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Commissioners

JUDITH A. NASON
Executive Director

ORDER

IN THE MATTER OF THE TRANSFER OF THE LICENSE TO OPERATE AN OFF-TRACK WAGERING FACILITY IN HILLSBOROUGH, NEW JERSEY FOR JANUARY 1, 2024 THROUGH DECEMBER 31, 2024 FROM THE NEW JERSEY THOROUGHBRED HORSEMEN'S ASSOCIATION, INC. TO DARBY DEVELOPMENT, LLC

WHEREAS, the New Jersey Racing Commission ("Commission") on June 9, 2015, received an application from the New Jersey Thoroughbred Horsemen's Association, Inc. ("NJTHA") to acquire an initial off-track wagering license for a facility in Hillsborough, New Jersey and to utilize Darby Development, LLC ("Darby") to manage, oversee and provide for the day-to-day operations in connection with the Hillsborough off-track wagering facility;

WHEREAS, on July 22, 2015, the Commission acted favorably on the NJTHA application and authorized it to assume operation and control of the off-track wagering facility located in Hillsborough pursuant to an assignment by the New Jersey Sports and Exposition Authority to the NJTHA of said license subject to the conditions contained in the Order, dated September 21, 2015; and the Commission has approved the renewal of the off-track wagering license for each year thereafter;

WHEREAS, NJTHA filed an application with the Commission pursuant to N.J.A.C. 13:74-2.3 seeking the renewal of its off-track wagering license for calendar year 2024;



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WHEREAS, the Commission considered this matter at its public meeting on November 15, 2023 and the Commission found at such time that the NJTHA continued to meet all legal requirements set forth in the Off-Track and Account Wagering Act ("Act"), the NJTHA continued to meet all legal requirements set forth in the rules of the Commission, inclusive of N.J.A.C. 13:74-2.3, and the NJTHA was in substantial compliance with the conditions and terms imposed upon it for it to hold a license to operate an off-track wagering facility in Hillsborough, New Jersey;

WHEREAS, the Commission ordered that the license held by NJTHA authorizing it to operate an off-track wagering facility in Hillsborough, New Jersey shall be renewed for January 1, 2024 through December 31, 2024 subject to the conditions set forth in Schedule A of the Order, dated December 6, 2023;

WHEREAS, the Attorney General approved the renewal of the off-track wagering license on December 12, 2023;

WHEREAS, the Commission issued a renewal off-track wagering license to the NJTHA on December 20, 2023, subject to the terms and conditions of the Order, dated December 6, 2023;

WHEREAS, on February 29, 2024, Christina Vassiliou Harvey, Esq. filed a Joint Petition on behalf of the NJTHA and Darby seeking approval of the transfer from the NJTHA to Darby of the license for the off-track wagering facility in Hillsborough;

WHEREAS, the Commission considered this matter at its special public meeting on April 24, 2024;

AND THE COMMISSION FINDING THAT Darby has established, by clear and convincing evidence, that it, its officers and its employees, who have been managing the off-track wagering facility in Hillsborough on behalf of the NJTHA since 2015, are qualified in all aspects to hold this license;

AND THE COMMISSION FINDING THAT Darby has established, by clear and convincing evidence, that the transfer of the permits will not be inimical to the best interests of the public and the horse racing industry in this State;

AND THE COMMISSION FINDING THAT the requirements of the Act and N.J.A.C. 13:74-1.1 et seq. have been met:

IT IS THEREFORE ORDERED THAT the Commission approves the transfer of the 2024 off-track wagering license for the Hillsborough facility from the NJTHA to Darby subject to the conditions set forth in Schedule A, which is attached to this Order and incorporated herein.

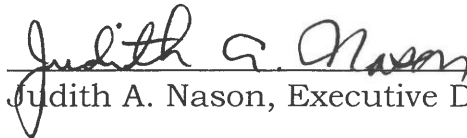
IT IS FURTHER ORDERED THAT the determinations related to the off-track wagering license, as set forth in this Order, are subject to the review and approval of the Attorney General pursuant to N.J.A.C. 13:74-4.1.

IT IS FURTHER ORDERED THAT, subject to the review and approval of the Attorney General, the Executive Director shall cause a renewal license to issue to Darby for its operation of the off-track wagering facility consistent with the terms and conditions of this Order.

IT IS FURTHER ORDERED THAT all simulcasting approvals the Commission granted to the NJTHA for 2024 at its November 15, 2023 meeting related to this off-track wagering facility are transferred to Darby.

This Order memorializes the action taken by the Commission at its special public meeting of April 24, 2024.

