

Proposed Rule Change(s)/Additions – Arkansas Racing Commission

NEW Section To Be Titled “Big Q with Carryover” under Pari-Mutuel Wagering Rules

NEW RULE 5024 (A) – The “Big Q with Carryover” is a form of pari-mutuel wagering in which the bettor selects the first two greyhounds to finish in two consecutive races. Pari-mutuel wagering tickets are to be sold upon the first race of the two races only. The division of the pool shall be calculated as in a win pool, subject to the provisions of these rules to the contrary.

(B) – A commission authorized by law is deducted from the sum total wagered into the “Big Q” pool. The balance is called the “net pool”.

(C) – Each bettor purchasing “Big Q” tickets shall designate his/her first two selections as the first two greyhounds to finish the first race of the two races.

(D) – After the official declaration of the first two greyhounds to finish the first of the “Big Q” races, each bettor holding a ticket combining the said two greyhounds to finish, must prior to the running of the second race, exchange such winning ticket for a “Big Q” exchange ticket and at such time the said holder shall select the first two greyhounds to finish in the second race of the “Big Q”. No further money shall be required of the holder of the ticket in order to make the exchange.

(E) – No “Big Q” exchange ticket upon the second race shall be issued except upon the surrender of the “Big Q” ticket from the first race as described in these rules. The “Big Q” pool obtained from the sales of “Big Q” tickets upon the first race shall be held subject to these rules, and divided among the winning tickets of the “Big Q” exchange tickets, subject to these rules to the contrary.

(F) – If a winning “Big Q” ticket from the first race is not presented for exchange within the time provided, the bettor forfeits all rights to any distribution or refund.

(G) – If a greyhound is scratched in the first race of the “Big Q” races, all “Big Q” tickets involving the scratched greyhound will be refunded.

(H) – If a greyhound is scratched in the second race of the “Big Q”, all exchange tickets combining the scratched greyhound shall be refunded. If a greyhound is scratched in the

second race of the "Big Q" races, public address announcements will be made and reasonable time will be given for exchange of tickets on the scratched dog.

(I) – The net "Big Q" pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

1. As a single price pool to those who selected the first two finishers in each of the two "Big Q" races. If there are no such wagers, then
2. 100% of the net pool shall be placed into a "carryover" pool and those monies shall be added to the next "Big Q" pool on the same performance. If no other "Big Q" pool is scheduled on the same performance, then the carryover pool monies shall be added to the next scheduled performance in which the "Big Q" wager is offered.

(J) – If there is a "Dead Heat" for the winning greyhounds in either of the two consecutive races for the "Big Q", such calculation of exchanges and the distribution of the "Big Q" pool shall be made in the manner in which any ordinary quiniela pool would be made should there be a dead heat for the win despite the number of greyhounds involved in the "Dead Heat".

(K) – If either of the "Big Q" races is canceled prior to the first race of the "Big Q", or if the first race of the "Big Q" is declared a "NO RACE", the entire "Big Q" pool shall be refunded, minus any previous carryover monies, for those races.

(L) – If the second race of the "Big Q" is canceled or declared a "NO RACE" after the conclusion of the first race of the "Big Q", the net "Big Q" pool, minus any carryover monies, shall be distributed as a single price pool to those bettors holding exchange tickets.

(M) – If there are more than two scratches in a single "Big Q" race, the Franchise holder reserves the right to cancel the wager. Any carryover monies will then be treated as described in rule "(I)2.

Rule ____. **Advance Deposit Wagering.** [to be added to Arkansas Racing Commission Horse and Greyhound Racing Rules]

(a) As used in this Rule:

(i) "ADW" means advance deposit wagering.

(ii) "Commission" means the Arkansas Racing Commission.

(iii) "Federal Interstate Horseracing Act" means the federal Interstate Horseracing Act of 1978, as amended, 15 U.S.C Section 3001 *et seq.*, as in effect on the effective date of this Rule.

(iv) "Franchise Holder" means the holder of a franchise to conduct pari-mutuel wagering on (1) horse racing under the Arkansas Horse Racing Law, Arkansas Code Section 23-110-101 *et seq.* or (2) greyhound racing under the Arkansas Greyhound Racing Law, Arkansas Code Ann. Section 23-111-101 *et seq.*

(v) "Greyhound Racing Franchise Holder" means the holder of a franchise to conduct pari-mutuel wagering on greyhound racing under the Arkansas Greyhound Racing Law, Arkansas Code Ann. Section 23-111-101 *et seq.*

(vi) "Horse Racing Franchise Holder" means the holder of a franchise to conduct pari-mutuel wagering on horse racing under the Arkansas Horse Racing Law, Arkansas Code Section 23-110-101 *et seq.*

(vii) "Other ADW Provider" means any individual or entity licensed in a jurisdiction other than Arkansas to engage in ADW on horse or greyhound racing that accepts advance deposit wagers from Arkansas residents, under the applicable law of the jurisdiction where the individual or entity is so licensed, and in the case of horse racing, under the Federal Interstate Horseracing Act.

