ARTICLE 9. PARI-MUTUEL WAGERING

Rule 1. General Provisions

71 IAC 9-1-1 General

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 1. (a) Each association shall conduct wagering in accordance with applicable laws and these rules. Such wagering shall employ a pari-mutuel system approved by the commission, and which meets the technical standards set forth in the Association of Racing Commissioners International Totalizator Technical Standards, as revised by the ARCI in July 2012, and any revision effective after said date, which are incorporated herein by reference, copies of which are available at the commission office. The totalizator system shall be tested prior to and during the meeting as required by the commission.

(b) The commission may enter into multi-jurisdiction agreements with other regulatory authorities to facilitate certification of compliance with requirements by, and licensing of, wagering, secondary pari-mutuel organizations, and advance deposit account wagering systems. *(Indiana Horse Racing Commission; 71 IAC 9-1-1; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1178; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-1-2 Records

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 2. (a) The association shall maintain records of all wagering so the commission may review such records for any contest, including:

(1) the opening line;
(2) subsequent odds fluctuation;
(3) the amount and at which window wagers were placed on any betting interest; and
(4) such other information as may be required.

Such wagering records shall be retained by each association and safeguarded for a period of time specified by the commission. The commission may require that certain of these records be made available to the wagering public at the completion of each contest.

(b) The association shall provide the commission with a list of the licensed individuals afforded access to pari-mutuel records and equipment at the wagering facility. *(Indiana Horse Racing Commission; 71 IAC 9-1-2; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1178; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-3 Pari-mutuel tickets

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 3. (a) A pari-mutuel ticket is evidence of a contribution to the pari-mutuel pool operated by the association and is evidence of the obligation of the association to pay to the holder thereof such portion of the distributable amount of the pari-mutuel pool as is represented by such valid pari-mutuel ticket. The association shall cash all valid winning tickets when such are presented for:

(1) payment during the course of the meeting where sold; and
(2) a specified period after the last day of the meeting.

(b) To be deemed a valid pari-mutuel ticket, such ticket shall have been issued by a pari-mutuel ticket machine operated by the association and recorded as a ticket entitled to a share of the pari-mutuel pool and contain imprinted information as to the following:

(1) The name of the association operating the meeting.

(2) A unique identifying number or code.
(3) Identification of the terminal at which the ticket was issued.
(4) A designation of the performance for which the wagering transaction was issued.
(5) The contest number for which the pool is conducted.
(6) The type or types of wagers represented.
(7) The number or numbers representing the betting interests for which the wager is recorded.
(8) The amount or amounts of the contributions to the pari-mutuel pool or pools for which the ticket is evidence.

(c) No pari-mutuel ticket recorded or reported as previously paid, canceled, or nonexistent shall be deemed a valid pari-mutuel ticket by the association. The association may withhold payment and refuse to cash any pari-mutuel ticket deemed not valid, except as provided in section 4(e) of this rule.

(d) The association and its employees shall abide by the ticket cancellation policy approved by the commission. *(Indiana Horse Racing Commission; 71 IAC 9-1-3; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1178; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2425; errata filed Mar 5, 1998, 1:47 p.m.: 21 IR 2392; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-4 Pari-mutuel ticket sales

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 4. (a) Pari-mutuel tickets shall not be sold by anyone other than an association licensed to conduct pari-mutuel wagering.

(b) No pari-mutuel ticket may be sold on a contest for which wagering has already been closed and no association shall be responsible for ticket sales entered into but not completed by issuance of a ticket before the totalizator is closed for wagering on such contest.

(c) Claims pertaining to a mistake on an issued or unissued ticket must be made by the bettor prior to leaving the seller's window.

(d) Payment on winning pari-mutuel wagers shall be made on the basis of the order of finish as purposely posted and declared official. Any subsequent change in the order of finish or award of purse money as may result from a subsequent ruling by the judges or commission shall in no way affect the pari-mutuel payoff. If an error in the posted order of finish or payoff figures is discovered, the official order of finish or payoff prices may be corrected and an announcement concerning the change shall be made to the public.

(e) The association shall not satisfy claims on mutilated, or altered pari-mutuel tickets without authorization of the commission.

(f) Claims on lost pari-mutuel tickets shall adhere to guidelines approved by the commission.

(g) The association shall have no obligation to enter a wager into a betting pool if unable to do so due to equipment failure.

(h) When payments on winning pari-mutuel wagers require Internal Revenue Service returns or reporting, identification of the recipient shall be confirmed by the association by examination of an appropriate government-issued personal identification document such as a driver's license, a passport, or an identification card.

(i) No person other than the true owner and beneficiary of a pari-mutuel ticket shall sign a Form W2G or Form 5754. No person shall knowingly aid, in any way, in any misrepresentation regarding Internal Revenue Service (IRS) forms. Any known or suspected misrepresentation or irregularity regarding IRS forms shall be reported to the commission within forty-eight (48) hours. *(Indiana Horse Racing Commission; 71 IAC 9-1-4; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1178; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; emergency rule filed Aug 10, 1994, 3:30 p.m.: 17 IR 2918; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2159; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Mar 20, 2007, 1:43 p.m.: 20070404-IR-071070198ERA, eff Mar 16, 2007 [IC 4-22-2-37.1 establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #07-198(E) was filed with the Publisher March 20, 2007.]; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-5 Advance performance wagering

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 5. No association shall permit wagering to begin more than one (1) hour before scheduled post time of the first contest of a performance unless it has first obtained the authorization of the commission. *(Indiana Horse Racing Commission; 71 IAC 9-1-5; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1179; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-6 Claims for payment from pari-mutuel pool

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 6. (a) At a designated location, a written, verified claim for payment from a pari-mutuel pool shall be accepted by the association in any case where the association has withheld payment or has refused to cash a pari-mutuel wager. The claim shall be made on such form as approved by the commission, and the claimant shall make such claim under penalty of perjury. The original of such claim shall be forwarded to the commission within forty-eight (48) hours.

(b) In the case of a claim made for payment of a mutilated pari-mutuel ticket which does not contain the total imprinted elements required in section 3 (b) of this rule, the association shall make a recommendation to accompany the claim forwarded to the commission as to whether or not the mutilated ticket has sufficient elements to be positively identified as a winning ticket.

(c) In the case of a claim made for payment on a pari-mutuel wager, the commission shall adjudicate the claim and may:

(1) order payment thereon from the pari-mutuel pool or by the association;

(2) deny the claim; or

(3) make such other order as it may deem proper.

(Indiana Horse Racing Commission; 71 IAC 9-1-6; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1179; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-1-7 Payment for errors

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 7. If an error occurs in the payment amounts for pari-mutuel wagers which are cashed or entitled to be cashed and, as a result of such error the pari-mutuel pool involved in the error is not correctly distributed among winning ticket holders, the following shall apply:

(1) Verification is required to show that the amount of the commission, the amount in breakage, and the amount in payoffs is equal to the total gross pool. If the amount of the pool is more than the amount used to calculate the payoff, the underpayment shall be added to the corresponding pool of the next contest. If underpayments are discovered after the close of the meeting, the underpayment shall be held in an interest-bearing account approved by the commission until being added, together with accrued interest, to the corresponding pool of the next meet.

(2) Any claim not filed with the association within thirty (30) days, inclusive of the date on which the underpayment was publicly announced, shall be deemed waived; the association shall have no further liability therefore.

