

Kentucky Horse Racing and Gaming
Meeting Materials for Special Meeting
December 16, 2025



TABLE OF CONTENTS

1.	PROPOSED 2026 BOARD MEETING SCHEDULE.....	3
2.	REQUEST FOR APPROVAL OF SPORTS WAGERING CATALOG RECOMMENDATIONS	18
3.	REQUEST FOR APPROVAL OF INDEPENDENT TEST LABORATORIES FOR 2026	22
4.	REQUEST FOR APPROVAL OF SPORTS WAGERING SERVICE PROVIDER LICENSE RENEWALS FOR 2026 ...	24
5.	RENEWAL AND PROPOSED CONDITIONS FOR THE 2026 SPORTS WAGERING SERVICE PROVIDER LICENSE OF OUT THE GATE, LLC D/B/A PRIME SPORTS	27
6.	EXECUTIVE SESSION	33
7.	RATIFICATION OF PURCHASE REQUEST FOR LITIGATION SERVICES	34
8.	PURCHASE REQUESTS FOR LITIGATION SERVICES.....	39
9.	PURCHASE REQUESTS FOR GENERAL LEGAL SERVICES CONTRACTS.....	56

Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR



4047 Iron Works Parkway
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jamie Eads
PRESIDENT & CEO

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing and Gaming
FROM: Victoria Edwards, Administrative Assistant
DATE December 8, 2025
RE: **PROPOSED 2026 BOARD MEETING SCHEDULE**

Please find behind this memorandum the proposed meeting calendar for 2026. Due to the increased regulatory oversight, we have proposed monthly meetings. If it is determined a meeting is not necessary, we will cancel and notify the week prior.

2026 Board Meeting Schedule:

January 13
February 10
March 10
April 14
May 12
June 9
July 14
August 11
September 29
October 27
November 24
December 15



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2026 MEETING SCHEDULE OF THE KENTUCKY HORSE RACING AND GAMING CORPORATION

Day:	Date:	Time:	Location:
Tuesday	January 13, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	February 10, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	March 10, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	April 14, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	May 12, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	June 9, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	July 14, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	August 11, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	September 29, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	October 27, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	November 24, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511
Tuesday	December 15, 2026	1:30 PM	KHRG Office 4047 Iron Works Parkway Lexington, KY 40511



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**2026 DEADLINES FOR SUBMITTING AN AGENDA ITEM
FOR KHRG MEETING**

Meeting Date:	Industry Deadline to Submit Meeting Materials to KHRG:	Staff Deadline:
January 13, 2026	December 26, 2025	January 2, 2026
February 10, 2026	January 23, 2026	January 30, 2026
March 10, 2026	February 20, 2026	February 27, 2026
April 14, 2026	March 27, 2026	April 3, 2026
May 12, 2026	April 24, 2026	May 1, 2026
June 9, 2026	May 22, 2026	May 29, 2026
July 14, 2026	June 26, 2026	July 3, 2026
August 11, 2026	July 24, 2026	July 31, 2026
September 29, 2026	September 11, 2026	September 18, 2026
October 27, 2026	October 9, 2026	October 16, 2026
November 24, 2026	November 6, 2026	November 13, 2026
December 15, 2026	November 27, 2026	December 4, 2026

January

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				Turfway 1	Turfway 2	Turfway 3
4	5	6	Turfway 7	Turfway 8	Turfway 9	Turfway 10
11	12	Board Meeting 13	Turfway 14	Turfway 15	Turfway 16	Turfway 17
18	19	20	Turfway 21	Turfway 22	Turfway 23	Turfway 24
25	26	27	Turfway 28	Turfway 29	Turfway 30	Turfway 31

February

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4 Turfway	5 Turfway	6 Turfway	7 Turfway
8	9	10 Board Meeting	11 Turfway	12 Turfway	13 Turfway	14 Turfway
15	16	17	18 Turfway	19 Turfway	20 Turfway	21 Turfway
22	23	24	25 Turfway	26 Turfway	27 Turfway	28 Turfway

March

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	Turfway 4	Turfway 5	Turfway 6	Turfway 7
8	9	Board Meeting 10	Turfway 11	Turfway 12	Turfway 13	Turfway 14
15	16	17	Turfway 18	Turfway 19	Turfway 20	Turfway 21
22	Oak Grove 23	Oak Grove 24	Turfway 25	Turfway 26	Turfway 27	Turfway 28
29	Oak Grove 30	Oak Grove 31				

