STAFF ANALYSIS
DISCUSSION AND ACTION BY THE BOARD ON THE APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING OF NYRABETS, LLC, AN OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB, FOR A PERIOD OF TWO YEARS

Board Meeting
November 18, 2026

ISSUE

NYRAbets, LLC (NYRAbets), an out-of-state multijurisdictional wagering hub, is requesting renewal of its California Horse Racing Board (Board) approval as an advance deposit wagering (ADW) provider for the period of January 1, 2027, through December 31, 2028.

BACKGROUND

Business and Professions Code (BPC) §19604 states that "the board may authorize a racing association, racing fair, betting system, or multijurisdictional wagering hub to conduct advance deposit wagering in accordance with this section."

BPC §19604(b)(1) provides that an approved out-of-state ADW provider may accept wagers from California residents on races conducted by an association or fair if an agreement is executed that allows said wagers, and the appropriate horsemen's organization approves the agreement. Such agreements and horsemen's organization approvals are submitted by the association or fair as part of its race meet application.

BPC §19604(b)(2) provides that an approved out-of-state ADW provider may accept wagers from California residents on races conducted outside of California if there is a hub agreement between the ADW provider and a racing association or fair conducting racing on the breed on which wagering is conducted, or the appropriate horsemen's organization.

ANALYSIS

NYRAbets' current ADW approval is active through December 31, 2026.

Required Information	Status	Comments	Board Rule/Law
Surety Bond	☒ Accepted ☐ Follow-Up Required ☐ Outstanding	Term of $500,000 surety bond is from 06/10/24 to 12/31/28.	Rule 2072(b)
Financial Statements	☒ Accepted ☐ Follow-Up Required ☐ Outstanding		Rule 2072(e)

Required Information	Status	Comments	Board Rule/Law
Profit & Loss Statements for California Operations	☒ Accepted ☐ Follow-Up Required ☐ Outstanding		Rule 2072(e)
Business Plan	☒ Accepted ☐ Follow-Up Required ☐ Outstanding		Rule 2072(e)
Plan of Operation	☒ Accepted ☐ Follow-Up Required ☐ Outstanding		Rule 2073
Security Access Policy	☒ Accepted ☐ Follow-Up Required ☐ Outstanding		Rule 2072(c)
Hub Agreements	☒ Accepted ☒ Follow-Up Required ☐ Outstanding	Thoroughbred: exp. 12/31/27 Quarter Horse: exp. 12/31/28 Agreements not required for approval of application.	BPC § 19604(b)(2)(B)
Other – Management Personnel Licenses	☒ Accepted ☒ Follow-Up Required ☐ Outstanding	Occupational license(s) must be obtained/renewed prior to and/or renewed during the term of the proposed approval.	Rule 1481(b)(6)
Other – Officers and Directors Licenses	☒ Accepted ☒ Follow-Up Required ☐ Outstanding	Occupational license(s) must be obtained/renewed prior to and/or renewed during the term of the proposed approval.	Rule 1481(b)(2)
Other – Totalizator Contract	☒ Accepted ☐ Follow-Up Required ☐ Outstanding	Agreement with United Tote Company expires 09/01/33.	

RECOMMENDATION

Staff recommends the Board approve the application as submitted.

NYRABETS, LLC

501 Franklin Ave, Suite 218
Garden City, New York 11530
Tel: (516) 240-5795
www.nyrabets.com

September 14, 2026

SENT VIA EMAIL

California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, California 95825
Tel: (916) 274-6043

RE: ***Alternate Selections for Advance Deposit Wagers***

Dear Members of the Board:

On behalf of NYRAbets, LLC ("NYRA Bets"), this letter is to provide a status update regarding NYRA Bets' functionality to offer alternate selections for advance deposit wagers placed by its California customers.

As indicated in NYRA Bets, February 14, 2025 email to Rick Pimentel, beta testing began on February 25, 2025. Following successful testing, NYRA Bets implemented the alternate selection functionality on March 4, 2025. The functionality has remained available to California customers since that date.

Feel free to contact me if you have any questions or require any additional information.

Sincerely,

Melanie Sims Frank
VP, Deputy General Counsel, NYRAbets, LLC

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

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions 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. **See Exhibit A**

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

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

NYRAbets, LLC
501 Franklin Ave, S 218
Garden City, New York
11417 Tel: (844) 697-2238

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.