(b) Horse Racing Franchise Holders may conduct ADW under Arkansas Code Section 23-110-405(e) and in accordance with this Rule. Greyhound Racing Franchise Holders may conduct ADW under Arkansas Code Section 23-111-508(e) and in accordance with this Rule.

(c) A Franchise Holder's patrons may, with money on deposit in an account with the Franchise Holder, place wagers by communication through telephone or other mobile device, or through other electronic means, on races conducted at the Franchise Holder's race track facility and races (horse and greyhound) at other racetracks, whether or not the patron is located on the grounds of the Franchise Holder's race track facility when placing the wager.

(d) A Franchise Holder or Other ADW Provider may not accept advance deposit wagers under this Rule on any horse or greyhound race unless the Franchise Holder or Other ADW Provider, as the case may be, has the consent of the host racetrack (i.e., the racetrack

where the race is conducted) allowing the Franchise Holder or Other ADW Provider, as the case may be, to accept wagers on such race.

(e) Prior to conducting ADW under this Rule, the Franchise Holder shall provide to the Commission the Franchise Holder's proposed rules governing patrons' ADW accounts, and such rules shall be subject to approval by the Commission. Such ADW account rules (as approved by the Commission) shall be made available to each account holder at the time the ADW account is opened, either online at the Franchise Holder's internet website or ADW platform, or in other written form delivered, mailed or otherwise made reasonably available to the account holder.

(f) ADW accounts may be opened only by an individual eighteen (18) years of age or older. An applicant for an ADW account with a Franchise Holder must provide to the Franchise Holder the applicant's name, resident address, mailing address (if different), social security number, date of birth, and such other information required by the Franchise Holder's ADW account rules.

(g) Franchise Holders and Other ADW Providers conducting ADW under this Rule shall operate a secure ADW platform consistent with (or exceeding) current security standards and protocols in the ADW industry. Each ADW account shall have a separate unique user name and passcode (or personal identification number).

(h) Funds in ADW accounts shall be segregated from the Franchise Holder's own funds, and shall be maintained in a separate account or accounts separate and apart from the Franchise Holder's other accounts.

(i) A Franchise Holder may contract with an Other ADW Provider to utilize the Other ADW Provider's ADW platform as the Franchise Holder's ADW platform under this Rule.

(j) Wagers accepted under Arkansas Code Section 23-110-405(e) or Arkansas Code Section 23-111-508(e), as applicable to the Franchise Holder, and this Rule shall be treated for all purposes under the provisions of Arkansas Horse Racing Law, Arkansas Code Section 23-110-101 et seq. or the Arkansas Greyhound Racing Law, Arkansas Code Ann. Section 23-111-101 et seq., as applicable to the Franchise Holder, and the rules of the Commission, as if the wagers were made by the patron on the grounds of the Franchise Holder's race track facility (e.g., advance deposit wagers accepted by the Franchise Holder on its live races, shall be treated as if the patron made a wager at the Franchise Holder's racetrack facility on a live race conducted at the Franchise Holder's racetrack facility, and advance deposit wagers accepted by the Franchise Holder on simulcast races from other racetracks, shall be treated as if the patron made a wager at the Franchise Holder's racetrack facility on the simulcast race).

(k) On or before January 7, 2014, and continuing on or before January 7 (if a business day, or if not, by the next business day) of each calendar year thereafter, each Other ADW Provider shall register as such with the Commission on forms supplied by the Commission, and shall provide to the Commission information reasonably requested by the Commission to verify that the Other ADW Provider is (i) duly licensed by the applicable regulatory agency and (ii) in good standing in the jurisdiction where the Other ADW Provider is licensed to conduct ADW.

Other ADW Providers accepting wagers on horse racing from Arkansas residents shall comply, as applicable, with the Federal Interstate Horseracing Act.

(l) An Other ADW Provider may not accept advance deposit wagers on horse racing from Arkansas residents unless the Other ADW Provider has a mutually acceptable written agreement in place with the Arkansas Horse Racing Franchise Holder to pay the Arkansas Horse Racing Franchise Holder commercially reasonable source market fees consistent with generally prevailing standards in the horse racing ADW industry relating to such source market fees. The Arkansas Horse Racing Franchise Holder shall have a mutually acceptable written agreement in place with the organization representing horsemen at the Horse Racing Franchise Holder's racetrack regarding the portion of such source market fees to be dedicated and used for purses on live horse races conducted at the Horse Racing Franchise Holder's racetrack.

