

## STAFF ANALYSIS

### DISCUSSION AND ACTION BY THE BOARD TO APPROVE THE REQUEST BY WATCH AND WAGER FOR RACE DATES IN 2026-2027.

Regular Board Meeting  
November 19, 2025

#### ISSUE:

On or about November 6, 2025, the California Horse Racing Board (“CHRB” of “the Board”) received a request for harness racing dates from Watch and Wager. Watch and Wager has requested the following race meeting dates for harness racing in the Northern Zone at the Big Fresno Fair: November 4, 2026, through May 11, 2027.

The requested dates are consistent with past calendars that Watch and Wager has conducted at Cal Expo. Watch and Wager anticipates that racing will be conducted on a Saturday and Sunday schedule during the allocated period.

#### ANALYSIS:

Business & Professions Code § 19440(a)(6) authorizes the Board to allocate racing dates and CHRB Rule 1430 requires that the Board allocate racing dates in a way that “will best subserve the purposes of the Horse Racing Law and which will be in the best interests of the people of California in accord with the intent of the Horse Racing Law.” The Board is authorized to allocate fractional racing weeks of four days or less. See Bus. & Prof. Code § 19414.5. The Board may, at any time, change, limit, restrict, or reallocate racing weeks. Bus. & Prof. Code § 19530(b).

#### BACKGROUND:

*Authority:*

**Bus. & Prof. Code § 19440 (in part):** (a) 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, but not be limited to, all of the following:

(6) Allocation of racing dates to qualified associations in accordance with law.

**CHRB Rule 1430 (Board Allocation of Racing Dates):** The Board shall allocate racing weeks and dates for the conduct of horse racing in this State for such time periods and at such racing facilities as the Board determines will best subserve the purposes of the Horse Racing Law and which will be in the best interests of the people of California in accord with the intent of the Horse Racing Law. Upon a finding by the Board that the allocation of racing weeks and dates for any racing year is completed, the racing weeks and dates so allocated shall be subject to reconsideration or amendment only for conditions unforeseen at the time of the allocations. The allocation of racing weeks and dates does not commit the Board to the

granting of a license to conduct a horseracing meeting to any specific racing association nor for the allotted time period nor at the racing facility scheduled for such racing weeks and dates.

**Bus. & Prof. Code § 19414.5 (Racing Days, Weeks, and Fractional Weeks):** (a) “Racing days” are days on which a licensed racing association or fair is authorized by the board to conduct horse racing.

(b) “Racing weeks” are seven consecutive days during which a licensed racing association or fair is authorized by the board to conduct horse racing for a minimum of five racing days. The board, however, upon joint petition of the association or fair and the organization representing horsemen participating in the meeting of that association or fair, may authorize the conduct of horse racing for less than five racing days. Fractional racing weeks of four days or less may be authorized by the board at the beginning and end of any horse racing meeting. Fractional weeks may also be authorized during weeks containing holidays and during periods of overlap with thoroughbred meetings and fairs if the total number of weeks authorized by the board in any calendar year for each breed does not exceed the maximum annual allocation of racing weeks provided for in Article 6 (commencing with Section 19530). If a licensed racing association holds a split meeting, each part of the split meeting shall be deemed a horse racing meeting solely for the purposes of authorizing fractional racing weeks.

**Bus. & Prof. Code § 19530:** (a) The board shall have the authority to allocate racing weeks to an applicant or applicants pursuant to the provisions of this article and Article 6.5 (commencing with Section 19540) and to specify such racing days, dates, and hours for horse racing meetings as will be in the public interest, and will subserve the purposes of this chapter. The decision of the board as to those racing days, dates, and hours shall be subject to change, limitation, restriction, or reallocation only by the board. No municipality or county shall adopt or enforce any ordinance or regulation that has or may have the effect of directly or indirectly regulating, limiting, restricting, or reallocating the racing days and dates of horse racing meetings.

(b) The board may, at any time, change, limit, restrict, or reallocate racing weeks, days, or dates that are allocated pursuant to this section regardless of whether a condition giving rise to that action is foreseen at the time of allocation or whether a license is issued to conduct a horse racing meeting during an allocated week, day, or date. The board's exercise of authority pursuant to this subdivision is not a revocation subject to the proceedings required by Section 19461, regardless of any effect on a license issued under this chapter.

**RECOMMENDATION:**

This item is presented for Board discussion and action.



Operating Harness Racing at Cal Expo

Scott Chaney  
Executive Director  
California Horse Racing Board  
1010 Hurley Avenue #203  
Sacramento, CA 95825

11/6/2025

Re: 2026/2027 Standardbred Racing Dates Allocation Request

Dear Scott,

Watch and Wager LLC as the proposed operator, and in conjunction with The Big Fresno Fair would like to request the following Standardbred race dates to be raced for the first time in over a century at The Big Fresno Fair. Our date request is consistent with our past calendars that were conducted at Cal Expo.

November 4<sup>th</sup>, 2026, through December 24, 2026  
December 26, 2026. Through May 11<sup>th</sup>, 2027

It is anticipated that racing would be conducted on a Saturday and Sunday schedule during the allocated period.

We thank the Board for consideration and ask support for our new home at The Big Fresno Fair.