April

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3 Keeneland	4 Keeneland
5	6 Oak Grove	7 Oak Grove	8 Keeneland	9 Keeneland	10 Keeneland	11 Keeneland
12 Keeneland	13 Oak Grove	14 Oak Grove Board Meeting	15 Keeneland	16 Keeneland	17 Keeneland	18 Keeneland
19 Keeneland	20 Oak Grove	21 Oak Grove	22 Keeneland	23 Keeneland	24 Keeneland	25 Churchill Downs
26	27 Oak Grove	28 Oak Grove Churchill Downs	29 Churchill Downs	30 Churchill Downs		

May

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 Churchill Downs	2 Churchill Downs <i>Oak Grove (Optional)</i>
3	4 Oak Grove	5 Oak Grove	6	7 Churchill Downs	8 Churchill Downs	9 Churchill Downs <i>Oak Grove (Optional)</i>
10 Churchill Downs Oak Grove	11 Oak Grove	12 <i>Oak Grove (Optional)</i> Board Meeting	13	14 Churchill Downs	15 Churchill Downs	16 Churchill Downs <i>Oak Grove (Optional)</i>
17 Churchill Downs	18 Oak Grove	19 Oak Grove	20	21 Churchill Downs	22 Churchill Downs	23 Churchill Downs
24 Churchill Downs	25 Churchill Downs Oak Grove	26 Oak Grove	27	28 Churchill Downs	29 Churchill Downs	30 Churchill Downs
31 Churchill Downs						

June

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1 Oak Grove	2 Oak Grove	3 Churchill Downs	4 Churchill Downs	5 Churchill Downs	6 Churchill Downs
7 Churchill Downs	8 Oak Grove	9 Oak Grove Board Meeting	10 Churchill Downs	11 Churchill Downs	12 Churchill Downs	13 Churchill Downs
14 Churchill Downs	15 Oak Grove	16 Oak Grove	17 Churchill Downs	18 Churchill Downs	19 Churchill Downs	20 Churchill Downs
21 Churchill Downs	22 Oak Grove	23 Oak Grove	24 Churchill Downs Oak Grove (Optional)	25 Churchill Downs	26 Churchill Downs	27 Churchill Downs
28 Churchill Downs	29 Oak Grove	30 Oak Grove				

July

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 <i>Oak Grove (Optional)</i>	2 Ellis Park	3 Ellis Park	4 Ellis Park
5 Ellis Park	6 Oak Grove <i>Ellis Park (Optional)</i>	7 Oak Grove	8 <i>Oak Grove (Optional)</i>	9	10 Ellis Park	11 Ellis Park
12 Ellis Park	13 Oak Grove <i>Ellis Park (Optional)</i>	14 Oak Grove Board Meeting	15	16	17 Ellis Park	18 Ellis Park
19 Ellis Park	20 <i>Ellis Park (Optional)</i>	21	22	23	24 Ellis Park	25 Ellis Park
26 Ellis Park Red Mile	27 Red Mile <i>Ellis Park (Optional)</i>	28 Red Mile	29	30	31 Ellis Park	

August

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						Ellis Park 1
Ellis Park 2 Red Mile	Red Mile 3 <i>Ellis Park (Optional)</i>	Red Mile 4	Red Mile 5		Ellis Park 7	Ellis Park 8
Ellis Park 9 Red Mile	Red Mile 10 <i>Ellis Park (Optional)</i>	Red Mile 11 Board Meeting	Red Mile 12		Ellis Park 14	Ellis Park 15
Ellis Park 16 Red Mile	Red Mile 17 <i>Ellis Park (Optional)</i>	Red Mile 18	Red Mile 19 Sandy Ridge	Sandy Ridge 20	Ellis Park 21 Sandy Ridge	Ellis Park 22
Ellis Park 23 Red Mile	Red Mile 24 <i>Ellis Park (Optional)</i>	Red Mile 25	Red Mile 26 Sandy Ridge	Sandy Ridge 27 Kentucky Downs	Sandy Ridge 28 <i>Kentucky Downs (Optional)</i>	Kentucky Downs 29
Red Mile 30 Kentucky Dows	Red Mile 31 <i>Kentucky Downs (Optional)</i>					

September

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 Red Mile <i>Kentucky Downs (Optional)</i>	2 Red Mile <i>Kentucky Downs (Optional)</i>	3 Kentucky Downs	4 Sandy Ridge <i>Kentucky Downs (Optional)</i>	5 Kentucky Downs Sandy Ridge
6 Red Mile Kentucky Downs	7 Red Mile <i>Kentucky Downs (Optional)</i>	8 Red Mile <i>Kentucky Downs (Optional)</i>	9 Red Mile Kentucky Downs	10 Churchill Downs	11 Churchill Downs	12 Churchill Downs
13 Red Mile Churchill Downs	14 Red Mile	15 Red Mile	16 Churchill Downs	17 Churchill Downs	18 Churchill Downs	19 Churchill Downs
20 Red Mile Churchill Downs	21 Red Mile	22 Red Mile	23 Churchill Downs	24 Churchill Downs	25 Churchill Downs	26 Churchill Downs
27 Churchill Downs	28	29 Board Meeting	30			

