

N.J.R.C. USE ONLY			
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ID NO.:			

**ACCOUNT WAGERING LICENSE
APPLICATION**

NEW JERSEY RACING
COMMISSION
P.O. BOX 088
TRENTON, NJ 08625-0088
609-292-0613

N.J.R.C. USE ONLY	
RCPT. DATE	OPER
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The New Jersey Racing Commission (hereinafter “Commission”), pursuant to N.J.S.A. 5:5-127 et seq., known as the “Off-Track and Account Wagering Act” (hereinafter “Act”), has the full power to prescribe rules, regulations and conditions under which an account wagering license is issued in this State and to revoke, suspend or refuse to renew a license if in the opinion of the Commission the revocation of, suspension of or refusal to renew such license is in the public interest.

Pursuant to the powers vested in it by the Act, the Commission has promulgated regulations governing the conduct of account wagering in this State, which appear at N.J.A.C. 13:74 et. seq. In accordance with the Act and N.J.A.C. 13:74-3.1(a), the Commission has prescribed the within “account wagering license application” to be completed by the New Jersey Sports and Exposition Authority and filed with the Commission. Upon the filing of this completed application, the Commission shall consider such application pursuant to the procedure set forth in N.J.A.C. 13:74-3.1(g)-(i) in the case of an initial application, and pursuant to the procedure set forth in N.J.A.C. 13:74-3.2(e)-(g) in the case of a renewal application.

Any account wagering license issued to the Authority shall specify the effective dates of the license, the methods of account wagering authorized by the license, and such other terms or conditions which may be imposed by the Commission in accordance with the Act and N.J.A.C. 13:74-3.1(j) or 3.2(g), as appropriate.

Pursuant to the Act, the undersigned New Jersey Sports and Exposition Authority (hereinafter “Authority” or “Applicant”), as created by section 4 of P.L. 1971, c.137 (C.5:10-4), hereby makes application for an account wagering license, as designated immediately below, to the Commission:

- Initial Application, which application is accompanied by a non-refundable filing fee of \$7,500. [see N.J.A.C. 13:74-3.1(a)].
- Renewal Application, which application is accompanied by a non-refundable filing fee of \$5,000 and is to be filed with the Commission by October 15 of the year preceding the year for which the license renewal is sought [see N.J.A.C. 13:74-3.2(c)].

In making this application, the Authority acknowledges that it is required to provide full and complete answers and disclosures to all questions asked, and that any license granted to it by the Commission is predicated upon the accuracy and completeness of the information provided in this application.

If the space allotted within this application is not sufficient to provide an accurate and complete answer, or where the submission of an attachment is specifically required, the applicant shall attach such additional pages as are necessary and complete the response thereupon. Where the applicant elects to furnish an attachment to this application in response to any question, the applicant shall insert the phrase “see attached” in the answer space on this application form. In all cases, the applicant shall label the attachment page with the corresponding question number within this application.

- 1) Set forth the full and proper name of the applicant?

- 2) Set forth the principal address of the applicant?

- 3) Set forth the principal telephone number of the applicant?

- 4) Provide the name, address and telephone number of the natural person who is authorized to accept service of process on behalf of the applicant?

- 5) Is the Authority in compliance with the minimum live race date prerequisites of the Act, as required by N.J.A.C. 13:74-3.1(b)1?

Yes _____ No _____

6) Attach to this application a copy of a fully executed participation agreement which the Authority has entered into with all parties (or successors in interest) that held a valid race permit in 2000 consisting of an aggregate 40 live dates, as required by N.J.A.C. 13:74-3.1(b)2. Is such participation agreement attached?

Yes _____ No _____

If yes, please answer the following additional question:

a) List the parties to the participation agreement (with the exception of the Authority), the principal address of each, and the principal telephone number of each?

7) Provide the name, address and telephone number of the natural person who is authorized to accept service of process on behalf of each party to the

participation agreement (with the exception of the Authority)?

