



Andy Beshear
Governor

Public Protection Cabinet
Kentucky Horse Racing Commission
4063 Iron Works Parkway, Building B
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Ray A. Perry
Secretary

Marc Guilfoil
Executive Director

Jonathan Rabinowitz
Chairman

September 2, 2021

Jeffery Inman
Ellis Entertainment, LLC
3300 Highway 41 N
Henderson, KY 42420

Re: Notice of Administrative Fine

Dear Mr. Inman,

The Kentucky Horse Racing Commission ("Commission") has determined that Ellis Entertainment, LLC ("Ellis Park") deployed pari-mutuel pools and system components operating through Ainsworth Game Technology and AGS, LLC ("AGS") without prior written approval from the Commission. This constitutes a violation of 810 KAR 6:010 Section 2(1). For the reasons set forth below, the Commission issues this notice of administrative penalty and fine.

On July 27, 2021, Ellis Park submitted a letter to the Commission requesting a modification to its designated area to offer pari-mutuel wagering on historical horse races. This letter requested the deployment of three new pari-mutuel pools that are operated using AGS system components. On August 9, 2021, Ellis Park deployed these pari-mutuel pools without prior written approval from the Commission, as is required. *See* 810 KAR 6:010, Section 2(1).

On August 7, 2021, Ellis Park submitted a letter to the Commission requesting a modification to its designated area to offer pari-mutuel wagering on historical horse races. This letter requested the deployment of six new pari-mutuel pools and seven new entertaining game themes that are operated using Ainsworth Game Technology system components. On August 16, 2021, Ellis Park deployed these pari-mutuel pools and entertaining game themes without prior written approval from the Commission, as is required. *Id.*

On August 26, 2021, the Commission approved all of the above-mentioned pari-mutuel pools and entertaining games that use Ainsworth system components.

Title 810 of the Kentucky Administrative Regulations states that all pari-mutuel wagers on a historical horse race or races shall be exotic wagers. *See* 810 KAR 6:010 Section 1. Furthermore, "[a]n association shall not offer an exotic wager on any live or historical horse or races without the prior written approval of the commission." *See* 810 KAR 6:010 Section 2(1). Finally, "[a]n association shall not implement any change or modification to the practices, procedures, or representations upon which the approval of the exotic wager was based without the prior written approval of the commission." *See* 810 KAR 6:010 Section 2(7).



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Based upon the Commission's review of the letter submitted by Ellis Park on August 29, 2021, it is evident that Ellis Park began offering new exotic wagers that were not approved by the Commission in writing prior to their deployment. The Commission has therefore determined that Ellis Park was not compliant with Title 810 of the Kentucky Administrative Regulations for a period of seventeen (17) days. However, the Commission has also determined that two (2) mitigating factors exist. Specifically, these violations were not intentional and did not put patrons at risk.

Based upon these violations, the Commission hereby imposes a fine against Ellis Park in the amount of \$1,000.00 per day from August 9, 2021, through August 25, 2021, pursuant to KRS 230.320(1), KRS 230.260(11), 810 KAR 6:001 Section 1(19) and 810 KAR 8:030, Section 10(1)(d). Due to the existence of these mitigating factors, the penalization is stayed on the condition that Ellis Park incurs no further violations of the Commission's pari-mutuel wagering statutes or regulations within three hundred sixty-five (365) days from the date of this ruling.

If you wish to appeal this fine, you may request a Commission hearing pursuant to KRS 230.320(3).

Sincerely,

A handwritten signature in blue ink, appearing to read "Marc A. Guilfoil".

Marc A. Guilfoil
Executive Director
Kentucky Horse Racing Commission

cc: Jennifer Wolsing, KHRC
Waqas Ahmed, KHRC