October

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				Red Mile 1	Red Mile Keeneland 2	Red Mile Keeneland 3
Keeneland 4	5	6	Keeneland 7	Keeneland 8	Red Mile Keeneland 9	Red Mile Keeneland 10
Red Mile Keeneland 11	12	13	Keeneland 14	Keeneland 15	Keeneland 16	Keeneland Cumberland Run 17
Keeneland Cumberland Run 18	Cumberland Run 19	Cumberland Run 20	Keeneland 21	Keeneland 22	Keeneland 23	Keeneland Cumberland Run 24
Cumberland Run Churchill Downs 25	Cumberland Run 26	Cumberland Run Board Meeting 27	Churchill Downs 28	Churchill Downs 29	Keeneland (Breeder's Cup) 30	Keeneland (Breeder's Cup) 31

November

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Churchill Downs Cumberland Run	2 Cumberland Run	3 Cumberland Run	4 Churchill Downs	5 Churchill Downs	6 Churchill Downs	7 Churchill Downs
8 Churchill Downs Cumberland Run	9 Cumberland Run	10 Cumberland Run	11 Churchill Downs	12 Churchill Downs	13 Churchill Downs	14 Churchill Downs
15 Churchill Downs	16	17	18 Churchill Downs	19 Churchill Downs	20 Churchill Downs	21 Churchill Downs
22 Churchill Downs	23	24 Board Meeting	25 Churchill Downs	26 Churchill Downs	27 Churchill Downs	28 Churchill Downs
29 Churchill Downs	30					

December

2026



Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2 Turfway	3 Turfway	4 Turfway	5 Turfway
6	7	8	9 Turfway	10 Turfway	11 Turfway	12 Turfway
13	14	15 Board Meeting	16 Turfway	17 Turfway	18 Turfway	19 Turfway
20	21	22	23 Turfway	24	25	26 Turfway
27	28	29	30 Turfway	31		

Andy Beshear
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LIEUTENANT GOVERNOR



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PRESIDENT & CEO

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing and Gaming
FROM: Hannah Simms, Director of Sports Wagering
DATE: December 16, 2025
RE: **REQUEST FOR APPROVAL OF SPORTS WAGERING CATALOG RECOMMENDATIONS**

In accordance with 809 KAR 10:002, a licensee is prohibited from offering sports wagering on any event that has not been approved by Kentucky Horse Racing and Gaming (KHRG). This memorandum presents proposed updates to the KHRG's Sports Wagering Catalog, ensuring compliance with KHRG regulations. The proposed changes include staff recommendations regarding requests for new sporting events or clarifications from licensed service providers.

KHRG staff has thoroughly reviewed these requests to ensure they adhere to the criteria for allowable wagers as established in 809 KAR 10:002, Section 2. This review focused on the overall integrity of the sporting events associated with each request and their suitability for offering in Kentucky. KHRG staff evaluated each event to ensure it meets the regulatory standards for transparency, integrity, and relevance to the field of play.

New Requests and Clarification

The following requests, submitted by service providers, have been reviewed and evaluated by KHRG staff. Below is additional information regarding each request, along with corresponding recommendations:

Event/Category	Governing Body/Organization	Additional Information	Recommendation	Link for More Info
Esports	Drafted.GG	The company specializes in organizing a wide range of esports tournaments across popular titles, delivering 24/7 live streams of game titles. Offering tournaments on eSoccer (Valhalla Cup and Valkyrie Cup), eBasketball (Valhalla League), Counter-Strike 2 Duels (Berserk League CS2), and Dota 2 Duels (Berserk League Dota 2).	Recommendation for Approval	Drafted.GG
Esports	H2H Gaming League – eFootball	Each eFootball game is played head-to-head with two Gamers facing each other on separate screens, using two controllers and one console. Each game is played in 4-minute quarters (16 minutes total per game) and while on broadcast they are built into 32-minute gaming windows. CG Studios holds the gold standard ESIC accreditation.	Recommendation for Approval	H2H GG League
Golf	The Skins Game	Originally introduced in 1983 as an unofficial money event on the PGA TOUR, “The Skins Game” used a format in which each hole carried a set dollar value, with tied holes rolling over to the next. The modern version follows traditional PGA rules and maintains this structure, while adding a “reverse purse” format in which each player begins	Ratification of Approval	PGA Skin Games