Sincerely,

*Christopher Schick*

Christopher J. Schick



**PROPOSED Harness Racing Calendar**  
**Watch and Wager at Fresno**  
 December 2026 through May 2027  
 Total: 38 Racing Dates



DECEMBER 2026						
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		

JANUARY 2027						
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 31	25	26	27	28	29	30

FEBRUARY 2027						
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						

MARCH 2027						
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			

APRIL 2027						
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 2027						
SUN	MON	TUE	WED	THU	FRI	SAT
						1





Operating Harness Racing at Cal Expo  
Managed By Golden Bear Racing, LLC

Scott Chaney  
Executive Director  
California Horse Racing Board  
1010 Hurley Avenue #210  
Sacramento, CA 95825

November 12, 2025

Dear Scott,

The Big Fresno Fair and Watch and Wager LLC have reached agreement on a lease to bring Standardbred racing to Fresno. This action was ratified by the Fresno Fair Board this past Monday November 10<sup>th</sup>. A copy of the agreement for the Racing Boards file is attached.

We look very much forward to this new opportunity for the California Standardbred industry and the Fresno community in general.

Sincerely,

*Christopher Schick*

Christopher J. Schick

## LEASE AGREEMENT

This Agreement ("Agreement") is made and entered into in Sacramento, California, between Watchandwager.com LLC, a Limited Liability Company incorporated in the state of Nevada ("WAW"), and THE BIG FRESNO FAIR (aka 21<sup>st</sup> District Agricultural Association) ("Fresno Fair"), an independent entity of state government. For convenience, WAW and Fresno Fair may each be referred to herein as "Party" and collectively as the "Parties."

### Recitals

Whereas, WAW approached Fresno Fair to establish a location for the operation of harness racing in the state of California.

Whereas, on or about August 26, 2025, the Fresno Board of Directors approved drafting a proposed agreement to lease the Fresno Premises as hereinafter defined to WAW to manage and operate harness racing operations.

Now, therefore, the parties agree as follows:

### Terms and Conditions

#### 1. Premises

- a. Fresno Fair will provide to WAW the use and possession of the racing facilities, hereinafter referred to as "Premises," which includes the grandstand, racetrack, and backstretch, including barns, as demonstrated on attached Exhibit "A".
- b. In addition to the "racing facilities" described above, WAW may also occupy those buildings in the backstretch area known as the "racing office building", as demonstrated on attached Exhibit "A". WAW accepts the office spaces in their present condition. Any improvements or repair of the office spaces required by WAW shall be at WAW's expense with Fresno Fair prior written consent, and any improvements made shall become the property of Fresno Fair at the Agreement termination date.
- c. WAW assumes operations for stabling and the practice track. WAW horse removal at the end of each meet will occur within fifteen (15) days of the close of the meet.

#### 2. Term and Use Period and Summary:

Initial Term: The Initial Term ("Term") of this Agreement begins on date of fully executed Agreement and continues through May 15, 2028.

Option: WAW shall have the option to extend this Agreement for two (2) additional years, through May 15, 2031, which may be exercised by providing Fresno Fair written notice of its intent sixty (60) day prior to the end of the Term.

*Handwritten initials/signature*  
G.C.

Summary: In summary, by this below stated multi-year Agreement, it is so agreed and understood between the Parties that, notwithstanding any other language in the Agreement, The Fresno Fair shall receive all food & beverage ("F&B") revenue, race day rental rates, along with reimbursement, to be paid within 30 days of billing, for utilities (water, electricity, gas, etc.), and a monthly rental charge for office space required by WAW's staff and the horseman's association office. Further the Fresno Fair shall receive a reasonable and fair negotiated share (if not agreed by negotiation, then by binding arbitration) in any new additional gaming revenue that accrues to racing associations (e.g., Historic Horse Racing Machines).

- a. Racing days are to be conducted pursuant to racing days allocated by the California Horse Racing Board ("CHRB"). WAW understands and acknowledges that Fresno Fair may hold its annual thoroughbred racing meet at any time during the Term of this Agreement. The dates for a thoroughbred racing meet cannot be defined until the CHRB allocates racing dates. In the event of the allocation of thoroughbred racing meet dates by the CHRB, Fresno Fair and WAW will make every effort to coordinate the usage of the Premises during such periods so that WAW's harness racing program is not severely impacted and may, at Fresno Fair's option, enter into negotiations for WAW to manage and operate the thoroughbred racing meet.
- b. If the CHRB does not award WAW a license for harness racing for any meeting period, then Fresno Fair may, at its option, terminate this Agreement immediately upon delivering written notice to WAW. With respect to this paragraph, WAW covenants to apply for a license for racing each year beginning with the meet anticipated to commence in or around December 2026. WAW shall not be required to make the payments for non-racing days if racing is cancelled because of a labor dispute with contracted labor unions, cancelled due to operational and/or utilities malfunctions that are no fault of the WAW, cancelled by order of any court or regulatory agency based upon conduct, acts or omissions that are no fault of WAW's, cancelled by order of any court or regulatory agency based upon enforcement of Environmental Laws or issues with Hazardous Substances regardless of fault, or cancelled by severe weather or other Acts of God. Severe weather is understood and considered as weather conditions that could potentially harm horses or participants during WAW's racing program, or which otherwise render the racing surface or facilities unsuitable for purposes contemplated in the Agreement.
- c. The Parties agree to meet as necessary during the harness race meet to address and resolve any concerns or problems on behalf of either Party. It is agreed that the General Managers or designees of both Fresno Fair and WAW shall be available for these meetings.
- d. WAW acknowledges that Fresno Fair may hold events that occur during WAW's meeting period and Fresno Fair shall notify WAW within 60 days of any event that may have an impact on WAW's use.
- e. WAW understands that Fresno Fair will conduct simulcast wagering during the harness racing meeting and Fresno Fair reserves all rights and revenue from the simulcast fees and

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commissions. WAW will cooperate in Fresno Fair receiving their funds immediately upon receipt.