(m) An Other ADW Provider may not accept advance deposit wagers on greyhound racing from Arkansas residents unless the Other ADW Provider has a mutually acceptable written agreement in place with the Arkansas Greyhound Racing Franchise Holder to pay the Arkansas Greyhound Racing Franchise Holder commercially reasonable source market fees consistent with generally prevailing standards in the greyhound racing ADW industry relating to such source market fees. The Arkansas Greyhound Racing Franchise Holder shall have a mutually acceptable written agreement in place with the organization representing greyhound owners and trainers at the Greyhound Racing Franchise Holder's racetrack regarding the portion of such source market fees to be dedicated and used for purses on live greyhound races conducted at the Greyhound Racing Franchise Holder's racetrack.

Proposed changes to ASRC horse racing rules for 2014 Season:

Claiming:

Background: During the 2013 season, we had an owner that had one horse. He ran it and the horse was claimed. He wanted to claim a horse running in a race two races later on the same day. He could not because he had no longer foal papers on file in the racing office.

Current Language:

2426. In claiming races on the flat, any horse is subject to claim by (i) any owner in good standing or (ii) by a person who has been issued a "claiming authorization" as provided below in Rule 2426 (a "Claiming Authorization"). However, no owner (who has not otherwise been issued a Claiming Authorization) may claim a horse at Oaklawn unless that owner (either individually or through co-ownership, partnership, limited liability company, corporation or other entity in which the owner owns an equity interest); (1) has foal papers on file in the Oaklawn racing office with respect to a horse eligible to race at Oaklawn, and (2) either (i) has had an "official start" in a prior race at Oaklawn during the current race meet or (ii) was an "official starter" in the race in which the claim is submitted. For Example, if an owner (who has not previously had an "official start" in a prior race at Oaklawn during the current race meet) owns in whole or in part Horse A entered in an Oaklawn race, the owner may, if otherwise in compliance with applicable rules, submit a claim for another horse in the race, but that claim shall be void if Horse A fails to become an "official starter" in the race.

Proposed New Language:

2426. In claiming races on the flat, any horse is subject to claim by (i) any owner in good standing or (ii) by a person who has been issued a "claiming authorization" as provided below in Rule 2426 (a "Claiming Authorization"). However, no owner (who has not otherwise been issued a Claiming Authorization) may claim a horse at Oaklawn unless that owner (either individually or through co-ownership, partnership, limited liability company, corporation or other entity in which the owner owns an equity interest); (1) has foal papers on file in the Oaklawn racing office with respect to a horse eligible to race at Oaklawn, and (2) either (i) has had an "official start" in a prior race at Oaklawn during the current race meet or (ii) was an "official starter" in the race in which the claim is submitted; provided, in the event an owner (either individually or through co-ownership, partnership, limited liability company, corporation or other entity in which the owner owns an equity interest) has started a horse at

the Oaklawn meeting and does not currently have foal papers on file in the racing office with respect to a horse eligible to race at Oaklawn because his last horse(s) was claimed, that owner is not required to obtain a "Claiming Authorization" and is immediately eligible to claim a horse at Oaklawn, provided such claim is in compliance with all other applicable claiming rules. As an example, if an owner (who has not previously had an "official start" in a prior race at Oaklawn during the current race meet) owns in whole or in part Horse A entered in an Oaklawn race, the owner may, if otherwise in compliance with applicable rules, submit a claim for another horse in the race, but that claim shall be void if Horse A fails to become an "official starter" in the race.

Voiding a Claim:

Current Language:

2434 (i): In the event a claimed horse suffers a fatality during the running of the race or is otherwise removed from the race track in the horse ambulance, the claimant shall have one (1) hour after the race is declared official to void the claim by written notice delivered to the Racing Secretary or the Board of Stewards before the expiration of such one (1) hour period.

Proposed New Language:

2434 (i) In the event a claimed horse suffers a fatality during the running of the race or is otherwise removed from the race track in the horse ambulance, the claim shall be declared void by the Board of Stewards unless the claimant notifies the Board of Stewards within fifteen (15) minutes after the race is declared official that the claimant desires for the claim to remain in effect. Any such notice must be provided within said fifteen (15) minute period by the claimant-owner or the claimant-owner's trainer, or by a representative thereof designated in writing for this purpose by the claimant-owner or claimant-owner's trainer to the Board of Stewards prior to the running of the race with respect to which the claim was submitted.