		with \$1 million on the scoreboard and their totals increase or decrease based on holes won or lost.		
Golf	Golf Channel Games	The Golf Channel Games is a made-for-television, team-based golf competition featuring captains Rory McIlroy and Scottie Scheffler leading four-player teams. While not a PGA-sanctioned event, the competition is officiated by certified PGA officials to ensure adherence to professional standards. Rather than a traditional 18-hole format, the event consists of discrete, skills-based challenges conducted under controlled and standardized conditions, emphasizing transparency and fairness for broadcast audiences.	Ratification of Approval enumerated markets only: - Challenge X Winner - Outright Correct Score - Challenge X – Match X Winner - Challenge X – Total Player Points - Challenge X – Total Team Points - Overall Winner (Team Scheffler / Team McIlroy)	Golf Channel Games
Volleyball	Pro Volleyball Federation – Major League Volleyball	Pro Volleyball Federation is rebranding and is now operating under the name Major League Volleyball.	Approval Clarification	MLV
Volleyball - Beach	FIVB Beach Volleyball	The FIVB Beach Volleyball World Beach Pro Tour and the FIVB Beach Volleyball World Championships are both FIVB-sanctioned events operated in partnership with Volleyball World. Volleyball World, established in 2021 by the FIVB and CVC Capital Partners, centralizes media rights and event management for major	Approval Clarification	FIVB

FIVB properties, applying the same regulations across both competitions. Beginning in 2025, the Beach and Indoor World Championships will transition to a biennial schedule.

BOARD ACTION

_____ Approve

_____ Defer

_____ Deny

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TO: Kentucky Horse Racing and Gaming
FROM: Hannah Simms, Director of Sports Wagering
DATE: December 16, 2025
RE: **REQUEST FOR APPROVAL OF INDEPENDENT TEST LABORATORIES FOR 2026**

Pursuant to KRS 230.260, Kentucky Horse Racing & Gaming (KHRG) is responsible for establishing and enforcing regulatory standards for sports wagering, pari-mutuel wagering, and charitable gaming in the Commonwealth of Kentucky. This authority includes the approval of independent test laboratories ("ITLs") that assess the compliance, integrity, and technical performance of wagering systems and equipment prior to deployment.

Through the KHRG Board of Directors, KHRG has implemented a formal application and review process for the approval of laboratories that provide such independent testing services. These laboratories must demonstrate the capacity to conduct unbiased testing of systems, platforms, and equipment used in wagering operations under Kentucky's regulatory framework.

As part of the review process, staff evaluated each applicant's general suitability, business structure, operational capacity, and experience working with regulatory agencies in other jurisdictions. The review also included a high-level assessment of each laboratory's independence, testing capabilities, technical personnel, and history of regulatory compliance. Both applicants provided documentation supporting their qualifications and demonstrated their ability to conduct testing in a manner consistent with KHRG's standards and expectations.

SUMMARY OF ITL APPROVAL APPLICATIONS

1. BMM North America, Inc. ("BMM")

BMM is accredited under ISO/IEC 17025. BMM has demonstrated technical competence in evaluating wagering platforms and wagering devices consistent with

Kentucky's technical standards.

Recommendation: Approve BMM as an Independent Test Laboratory.

2. **Gaming Laboratories International, LLC ("GLI")**

GLI is also ISO/IEC 17025 accredited. The laboratory has a robust history of testing and certifying wagering systems, software platforms, and components for regulatory compliance. GLI has demonstrated the qualifications, independence, and capacity to serve as a testing partner under Kentucky's regulatory framework.

Recommendation: Approve GLI as an Independent Test Laboratory.

Staff Recommendation

Based on the evaluation of each applicant's qualifications and submitted documentation, KHRG staff recommends approval of BMM and GLI as Independent Test Laboratories authorized to conduct testing and certification of wagering systems for compliance with Kentucky's statutes, regulations, and technical standards.

KHRG reserves the right to request additional information and conduct periodic reviews or audits of any approved ITL. Approval may be revoked or suspended in the event of noncompliance, conflicts of interest, or other material concerns.

BOARD ACTION

_____ Approve

_____ Defer

_____ Deny

Andy Beshear
GOVERNOR

Jacqueline Coleman
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TO: Kentucky Horse Racing and Gaming

FROM: Hannah Simms, Director of Sports Wagering

DATE: December 16, 2025

RE: **REQUEST FOR APPROVAL OF SPORTS WAGERING SERVICE PROVIDER LICENSE
RENEWALS FOR 2026**

Pursuant to KRS 230.260, the Kentucky Horse Racing and Gaming (KHRG) is tasked with establishing regulatory standards for sports wagering within the Commonwealth of Kentucky. Under KRS 230.811 and KRS 230.814, licensed service providers are authorized to conduct sports wagering activities. Service provider licenses require an initial application fee of \$50,000 and an annual renewal fee of \$10,000.