3. Backstretch, Racetrack, and Grandstand
  - a. WAW and Fresno Fair shall mutually agree to a date when WAW may begin the move-in of harness racing horses in the backstretch area and for the beginning of the preparation of the racetrack for its harness racing meetings.
  - b. WAW understands and acknowledges that Fresno Fair may have ongoing maintenance projects conducted on the premises during the Term of this Agreement and Fresno Fair will notify WAW of such maintenance projects. Fresno Fair expressly reserves a reasonable right of access to conduct these maintenance projects.
  - c. Trailer Park Rent. WAW shall manage and control the horsemen's trailer park during the meeting period including the collection of rent. Fresno Fair shall be entitled to all rental revenue from the trailer park at their reimbursable rate to be charged to WAW as a reimbursable expense as provided herein. Rent shall start at \$62.15 per month and is subject to reasonable increase by Fresno Fair periodically.
  - d. Cleanliness Costs. WAW will be responsible for the sole costs associated with the cleanliness of the backstretch, racetrack, and grandstand area utilized under this Agreement. Fresno Fair will charge WAW at Fresno Fair's reimbursable rates for the labor and refuse removal from the grandstand, racetrack, and backstretch areas. Also, WAW will be responsible for the cleanliness of the backstretch including, but not limited to restrooms, roads, barns, and horse trailer parking area and shall make every effort to keep backstretch area in a clean and orderly appearance.
4. Rent: WAW will pay rent as follows:
  - a. \$7,000 per racing day for the Term of the Agreement.
  - b. Rent is payable on the 10th of the month for the preceding month.
5. Backstretch Improvements: WAW shall make a one-time payment to Fresno Fair of \$50,000 to be used for backstretch improvements. Payment shall be due within thirty (30) days of the full execution of this Agreement.
6. Deposit: WAW shall provide \$150,000.00 on deposit to insure timely payments to Fresno Fair for monies due in accordance with the Agreement. The deposit shall be made one hundred twenty (120) days prior to the commencement of its first harness race meet.
7. Security: Security shall be provided by the Fresno Police Department and WAW shall pay Fresno Fair's reimbursable rate for police officers. The level of security shall be determined by the Fresno Police Department. For purposes of this Agreement, the security levels shall be similar to the level of security provided by Fresno Fair during the period of time Fresno Fair

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previously operated the racing meet, unless circumstances warrant changes which will be in the sole discretion of the Fresno Police Department. WAW shall be responsible for those costs incurred by Fresno Fair associated with the investigations by police including those cases processed by the District Attorney's Office and/or for court time.

8. Reimbursable Expenses: WAW shall pay to Fresno Fair reimbursable expenses for goods and services provided by Fresno Fair, including all utilities. Other reimbursable expenses include, but are not limited to: law enforcement, janitorial, and trash removal. Said reimbursement is payable within 30 days of Fresno Fair's billing.
9. Fire Marshal Inspection: Fire Marshal inspection cost shall be at a 50/50 expense between WAW and Fresno Fair. Fresno Fair's cost contribution shall be capped at \$5,000.00. Any expenses caused by WAW will be at WAW sole cost.
10. Concessions Commissions: Fresno Fair will retain all commissions and fees, if any, from F&B and item sales on the premises.
11. Non-Racing Commissions: In the event that a bill is passed by the California State Legislature which comes into effect under state law entitling harness racing operators or tracks to commissions or fees not generated by horse racing related activities, the Parties shall negotiate in good faith a reasonable revenue sharing agreement; if negotiations do not result in an agreement, the reasonable rate shall be arbitrated.
12. Permanent Improvements: All permanent improvements made to the racing facilities become the property of Fresno Fair upon termination of the Agreement.
13. Applicable Laws: WAW must operate the race meet in accordance with all applicable laws, including but not limited to the Concentrated Animal Feedings Operations Act (CAFO), and any other environmental and/or regulatory obligations. WAW shall hold Fresno Fair harmless if WAW causes Fresno Fair to be affected by any such violations by WAW.
14. Competing Use of Premises; Thoroughbred Racing: Except as otherwise provided, Fresno Fair shall not lease the Premises or any portion thereof to any other person for the purpose of live racing with pari-mutuel wagering or other competing use unless WAW is in breach (and said breach has not been cured pursuant to this Agreement) or Fresno Fair is ordered by a court to do so. Fresno Fair reserves the right to the use of the Premises during the Term hereof without payment of rent to WAW provided Fresno Fair's use does not prohibit the harness racing, with the exception of use of the Premises for natural disasters. Fresno Fair further reserves the right to operate thoroughbred fair racing during their traditional fair period.
15. Condition of the Premises
  - a. Fresno Fair shall deliver to WAW for its use and possession the Premises in an "as is" condition and WAW agrees to return the premises to Fresno Fair upon termination of the Agreement in the same condition, taking into consideration normal wear and tear given the contemplated use of the Premises or as otherwise required herein.