(3) In the event the error results in an overpayment to winning wagers, the association shall be responsible for such payment.

(Indiana Horse Racing Commission; 71 IAC 9-1-7; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1179; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-1-8 Betting explanation

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 8. A summary explanation of pari-mutuel wagering and each type of betting pool offered shall be published in the program for every wagering performance. The rules of racing relative to each type of pari-mutuel pool offered must be available upon request

through association representatives. *(Indiana Horse Racing Commission; 71 IAC 9-1-8; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1179; emergency rule filed Aug 10, 1994, 3:30 p.m.: 17 IR 2919; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-9 Display of betting information

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 9. (a) Approximate odds for win pool betting shall be posted on display devices within view of the wagering public and updated at intervals of not more than sixty (60) seconds.

(b) The probable payoff or amounts wagered, in total and on each betting interest, for other pools may be displayed to the wagering public at intervals and in a manner approved by the commission.

(c) Official results and payoffs must be displayed upon each contest being declared official. *(Indiana Horse Racing Commission; 71 IAC 9-1-9; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1180; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-1-10 Canceled contests

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 10. If a contest is canceled or declared no contest, refunds shall be granted on valid wagers in accordance with these rules. *(Indiana Horse Racing Commission; 71 IAC 9-1-10; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1180; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-11 Refunds

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 11. (a) Notwithstanding other provisions of these rules, refunds of the entire pool shall be made on the following:

(1) Win pools, exacta pools, and first half double pools offered in contests in which the number of betting interests has been reduced to fewer than two (2).

(2) Place pools, quinella pools, trifecta pools, first half quinella double pools, and first half twin quinella pools offered in contests in which the number of betting interests has been reduced to fewer than three (3).

(3) Show pools, superfecta pools, and first half twin superfecta pools offered in contests in which the number of betting interests has been reduced to fewer than four (4).

(b) Authorized refunds shall be paid upon presentation and surrender of the affected pari-mutuel ticket. *(Indiana Horse Racing Commission; 71 IAC 9-1-11; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1180; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-12 Coupled entries and mutuel fields *(Repealed)*

Sec. 12. *(Repealed by Indiana Horse Racing Commission; emergency rule filed Aug 29, 2017, 3:21 p.m.: 20170906-IR-071170396ERA)*

71 IAC 9-1-13 Pools dependent on betting interests

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 13. (a) Unless the commission otherwise provides, one-half (½) hour prior to post time for the first race, the association:
(1) may offer win, place, and show wagering on all contests with six (6) or more betting interests;
(2) may prohibit show wagering on any contest with five (5) or fewer betting interests scheduled to start;
(3) may prohibit place wagering on any contest with four (4) or fewer betting interests scheduled to start;
(4) may prohibit quinella wagering on any contest with three (3) or fewer betting interests scheduled to start;
(5) may prohibit quinella double wagering on any contests with three (3) or fewer betting interests scheduled to start;
(6) may prohibit exacta wagering on any contest with three (3) or fewer betting interests scheduled to start;
(7) shall prohibit trifecta wagering on any contest with four (4) or fewer betting interests scheduled to start;
(8) may prohibit twin quinella wagering on any contests with three (3) or fewer betting interests scheduled to start;
(9) shall prohibit twin trifecta wagering on any contests with four (4) or fewer betting interests scheduled to start;
(10) shall prohibit superfecta wagering on any contest with five (5) or fewer betting interests to start;
(11) shall prohibit pentafecta wagering on any contest with six (6) or fewer betting interests; and
(12) may prohibit odd-even wagering on any contest with four (4) or fewer betting interests.

(b) Notwithstanding subsection (a), the timing of advance performance wagering shall be governed by section 5 of this rule. *(Indiana Horse Racing Commission; 71 IAC 9-1-13; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1180; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2082; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2160; emergency rule filed Mar 18, 1998, 1:40 p.m.: 21 IR 3022; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Mar 20, 2007, 1:43 p.m.: 20070404-IR-071070198ERA, eff Mar 16, 2007 [IC 4-22-2-37.1 establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #07-198(E) was filed with the Publisher March 20, 2007.]; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; emergency rule filed Mar 30, 2016, 12:18 p.m.: 20160406-IR-071160138ERA; emergency rule filed Mar 15, 2019, 2:42 p.m.: 20190320-IR-071190167ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-1-14 Prior approval required for betting pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 14. (a) An association that desires to offer new forms of wagering must apply in writing to the commission and receive written approval prior to implementing the new betting pool.

(b) The association may suspend previously approved forms of wagering with the prior approval of the commission. Any carryover shall be held until the suspended form of wagering is reinstated. An association may request approval of a form of wagering or separate wagering pool for specific performances.

(c) An association desiring to accept minimum wagers as the host track for less than one dollar ($1) or more than two dollars ($2) shall first apply in writing to the commission and obtain specific approval of the commission or its executive director. *(Indiana Horse Racing Commission; 71 IAC 9-1-14; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Nov 9, 2005, 8:00 a.m.: 29 IR 830, eff Aug 9, 2005 [IC 4-22-2-37.1 establishes the effectiveness of an emergency rule upon filing with the Secretary of State. This document was filed with the Secretary of State on November 9, 2005.]; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-15 Closing of wagering in a contest

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 15. (a) A commission representative shall close wagering for each contest originating from the association's track after

which time no pari-mutuel tickets shall be sold for that contest.

(b) The association shall maintain, in good order, a system approved by the commission for closing wagering.

(c) The licensed tote vendor and the association shall comply with the stop betting procedures approved by the commission.

(d) In the event that the mutuel machines fail to lock at the commencement of a race, the association, the licensed tote vendor and their respective licensed designees shall adhere to the commission approved procedures in responding to the event. These procedures shall apply to both live and simulcast races. On a live race, these procedures shall apply to in-state mutuel machines and out-of-state mutuel machines that are commingled with the association's pools. *(Indiana Horse Racing Commission; 71 IAC 9-1-15; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; emergency rule filed Nov 10, 1994, 4:40 p.m.: 18 IR 545; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2425; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-16 Complaints pertaining to pari-mutuel operations

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 16. (a) When a patron makes a complaint regarding the pari-mutuel department to an association, the association shall immediately issue a complaint report, setting out the following:

(1) The name of the complainant.

(2) The nature of the complaint.

(3) The name of the persons, if any, against whom the complaint was made.

(4) The date of the complaint.

(5) The action taken or proposed to be taken, if any, by the association.