Name and title	Racing Jurisdiction Where Licensed	License Number	Responsible for California Operations
Antoine Allevato, President	CA, OR, PA, IN, CO, CT, NY, ME	See Exhibit 1(B)	[X] Yes [ ] No
Joi Garner, Secretary,	CA, OR, PA, IN, CO, NY, ME	See Exhibit 1(B)	[ ] Yes [X] No
Renee Postel, Treasurer	CA, OR, PA, IN, CO, NY, ME	See Exhibit 1(B)	[ ] Yes [X] No
David O'Rourke, Director	CA, OR, PA, IN, CO, CT, NY , ME	See Exhibit 1(B)	[ ] Yes [X] No
Michael Mulvihill,Director	CA, PA, IN, CO, ME	See Exhibit 1(B)	[ ] Yes [X] No
			[ ] Yes [ ] No
			[ ] Yes [ ] No
			[ ] Yes [ ] No

C. Name, title and mailing address of the California agent for receipt of service of process:
National Registered Agents, Inc.
2875 Michelle Drive, Suite 100 Irvine, CA 92606-1024

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. **See Exhibit 1(D), Tabs 1-4**

CHRB CERTIFICATION

Application received: **Hearing date:**
Reviewed: **Approval date**

2. DATES OF OPERATION

A. Dates Advance Deposit Wagering will be conducted:

January 1, 2027 - December 31, 2028

B. Hours Advance Deposit Wagering will be conducted:

See Exhibit 5(A) Section 2.3

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: N/A

2. State where incorporated: N/A

3. Registry or file number for the corporation: N/A

4. Name and CHRB license number of all officers and directors. Include titles, and the number of shares of the corporation held by each:

N/A

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):

N/A

6. Number of outstanding shares in the corporation: N/A

7. Are the shares listed for public trading? ☐ Yes ☒ No
If yes, on what exchange and how is the stock listed:
N/A

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
N/A

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:
N/A

10. Attach the prior two years' annual financial statements for the corporation, including balance sheets and profit and loss statements, and a copy of all reports issued during the preceding 24 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation. N/A

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. N/A

12. 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. N/A

C. LLC

1. Registered name of the LLC: NYRAbets, LLC

2. State where articles of organization are filed: Delaware

3. Registry or file number for the LLC: 5972318

4. Name and CHRB license number of all officers and directors. Include titles, and the number of shares of the LLC held by each:
See Exhibit 3(C)(4)

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.):
Newco Ventures, LLC - 75%
FSG Services, LLC - 25%

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:
See Exhibit 3(C) 7

8 Attach the prior two years' annual financial statements for the LLC, including balance sheets and profit and loss statements, and a copy of all reports issued during the preceding 24 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
See Exhibit 3(C)(8)

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.
See Exhibit 3(C)(9)

10. 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.
See Exhibit 3(C)(10)

D. OTHER

1. Name(s) of partners/sole proprietor: **N/A**

2 If a partnership, attach partnership agreement. **N/A**

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. **N/A**

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. N/A

5. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
N/A

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. N/A

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

A. List the procedures to establish an Account:
See Exhibit 5(A) Section 3

B. If an application form is used to establish an Account attach a copy of the form.
See Exhibit 4(B)

C. Name and address of the third party you will use to verify identity, residence and age verification:
LexisNexis
230 Park Avenue, New York, New York 10017

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

A. Submit a copy of your plan for operation. See Exhibit 5(A)

B. List the type of deposits you will accept:
See Exhibt 5(A) Section 4.2.1

C. Identify any fees or transaction-related charges and the amount that will be assessed:
See Exhibit 5(A) Section 4.4

6. SECURITY ACCESS

A. Attach your security access policy and safeguards pursuant to 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:
See Exhibit 5(A) Section 3.3

2. Description of the technology to ensure confidentiality of the Means of Personal Identification:
See Exhibit 5(A) Section 6.1

3. Methods and locations available for Account Holders to withdraw funds from their Account:
See Exhibit 5(A) Section 4.2.2

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:
TierPoint - Tel: (914) 592-8282 - Open 24 hours
11 Skyline Drive, Hawthorne, New York 10532

7. PARI-MUTUEL

A. Name, address and telephone number of the pari-mutuel audit firm
KPMG LLP Tel: (631) 425-6510
1305 Walt Whitman Road, Melville, New York 11747

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:
United Tote Company
600 North Hurstbourne Parkway, Suite 400, Louisville KY 40222
Contract Expiration Date: 09/01/2033

C List the locations of the racing venues on which Advance Deposit Wagering will be accepted:
See Exhibit 7(C)

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:

See Exhibit 8(A)

B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

N/A

9. ADVERTISING

Name and address of the advertising agency you will use:

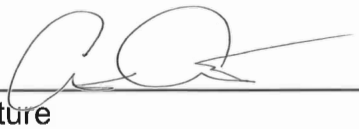
Ed Lewis Associates 472 Albany Shaker Road Loudonville, NY 12211 **and** **Allied Global Marketing 233 Broadway New York, NY 10279**

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 Business and Professions Code 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 the foregoing statements in this Application are true and correct, and that I am authorized to attest to this Application.

Antoine Allevato
Print Name


Signature

President
Print Title

9/10/26
Date