for the term of the approval.

(f) The Board may conduct investigations, inspections or request additional information from the out-of-state Applicant as it deems appropriate in determining whether to approve the Application.

(g) The Board, or its designee, shall be given access for review and audit of all records. The out-of-state Applicant shall, at their location during hours of operation, make such information available. The Board may require the out-of-state Applicant to annually submit audited financial statements.

(h) All advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization.

(i) The Board shall notify the out-of-state Applicant in writing within 30 calendar days from the receipt date by the Board's administrative office if the Application is complete or deficient. If the Application is deficient, the notice shall include:

(1) Instructions as to what are required of the out-of-state Applicant to complete the Application.

(2) Instructions for requesting additional time to satisfy the requirements listed in the notification, if needed.

(j) The Board shall approve or deny an Application within 90 calendar days from the

receipt date by the Board unless the out-of-state Applicant requests and is granted additional time to supply information.

(k) If the Board denies an Application, the out-of-state Applicant has 30 calendar days from the receipt date of the Board's denial notification, to request a reconsideration of the Board's decision. This request must be in writing and sent to the Board's administrative office. The Board shall respond in writing to the reconsideration request within 30 working days from the receipt date of the request. If reconsideration is denied, the out-of-state Applicant may file for judicial review in accordance with ~~Section~~section 11523 of the Government Code.

(l) Subsequent to the issuance of an approval to conduct Advance Deposit Wagering under this article, changes or amendments to information or operating procedures contained in an Application will be permitted by order of the Board or by Board approval of a request submitted in writing by the Applicant.

(m) As a condition of approval the out-of-state Applicant shall designate a California agent for receipt of service of process.

(n) By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Authority: Sections 19440 and 19590,  
Business and Professions Code.

Reference: Sections 19460 and 19604,  
Business and Professions Code.

STATE OF CALIFORNIA  
 CALIFORNIA HORSE RACING BOARD (CHRB)  
**APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING**  
**CHRB-133 (New 9/04 Rev. 02/19)**

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P)-Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

**NOTICE** – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

**1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)**

- A. Name, mailing address, telephone and fax numbers:
- B. Name, title, license number and racing jurisdiction where licensed for all management personnel. Identify which management staff is responsible for California operations:

**NOTICE:** Rule 1481 provides that all management personnel responsible for California operations must hold a CHRB license.

<u>Name and title</u>	<u>Racing Jurisdiction Where Licensed</u>	<u>License Number</u>	<u>Responsible for California Operations</u>
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

- C. Name, title and mailing address of the California agent for receipt of service of process:
- D. Attach the contract with the California racing association or fair and the required horsemen’s approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

**2. DATES OF OPERATION**

- A. Dates Advance Deposit Wagering will be conducted:

<b>CHRB CERTIFICATION</b>	
Application received: Reviewed:	Hearing date: Approval date:

B. Hours Advance Deposit Wagering will be conducted:

**3. BUSINESS STRUCTURE**

- A.  Corporation (complete subsection B)
- LLC (complete subsection C)
- Other (specify, and complete subsection D)

Complete the applicable subsection

**B. CORPORATION**

1. Registered name of the corporation:
2. State where incorporated:
3. Registry or file number for the corporation:
4. Name and CHRB license number of all officers and directors; Include 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. Include each person's CHRB license number (Notice: per Rule 1481, all persons that hold 5% or more of outstanding shares must hold a CHRB license):
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:
10. Attach the prior two years' most recent annual financial statements for the corporation, including balance sheets and profit and loss statements, and a copy of all reports made issued during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
11. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 12. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW

operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.

1244. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names and CHRB license number of all officers and directors, Include titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each. Include each person's CHRB license number (Notice: per Rule 1481, all persons that hold 5% or more of outstanding share must hold a CHRB license.):
6. Are the shares listed for public trading?  Yes  No  
If yes, on what exchange and how is the stock listed:
7. 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:
8. Attach the prior two years' most recent annual financial statements for the LLC, including balance sheets and profit and loss statements, and a copy of all reports made issued during the preceding 1224 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
9. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 10. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.

109. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

D. OTHER

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

3. Attach the prior two years' annual financial statements for the partnership/sole proprietor. Include balance sheets and profit and loss statements, and a copy of all reports issued during the preceding 24 months to shareholders and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
4. Applicants not previously licensed by the CHRB to conduct ADW, proceed to subsection 5. Applicants previously licensed by the CHRB to conduct ADW: Attach the prior two years' annual profit and loss statements for the California ADW operations only. Include the methodology used to determine the cost allocation for the profit and loss statements.
5. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
6. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

**4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2074.**

- A. List the procedures to establish an Account:
- B. If an application form is used to establish an Account attach a copy of the form.
- C. Name and address of the third party you will use to verify identity, residence and age verification:

**5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.**

- A. Submit a copy of your plan for operation.
- B. List the type of deposits you will accept:
- C. Identify any fees or transaction-related charges and the amount that will be assessed:

**6. SECURITY ACCESS**

- A. Attach your security access policy and safeguards pursuant to B&P Business and Professions Code section Section 19604-(c)-(2). Policy must include the following:
  1. Description of the technology to ensure identity, residence, and age verification when an Account is established:
  2. Description of the technology to ensure confidentiality of the Means of Personal Identification:
  3. Methods and locations available for Account Holders to withdraw funds from their Account:

- 4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:

**7. PARI-MUTUEL**

- A. Name, address and telephone number of the pari-mutuel audit firm:
- B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:
- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

**NOTICE** – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

**8. CONTRACTS AND AGREEMENTS**

- A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:
- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

**9. ADVERTISING**

Name and address of the advertising agency you will use:

**NOTICE** – Pursuant to Rule 2072-(h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Business and Professions Code section ~~Section 19604-(D)(d)-(3)~~ advertisements shall not be deceptive to the public.

**10. CERTIFICATION**

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 to attest to this Application.

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Print Name Signature

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Print Title Date