(b) The association shall submit every complaint report to the commission within forty-eight (48) hours after the complaint was made. *(Indiana Horse Racing Commission; 71 IAC 9-1-16; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-17 Licensed employees *(Repealed)*

Sec. 17. *(Repealed by Indiana Horse Racing Commission; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2427)*

71 IAC 9-1-18 Unrestricted access

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 18. The association shall permit the commission unrestricted access at all times to its facilities and equipment and to all books, ledgers, accounts, audit records, documents, and records of the association that relate to pari-mutuel wagering. *(Indiana Horse Racing Commission; 71 IAC 9-1-18; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-19 Emergency situations

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 19. In the event of an emergency in connection with the pari-mutuel department not covered in these rules, the pari-mutuel manager representing the association shall resolve the situation. The pari-mutuel manager shall report the problem to the judges and

the association and the judges shall render a full written report to the commission within forty-eight (48) hours. If the matter involves a simulcast program at a time when a live meet is not in progress, the pari-mutuel manager shall render a full written report to the executive director within forty-eight (48) hours. *(Indiana Horse Racing Commission; 71 IAC 9-1-19; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; emergency rule filed Aug 9, 1995, 10:30 a.m.: 18 IR 3414; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1-20 Mutuel manager's report
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 20. The mutuel manager or assistant mutuel manager shall report, on a form provided by the commission, any irregularity or unusual occurrence regarding pari-mutuel operations. Such report shall be submitted to the commission within forty-eight (48) hours of the irregularity or unusual occurrence. *(Indiana Horse Racing Commission; 71 IAC 9-1-20; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2083; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

Rule 1.1. Mobile Gaming Definitions

71 IAC 9-1.1-1 Applicability
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 1. The definitions in this rule apply throughout this article. *(Indiana Horse Racing Commission; 71 IAC 9-1.1-1; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; readopted filed Nov 15, 2018, 2:46 p.m.: 20181212-IR-071180363RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1.1-2 "Mobile gaming" defined
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 2. "Mobile gaming" means an electronic wireless system approved by the commission that allows a patron to place wagers funded by a mobile wagering account by means of a mobile gaming device. *(Indiana Horse Racing Commission; 71 IAC 9-1.1-2; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1.1-3 "Mobile wagering account" defined
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 3. "Mobile wagering account" means a system of account wagering available to mobile gaming patrons. *(Indiana Horse Racing Commission; 71 IAC 9-1.1-3; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-1.1-4 "Mobile gaming device" defined
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 4. "Mobile gaming device" means an electronic contrivance capable of interacting with a totalizator system, which allows the placing of wagers wirelessly. *(Indiana Horse Racing Commission; 71 IAC 9-1.1-4; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

Rule 1.5. Mobile Gaming

71 IAC 9-1.5-1 General rules

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 1. (a) A patron utilizing a mobile gaming device must:
(1) abide by all current commission rules and regulations;
(2) be eighteen (18) years of age or older;
(3) establish a mobile wagering account; and
(4) place all wagers within areas approved by the commission.
(b) The mobile gaming device must be:
(1) approved by the commission;
(2) connected to an association's secure network;
(3) inoperable for wagering when:
(A) not connected to an association's secure network; or
(B) outside areas approved by the commission; and
(4) capable of patron review of and cancellation of wagers.
(Indiana Horse Racing Commission; 71 IAC 9-1.5-1; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-1.5-2 Mobile gaming device account wagering

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 2. (a) A mobile wagering account patron must:
(1) be eighteen (18) years of age or older;
(2) provide such personal information as the association and commission require;
(3) open the mobile wagering account on association grounds; and
(4) agree in writing to obey all mobile account wagering rules and regulations as the commission and association require.
(b) An association must provide each mobile wagering account patron the following:
(1) a personal account username or number;
(2) a confidential account password or pin number;
(3) an electronic record of information required by section 2(d) of this rule *[subsection (d)]*; and
(4) a printed or electronic record of the wagers made that day by the patron if requested by the patron.
(c) A mobile wagering account must be:
(1) funded only by cash, voucher, winning pari-mutuel ticket, or refunded pari-mutuel ticket;
(2) nontransferable between patrons; and
(3) subject to withdrawal by the mobile wagering account patron at all times when pari-mutuel tickets may be cashed.
(d) The association must maintain the following information on wagers funded by a mobile wagering account:
(1) the name of the association operating the meeting;
(2) a unique identifying number or code;
(3) identification of the mobile gaming device on which the wager was issued;
(4) a designation of the performance for which the wagering transaction was issued;

(5) the contest number for which the pool is conducted;
(6) the type or types of wagers represented;
(7) the number or numbers representing the betting interests for which the wager is recorded; and
(8) the amount or amounts of the contributions to the pari-mutuel pool or pools to which mobile wagers were recorded.
(Indiana Horse Racing Commission; 71 IAC 9-1.5-2; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Oct 3, 2013, 2:08 p.m.: 20131009-IR-071130452ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

Rule 2. Account Wagering *(Repealed)*

(Repealed by Indiana Horse Racing Commission; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2161)

Rule 2.1. Advance Deposit Wagering Definitions

NOTE: Agency cited as Rule 2, which was renumbered by the Publisher as Rule 2.1.

71 IAC 9-2.1-1 Applicability
Authority: IC 4-31-7.5-11
Affected: IC 4-31

Sec. 1. The definitions in this rule apply through this article. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-1; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-1, which was renumbered by the Publisher as 71 IAC 9-2.1-1.*

71 IAC 9-2.1-2 "Account holder" defined
Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-2

Sec. 2. "Account holder" means an Indiana resident who has established an advance deposit wagering account. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-2; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-6, which was renumbered by the Publisher as 71 IAC 9-2.1-2.*

71 IAC 9-2.1-3 "Advance deposit wagering" defined
Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-3

Sec. 3. "Advance deposit wagering" means a system of pari-mutuel wagering in which wagers of account holder are debited and payouts are credited to an account established by the account holder, regardless of whether the wagers are made in person, by telephone, or through communication by other electronic means. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-3; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-2, which was renumbered by the Publisher as 71 IAC 9-2.1-3.*

71 IAC 9-2.1-4 "Advance deposit wagering account" defined
Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-4

Sec. 4. "Advance deposit wagering account" means an account for advance deposit wagering held by a licensed SPMO. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-4; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-5, which was renumbered by the Publisher as 71 IAC 9-2.1-4.*

71 IAC 9-2.1-5 "Advance deposit wagering terms and agreement" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31

Sec. 5. "Advance deposit wagering terms and agreement" refers to a plan by an SPMO, subject to commission approval, detailing how a licensed SPMO will operate an advance deposit account wagering system in Indiana. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-5; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-11, which was renumbered by the Publisher as 71 IAC 9-2.1-5.*

71 IAC 9-2.1-6 "Communication by other electronic means" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-5; IC 35-45-5-1

Sec. 6. "Communication by other electronic means" means communication by any electronic communication device, including any of the following:

(1) A personal computer or other device enabling communication through the Internet.
(2) A private network.
(3) An interactive television.
(4) A wireless communication technology.
(5) An interactive computer service (as defined in IC 35-45-5-1).
(6) Any other technology approved by the commission.

(Indiana Horse Racing Commission; 71 IAC 9-2.1-6; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-9, which was renumbered by the Publisher as 71 IAC 9-2.1-6.

71 IAC 9-2.1-7 "Confidential information" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31

Sec. 7. As used in this article, "confidential information" includes the following:

(1) the amount of money credited to, debited from, or present in any particular account holder's account;
(2) the amount of money wagered by a particular account holder on any races or series of races;
(3) the account number and secure means of personal identification of an account holder;
(4) the identities of particular entries on which an account holder is wagering or has wagered;
(5) the account holder's Social Security number;
(6) unless otherwise authorized by the account holder, the name, address, and other information in possession of the licensed SPMO that would identify the account holder to anyone other than the commission, the commission's designees, and the licensed SPMO; and
(7) credit and debit card information provided by an account holder.

(Indiana Horse Racing Commission; 71 IAC 9-2.1-7; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-10, which was renumbered by the Publisher as 71 IAC 9-2.1-7.