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- b. It is agreed that any conditioning of the racing surface which may be required to meet the specific needs of WAW for racing shall be the responsibility of WAW. WAW shall assume responsibility for complying with all track safety standards required by the California Horse Racing Board.
  - c. Inner Rail Removal. WAW will have the responsibility for preparing the race track for harness racing including removal of the inner rail. Following the end of the harness racing meet, WAW will reinstall the inner rail if Fresno Fair so requests.
  - d. WAW shall meet each year with Fresno Fair's representative for a site review and inventory of Fresno Fair's racetrack, barn, and grandstand facilities within ten (10) days of occupying the backstretch.
  - e. WAW shall return to Fresno Fair, no later than ten days after the conclusion of each racing meeting, the racing facilities in at least the same order and condition as is reasonably possible as they were received from Fresno Fair, ordinary wear and tear excepted. WAW shall meet with Fresno Fair's representative no later than ten (10) days after the conclusion of each racing meet for a site review and inventory of Fresno Fair's racetrack, barn and grandstand facilities. It is agreed that WAW shall be liable for all damages to Fresno Fair property in connection with WAW's operations under this Agreement. Damages include, but are not limited to, filling and leveling all stalls and replacing broken stall boards and windows. All maintenance and repairs will be the responsibility of WAW, including water, sewer, electrical, or tunnel in the backstretch.
16. Americans With Disabilities Act: WAW, by signing this Agreement, assures Fresno Fair that WAW, and each of WAW's lessees, sublessees, subcontractors, vendors, promoters, agents, and employees, if any, comply with the Americans With Disabilities Act ("ADA") of 1990 (42 U.S.C. 12101 et. seq.) and California Disability Access statutes including, but not limited to, the Unruh Civil Rights Act (Cal. Civ. Code §51 et. seq.), the California Disabled Persons Act (Cal. Civ. Code §54 et. seq.), and all relevant provisions of the Health and Safety and Business and Professions Codes, as well as all applicable regulations and guidelines issued pursuant to the ADA, namely the adopted Americans With Disabilities Act Accessibility Guidelines ("ADAAG") standards, known as the 'ADA Standards,' and all applicable regulations and guidelines issued pursuant to California law including Title 24 of California's Building Code. Failure to comply may subject WAW to civil liability and damages. WAW further agrees that this covenant to comply with state and federal disability access requirements continues for the duration of the Agreement. As an additional resource, WAW shall review "A Planning Guide for Making Temporary Events Accessible to People with Disabilities," <https://adata.org/publication/temporary-events-guide>, hereby incorporated by reference and made a part of this agreement. By signing this agreement, WAW acknowledges reviewing this guide.

17. Indemnification – Americans With Disabilities Act

  
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- a. WAW agrees to indemnify, defend and hold harmless the State of California, California Exposition & State Fair & Fresno Fair, its officers, employees, directors and agents from and against any liability, loss, expense (including reasonable attorneys' fees), claim or suit for injury or damages arising out of the Americans With Disabilities Act (ADA), but only to the extent caused by or resulting from or related to the activities of WAW on the Premises where WAW has control during WAW's use of the Premises.
- b. Fresno Fair agrees to indemnify, defend and hold harmless WAW, its officers, employees and agents, from and against any liability, loss, expense (including reasonable attorneys' fees), claim or suit for injury or damages arising out of the ADA, but only to the extent caused by or resulting from the portion of the Fresno Fair facility outside the leased "Premises" that is under the sole control of Fresno Fair. However this Fresno Fair liability is capped at \$100,000 to WAW.

18. Maintenance and Repairs

- a. During those times WAW occupies the Premises, it shall, at its sole cost, assume full responsibility for maintenance and repairs necessary to keep the facilities in good operating condition for producing a racing meet. For this purpose, WAW shall provide staff to perform these services.
- b. WAW shall not add, alter, or make changes to Fresno Fair's wiring for video patrol services, TV placement, etc., without Fresno Fair's prior written consent.
- c. WAW shall not make or suffer to be made by its agents any alterations, additions, or improvements to the Premises, including office space, or any part thereof, without the prior written consent of Fresno Fair. Any alterations, additions, or improvements to the Premises will be at WAW's sole expense. Any additions, improvements, or alterations affixed to the Premises, including office space (except movable furniture), shall become at once a part of the realty and immediately belong to Fresno Fair as part of the Premises.
- d. Except as otherwise provided, Fresno Fair shall have no obligation, duty, or liability whatsoever to care for or maintain the Premises, office space, or any portion thereof.
- e. At WAW's request, Fresno Fair may at its sole and absolute discretion provide labor and equipment as may be available for maintaining the racetrack and backstretch, which maintenance remains the responsibility of WAW. If such equipment, services, and labor are discretionarily provided at Fresno Fair's discretion it shall be provided at Fresno Fair's established rates. Said rates include the cost of maintenance and repair in connection with normal wear and tear of the equipment. WAW shall be responsible for all other costs of maintenance, repair, or replacement. Any additional equipment, services, or labor shall be paid by WAW at Fresno Fair's standard reimbursable rates. Payment from WAW is due within 30 days of billing from Fresno Fair.

19. Fresno Fair's and WAW's Use and Approvals of Trademarks: The Parties acknowledge and agree that each may use the other's registered trademarks in the promotion of the harness racing

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meets at Fresno Fair. The Parties agree that the trademarks shall not be used for any other purpose without the prior written approval of the other Party.