As a part of the application renewal review process, KHRG staff reviewed items including organizational structure, key personnel, technical requirements and certification, the contract to provide services to a sports wagering operator and contracts with other entities requiring occupational licenses. Throughout the duration of the license, applicants must furnish details concerning significant changes to ownership structure, server equipment and software, arrangements with third-party service providers, house rules, internal controls, and potential impacts on the Commonwealth of Kentucky. KHRG staff may request clarification for any documentation submitted prior to or throughout the duration of the license.

The following memorandum provides a summary of each service provider and the staff recommendation regarding their 2026 license renewal. Further details are available in the application files maintained at the KHRG office.

SUMMARY OF SERVICE PROVIDER RENEWAL APPLICATIONS

1. **American Wagering, Inc. ("Caesars Sportsbook")**
Conducts retail and mobile wagering with Lexington Trots Breeders Association, LLC ("Red Mile").
Recommendation: Approval of the 2026 license renewal
2. **Betfair Interactive US, LLC ("FanDuel Sportsbook")**
Conducts mobile wagering with Turfway Park, LLC ("Turfway Park").
Recommendation: Approval of the 2026 license renewal
3. **BetMGM, LLC ("BetMGM")**
Conducts retail and mobile wagering with Revolutionary Racing KY, LLC ("Sandy's Racing & Gaming").
Recommendation: Approval of the 2026 license renewal
4. **Circa Sports KY, LLC ("Circa Sports")**
Conducts retail and mobile wagering with Kentucky Downs LLC ("The Mint Gaming Hall at Kentucky Downs").
Recommendation: Approval of the 2026 license renewal
5. **Crown KY, LLC ("DraftKings Sportsbook")**
Conducts retail and mobile wagering with ECL Corbin, LLC ("The Mint Gaming Hall Cumberland") and ECL Entertainment LLC ("The Mint Gaming Hall at Bowling Green").
Recommendation: Approval of the 2026 license renewal
6. **FBG Global Holdco, LLC ("Fanatics Sportsbook")**
Conducts mobile wagering with WKY Development, LLC ("Oak Grove Racing, Gaming & Hotel").
Recommendation: Approval of the 2026 license renewal
7. **Hillside (Kentucky), LLC ("Bet365")**
Conducts mobile wagering with Revolutionary Racing KY, LLC ("Sandy's Racing & Gaming").
Recommendation: Approval of the 2026 license renewal
8. **Penn Sports Interactive, LLC (formerly dba "ESPN BET")**
Conducts mobile wagering with Ellis Entertainment, LLC ("Ellis Park").
Update: Penn Sports Interactive, LLC has ended their relationship with ESPN and is no longer operating under the "ESPN BET" brand. The company started operating as "theScore Bet" on December 1, 2025. There has been no change in ownership, corporate structure, or operational control of Penn Sports Interactive, LLC. No service

interruption has occurred or is anticipated as a result of the rebranding.

Recommendation: Approval of the 2026 license renewal

9. **Sports Information Services, Ltd. ("Kambi")**

Conducts retail wagering with Churchill Downs Racetrack, LLC ("Churchill Downs Racetrack"), Ellis Entertainment, LLC ("Ellis Park"), Turfway Park, LLC ("Turfway Park"), and WKY Development, LLC ("Oak Grove Racing, Gaming & Hotel").

Recommendation: Approval of the 2026 license renewal

Staff Recommendation

The KHRG staff has reviewed the submissions and documentation provided by each service provider applicant for the 2026 licensing period. All entities have complied with regulatory requirements and submitted the required renewal fees. The staff recommends the approval of the 2026 sports wagering service provider licenses for the aforementioned applicants.

BOARD ACTION

_____ Approve

_____ Defer

_____ Deny

Andy Beshear
GOVERNOR

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Jonathan Rabinowitz
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TO: Kentucky Horse Racing and Gaming Board
FROM: Hannah Simms, Director of Sports Wagering
DATE: December 16, 2025
RE: **RENEWAL AND PROPOSED CONDITIONS FOR THE 2026 SPORTS WAGERING SERVICE PROVIDER LICENSE OF OUT THE GATE, LLC D/B/A PRIME SPORTS**

KRS 230.290 provides that all licenses issued under KRS Chapter 230 “shall be subject to all administrative regulations and conditions as may from time to time be prescribed by the corporation.” Pursuant to this statutory authority, the Kentucky Horse Racing & Gaming Corporation (KHRG) may impose any conditions necessary to ensure regulatory compliance, financial soundness, operational integrity, and protection of the wagering public. Out the Gate, Inc. d/b/a Prime Sports has submitted a timely renewal application for the 2026 licensing period, provided all requested supplemental documentation, and remitted the required renewal fee, and its application has been reviewed in accordance with applicable statutory and regulatory requirements.

