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Governor

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Lt. Governor

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OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF LAW AND PUBLIC SAFETY
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Commissioners

FRANCESCO ZANZUCCI
Executive Director

ORDER

IN THE MATTER OF THE APPLICATION OF THE NEW JERSEY THOROUGHBRED HORSEMEN'S ASSOCIATION, INC. TO RENEW ITS OFF-TRACK WAGERING LICENSE TO OPERATE AN OFF-TRACK WAGERING FACILITY IN WOODBRIDGE TOWNSHIP, NEW JERSEY FOR THE PERIOD JANUARY 1, 2016 THROUGH DECEMBER 31, 2016

WHEREAS, the New Jersey Racing Commission ("Racing Commission") on February 29, 2012, received applications from the New Jersey Thoroughbred Horsemen's Association, Inc. ("NJTHA") to, among other things, acquire the license for the Woodbridge Township off-track wagering facility; and to utilize Darby Development, LLC to manage, oversee and provide for the day-to-day operations in connection with the Woodbridge Township off-track wagering facility.

WHEREAS, on May 3, 2012, the Racing Commission acted favorably on the NJTHA application and authorized it to assume operation and control of Favorites at Woodbridge Township, 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 Racing Commission Order dated May 9, 2012.

WHEREAS, the NJTHA has filed an application with the Racing Commission pursuant to N.J.A.C. 13:74-2.3, seeking the renewal of the said off-track wagering license for calendar year 2016;

WHEREAS, the Racing Commission considered this matter at its public meeting on November 18, 2015;



WHEREAS, the Racing Commission did find at such time that the NJTHA continues to meet all legal requirements set forth in the "Off-Track and Account Wagering Act" ("Act"), that the applicant continues to meet all legal requirements set forth in the rules of the Racing Commission ("Chapter 74"), inclusive of N.J.A.C. 13:74-2.3, and that the applicant is in substantial compliance with the conditions and terms imposed upon it, for it to hold an off-track wagering license to operate the said off-track wagering facility;

IT IS THEREFORE ORDERED THAT the license presently held by the NJTHA, to operate the said off-track wagering facility, shall be renewed for the period January 1, 2016, through December 31, 2016, subject to the conditions set forth in Schedule A which is attached to this Order and incorporated herein;

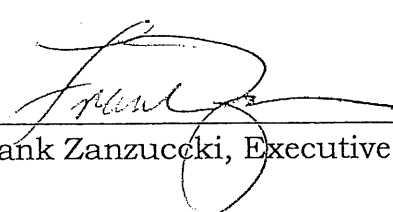
IT IS FURTHER ORDERED THAT the determinations, as set forth in this Order, are subject to the review and approval of Acting Attorney General John J. Hoffman, pursuant to N.J.A.C. 13:74-2.3(j);

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

This Order memorializes the action taken by the Racing Commission at its public meeting of November 18, 2015.

NEW JERSEY RACING COMMISSION

By:



Frank Zanzuccki, Executive Director

Dated: December 2, 2015

SCHEDULE A - CONDITIONS APPLICABLE TO THE VINELAND CITY, TOMS RIVER TOWNSHIP, WOODBRIDGE TOWNSHIP, BAYONNE CITY, AND GLOUCESTER TOWNSHIP OFF-TRACK WAGERING FACILITIES - 2016 CALENDER YEAR LICENSE RENEWAL

- 1) 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 pursuant to N.J.A.C. 13:74-5.1 be required to take out the appropriate license from the Racing Commission;
- 2) All vendors of the off-track wagering facility shall be licensed by the Racing Commission, unless an exemption is granted pursuant to N.J.A.C. 13:74-5.1(f) through (i);
- 3) The off-track wagering licensee shall cause to be implemented testing of all new equipment and new software associated with the off-track wagering system, as well as all new equipment on the premises of the facility which can impact the public's safety or well-being. Prior to utilization of any such new equipment and new software, the off-track wagering licensee shall provide the Racing Commission with a writing evidencing that such testing has been successfully accomplished;
- 4) The off-track wagering licensee shall receive all live races that are offered and transmitted by in-State sending tracks approved by the Racing 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;
- 5) Agreements between the off-track wagering licensee and a sending track shall be in writing and shall be filed with the Racing Commission;
- 6) The off-track wagering licensee, unless the Racing 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. Sportech Racing, LLC (hereinafter "Sportech"), as the present operator of said hub facility, shall comply with all previous requirements imposed upon it by the Racing Commission. The Racing Commission reserves the right to impose additional conditions upon Sportech where necessary to effectuate the purposes of the Act and Chapter 74;

- 7) The off-track wagering licensee shall comply with all laws and regulations applicable to its maintenance of any liquor license;
- 8) 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, 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 continue to include closed circuit television equipment;
- 9) The Racing Commission, its agents and representatives, in furtherance of its regulatory responsibilities, shall have unrestricted access to the off-track wagering facility;
- 10) The off-track wagering licensee shall, in furtherance of the Racing Commission's regulatory responsibilities, continue to provide the Commission with two suitable designated parking spaces;
- 11) 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;
- 12) The off-track wagering licensee shall comply with all representations made in its application for a license to the Racing Commission, including those within its internal control procedures. Any amendments to the off-track wagering licensee's internal control procedures, prior to implementation thereof, shall be submitted to the Racing Commission Executive Director for approval;
- 13) The off-track wagering licensee shall (within twenty-four hours of such occurrence), notify the Racing Commission in writing, on a form provided by the Racing 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. Sportech shall submit such writing within twenty-four hours of the occurrence to the Racing Commission;

- 14) The off-track wagering license may not be transferred or assigned to a successor in interest absent the prior approval of the Racing Commission and Attorney General;
- 15) The off-track wagering licensee shall comply with the Act, the rules of the Racing Commission, any directives or orders of the Racing Commission, and any additional laws that may be applicable to it;
- 16) The issuance of an off-track wagering license to the off-track wagering licensee, as a result of its application, shall not constitute precedent in terms of any other application that the off-track wagering licensee or any affiliate may file with the Racing Commission for the issuance to it of an off-track wagering license;
- 17) The off-track wagering license shall comply with any additional or special conditions which may have been imposed upon it at the time of its initial license grant, or subsequent thereto, which conditions have not affirmatively been removed (or lapsed by the terms thereof);
- 18) The off-track wagering license renewal application for 2017 must be filed in a complete fashion on or before October 15, 2016;
- 19) The determination of the Racing Commission, to grant the renewal license, 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. 13:74-2.3(j);
- 20) The license renewal grant is subject to and conditioned upon the issuance of a written off-track wagering license following the approval of the Attorney General as required by the Act and Chapter 74; and
- 21) The Racing 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 Chapter 74.