20. Indemnification and Hold Harmless:

- a. WAW shall indemnify, hold harmless and defend Fresno Fair, the County of Fresno, and the State of California, its officers, agents and employees against any and all claims, suits, actions of every name, kind and description, brought forth from, or on account of, damage to property or injuries to or death of any person, including but not limited to workers or the public, resulting from any activities on the Premises, except for (1) claims arising out of the sole negligence of Fresno Fair, County of Fresno, and the State of California, its officers, agents or employees, and (2) claims arising out of conditions or occurrences with respect to the Premises and adjacent areas occurring or existing prior to the date of this Agreement, which conditions or occurrences do not comply with, or may result in liability under the environmental laws or regulations of any governmental authority.
- b. Fresno Fair and the State of California shall, subject to a \$100,000 cap indemnify, hold harmless, and defend WAW, its officers, agents and employees against any and all claims, suits, actions of every name, kind and description, brought forth from, or on account of, damage to property or injuries to or death of any person, including but not limited to workers and the public, arising out of (1) the sole negligence of Fresno Fair and the State of California, its officers, agents or employees, or (2) any conditions or occurrences with respect to the Premises and adjacent areas existing or occurring prior to the date of this Agreement, which conditions or occurrences do not comply with, or may result in liability under the environmental laws or regulations of any governmental authority.
- c. WAW hereby waives all claims and recourse against Fresno Fair and the State of California including the right to contribution for any loss or damage to persons or property arising from, growing out of, or in any way connected with or incident to this Agreement. The duty of WAW to indemnify and save harmless includes the duties to defend with counsel of Fresno Fair's reasonable choice as set forth in section 2778 of the Civil Code.
- d. WAW waives any and all rights to any type of express or implied indemnity against Fresno Fair and the State of California, its officers or employees.
- e. Notwithstanding any other paragraph herein, Fresno Fair shall not be liable for loss or damage to the property owned, leased, or operated by WAW.

21. Dispute Resolution

- a. Mediation: In the event a dispute or disagreement arises in connection with an interpretation or meaning of a particular term or provision of this Agreement, and such dispute cannot be informally resolved by the parties, the parties agree to formally mediate the dispute prior to initiating litigation before a neutral retired judge. The parties agree to equally share the costs associated with such mediation.

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- b. Arbitration. Any and all disputes or disagreements between WAW and Fresno Fair, including but not limited to disputes about this agreement or its interpretation, shall be solely and exclusively resolved by final and binding arbitration on an individual basis before a neutral retired judge, conducted under the provisions of the Federal Arbitration Act in Fresno, California. The arbitrator shall allow supervised reasonable discovery, shall issue a written decision, with the same remedies as allowed in Court.
- c. Venue in Fresno: The parties to this Agreement agree that any arbitration or action at law or suit in equity, relating to this Agreement or any provision thereof, shall only be instituted and maintained in a state or federal court of competent jurisdiction located in the County of Fresno, State of California. Each party hereto waives the right to change of venue.
- d. In the event of arbitration or litigation that is instituted by one party against the other, the parties agree that, in addition to any other remedies that this Agreement or the law may allow, the prevailing party in such litigation shall recover all reasonable costs, including reasonable attorney's fees.

## 22. Mechanic's Liens

- a. During the Term of this Agreement, WAW (including any of its concessionaires or subcontractors), will not in any way encumber or cloud the title to the Premises including office space, or any part thereof, and will promptly pay and discharge any and all debts contracted by it in reference thereto for labor, material or services or anything connected with or used by it upon said Premises to the end that no liens shall be attached hereto.
- b. Fresno Fair shall have the right to post and keep posted such notices as it may desire in order to protect the Premises, including office space, and any portions thereof against liens. If, nevertheless, any such lien shall be recorded, then WAW shall, within sixty (60) days after notice from Fresno Fair fail to pay, settle or otherwise release such lien, or deposit in escrow with a reputable bank or trust company in California a sum sufficient to satisfy such lien in full in the event of unsuccessful termination of any litigation in connection with such lien and under the terms of which it shall be obligated to pay such lien upon the unsuccessful termination of such litigation, then, upon the failure of WAW to comply with said requirements, Fresno Fair may pay or otherwise dispose of said lien, or defend, settle, or compromise any suit brought to foreclose the same, in its sole discretion, and all amounts so paid by it or any loss sustained by Fresno Fair on that account, including a reasonable amount for its attorney's fees, shall be repaid to Fresno Fair and shall be in addition to any other payments, by way of rental, or otherwise required under the terms of this Agreement. A failure to repay any such sum within thirty (30) days after mailing of bill therefore to WAW shall constitute a material breach of this Agreement.
- c. Prior to the commencement of any alterations, additions or improvements mentioned previously, WAW shall furnish Fresno Fair a surety bond and performance and payment bond of a corporate surety licensed to transact surety business in the State of California and in a form satisfactory to Fresno Fair, with WAW's contractor or contractors as

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principals, in a sum of one hundred percent (100%) of the total contract cost, thereby guaranteeing the completion and payment for all materials, provisions, provender, supplies and equipment used in, upon, for or about the performance of said construction work or labor done thereon of any kind whatsoever and protecting Fresno Fair from any liability, losses or damages arising therefrom.

- d. In lieu of the bonds required above and prior to commencement of any work by WAW, WAW may deposit with Fresno Fair cash in the sum of one hundred percent (100%) of the total contract cost of the improvements mentioned above to guarantee the completion and the payment for all materials, provisions, supplies and equipment used in, upon for, or about the performance of said work or labor done thereon of any kind whatsoever and to protect Fresno Fair from any liability, losses or damages arising therefrom.