71 IAC 9-2.1-8 "Licensed SPMO" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-6

Sec. 8. "Licensed SPMO" means a secondary pari-mutuel organization licensed under this article. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-8; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-4, which was renumbered by the Publisher as 71 IAC 9-2.1-8.*

71 IAC 9-2.1-9 "Net source market fee" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-18

Sec. 9. "Net source market fee" means the difference between:
(1) the amount of the source market fee received by a permit holder from a licensed SPMO; minus
(2) the amount of expenses incurred by the permit holder under this article.
(Indiana Horse Racing Commission; 71 IAC 9-2.1-9; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-8, which was renumbered by the Publisher as 71 IAC 9-2.1-9.

71 IAC 9-2.1-10 "Secondary pari-mutuel organization" or "SPMO" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-7

Sec. 10. "Secondary pari-mutuel organization" or "SPMO" means an entity that offers advance deposit wagering. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-10; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-3, which was renumbered by the Publisher as 71 IAC 9-2.1-10.*

71 IAC 9-2.1-11 "Source market fee" defined

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-8; IC 4-31-7.5-10

Sec. 11. "Source market fee" means the amount of an advance deposit wager made on any race:
(1) through a licensed SPMO; and
(2) by an individual whose principal residence is within Indiana at the time the wager is made;
that a permit holder is entitled to receive from the licensed SPMO under the terms of the contract required by IC 4-31-7.5-10 between the licensed SPMO and each permit holder. *(Indiana Horse Racing Commission; 71 IAC 9-2.1-11; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2-7, which was renumbered by the Publisher as 71 IAC 9-2.1-11.*

Rule 2.2. Advance Deposit Wagering

NOTE: Agency cited as Rule 2.1, which was renumbered by the Publisher as Rule 2.2.

71 IAC 9-2.2-1 Purpose

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-1

Sec. 1. (a) Advance deposit wagering is permitted in Indiana, subject to IC 4-31-7.5 and this article.
(b) These rules have been enacted to:
(1) recognize changes in technology for pari-mutuel wagering and to retain for the Indiana horse racing industry a part of revenues generated by Indiana residents on wagers placed with secondary pari-mutuel organizations;
(2) to ensure that advance deposit wagering on horse races in Indiana will be conducted with the highest of standards and the greatest level of integrity;
(3) to establish application, license, and operational criteria to conduct advance deposit wagering activities in order to ensure the protection of the public interest; and
(4) to ensure that the process for the issuance of licenses relating to advance deposit wagering is fair and equitable.
(Indiana Horse Racing Commission; 71 IAC 9-2.2-1; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-1, which was renumbered by the Publisher as 71 IAC 9-2.2-1.

71 IAC 9-2.2-2 Licensing of secondary pari-mutuel organization

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-15

Sec. 2. (a) The commission may issue to a secondary pari-mutuel organization a license to offer advance deposit wagering to Indiana residents if the commission:

(1) finds that the applicant satisfies the requirements of this article; and

(2) approves the contract submitted under section 6 of this rule.

(b) The term of a license issued under this article is one (1) year.

(c) The annual license renewal fee is one thousand dollars ($1,000). *(Indiana Horse Racing Commission; 71 IAC 9-2.2-2; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-2, which was renumbered by the Publisher as 71 IAC 9-2.2-2.*

71 IAC 9-2.2-3 Application submission and reimbursement costs

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-13; IC 4-31-7.5-14

Sec. 3. (a) A secondary pari-mutuel organization applying for a license under this article must submit a complete application on a form prescribed by the commission that contains the following information:

(1) The applicant's legal name.

(2) The location of the applicant's principal office.

(3) The names, addresses, and dates of birth of all shareholders, directors, officers, and other persons owning or controlling an interest in the SPMO with the degree of ownership or type of interest shown. Corporations, partnerships, or other legal entities, which own or control a beneficial interest in the applicant, either directly or through other corporations or legal entities, shall similarly file with the application a list showing the names, addresses, and dates of birth of all officers, directors, stockholders, and other persons owning or controlling a beneficial interest in the legal entities, with the degree of ownership or type of interest pertaining to the ownership or interest.

(4) If the applicant is a corporation ultimately owned by a not-for-profit entity without any shareholders, or is a publicly traded corporation, the information required in subdivision (3) shall be required from the directors of the membership organization, or the directors and officers of the publicly traded corporation, in lieu of the shareholders.

(5) A copy of the organizational documents of the applicant.

(6) The names of the racetracks the applicant, or its agent, has contracts or other agreements with that allow the applicant to provide advance deposit wagering.

(7) Financial information that demonstrates that the SPMO has the financial resources to operate advance deposit wagering and provides a detailed budget that shows anticipated revenue, expenditures, and cash flows by month, projected for the term of the license sought.

(8) Written evidence of the approval to conduct advance deposit wagering that the organization has received from the appropriate regulatory authority in each state where the secondary pari-mutuel organization is licensed.

(9) A copy of a proposed contract executed by the applicant and each permit holder to satisfy the requirements of section 6 of this rule.

(10) A copy of the bond, irrevocable letter of credit, or other undertaking referenced in section 5 of this rule.

(11) A plan of operation including all standard operating procedures related to wagers, wagering accounts, security of wagering systems, security of confidential information, and policies for ensuring no underage persons engage in wagering and account payouts.

(12) A detailed budget showing on a monthly basis anticipated revenue, expenditures, and cash flows, from the SPMO's operation during the initial license period.

(13) A proposed version of the advance deposit wagering terms and agreement to be provided to account holders.

(14) A nonrefundable application fee of five thousand dollars ($5,000).

(15) Any other information required by the commission.

(b) The commission may retain professional services, conduct investigations, or request additional information from the

applicant for a license as it deems appropriate in determining whether to grant a license to an SPMO.

(c) The commission may require an applicant to pay any costs incurred by the commission for background checks, investigation, and professional fees related to the review or consideration, or both, of the license application that exceed five thousand dollars ($5,000). *(Indiana Horse Racing Commission; 71 IAC 9-2.2-3; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Dec 5, 2019, 1:56 p.m.: 20191211-IR-071190646ERA) NOTE: Agency cited as 71 IAC 9-2.1-3, which was renumbered by the Publisher as 71 IAC 9-2.2-3.*

71 IAC 9-2.2-4 SPMO license criteria and commission action

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5

Sec. 4. (a) The commission may issue a license under IC 4-31-7.5 if the commission determines that the applicant meets all of the requirements under IC 4-31-7.5 and this article and, that on the basis of all the facts before it, the following is shown:

(1) The applicant is qualified and financially able to operate advance deposit wagering in the state of Indiana.

(2) Advance deposit wagering in Indiana will be operated in accordance with all applicable laws and rules.

(3) The issuance of a license will ensure that advance deposit wagering will be conducted with the highest of standards and the greatest level of integrity, and ensure the protection of the public interest.

(b) In reviewing an application, the commission may consider any information, data, reports, findings, factors, or indices available that it considers important or relevant to its determination of whether an applicant is qualified to hold an SPMO license under IC 4-31-7.5, including, without limitation, the following:

(1) The integrity of the applicant, its partners, directors, officers, and policymakers, including, but not limited to, the following:

(A) Criminal record.

(B) Whether a party to litigation over business practices, disciplinary actions over a business license or permit, or refusal to renew a license or permit.