- 8) Without incorporating the participation agreement by reference in your response, attach an addendum to this application explaining, as required by N.J.A.C. 13:74-3.1(c), the Authority’s participatory role in the proposed account wagering system and the participatory role of persons other than the Authority in the proposed account wagering system. Is such an addendum attached?
- Yes ____ No ____
- 9) Without incorporating the participation agreement by reference in your response, attach an addendum to this application, as required by N.J.A.C. 13:74-3.1(c)4-5, describing the intended account wagering operating system including: the methods by which account wagers are proposed to be taken (e.g., telephone, computer, “tiny tim machines” at racetracks, “self-activated machines” at racetracks, dedicated/non-dedicated pari-mutuel windows at racetracks, dedicated/non-dedicated pari-mutuel windows at off-track wagering facilities, etc.); and the proposed maximum hours of operation during which wagers are to be taken by each such method. Is such an addendum attached?
- Yes ____ No ____
- 10) Attach as an addendum to this application a copy of Authority’s internal control procedures regarding the proposed account wagering system, as required by N.J.A.C. 13:74-3.1(d) and (h). Is such an addendum attached?

Yes _____ No _____

If yes, indicate whether the internal control procedures include the following:

- a) Procedures to be implemented to effectively operate and manage the racing and parimutuel aspects of the account wagering system [see N.J.A.C. 13:74-3.1(d)]?

Yes _____ No _____

- b) Procedures to be implemented to effectively maintain the integrity of wagering and the proceeds from wagering associated with the account wagering system [see N.J.A.C. 13:74-3.1(d)]?

Yes _____ No _____

- c) A procedure to foster and insure that the account wagering licensee complies with the requirement of the Act creating a right of first refusal as to certain individuals for certain employment opportunities associated with the account wagering system [see N.J.A.C. 13:74-3.1(d)]?

Yes _____ No _____

- d) A procedure describing the manner in which a confidential personal account number shall be designated for the wagering account established on behalf of an account holder [see N.J.A.C. 13:74-7.3(a)]?

Yes _____ No _____

- e) A procedure describing the manner in which an account holder may make deposits to his or her account [see N.J.A.C. 13:74-7.4(a)]?

Yes _____ No _____

- f) A procedure describing the maximum amount which an account holder may deposit to his or her wagering account by credit card or cards [see N.J.A.C. 13:74-7.4(b)]?

Yes _____ No _____

- g) A procedure relating to the prompt crediting of winnings to a wagering account from wagers placed with funds in the respective wagering account [see N.J.A.C. 13:74-7.4(c)].

Yes _____ No _____

- h) A procedure relating to the prompt debiting from a wagering account of wagers placed with funds in the respective wagering account [see N.J.A.C. 13:74-7.5(a)]?

Yes _____ No _____

- i) A procedure concerning the withdrawal of funds from or debiting of a wagering account upon the proper request of an account holder to withdraw funds therein [see N.J.A.C. 13:74-7.5(b) and (c)]?

Yes _____ No _____

- j) A procedure concerning the ability of an account holder to amend his or her account wagering application to reflect a new residence address in this State [see N.J.A.C. 13:74-7.5(c)]?

Yes _____ No _____

- k) A procedure concerning the opportunity for the account holder to review and finalize a wager before it is accepted by the account wagering licensee, and the method of recordation of the wager finalization process [see N.J.A.C. 13:74-7.6(b)]?

Yes _____ No _____

- l) A procedure concerning the receipt and processing of wagers placed by telephone from account holders through live operators and/or through an automated telephone wagering system [see N.J.A.C. 13:74-7.8(a)1]?

Yes _____ No _____

- m) A procedure concerning the processing of all applications for wagering accounts [see N.J.A.C. 13:74-7.8]?

Yes _____ No _____

- n) A procedure concerning the maintenance of all existing wagering accounts [see N.J.A.C. 13:74-7.8(4)]?
Yes _____ No _____
- o) A procedure addressing dormant accounts [see N.J.A.C. 13:74-7.15]?
Yes _____ No _____
- p) A procedure concerning the ability of an account holder to be provided with a statement of account [see N.J.A.C. 13:74-7.16(e)]?
Yes _____ No _____
- q) A procedure relating to the method by which an account holder may dispute a transaction [see N.J.A.C. 13:74-7.16(e)(f)]?
Yes _____ No _____
- r) A procedure concerning records retention consistent with N.J.A.C. 13:74-7.16(f)?
Yes _____ No _____
- s) A procedure concerning the allocation of interest earned in connection with wagering accounts [see N.J.A.C. 13:74-7.4 (b)]?
Yes _____ No _____
- t) A procedure to be utilized in appropriate circumstances to declare the account wagering system closed for receiving wagers on any race, or closed for all wagering [see N.J.A.C. 13:74-7.7]?
Yes _____ No _____
- u) A procedure concerning the processing of all applications for wagering accounts [see N.J.A.C. 13:74-7.8(a)3]?
Yes _____ No _____