In light of the recent filing of a Chapter 11 bankruptcy petition by Out the Gate, Inc. d/b/a Prime Sports (Prime Sports) on November 12, 2025, and the uncertainty that accompanies the early stages of that proceeding, as well as indications of a potential substantial change in ownership, KHRG staff recommends that the renewal of Prime Sports’ 2026 service provider license be issued with conditions, including limiting the acceptance of wagers based on settlement date. Specifically, the proposed condition would prohibit Prime Sports from accepting wagers that are reasonably expected to settle after the court approved sale closing date. Prime Sports would be permitted to continue accepting wagers that are expected to settle on or before the applicable date, while continuing to settle all outstanding wagers and honor all player withdrawal requests.

This limitation is intended to protect Kentucky consumers by preventing the accumulation of wagering liabilities that extend beyond the applicable court-approved sale closing date, while still allowing for the orderly continuation of operations and fulfillment of existing customer

obligations. Tying the settlement limitation to that defined closing date provides a clear and objective safeguard for player funds during this transitional period, while allowing Prime Sports, the bankruptcy court, and any prospective purchasers or interested parties time to evaluate and complete longer-term business arrangements. The conditions proposed in the attached document address the limitation on wager acceptance based on settlement date, ongoing financial reporting, weekly reserve verification to protect outstanding Kentucky wagering liabilities, reporting obligations related to material corporate developments, ownership and control notifications, the maintenance of an agreement with a licensed racing association, and other measures necessary to preserve the integrity of sports wagering in Kentucky during this period of transition.

Staff Recommendation

KHRG staff has reviewed the timely renewal application, supporting documentation, and confirmed all required fees have been submitted by Out the Gate, Inc. d/b/a Prime Sports for the 2026 sports wagering service provider license. Based on this review, staff recommends approval of the renewal of Prime Sports' 2026 sports wagering service provider license, subject to the conditions attached.

BOARD ACTION

_____ Approve
_____ Defer
_____ Deny

Kentucky Horse Racing & Gaming
Conditions of Licensure Pursuant to KRS 230.260 and 230.290

Pursuant to KRS 230.260 and 230.290, the Kentucky Horse Racing and Gaming Corporation (“KHRG”) is authorized to prescribe necessary and reasonable conditions under which sports wagering is conducted in the Commonwealth of Kentucky. Therefore, as a condition of service provider licensure by KHRG to conduct sports wagering, Out the Gate, Inc. d/b/a Prime Sports (“Prime Sports”) shall certify that it shall comply with the following requirements:

1. Limitation on Acceptance of Wagers Based on Settlement Date

Upon approval of these conditions, Prime Sports shall not accept any wager from a Kentucky customer that is reasonably expected to settle after the later of February 4, 2026, the bankruptcy court approved sale closing date, or the actual closing date of any court-approved sale. Prime Sports may continue to accept wagers that are expected to settle on or before that applicable date, provided such wagers are otherwise lawful and settled in the ordinary course of business.

Prime Sports shall continue to settle all outstanding wagers placed prior to the effective date of this condition and shall continue to process and honor all customer withdrawal requests fully and promptly. Prime Sports shall not offer, market, or accept wagers with delayed or contingent settlement dates extending beyond the applicable closing date, including but not limited to futures, season-long wagers, or similar wager types, unless expressly authorized in writing by KHRG.

Prime Sports shall not structure, modify, or reclassify wagers for the purpose of circumventing the settlement date limitation set forth in this condition.

2. Weekly Reserve Attestation During Conditional Period

Prime Sports shall maintain sufficient funds to cover all Kentucky wagering liabilities outstanding from wagers placed. The reserve must also cover: (a) all cashable player account balances; (b) pending withdrawals; (c) unsettled wagers; and (d) unpaid winning wagers.

The reserve may consist of cash, cash equivalents, payment processor receivables, payment processor reserves, an irrevocable letter of credit, a bond, or any combination thereof, and shall be no less than the greater of twenty-five thousand dollars (\$25,000) or the total Kentucky liabilities listed above.

Prime Sports shall submit to KHRG each Monday by 5:00 p.m. Eastern Time:

- a) A reserve calculation;
- b) Documentation verifying the reserve is held in a segregated, non-operational account; and

- c) An attestation confirming the reserve is fully funded, unencumbered, and immediately available.