(C) Proceedings in which unfair labor practices, discrimination, or government regulation of advance deposit wagering was an issue or bankruptcy proceedings.

(D) Failure to satisfy judgments, orders, or decrees.

(E) Delinquency in filing of tax reports or remitting taxes.

(F) Any other indices related to the integrity of the applicant that the commission considers important or relevant to its determination.

(2) The financial strength of the applicant.

(3) The management ability of the applicant.

(4) The experience of the applicant.

(5) Compliance with applicable statutes and regulations.

(6) Whether licensing the SPMO would be in the best interest of the public health, safety, and welfare in the state.

(7) The potential effect on revenue to the state and Indiana horse racing constituents.

(c) The commission may grant or deny an SPMO license subject to conditions specified by the commission and agreed to by the applicant.

(d) The commission may require changes in the proposed plan of operations or advance deposit wagering terms and agreement, or both, as a condition of granting a license. A licensed SPMO shall not make subsequent material changes in the plan of operations or advance deposit wagering terms and agreement, or both, unless ordered by the commission or until approved by the commission after receiving a written request.

(e) A licensed SPMO shall file a license renewal request for the upcoming calendar year by November 1 of the preceding year. The license renewal request must be accompanied by a cashier's check or certified check payable to the commission in the amount of one thousand dollars ($1,000) as a nonrefundable annual license fee. In addition, the licensed SPMO must submit a letter detailing any requested changes in the commission approved plan of operations or advance deposit wagering terms and agreement, or both.

(f) A license issued under this article is neither transferable nor assignable, including by operation of law, without the prior written consent of the commission.

(g) Any action that suspends or otherwise prohibits a licensed SPMO from operating in another state may be used as grounds for a suspension of its Indiana SPMO license.

(h) All employees working on behalf of a licensed SPMO that are officers, directors, and managers who are involved in Indiana advance deposit wagering must hold an Indiana commission license. All other employees working on behalf of a licensed SPMO who are involved in Indiana advance deposit wagering must hold an Indiana commission license. However, the commission or commission's designee may, at their discretion, allow a licensed SPMO to forgo licensing of some individuals involved in advance deposit wagering in Indiana provided that:

(1) those individuals are licensed and in good standing with appropriate regulatory authorities in the jurisdiction from which they are operating; and

(2) an individual that is the direct supervisor of the unlicensed individuals holds an Indiana commission license.

(Indiana Horse Racing Commission; 71 IAC 9-2.2-4; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Jun 1, 2020, 1:57 p.m.: 20200610-IR-071200295ERA) NOTE: Agency cited as 71 IAC 9-2.1-4, which was renumbered by the Publisher as 71 IAC 9-2.2-4.

71 IAC 9-2.2-5 Bond or irrevocable letter of credit

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5

Sec. 5. (a) A licensed SPMO shall provide a bond or irrevocable letter of credit in an amount set by the commission for the purpose of ensuring that payments to the commission and to Indiana account holders are made. In the alternative, a licensed SPMO may provide other means of assurance of such payment including, but not limited to, evidence of bond or bonds, irrevocable letter or letters of credit, or other forms of financial guarantees posted and in good standing with regulatory authorities in other jurisdictions, which shall be subject to the approval of the commission. Any bond, letter of credit, or other assurance of payment acceptable to the commission provided by the licensed SPMO shall run to the Indiana horse racing commission as obligee, and shall be for the benefit of the commission and any account holder who suffers a loss by reason of the licensed SPMO's violation of IC 4-31-7.5 or this rule.

(b) In determining the amount of the bond, the commission shall consider the monthly payments due to the commission pursuant to section 6 of this rule and the projected total value of all balances in Indiana advance deposit wagering accounts held by the licensed SPMO. The bond shall be the greater of fifty thousand dollars ($50,000) or the full projected value of all balances in Indiana advance deposit wagering accounts plus the amount due to the permit holder and the commission in a monthly period pursuant to section 6 of this rule.

(c) The bond, letter of credit, or other assurance of payment shall be conditioned on the obligor as licensee faithfully complying with IC 4-31-7.5 and this article. The bond shall be continuous and may be canceled by the surety only upon the surety giving written notice to the executive director of its intent to cancel the bond. The notice of cancellation shall be effective no sooner than thirty (30) days after the notice is received by the executive director. In the event of cancellation of the bond, letter of credit, or other assurance of payment the licensed SPMO shall file a new bond, letter of credit, or other assurance of payment prior to the effective date of the cancellation notice.

(d) The commission may approve of any other form of financial responsibility, other than a bond, if the commission determines that Indiana account holders are adequately protected in the event of insolvency or other financial hardship of the licensed SPMO.

(Indiana Horse Racing Commission; 71 IAC 9-2.2-5; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Jun 1, 2020, 1:57 p.m.: 20200610-IR-071200295ERA) NOTE: Agency cited as 71 IAC 9-2.1-5, which was renumbered by the Publisher as 71 IAC 9-2.2-5.

71 IAC 9-2.2-6 Contract with permit holder

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-10

Sec. 6. (a) A licensed SPMO may accept advance deposit wagers for races conducted within or outside Indiana. Advance deposit wagers made under this chapter are considered to have been made in Indiana.

(b) A licensed SPMO must have a single written contract signed by each permit holder. The contract must be approved by the commission. The contract must:

(1) specify the manner in which the amount of the source market fee is determined for each permit holder;

(2) govern all other aspects of the business relationship between the licensed SPMO and each permit holder; and
(3) contain a provision reserving all rights of horsemen's associations under the federal Interstate Horse Racing Act (15 U.S.C. 3001 et seq.).

(Indiana Horse Racing Commission; 71 IAC 9-2.2-6; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA)
NOTE: Agency cited as 71 IAC 9-2.1-6, which was renumbered by the Publisher as 71 IAC 9-2.2-6.

71 IAC 9-2.2-7 Payment to commission by permit holder and allocation of net source market fee

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-18

Sec. 7. (a) Each permit holder shall not later than the end of each month pay to the commission as an advance deposit wagering fee an amount equal to sixty percent (60%) of the net source market fee received from a licensed SPMO during the preceding month.

(b) The commission shall use twenty-five percent (25%) of the revenue received from advance deposit wagering fees under subsection (a) to promote horse racing at the state fair and county fairs.

(c) The commission shall use seventy-five percent (75%) of the revenue received to promote and encourage Indiana horse owner and horse trainer participation at a permit holder's horse racing facility as follows:
(1) Eight percent (8%) of the revenue described shall be distributed to the horsemen's association representing quarter horses.
(2) Forty-six percent (46%) of the revenue shall be distributed to the horsemen's association representing standardbred owners and trainers.
(3) Thirty-six and eight-tenths percent (36.8%) of the revenue shall be distributed to the horsemen's association representing thoroughbred owners and trainers.
(4) Nine and two-tenths percent (9.2%) of the revenue shall be distributed to the horsemen's association representing thoroughbred owners and breeders.

(Indiana Horse Racing Commission; 71 IAC 9-2.2-7; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA)
NOTE: Agency cited as 71 IAC 9-2.1-7, which was renumbered by the Publisher as 71 IAC 9-2.2-7.

71 IAC 9-2.2-8 Advance deposit wagering accounts

Authority: IC 4-31-7.5-11
Affected: IC 4-31

Sec. 8. (a) An established advance deposit wagering account is necessary to place advance deposit wagers. An account may only be established with a licensed SPMO.