2434 (j) In the event a claimed horse suffers an injury during the running of the race, but is not removed from the race track in the horse ambulance (i) pursuant to instructions from the Association Veterinarian, (ii) contrary to instructions from the Association Veterinarian, (iii) because of unavailability of a horse ambulance, or (iv) because of other extenuating circumstances (e.g., horse is injured in the race, loses jockey, and runs loose off the track), the Board of Stewards may, after consultation with the Association Veterinarian, declare the claim void unless the claimant notifies the Board of Stewards within fifteen (15) minutes after the race is declared official that the claimant desires for the claim to remain in effect. Any such notice must be provided within said fifteen (15) minute period by the claimant-owner or the claimant-owner's trainer, or by a representative thereof designated in writing for this purpose by the claimant-owner or claimant-owner's trainer to the Board of Stewards prior to the running of the race with respect to which the claim was submitted.

Pick-3 (Deleting Requirement that Races be "Consecutive")

2461

(c) The Pick-3 pari-mutuel Pool consists of amounts contributed for a selection for win only in each of three (3) consecutive races designated by the Association with prior approval of the Racing Commission. Each person purchasing a Pick-3 ticket shall designate the winning horse in each of the three (3) races comprising the Pick-3.

Rule 2000 (adding specific reference to other Racing Officials)

Existing Rule 2000:

2000. The racing officials of a Race Meeting shall include a Clerk of Scales, a Handicapper, a Paddock Judge, three Placing Judges, a Racing Secretary who may also be the Handicapper, a Starter, three Stewards, Commission Clocker, a Track Superintendent, a Track Veterinarian and others as determined pursuant to Rule #1202.

Proposed Revised Rule 2000:

2000. The racing officials of a Race Meeting shall include a Clerk of Scales, a Handicapper, a Paddock Judge, three Placing Judges, a Racing Secretary who may also be the Handicapper, an Assistant Racing Secretary, a Claim Clerk, a horse Identifier, a Starter, three Stewards, Commission Clocker, a Track Superintendent, a Track Veterinarian, a State Veterinarian, two Outriders, and others as determined pursuant to Rule #1202.

Workout Rule:

Current Language:

2099.1 (a) (3): A horse which has not started for a period of sixty (60) days or more prior to race day must have an official timed workout within the previous thirty (30) days prior to race day. The workout must have occurred at a pari-mutuel or recognized training facility.

(4) First time starters must have three (3) or more official workouts prior to race day.

Proposed Language:

2099.1 (a) (3): A horse which has not started for a period of sixty (60) days or more prior to race day must have at least two (2) official published timed workouts within the previous thirty (30) days prior to race day, at least one (1) of which must be at a distance of four (4) furlongs or more. The workouts must have occurred at a pari-mutuel horse racing facility or recognized horse training facility.

(4) First time starters must have three (3) or more official published timed workouts within the previous sixty (60) days prior to race day, (i) two (2) of which must be within the previous thirty (30) days prior to race day, (ii) at least one (1) of which must be at a distance of four (4) furlongs or more, and (iii) at least one (1) of which must be a workout starting out of the gate within the previous thirty (30) days prior to race day. The workouts must have occurred at a pari-mutuel horse racing facility or recognized horse training facility.

Claiming Deadline (reverting back to 15 minutes)

Current Language:

2433 (last line): All claims shall be deposited in the claiming box at least ten (10) minutes before the established post time of the race out of which the claim is made.

2435: (third sentence) The claiming box shall be available in the office of the Racing Secretary each racing day until ten (10) minutes before scheduled post time of each race.

Revised Language:

2433 (last line): All claims shall be deposited in the claiming box at least fifteen (15) minutes before the established post time of the race out of which the claim is made.

2435: (third sentence) The claiming box shall be available in the office of the Racing Secretary each racing day until fifteen (15) minutes before scheduled post time of each race.

Waiver Claiming:

A request was made to change the waiver claiming rule from 120 days to 90.

2426-A. At the time of entry into a claiming race, the owner (or trainer acting under authorization from the owner) may opt to declare a horse ineligible to be claimed provided: (a) the horse has not been an official starter in a race at any racetrack for a minimum of ~~120~~ ninety (90) days since its last race as an official starter; (b) the horse's last race as an official starter was a claiming race in which the horse was eligible to be claimed; (c) the horse is entered for a claiming price equal to or greater than the claiming price at which it last started as an official starter; (d) failure to declare the horse ineligible at the time of entry may not be remedied; and (e) ineligibility to be claimed shall apply only to the first start as an official starter following each such ~~120~~ 90-day or longer layoff.