23. Termination Prior to Expiration of Term: In addition to the other termination rights provided in this Agreement, Fresno Fair may, at its option, terminate this Agreement upon five (5) days written notice to WAW upon the occurrence of any of the following events:

- a. The California Horse Racing Board revokes, suspends or refuses to grant the WAW's license to conduct racing at Fresno Fair or in California during the Term of this Agreement;
- b. Any of the obligations of WAW provided for by this Agreement are suspended pursuant to action by government agencies or by court order.

Notwithstanding any other termination rights provided within this Agreement, WAW may, at its option, terminate this Agreement upon twelve (12) months written notice to Fresno Fair delivered after the first year of this Agreement. If WAW so terminates this Agreement prior to the expiration of the Term for any reason other than material default by Fresno Fair, WAW shall pay to Fresno Fair a lump sum early termination fee of One Hundred Thousand Dollars (\$100,000). This amount may be offset by Fresno Fair against the \$150,000 deposit described in Section 6 of this Agreement. Any remaining balance shall be due and payable within ten (10) following the effective date of termination. The parties agree that such constitutes liquidates damages and is not a penalty. Additionally, Fresno Fair also has the right to terminate this Agreement at its sole discretion without cause by giving WAW a one-year termination Notice delivered after the first year.

24. Bankruptcy: Unless otherwise barred by federal law, should WAW at any time after the execution of this Agreement file a voluntary petition in bankruptcy or be adjudged bankrupt either upon the voluntary petition or petition of creditors of WAW, or should WAW seek, claim, or apply for any right, privilege, remedy, relief or protection afforded by any statute or statutes of the United States relating to bankruptcy, or should it make an assignment for the benefit of its creditors, or should a receiver be appointed over, or should an attachment be levied and permitted to remain for a period of more than thirty (30) days following the levying of such attachment upon or against any right, privilege to this Agreement, then, and upon the happening of either of said events, all interest, rights and privileges of Fresno Fair, whether then existing or contingent in, to, under, or pursuant to this Agreement, and except such interest, rights and privileges as have been or are subsequently validly assigned by WAW pursuant to the terms,

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covenants and conditions of this Agreement, shall at the sole discretionary option of Fresno Fair cease, terminate and end upon thirty (30) days written notice to WAW from Fresno Fair; provided, however, if said receiver be discharged within thirty (30) days after his appointment, WAW may, at any time within ten (10) days thereafter, notify Fresno Fair thereof and resume the performance of this Agreement, and the same shall thereupon again become in full force and effect.

25. Action by Government Agencies

- a. Except as otherwise provided in this Agreement, WAW agrees, during the Term provided for in this Agreement, to conduct race meetings with pari-mutuel wagering consistent with such dates allocated to WAW by the California Horse Racing Board.
- b. In the event that at any time during the period of this Agreement the federal government or the State of California, or any of their political subdivisions, shall pass any law or take any action that makes it illegal to conduct such racing meetings with pari-mutuel wagering on the premises in any given year or years, then and in that event, WAW shall have the option of terminating this Agreement by giving written notice of such election during the time such prohibition is in force.
- c. Nothing in this paragraph is intended to, and nothing in this paragraph shall be construed to, extend the Term provided for by this Agreement.

26. Destruction of Premises: If the Premises are totally or partially destroyed by fire or other casualty, either Party may terminate this Agreement if the Premises are not usable for racing and cannot be restored to a condition suitable for the use contemplated by this Agreement within sixty (60) days following the event of damage or casualty.

27. Insurance: At all times WAW shall maintain at its own cost and expense at least the following insurance coverages with Fresno Fair as an additional insured:

- a. General Liability Insurance: At all times WAW shall maintain at its own cost and expense commercial general liability insurance coverage with minimum limits of at least \$3,000,000 per occurrence combined single limit for bodily injury and property damage and cover damages for bodily injury, property damage, personal injury liability, and products and completed operations liability. The general liability insurance coverage shall include the following provisions:
- b. Fresno Fair, its agents, officers, directors and employees are made an additional insured but only insofar as the operations under this Agreement are concerned.
- c. Fresno Fair shall not be responsible for the payment of any premiums or assessments on the policy.
- d. WAW shall submit insurance certificates to Fresno Fair for approval by Fresno Fair and by appropriate agencies prior to the commencement of operation on the premises. At least

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thirty (30) days prior to the expiration of any WAW policy, a new insurance certificate with renewal information shall be filed with Fresno Fair. WAW shall furnish Fresno Fair a certified copy of the policy within ten (10) days upon request.

- e. Certificate of Insurance and/or policy must cover for the Term of this Agreement.
- f. In the event WAW fails to keep in effect at all times during the Term of this Agreement the insurance coverage as herein provided, Fresno Fair may, in addition to any other remedies it may have, Terminate this Agreement upon the occurrence of such event.
- g. Workers' Compensation Insurance: WAW certifies that it is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that Code, and WAW affirms to comply with such provisions before commencing the performance of the work of this Agreement. WAW's workers compensation insurance policy shall be endorsed with a waiver of subrogation in favor of Fresno Fair in the event WAW employs any person, in any manner, that is subject to the Workers Compensation Laws of California.
- h. Property Insurance: WAW shall maintain property insurance against all direct physical loss with coverage at least as broad as ISO Special Form Coverage (all-risk) on the buildings, improvements, fixtures, furnishings, equipment and all other personal property, including supplies of the WAW on the premises. Such insurance shall cover the full insurable "replacement" cost.
- i. Any property insurance policy maintained by the WAW under this Agreement shall contain a waiver by the insurer of any right of subrogation against Fresno Fair and its agents, officers, directors, employees and servants which arises or might arise by reason of any payment under such policy or by reason of any act or omission of Fresno Fair, its agents, officers, directors, employees and servants.
- j. Automobile Liability Insurance: At all times WAW shall maintain at its own cost and expense automobile liability insurance coverage with limits not less than \$1,000,000 combined single limit per accident.