(b) An advance deposit wagering account shall be established in person at a racetrack or off track betting facility licensed by the commission before any wagering shall be conducted. An advance deposit wagering account shall only be established in the name of a natural person and is nontransferable.

(c) Any person prohibited from wagering under commission rules shall be prohibited from establishing an advance deposit wagering account or placing a wager.

(d) To establish an advance deposit wagering account, an application form must be signed or otherwise authorized in a manner acceptable to the commission and include:
(1) the applicant's full legal name;
(2) principal residence address;
(3) mailing address, e-mail address, when available;
(4) telephone number;
(5) Social Security number;
(6) proper identification or certification demonstrating that the applicant is at least twenty-one (21) years of age;
(7) completed W-9 form;
(8) whether the account holder wants to use a credit card to make deposits to their account;
(9) signature of applicant; and
(10) any additional information required by the commission.

(e) Each account shall have a unique identifying account number. The identifying account number may be changed at any time

by the licensed SPMO provided the account holder is given notice in writing fifteen (15) days prior to the change.

(f) The account holder shall receive at the time the account is approved:

(1) his or her unique account identification number;

(2) a secure personal identification code to be used when the account holder is placing an advance deposit wager; the account holder has the right to change this code at any time;

(3) a copy of the advance deposit wagering rules, the advance deposit wagering terms and agreement, and such other information and material that is pertinent to the operation of the account;

(4) notice that the account holder must be at least twenty-one (21) years of age, and that individuals under the age of twenty-one (21) shall not open, own, or have access to the account; and

(5) such other information as the licensed SPMO or the commission may deem appropriate.

(g) The principal residential address provided in writing by the account holder at the time of application or as updated in subsection (j) is deemed to be the proper address for the purposes of mailing checks, statements of account, account withdrawals, notices, or other appropriate correspondence. The mailing of checks or other correspondence to the address given by the account holder shall be at the sole risk of the account holder.

(h) The licensed SPMO may close or refuse to open an account for what it deems good and sufficient reason and shall order an account closed if it is determined that information that was used to open an account was false, or that the account has been used in violation of these rules.

(i) Any disputes between an account holder and a licensed SPMO shall follow the dispute resolution procedures contained in the licensed SPMO's terms of agreement as approved by the commission. If the licensed SPMO fails to resolve the dispute, the commission may take appropriate action including claims against the bond or other form of financial security.

(j) An account holder must update any changes to the account holder's contact information, including, but not limited to, the account holder's permanent address and e-mail address. All updates must be made in writing (on a form provided by the licensed SPMO) or online, and must be submitted to the SPMO within thirty (30) days of the change. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-8; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-8, which was renumbered by the Publisher as 71 IAC 9-2.2-8.*

71 IAC 9-2.2-9 Duties of licensed SPMO

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-12

Sec. 9. (a) A licensed SPMO shall verify each application submitted for an advance deposit wagering account with respect to name, principal residence address, and date of birth by either an independent service provider or another means which meets or exceeds the reliability, security, accuracy, privacy, and timeliness provided by an independent service provider. If there is a discrepancy between the application submitted and the information provided by the verification described above or if no information on the applicant is available from such verification process, another individual reference service may be accessed or another technology meeting the requirements described above may be used to verify the information provided. If the applicant's information cannot be verified, the licensed SPMO shall not establish an account.

(b) A licensed SPMO shall allow the commission or its designee access to its premises to visit, investigate, and place expert accountants and other persons it deems necessary for the purpose of ensuring that its enabling statutes, its rules, and the advance deposit wagering terms of agreement are strictly complied with.

(c) A licensed SPMO that accept wagers shall upon request of the commission provide a full accounting and verification of the source of the wagers, and a detailed wagering information file that includes, but is not limited to, dollar amount wagered, pool on which the wager was placed, race number and racing venue, zone, breed, zip code of the account holder, time wagering stopped, and time of the wager in the form of a daily mutuel data download to the commission's designated database.

(d) A licensed SPMO shall give access to the commission, or its designee, for review and audit of all records as set forth in section 11 of this rule.

(e) A licensed SPMO shall record by means of the appropriate electronic media all wagering transactions or other wagering communications through the account wagering system, and the records of such communications shall be kept by the account wagering center for at least a period of one (1) year. These records shall be made available to commissioners, employees, and designees of the commission upon request.

(f) No employee or agent of a licensed SPMO shall divulge any confidential information related to the placing of any wager or to the operation of the licensed SPMO, except to the account holder as required by these rules, the commission, and as otherwise required by state or federal law.

(g) A licensed SPMO shall make available to all account holders contact information for a recognized problem-gambling support organization.

(h) A licensed SPMO shall not disseminate, or cause to disseminate, advance deposit wagering advertising that it determines to be deceptive to the public. A licensed SPMO shall state in all advertising in the state of Indiana that residents under the age of twenty-one (21) are not permitted to open, own, or have access to an advance deposit wagering account.

(i) If the licensed SPMO is located in Indiana, no account shall be established for any natural person under the age of twenty-one (21).

(j) Each manager, employee, or agent of a licensed SPMO has a duty to comply with the rules of the commission at all times and acknowledge that the rules are a condition under which the permits are granted.

(k) A licensed SPMO shall comply with all applicable federal laws including, but not limited to, Internal Revenue Service (IRS) requirements for reporting and withholding proceeds from advance deposit wagers by account holders and shall send to account holders subject to IRS reporting or withholding a Form W2-G summarizing the information for tax purposes following a winning wager being deposited into an account. Upon written request, the licensed SPMO shall provide account holders with summarized tax information on advance deposit wagering activities. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-9; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-9, which was renumbered by the Publisher as 71 IAC 9-2.2-9.*

71 IAC 9-2.2-10 Administration of advance deposit wagering accounts

Authority: IC 4-31-7.5-11
Affected: IC 4-31

Sec. 10. (a) Each account holder's advance deposit wagering account shall be administered in accordance with the advanced wagering deposit terms of agreement submitted by the licensed SPMO and approved by the commission, including, but not limited to:

(1) deposits;
(2) credits to accounts;
(3) debits to accounts;
(4) withdrawals;
(5) minimum deposit; and
(6) fees, if any, per wager.

(b) Credits to an account after the initial establishment of the account may be made as follows:

(1) Deposits to an account by an account holder may be made in the following forms:

(A) cash, which may be deposited at outlets designated by the licensed SPMO;

(B) check, money order, or negotiable order of withdrawal given or sent to a licensed SPMO;

(C) charges made to an account holder's credit card or debit card upon the direct and personal instruction of the account holder, if the use of the card has been approved by the licensed SPMO;

(D) transfer by means of an electronic funds transfer from a monetary account controlled by an account holder to his/her account, said account holder to be liable for any charges imposed by the transmitting or receiving entity with such charges to be deducted from the account; or

(2) Funds so deposited will be made available for wagering use in accordance with financial institution funds availability schedules.

(3) Credit for winnings from wagers placed with funds in an account and credit for account wagers on entries that are scratched shall be posted to the account by the authorized advance deposit wagering service provider.

(c) Debits to an account shall be made as follows:

(1) upon receipt by the licensed SPMO of an advance deposit wager, the licensed SPMO shall debit the account in the amount of the wager; or

(2) for fees for service or other transaction-related charges by the licensed SPMO.