If a verification date falls on a banking holiday, completion on the next business day is acceptable provided the reserve remains fully funded. KHRG may audit the reserve at any time and may order immediate corrective action.

3. Protection of Kentucky Customers

Prime Sports shall ensure that Kentucky players may withdraw their funds at any time during the conditional period. Kentucky player funds shall not be transferred, pledged, commingled, or used for any purpose other than satisfying player withdrawals and outstanding wagering obligations.

Prime Sports shall provide KHRG with an accounting of all Kentucky player accounts within ten (10) business days after these conditions are executed and shall update KHRG upon request.

4. Oversight During Bankruptcy Proceeding and Potential Sale or Corporate Transition

Prime Sports shall provide KHRG with copies of any filings, pleadings, motions, orders, or notices submitted to or received from any court, regulatory agency, or governmental body in connection with the bankruptcy proceeding, any proposed sale, or any other material change in the company's business operations. These documents shall be provided to KHRG within twenty-four (24) hours of filing or receipt. Prime Sports shall also immediately notify KHRG of any proposed asset sale, restructuring or reorganization plan, appointment of a trustee, examiner, or other third party to oversee operations, approval or modification of debtor-in-possession financing, or any other development that may affect the company's financial stability, governance, or suitability to hold a sports wagering service provider license in the Commonwealth.

This conditional license does not grant or imply approval of any sale, transfer, or purchaser. Any proposed sale, assignment, or transfer of any interest in the licensed entity or the service provider license shall be subject to a separate and independent suitability review and explicit written approval by the Board pursuant to 809 KAR 1:002 Section 7(3). No sale or transfer shall take effect for Kentucky licensure purposes without such approval.

5. Agreement with a Licensed Racing Association

Prime Sports' continued licensure is contingent upon maintaining a valid and enforceable agreement with a licensed racing association pursuant to KRS 230.811. Prime Sports shall notify KHRG within twenty-four (24) hours of any notice of termination, expiration, non-renewal, challenge to validity, or any event

affecting enforceability of that agreement.

If the agreement becomes invalid or unenforceable, the conditional license shall immediately lapse.

6. Conditions for Resumption of Full Operations

Prime Sports may resume accepting wagers without restriction as to settlement date, and may otherwise operate without the limitations imposed by these conditions, only after:

- a) The conclusion of any proposed sale, restructuring, or other material change in the company's business operations;
- b) KHRG determines, through a separate suitability review pursuant to 809 KAR 1:002 Section 7(3), that the purchaser is fit for licensure;
- c) Updated financial assurances, internal controls, and reserve documentation are submitted and approved; and
- d) KHRG issues written authorization removing the settlement date limitation.

Until these criteria are satisfied, the conditional license authorizes Prime Sports to conduct sports wagering only in compliance with the settlement date limitation and other conditions set forth herein, unless otherwise directed by KHRG in writing.

7. Non-Compliance

Failure to comply with any provision of these conditions may result in immediate suspension or revocation of licensure, or any other action permitted under KRS Chapter 230 and Titles 809 and 810 of the Kentucky Administrative Regulations.

All notices required to be given to KHRG under this condition of licensure, unless otherwise stated, shall be provided to KHRG's Director of Sports Wagering via hand delivery or electronic mail. In the event Prime Sports does not comply with the requirements, KHRG has the authority to assess fines and/or penalties, including, but not limited to, licensure revocation. Additional conditions may be added to Prime Sport's license at any time at the discretion of KHRG.

CERTIFICATION

I, _____ (Full Name of Authorized Representative), a duly authorized representative of _____ (Legal Name of Licensed Service Provider), hereby acknowledge and certify acceptance of the above conditions to the service provider license to conduct sports wagering in the Commonwealth of Kentucky.

X _____
Authorized Representative of Licensee

Date

Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR



4047 Iron Works Parkway
Lexington, KY 40511
Phone: (859) 246-2040
Fax: (859) 246-2039

Jamie Eads
PRESIDENT & CEO

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing and Gaming Board of Directors
FROM: Ashleigh Bailey, Chief Legal Officer
DATE: December 12, 2025
RE: **RATIFICATION OF PURCHASE REQUEST FOR LITIGATION SERVICES**

On November 25, 2025, KHRG was served with a lawsuit regarding an order issued by KHRG. In an unrelated matter, litigation has been threatened by another licensee. Although an RFP for litigation services had been released and responses received, representation for litigation services was needed immediately.