N.J.A.C. 13:74-7.8 requires that the phone bank facility exclusively

perform this function unless another location is approved for such purpose by the Commission. As part of this application, is the Authority seeking the Commission's approval to utilize another location within this State for such purpose?

Yes _____ No _____

If yes, please explain below:

- v) A procedure concerning the conduct of administrative matters relating to the maintenance of wagering accounts [see N.J.A.C. 13:74-7.8(a)4]?

Yes _____ No _____

N.J.A.C. 13:74-7.8 requires that the phone bank facility exclusively perform these functions unless another location is approved for such purpose by the Commission. As part of this application, is the Authority seeking the Commission's approval to utilize another location within this State for such purpose?

Yes _____ No _____

If yes, please explain below:

- w) A procedure concerning how the Authority may accept account wagers from account holders through a closed loop system [see N.J.A.C. 13:74-7.10]?

Yes _____ No _____

- 11) Has the Authority entered into a contract or agreement to assign or transfer any account wagering license, which may be issued to the Authority by the Racing Commission as a result of the within application, to a successor in interest?

Yes _____ No _____

If yes, answer the following additional question:

- a) As part of this application, is the Authority seeking the regulatory approvals required by N.J.A.C. 13:74-4.1 as a condition precedent to such assignment or transfer?

Yes _____ No _____

- 12) Does the Authority intend to enter into a contract or agreement with a person or entity to conduct or operate an account wagering system or facility for it, and for such person or entity to act as its agent in off-track wagering matters approved by the Commission, as set forth in N.J.A.C. 13:74-4.2?

Yes _____ No _____

If yes, answer the following additional question:

- a) As part of this application, is the Authority seeking the regulatory approvals required by N.J.A.C. 13:74-4.2 as a condition precedent to entering into such a written contract or written agreement?

Yes _____ No _____

- 13) Has the applicant developed an account wagering application form to be completed by prospective account holders, as required by N.J.A.C. 13:74-7.1(b)?

Yes _____ No _____

If yes, answer the following additional question:

- a) As part of this application, is the applicant seeking Commission approval of the account wagering application form, as required by N.J.A.C. 13:74-7.1(b)?

Yes _____ No _____

- 14) Indicate the locations in this State (by checking the appropriate spaces), as authorized by N.J.A.C. 13:74-7.1, at which the applicant intends to accept an application from an applicant for a wagering account?

Phone Bank _____

Premises of the account wagering licensee or its agent _____

Premises of an off-track wagering facility _____

Premises of a racetrack facility _____

- a) As part of this application, is the applicant seeking Commission approval to accept account wagering applications at an additional location or locations in this State consistent with N.J.A.C. 13:74-7.1(b)5?

Yes _____ No _____

If yes, identify the additional location or locations below:

- b) Attach to this application a description for each location identified in the entire answer to this question (14, 14a), indicating whether account wagering applications will be accepted at each such location by mail in-person, etc. Is such a description attached?

Yes _____ No _____

- 15) Does the applicant intend to establish a single phone bank or more than one phone bank, as defined in N.J.A.C. 13:74-1.1, in this State?

One phone bank _____ More than one phone bank _____

If more than one, answer each of the following additional questions (a-c):

- a) As part of this application, and pursuant to N.J.A.C. 13:74-7.8(b), is the applicant seeking approval of the Commission to establish more than one phone bank facility in this State?

Yes _____ No _____

- b) Indicate how many phone banks the Authority proposes to establish?

- c) Explain below why the applicant proposes to establish more than a single phone bank?