(d) A licensed SPMO may close accounts for violation of its terms of agreement or other appropriate reasons approved by the commission's executive director.

(e) A licensed SPMO may close accounts in which there has been no activity for at least six (6) months, returning funds remaining therein to the account holder at his/her last known principal residential address.

(f) In the event an account holder is deceased, funds accrued in the account shall be released to the decedent's legal representative upon receipt of a copy of a valid death certificate, tax releases or waivers, probate court authorizations, or other documents required by applicable laws.

(g) The licensed SPMO shall not accept wagers from an account holder in an amount in excess of the account balance.

(h) Checks, money orders, and other negotiable instruments shall be posted to the credit of the account holder in accordance with financial institution funds availability schedules.

(i) Monies deposited with the licensed SPMO for account wagering shall not bear any interest to the account holder.

(j) Notwithstanding any other rules, a licensed SPMO may at any time declare account wagering closed for receiving wagers on any pari-mutuel pool, race, group of races, racetrack or closed for all wagering. Anytime account wagering is closed during normal wagering hours by the licensed SPMO a written report must be filed with the commission within forty-eight (48) hours.

(k) A licensed SPMO has the right at any time and for what it deems good and sufficient reason to refuse to accept all or part of any wager.

(l) Except where the licensed SPMO or its employees or agents act without good faith or fail to exercise ordinary care, the licensed SPMO shall not be responsible for any loss arising from the use by any other person or persons of an account holder's account. The account holder must immediately notify the licensed SPMO of a breach of the account's security.

(m) Payment on winning pari-mutuel wagers and credits for account wagers on entries which are scratched shall be posted to the credit of the account holder as soon as practicable after the race is declared official. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-10; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-10, which was renumbered by the Publisher as 71 IAC 9-2.2-10.*

71 IAC 9-2.2-11 Audit and filing requirements

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-16

Sec. 11. (a) A licensed SPMO shall be prepared to fully account, consistent with generally accepted accounting principles (GAAP) to the commission or its designee at any time for all receipts, disbursements, and balances of any monies paid and received pursuant to IC 4-31-7.5. In connection therewith, the licensed SPMO shall be responsible for the following:

(1) Maintaining a receipts ledger and sufficient documentation to support each receipt of funds.

(2) Maintaining a monthly reconciliation between its records and depository statements.

(3) Directing its depository institution or institutions to provide account balance confirmations and documentation of deposits and expenditures to the commission upon request.

(4) Filing all required federal and state tax returns required on distributions, making required withholdings, and maintaining a copy of all tax returns on file available to commission representatives.

(5) Making all distributions to any person by check or electronic transfer. No distributions shall be made in cash unless the commission or its executive director has approved the distribution.

(6) Filing all required Internal Revenue Service reports and maintaining a copy of the report on file or audit.

(b) A licensed SPMO shall provide to the commission or its designee full access to its records for review and audit.

(c) A licensed SPMO must file with the commission an annual financial statement audited by an independent certified public accountant no later than March 31st after the close of the calendar year.

(d) A licensed SMPO must file with its renewal application to the commission an unaudited balance sheet and profit and loss statement.

(e) A licensed SPMO must file with the commission any tax audit report received from the IRS, department of state revenue, or other federal or state agency auditing the SPMO.

(f) A licensed SPMO shall create standard operating procedures regarding all wagering monies received and distributed, including, but not limited to, a description of its:

(1) method of accounting;

(2) method of auditing;
(3) internal controls; and
(4) reporting procedures;
for all wagering accounts.

(g) The commission may require period audits of wagering accounts by an independent certified accountant. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-11; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA) NOTE: Agency cited as 71 IAC 9-2.1-11, which was renumbered by the Publisher as 71 IAC 9-2.2-11.*

71 IAC 9-2.2-12 Enforcement and penalties

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5; IC 4-31-13

Sec. 12. (a) Any violations of this rule may result in disciplinary action as outlined in IC 4-31-13 and this title.

(b) The commission or its designee may suspend or revoke a license issued to an SPMO, withdraw approval of a contract between a permit holder and a licensed SPMO, impose fines or impose civil penalties, or both, if the licensed SPMO:

(1) violates any of the requirements of IC 4-31-7.5 or this article;
(2) fails to provide a bond or irrevocable letter of credit as provided in section 5 of this rule;
(3) fails to make payments in a timely manner as required by the contract with the permit holder or this article, or both;
(4) fails to comply with any conditions on the license imposed by the commission;
(5) has demonstrated willful disregard for complying with ordinances, statutes, administrative rules, or court orders, whether at the local, state, or federal level. This includes, but is not limited to, failure to make required payments to other state regulatory agencies;
(6) poses a threat to the effective regulation of wagering or creates or increases the likelihood of unfair or illegal practices, methods, and activities in the conduct of wagering activities, as demonstrated through the prior activities, criminal record, reputation, habits, or associations;
(7) fails to provide at the office of the commission any information required under the commission's rules within the time required, or if no maximum time has been established respecting the particular kind of information by other rule, then within thirty (30) days after receiving a written request therefore from the commission or its staff;
(8) commits, or has committed, any other act that the executive director determines constitutes a sufficient reason in the public interest for denying, suspending, or revoking licenses or approval of agreements.

(Indiana Horse Racing Commission; 71 IAC 9-2.2-12; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Dec 5, 2019, 1:56 p.m.: 20191211-IR-071190646ERA) NOTE: Agency cited as 71 IAC 9-2.1-12, which was renumbered by the Publisher as 71 IAC 9-2.2-12.

71 IAC 9-2.2-13 Unlicensed secondary pari-mutuel organizations

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-16

Sec. 13. A secondary pari-mutuel organization that is not licensed under this rule may not accept a wager from an individual whose physical location is within Indiana at the time the wager is made. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-13; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Dec 5, 2019, 1:56 p.m.: 20191211-IR-071190646ERA) NOTE: Agency cited as 71 IAC 9-2.1-13, which was renumbered by the Publisher as 71 IAC 9-2.2-13.*

71 IAC 9-2.2-14 Action by permit holder against unlicensed secondary pari-mutuel organization

Authority: IC 4-31-7.5-11
Affected: IC 4-31-7.5-19

Sec. 14. (a) A permit holder has a right of action against a secondary pari-mutuel organization that accepts a wager in violation of section 13 of this rule.