Due to timing of litigation and threatened litigation, a Finance Committee meeting was not able to be scheduled before the need to have a vendor providing litigation services and negotiating a contract for those services. KHRG followed the Emergency Procurement procedures as outlined in the Procurement Policies. These procedures require the following:

- A request, in writing if possible, for a written determination shall be made to the President or her designee
- If she finds the condition exists for KHRG to purchase through an emergency procurement, KHRG may proceed with the emergency procurement
- If possible, the determination will be made in writing
- President or her designee shall make its reasonable best effort to obtain approval from the Finance Committee prior to making such a procurement, and if unable to do so, shall inform the Board of any action taken and the justification for such procurement and provide documentation regarding all efforts to obtain approval from the Finance Committee
- The determination will be submitted for ratification by the Board at its next meeting

The attached Purchase Request Form was shared individually with four of the five Finance Committee members by the CFO on the afternoon of November 25, 2025, after the KHRG board meeting. The CFO individually spoke with the members and addressed any questions raised. Additionally, the CEO spoke with the KHRG Board Chairman who did not have any concerns with the procurement. KHRG staff proceeded with retaining services from Frost Brown Todd, LLC, on November 26, 2025, with the contract not to exceed \$100,000.

KHRG staff recommends ratification by the Board of the Purchase Request for Litigation Services.

BOARD ACTION

_____ Approve

_____ Defer

_____ Deny

Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR



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Phone: (859) 246-2040
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Jamie Eads
PRESIDENT & CEO

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing and Gaming Board of Directors
FROM: Ashleigh Bailey, Chief Legal Officer
DATE December 12, 2025
RE: **PURCHASE REQUESTS FOR LITIGATION SERVICES**

KHRG is seeking authorization to negotiate and sign contracts with four law firms to provide litigation services. KHRG previously released a Request for Proposals (RFP) seeking representation in cases involving complex administrative law and constitutional issues, including attacks on the validity of KHRG regulations for horse racing, pari-mutuel wagering, sports wagering and charitable gaming. Requested services in the RFP included, but were not limited to, representation of KHRG in civil and appellate litigation and/or before administrative bodies where KHRG may be a party, and legal advice and assistance on all matters within its jurisdiction in regulating horse racing, sports wagering, pari-mutuel wagering and charitable gaming.

RFP 2025-001 was released for litigation services on November 3, 2025, with responses due by noon on November 24, 2025, and noted one or more contracts may be awarded. Utilization of the contract shall be determined on an "as needed" basis; thus the vendor is not guaranteed to receive any compensation pursuant to the contract and any work performed will be performed following a request from KHRG. The evaluation committee reviewed and scored the responses and are requesting to proceed with contracts to be awarded with the following firms:

Dentons Bingham Greenebaum, LLP	Contract not to exceed \$400,000
Embry Merritt Womack Nance, PLLC	Contract not to exceed \$400,000
Frost Brown Todd	Contract not to exceed \$400,000
Sturgill, Turner, Barker & Moloney, PLLC	Contract not to exceed \$400,000

KHRG staff recommends approval to enter into four contracts with each of the four vendors listed above.

BOARD ACTION

_____ Approve
_____ Defer
_____ Deny

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Andy Beshear
GOVERNOR

Jacqueline Coleman
LIEUTENANT GOVERNOR



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Jamie Eads
PRESIDENT & CEO

Jonathan Rabinowitz
CHAIRMAN

TO: Kentucky Horse Racing and Gaming Board of Directors
FROM: Ashleigh Bailey, Chief Legal Officer
DATE: November 12, 2025
RE: **PURCHASE REQUESTS FOR GENERAL LEGAL SERVICES CONTRACTS**

KHRG is seeking authorization to negotiate and sign contracts with four law firms to provide professional, general legal services for advice and counsel and other legal services for various corporate legal issues. Services include, but are not limited to, representation and advice and counsel on employment law issues, including employee benefits and wage and hours laws; preparation and/or review of contracts, MOAs and/or other agreements; procurement law; tax law; finance law; corporate governance; and advice and counsel in connection with other miscellaneous matters.

RFP 2025-002 was released for general legal services on November 3, 2025, with responses due by noon on November 24, 2025, and noted one or more contracts may be awarded. Utilization of a contract shall be determined on an "as needed" basis, thus the vendor is not guaranteed to receive any compensation pursuant to the contract and any work performed will be performed following a request from KHRG. The evaluation committee reviewed and scored the responses and are requesting to proceed with contracts to be awarded with the following firms:

Dentons Bingham Greenebaum, LLP	Contract not to exceed \$200,000
Embry Merritt Womack Nance, PLLC	Contract not to exceed \$200,000
Frost Brown Todd	Contract not to exceed \$200,000
Sturgill, Turner, Barker & Moloney, PLLC	Contract not to exceed \$200,000

KHRG staff recommends approval to enter into four contracts with each of the four vendors listed above.

BOARD ACTION

_____ Approve

_____ Defer

_____ Deny

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