- 16) If more than one phone bank is proposed, in lieu of answering question 17, answer “yes” to this question (16) as appropriate and attach to this application a narrative addressing each of the subject matters set forth in question 17 as to each proposed phone bank facility, also explaining any interrelationship between or differences in respective functions amongst such facilities. If the Authority proposes to establish one phone bank, answer “no” to this question as appropriate and then answer question #17. Is such a narrative attached?

Yes _____ No _____

- 17) Set forth the location of the phone bank facility proposed to be utilized in connection with the account wagering system, as required by N.J.A.C. 13:74-3.1(c)3, and attach a physical plan schematic for the phone bank facility?

Address: _____

County: _____

Is a physical plan schematic attached for the phone bank facility?

Yes _____ No _____

- a) Identify the owner of the premises where the phone bank facility is to be located. If not owned by the Authority, identify the instrument under which the Authority will conduct business at the premises (e.g., lease agreement)?

- b) Are any governmental approvals, aside from the approval of the Racing Commission, necessary for the phone bank to be situated at such location?

Yes _____ No _____

If yes, explain the nature of those required governmental approvals with regard to the proposed phone facility and whether or not each has been accomplished?

- c) Will the phone bank receive and process wagers placed by telephone through an automated telephone wagering system?

Yes _____ No _____

If yes, will the phone bank receive and process all such wagers placed by telephone through an automated telephone wagering system, as required by N.J.A.C. 13:74-7.8(a)1?

Yes _____ No _____

- d) Will the phone bank receive and process wagers placed by telephone from account holders through live operators?

Yes _____ No _____

If yes, will the phone bank receive and process all such wagers placed by telephone from account holders through live operators, as required by N.J.A.C. 13:74-7.8(a)1?

Yes _____ No _____

- e) Does the Authority propose to charge an administrative or access fee in connection with account wagering [see N.J.A.C. 13:74-7.13]?

Yes _____ No _____

If yes, explain in connection what aspect of account wagering the fee is proposed to be charged, and the amount of fee proposed?

If yes, is the Authority seeking approval of the Commission, as part of this application, for such fee?

Yes _____ No _____

f) Does the applicant intend to offer account wagering by computer?

Yes _____ No _____

If yes, answer the following additional questions (f1 and f2):

f1) Will the phone bank receive and process all such wagers placed by computer?

Yes _____ No _____

If no, as part of this application, is the applicant seeking approval of the Commission, pursuant to N.J.A.C. 13:74-7.8(a)2 to utilize a location in this State other than the phone bank to receive and process all such wagers placed by computer?

Yes _____ No _____

f2) Are internal control procedures attached which, as required by N.J.A.C. 13:74-7.8(a)2, provide a procedure concerning the manner of receipt and processing of wagers placed by computer?

Yes _____ No _____

g) Does the applicant intend to offer account wagering by electronic means other than computer?

Yes _____ No _____

If yes, answer the following additional questions (g1, g2 and g3):

g1) Are internal control procedures attached which, as required by N.J.A.C. 13:74-7.8(a)2, set forth procedure concerning the manner of receipt and processing of such wagers?

Yes _____ No _____

g2) Set forth the forms of account wagering by electronic means other than computer that the applicant intends to offer?

g3) Will the phone bank receive and process all such wagers placed by such proposed electronic means?

Yes _____ No _____

If no, as part of this application, is the applicant seeking approval of the Commission, pursuant to N.J.A.C. 13:74-7.8(a)2, to utilize a location in this State other than the phone bank facility to receive and process all such wagers placed by such electronic means?

Yes _____ No _____

h) Will the phone bank conduct all administrative matters relating to the maintenance of existing wagering accounts?

Yes _____ No _____

If no, as part of this application, pursuant to N.J.A.C. 13:74-7.8(a)4, is the applicant seeking approval of the Commission to utilize another location in this State for such purpose?

Yes _____ No _____

18) Identify the proposed location (including address) of the hub facility within this

State, as required by N.J.A.C. 13:74-1.1?

- 19) Identify the following information concerning the proposed vendor of the hub facility, as defined in N.J.A.C. 13:74-1.1, which facility to be utilized in connection with the proposed account wagering system?