28. Force Majeure:

Except as otherwise specifically provided for in this Agreement:

- a. All non-financial obligations shall be suspended while said party is prevented from conducting a race meet as licensed by reason of causes not reasonably within the control of said party, such as riots, war, civil disturbances, major labor disturbances, floods, fires, acts of God or laws, provided, however, that performance shall be resumed within a reasonable time after such cause has been removed. Financial obligations of WAW shall not be superseded.

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- b. This Agreement shall not be terminated by reason of any suspension due to the aforesaid causes.
- c. The Term provided for in this Agreement shall not be extended by virtue of any suspension due to the aforesaid causes.

29. Labor-Management Relations:

- a. During the Term of this Agreement, WAW and Fresno Fair shall cooperate to assure satisfactory labor-management relations.
- b. WAW declares that no more than one contempt finding by a federal court has been issued against it within the preceding two years because of failure to comply with an order of the National Labor Relations Board (Government Code section 14780.5).

30. Waiver:

- a. The exercise of any right, option or privilege existing at law or by virtue of this Agreement by Fresno Fair shall not preclude Fresno Fair from exercising any and all other such rights, options and privileges, and Fresno Fair's failure to exercise any such right, option or privilege shall not be deemed a waiver thereof, nor shall it relieve WAW from its obligations to perform each and every term, covenant, provision and condition on its part to be performed pursuant to the provisions of this Agreement or required by law, nor shall it relieve WAW from damages and other remedies for its failure to perform or meet its obligations to Fresno Fair.
- b. The waiver by Fresno Fair, except as is hereafter provided, of any breach by WAW of any term, covenant, provision or condition of this Agreement by WAW shall not be deemed to be a waiver of any other term, covenant, provision or condition nor any subsequent breach of the same, nor of any other term, covenant, provision or condition of this Agreement. The subsequent acceptance of rent or other performance required by this Agreement by Fresno Fair shall not be deemed to be a waiver of any preceding breach by WAW of any term, covenant, provision, or condition of this Agreement, regardless of Fresno Fair's knowledge of such preceding breach at the time of its acceptance of such rent or performance.
- c. Notwithstanding anything in this paragraph to the contrary, Fresno Fair may waive in writing any term, covenant, provision or condition of this Agreement, or any known breach thereof, and Fresno Fair may waive any of its known rights, options or privileges provided; however, such waiver must be express and not by implication and must also be in writing duly executed by Fresno Fair's Board and delivered to WAW.

31. Notice: Any request, demand or notice required or permitted pursuant to this Agreement to be given to Fresno Fair or to WAW must be in writing and shall be deemed to have been fully given when deposited in the United States mail as registered or certified mail, with postage thereon fully prepaid, addressed to such party, set forth under or opposite its signature to this Agreement. Any written notice given in any other fashion shall be deemed to have been given

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when actually received by the addressee thereof. Nothing herein is intended to alter, change or abrogate any provisions of law provided for the time and method of giving notice with respect to matters covered by any such law. Any party may change its address for the receipt of notices by giving written notice thereof to the other party in the manner herein provided.

32. Miscellaneous:

- a. Gender and headings: As used herein, whenever the context so requires, the neuter gender includes the masculine and the feminine, and the singular includes the plural and vice versa. Defined terms are to have their defined meanings regardless of the grammatical form or number of tenses of such terms. The title headings of the respective paragraphs of this Agreement are inserted for convenience only, and shall not be deemed a part of this Agreement or considered in construing this Agreement.
- b. Covenants: Whenever words or provisions imposing an obligation or duty on either party are used herein, such word or provision shall have the same force and effect as though phrased in the form of express covenants.
- c. Construction: The language in all parts of this Agreement shall in all cases be construed simply and according to its fair meaning and not strictly for or against either of the parties.
- d. Successors and assigns: The terms, provisions, and conditions hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. All rights, options, privileges and obligations of Fresno Fair may be assumed, enforced or performed by any person designed by it or by its successors or assigns.
- e. Definitions of "person": "Person," as used herein, includes any individual, partnership, firm, WAW, corporation or other entity, natural or artificial, including any instrumentality or agency of government.
- f. California Horse Racing Board: Any reference in this Agreement to the California Horse Racing Board shall be deemed to include and refer to any person who is a successor to the powers and obligations of the agency.
- g. Nondiscrimination Clause: During the performance of this Agreement, WAW and all of its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. WAW shall insure that the evaluation and treatment of employees and applicants for employment at WAW and/or its subcontractors are free of such discrimination. WAW and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.),

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the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. WAW shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. WAW and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.) WAW shall be jointly and severally liable for its subcontractors regarding these discrimination issues.