NEW JERSEY RACING COMMISSION

By: _____
Judith A. Nason, Executive Director

Dated: May 10, 2024

Schedule A - Conditions

- 1) The Commission's determination to transfer the renewal license from the NJTHA to Darby is subject to the review and approval of the Attorney General as required by N.J.S.A. 5:5-133 and N.J.A.C. 13:74-4.1.
- 2) The transfer of the license is subject to and conditioned upon the issuance of a written off-track wagering license following the approval of the Attorney General.
- 3) The transfer of the license shall be subject to the approval of any other state or federal governmental agency necessary to the operation of the off-track wagering facility.
- 4) All individuals employed at the off-track wagering facility and any persons, regardless of location, who are responsible for the supervision or oversight of any aspect of the off-track wagering facility shall be required to take out the appropriate license from the Commission pursuant to N.J.A.C. 13:74-5.1.
- 5) All vendors of the off-track wagering facility shall be licensed by the Commission unless an exemption is granted pursuant to N.J.A.C. 13:74-5.1(f) through (i).
- 6) The off-track wagering licensee shall cause to be implemented testing of all new equipment and software associated with the off-track wagering facility and related totalisator system as well as all equipment on the premises of the facility which can impact the public's safety or well-being. Prior to the use of such equipment and software, the off-track wagering licensee shall provide the Commission with written evidence that such testing has been successfully accomplished.
- 7) The off-track wagering licensee shall receive all live races that are offered and transmitted by in-State sending tracks approved by the Commission. Where the off-track wagering licensee offers a wagering opportunity on a race from an approved in-State sending or host track or from an approved out-of-state sending or host track, each patron of the off-track wagering facility shall be offered the same wagering opportunity on that race.
- 8) Agreements between the off-track wagering licensee and a sending track shall be in writing and shall be filed with the Commission.
- 9) The off-track wagering licensee, unless the Commission approves otherwise, shall use the same hub facility as the account wagering licensee as required by N.J.A.C. 13:74-8.1. Global Tote US, LLC, formerly known as Sportech Racing, LLC ("Global"), as the presently licensed operator of said hub facility, shall continue to comply with all previous requirements imposed upon

it by the Commission. The Commission reserves the right to impose additional conditions upon Global and any other licensed hub facility where necessary to effectuate the purposes of the Act and the Commission's rules.

10) The off-track wagering facility shall continue to maintain in good working order security and surveillance equipment in public and non-public areas to enhance safety, the integrity of wagering and the integrity of the proceeds from wagering. The money room at the off-track wagering facility, established pursuant to N.J.A.C. 13:74-6.11, shall include closed circuit television equipment.

11) The Commission, its agents and representatives, in furtherance of its regulatory responsibilities, shall have unrestricted access to the off-track wagering facility.

12) The off-track wagering licensee shall, in furtherance of the Commission's regulatory responsibilities and unless otherwise directed by the Commission, provide the Commission with two suitable designated parking spaces.

13) The off-track wagering licensee shall, in a timely fashion, satisfy its obligations for racing costs as set forth in N.J.A.C. 13:74-10.1.

14) The off-track wagering licensee shall comply with all representations made in its application for a license to the Commission, including those within its internal control procedures. Any amendments to the off-track wagering licensee's internal control procedures shall be submitted to the Commission's Executive Director for approval prior to their implementation.

15) The off-track wagering licensee shall, within twenty-four hours of such occurrence, notify the Commission in writing, on a form to be provided by the Commission, of any technological or non-technological occurrence not delegated to the totalisator operator which has disrupted or negatively impacted the ability of the off-track wagering licensee to continually offer wagering to the public or which has temporarily or permanently negatively impacted the integrity of any aspect of the off-track wagering infrastructure. Where delegated to the totalisator operator, the totalisator operator shall submit such writing within twenty-four hours of the occurrence to the Commission.

16) The off-track wagering license may not be transferred or assigned to a successor in interest absent the prior approval of the Commission and Attorney General.

17) The off-track wagering licensee shall comply with the Act, the rules of the Commission, any directives or orders of the Commission, these conditions and any additional state or federal laws that may be applicable.

18) The issuance of a renewal license to the off-track wagering licensee shall not constitute precedent in terms of any other application that the licensee or any affiliate may file with the Commission for the issuance of a license.

19) The Commission reserves the right and ability, consistent with its broad regulatory authority, to impose additional conditions upon the off-track wagering licensee where necessary to effectuate the purposes of the Act and the Commission's rules.

20) The off-track wagering licensee shall file a fully completed renewal application for 2025 with the Commission on or before October 15, 2024.