Vendor Name: _____

Principal Address: _____

Principal Telephone Number: _____

- 20) Has the Authority entered into a written contract or agreement with the vendor, as described in the response to question 19 to this application, in connection with the hub facility to be utilized in connection with the proposed account wagering system?

Yes _____ No _____

If yes, attach a copy of the written contract or agreement. Is such copy attached?

Yes _____ No _____

- 21) Attach a report identifying any race information which the Authority will make available to account holders [see N.J.A.C. 13:74-7.11 (a)] in connection with the account wagering system. Is such a report attached?

Yes _____ No _____

- 22) Does the applicant intend to devise an identification tag to be worn by its employees at the premises of the account wagering licensee [see N.J.A.C. 13:74-

5.7]?

Yes _____ No _____

If yes, as part of this application, is the applicant seeking approval of the particular identification tag format to be utilized, as required by N.J.A.C. 13:74-5.7?

Yes _____ No _____

- 23) Provide the following information concerning the primary bank utilized by the applicant (name, address, telephone number) in connection with account wagering?

- 24) Has the Authority entered into any financing arrangement with any bank, financial institution, individual or third party to provide funding to be used in connection with the account wagering initiative?

Yes _____ No _____

If yes, identify the parties subject of the financing arrangement and the details concerning the financing?

- 25) Attach a "Table of Organization" setting forth with specificity: the identity of each entity (including but not limited to the applicant and each party to the participation agreement, as appropriate) which will have any management,

administrative and/or oversight responsibility with respect to each aspect of the account wagering system (as identified in the table); and the identity of each individual agent or employee (name, entity employer, employment position) who will have any managerial, administrative or oversight responsibility on behalf of each entity with regard to each aspect of the account wagering system. Is such a “Table of Organization” attached?

Yes _____ No _____

- (a) For each entity identified in the “Table of Organization” attached to this application in response to question 25 immediately above, and where a current (as of the date of this application) table is not presently on file with the Racing Commission in connection with a prior filing seeking a permit to operate a racetrack or otherwise, attach a table (or tables) identifying: the constituency of each entity (if a corporate entity, the members of the board of directors of each; if a partnership, the partners of each; etc.); the identity and constituency of each and every parent in succession thereto; and the identity of any holder of a 5% or more ownership interest in each entity, as well as with regard to each and every parent in succession thereto. Is such a table (or tables) attached?

Yes _____, a table for each entity is attached
Yes _____, a table for one or more (but not all) entities is attached
No _____, no tables are attached

If the answer to question 25 a) is “yes, a table for one or more (but not all) entities is attached,” or “no, no tables are attached,” list each entity below for which such table is not attached and provide an explanation why that respective table is not attached:

- 26) To the applicant’s knowledge, has any entity or person disclosed in completing this application ever been convicted of any crime?

Yes _____ No _____

If yes, provide the particulars?

- 27) To the applicant's knowledge, has any entity or person disclosed in completing this application ever been suspended, denied a license or ruled off by this or any other Racing Commission or turf governing body?

Yes _____ No _____
If yes, give particulars?

- 28) To the applicant's knowledge, is any entity or person disclosed in completing this application presently the subject of any pending criminal investigation, criminal complaint, criminal charges or criminal indictment?

Yes _____ No _____
If yes, give particulars?

- 29) To the applicant's knowledge, is any entity or person disclosed in completing this application presently subject of any civil proceeding where the potential liability may exceed \$10,000?

Yes _____ No _____

If yes, give particulars?

- 30) To the applicant's knowledge, is any entity or person disclosed in completing this application the subject of any pending investigation or pending complaint by any federal or state regulatory body?

Yes _____ No _____

If yes, give particulars?

- 31) Identify below the name and employment position of the individual who had the primary responsibility on behalf of the Authority to complete this application?

32) Identify below the name and employment position of the high managerial agent who, on behalf of the Authority and in the signature space below, is attesting that the disclosures within this application are to the best of his or her knowledge are true, accurate and complete, as required by N.J.A.C. 13:74-3.1(e).

I, being duly authorized to execute this application on behalf of the Authority, certify that the answers and disclosures within this application and its attachments to the best of my knowledge are true, accurate and complete.

Sworn and subscribed to
before me this _____
day of _____.

A Notary Public of New Jersey

My Commission expires _____