- h. Relationship of parties: This Agreement does not constitute, and the parties hereto do not intend it to create between Fresno Fair and WAW, a partnership or a joint venture, or principal and agent.
- i. Definition of "law": "Law," as used herein, includes all valid laws, statutes, ordinances, rules, orders and regulations promulgated or issued by federal, state, municipal, local and administrative authorities.
- j. Effect of lease on other agencies: No right, option, or privilege herein contained or conferred upon WAW by this Agreement shall be deemed to bind the California Horse Racing Board, or any other agency of the State of California to exercise any discretion imposed upon it by law in any particular manner.
- k. Termination or change by written consent: This Agreement may be modified or amended by written mutual consent of the parties.
- l. Representations not herein contained: This Agreement contains all of the representations, provisions, agreements, understandings and warranties either express or implied and it is understood that no person, employee, agent or representative of Fresno Fair or any instrumentality thereof, has authority to make, and WAW warrants that it is not relying on any written or oral statement, express or implied, except as herein set forth, leading up to or including it to execute or enter into this Agreement.
- m. Definition of "harness racing": "Harness racing" means the form of horse racing in which each horse is "harnessed" to a sulky, carriage, or similar vehicle, as distinguished from the form of horse racing in which each horse participating is mounted by a jockey.

### 33. Taxes

- a. This Agreement may create a possessory interest in public property which is subject to property taxation. WAW shall pay all such taxes and comply with all laws, regulations, and ordinances regarding the collection of taxes due any government agency, and otherwise administer the same. Fresno Fair acknowledges that WAW intends to pursue all legal

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remedies available to it in the event such a tax is levied by a governmental agency against WAW.

- b. WAW agrees to pay all lawful taxes, assessments, or charges which at any time may be levied by the state, county, city or any tax assessment levying body upon any interest in this contract or any possessory right which WAW may have in or to the Premises covered hereby or the improvements thereon by reason of its use or occupancy thereof or otherwise, as well as all taxes, assessments, and charges on goods, merchandise, fixtures, appliances, equipment and property owned by WAW in or about said Premises.
  - c. WAW shall pay and comply with all laws, regulations, and ordinances regarding the collection of taxes due a local government agency and otherwise administer the same.
34. Covenant Against Contingent Fees and Stock Ownership: WAW warrants that no person or selling agency, nor any officer, director, or employee of Fresno Fair has been or will be employed or retained to solicit or secure this Agreement or continue its benefits for WAW, upon any agreement of understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by WAW for the purpose of securing business. For breach of violation of this warranty, Fresno Fair shall have the right to annul this Agreement without liability or in its discretion to deduct from the rental or consideration, or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee.
35. Duration of Public Facilities: By entering into this Agreement, Fresno Fair makes no stipulation as to the types, size, locations or duration of public facilities to be maintained at the Premises, or the continuation of Fresno Fair ownership or operation thereof or of the Fresno Fair grounds.
36. Late Payment Penalty: In the event any payment required herein is not made to Fresno Fair when due, WAW shall pay Fresno Fair a late charge on the unpaid balance at the rate of one and one-half percent (1.5 %) per month (i.e., 18% APR) from and after the due date thereof until the date of payment.
37. Opportunity to Cure: Except as provided in the provision Termination Prior to Expiration of Term, if WAW fails to pay any amount or to perform any of WAW's other obligations under this Agreement, when due or called for under this Agreement, WAW shall be in material default. WAW shall have a period of 5 days after delivery of written notice with respect to any monetary default or any other minor or material breach, and 10 days after delivery of written notice with respect to a non-monetary default, by Fresno Fair specifying the nature of WAW's default within which to cure such default, provided that if the nature of a non-monetary default is such that it cannot be fully cured within said 10-day period, WAW shall have such additional time as may be reasonably necessary to cure such material or minor default so long as WAW proceeds promptly after delivery of Fresno's notice and proceeds diligently at all times to complete said cure. If WAW fails to cure any such default in a timely manner, WAW shall be in material breach of this Agreement and Fresno Fair may (a) terminate this Agreement and WAW's right to possession of the Premises because of such breach; and (b) Fresno Fair recover

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from WAW any unpaid amount which is past due and also all monetary damages proximately caused by such breach.

- 38. Amendment: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement or conduct not incorporated in this Agreement is binding on any of the parties.
- 39. Assignment: This Agreement or any financial interest in this Agreement, including but not limited to, financing agreements, security interest, etc., are not assignable by WAW, either in whole or in part. Notwithstanding the foregoing, Fresno Fair hereby consents to and agrees that the Agreement shall be assignable to Golden Bear Racing, LLC, a Limited Liability Company incorporated in the State of California, upon written notice to Fresno Fair of the assignment by WAW. However, upon such an assignment, WAW shall continue to be financially liable for all tenant obligations under this lease prior to the date of assignment. If WAW assigns this Agreement prior to the expiration of the Term, WAW shall pay to Fresno Fair a lump-sum fee in the amount of Fifty Thousand Dollars (\$50,000). This amount may be offset against the \$150,000 deposit described in Section 6 of this Agreement. Any remaining balance shall be due and payable within ten (10) days following the effective date of termination.
- 40. Disputes: WAW shall continue with the responsibilities under this Agreement during any dispute.
- 41. Governing Law: This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- 42. Unenforceable Provision: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions this Agreement have force and effect and shall not be affected thereby.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures on the date shown below.

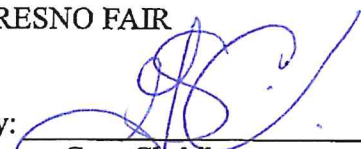
WATCH AND WAGER.COM LLC

FRESNO FAIR

By:

  
Ed Comins


By:

  
Gary Chahil

Name/Title: Managing Member / President

Name/Title: President / Board Chair.

Date:

11/5/2025  


Date:

11/10/2025  
G.C.