(b) If the permit holder prevails in an action filed under this section, the permit holder is entitled to the following:
(1) An injunction to enjoin future violations of this rule.
(2) Compensatory damages equal to any actual damage proven by the permit holder. If the permit holder does not prove actual damage, the permit holder is entitled to presumptive damages of five hundred dollars ($500) for each wager placed in violation of this rule.
(3) The permit holder's reasonable attorney's fees and other litigation costs reasonably incurred in connection with the action.
(c) A secondary pari-mutuel organization that accepts a wager in violation of section 13 of this rule submits to the jurisdiction of Indiana courts for purposes of this article. *(Indiana Horse Racing Commission; 71 IAC 9-2.2-14; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA; emergency rule filed Dec 5, 2019, 1:56 p.m.: 20191211-IR-071190646ERA) NOTE: Agency cited as 71 IAC 9-2.1-14, which was renumbered by the Publisher as 71 IAC 9-2.2-14.*

Rule 2.5. Wagering Rules and Patron Checks

71 IAC 9-2.5-1 Wagering rules
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 1. (a) Wagering on credit is prohibited.
(b) All pari-mutuel tickets must be paid for in full at the time the ticket is issued from the totalizator system with:
(1) U.S. currency;
(2) winning pari-mutuel tickets;
(3) refunded pari-mutuel tickets; or
(4) by a commission-approved totalizator voucher system.
(c) Account wagering, other than that approved by the commission, is prohibited.
(d) Licensees shall not make a wager based upon instructions received by telephone, facsimile, or similar device.
(e) In the event that the mutuel machine fails to lock at the commencement of a race, no licensee shall knowingly issue any tickets from his or her terminal or any other terminal. Nor shall any licensee assist any individual in procuring such tickets. Any failure to lock on time shall be immediately reported to the mutuel manager or the satellite facility manager and the commission. *(Indiana Horse Racing Commission; 71 IAC 9-2.5-1; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2061; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2426; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; emergency rule filed Dec 31, 2012, 11:27 a.m.: 20130109-IR-071120674ERA; emergency rule filed Aug 29, 2018, 11:12 a.m.: 20180905-IR-071180370ERA)*

71 IAC 9-2.5-2 Patron checks
Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 2. (a) The association may accept checks from patrons, personal or otherwise, provided that such checks are submitted to the association's bank for payment no later than the following business day. The returning of checks to patrons or buying back of checks is prohibited, except when the check(s) have been deposited to the association's bank for payment and thereafter returned to the association.
(b) The association may not accept postdated checks.
(c) The association shall report to the commission any time the liability to a person for a returned unpaid check or checks equals or exceeds three thousand dollars ($3,000). Such report shall be made to the commission in writing within forty-eight (48) hours of receipt of the returned checks.
(d) This section shall not apply to checks for the payment of horsemen's fees. *(Indiana Horse Racing Commission; 71 IAC 9-2.5-2; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2161; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

Rule 3. Interstate Common Pool Wagering

71 IAC 9-3-1 General

Authority: IC 4-31-3-9
Affected: IC 4-31-7-8

Sec. 1. (a) All contracts governing participation in interstate common pools shall be available to the commission upon request.

(b) Individual wagering transactions are made at the point of sale in the state where placed. Pari-mutuel pools are combined for computing odds and calculating payoffs but will be held separate for auditing and all other purposes.

(c) Any surcharges or withholdings in addition to the takeout shall only be applied in the jurisdiction otherwise imposing such surcharges or withholdings.

(d) In determining whether to approve an interstate common pool which does not include the host track or which includes contests from more than one (1) association, the commission shall consider and may approve:

(1) use of a bet type which is not utilized at the host track;

(2) application of a takeout rate not in effect at the host track; or

(3) other factors which are presented to the commission.

(e) The content and format of the visual display of racing and wagering information at facilities in other jurisdictions where wagering is permitted in the interstate common pool need not be identical to the similar information permitted or required to be displayed under these rules. *(Indiana Horse Racing Commission; 71 IAC 9-3-1; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1183; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2083; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-3-2 Guest state participation in interstate common pools

Authority: IC 4-31-3-9
Affected: IC 4-31-7-8

Sec. 2. (a) With the prior approval of the commission, pari-mutuel wagering pools may be combined with corresponding wagering pools in the host state or with corresponding pools established by one (1) or more other jurisdictions.

(b) The commission may permit adjustment of the takeout from the pari-mutuel pool so that the takeout rate in this jurisdiction is identical to that at the host track or identical to that of other jurisdictions participating in a merged pool.

(c) Where takeout rates in the merged pool are not identical, the net price calculation shall be the method by which the differing takeout rates are applied.

(d) Rules established in the state of the host association designated for a pari-mutuel pool shall apply.

(e) The commission shall approve agreements made between the association and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.

(f) If, for any reason, it becomes impossible to successfully merge the bets placed into the interstate common pool, the association shall make payoffs in accordance with payoff prices at the host track; except that, with permission of the commission, the association may make payoffs in accordance with payoff prices that would have been in effect if prices for the pool of bets were calculated without regard to wagers placed elsewhere. With permission of the commission, the association may declare such accepted bets void and make refunds in accordance with these rules. *(Indiana Horse Racing Commission; 71 IAC 9-3-2; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1183; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2161; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-3-3 Host state participation in merged pools

Authority: IC 4-31-3-9
Affected: IC 4-31-7-8

Sec. 3. (a) With the prior approval of the commission, an association licensed to conduct pari-mutuel wagering may determine

that one (1) or more of its contests be utilized for pari-mutuel wagering at guest facilities in other states and may also determine that pari-mutuel pools in guest states be combined with corresponding wagering pools established by it as the host track or comparable wagering pools established by two (2) or more states.

(b) Where takeout rates in the merged pool are not identical, the net price calculation shall be the method by which the differing takeout rates are applied.

(c) Rules of racing established for races held in this state shall also apply to interstate common pools unless the commission shall have specifically otherwise determined.

(d) The commission shall approve agreements made between the association and other participants in interstate common pools governing the distribution of breakage between the jurisdictions.

(e) Any contract for interstate common pools entered into by the association shall contain a provision to the effect that if, for any reason:

(1) it becomes impossible to successfully merge the bets placed in another state into the interstate common pool formed by the association; or

(2) the commission's or the association's representative determines that attempting to effect transfer of pool data from the guest state may endanger the association's wagering pool;

the association shall have no liability for any measures taken which may result in the guest's wagers not being accepted into the pool. *(Indiana Horse Racing Commission; 71 IAC 9-3-3; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1183; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-3-4 Takeout rates in interstate common pools

Authority: IC 4-31-3-9
Affected: IC 4-31-7-8

Sec. 4. (a) With the prior approval of the commission, an association wishing to participate in an interstate common pool may change its takeout rate so as to achieve a common takeout rate with all other participants in the interstate common pool.

(b) An association wishing to participate in an interstate common pool may request that the commission approve a methodology whereby host and guest states with different takeout rates for corresponding pari-mutuel pools may effectively and equitably combine wagers from the different states into an interstate common pool. *(Indiana Horse Racing Commission; 71 IAC 9-3-4; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1184; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

Rule 4. Calculation of Payoffs and Distribution of Pools

71 IAC 9-4-1 General

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 1. (a) All permitted pari-mutuel wagering pools shall be separately and independently calculated and distributed. Takeout shall be deducted from each gross pool as stipulated by law. The remainder of the monies in the pool shall constitute the net pool for distribution as payoff on winning wagers.

(b) For each wagering pool, the amount wagered on the winning betting interest or betting combinations is deducted from the net pool to determine the profit; the profit is then divided by the amount wagered on the winning betting interest or combinations, such quotient being the profit per dollar.

(c) Either the standard or net price calculation procedure may be used to calculate single commission pools, while the net price calculation procedure must be used to calculate multiple commission pools.

(1) Standard Price Calculation Procedure

(A) SINGLE PRICE POOL (WIN POOL)

gross pool	=	sum of wagers on all betting interest - refunds
takeout	=	gross pool × percent takeout
net pool	=	gross pool - takeout
profit	=	net pool - gross amount bet on winner
profit per dollar	=	profit/gross amount bet on winner
$1 unbroken price	=	profit per dollar + $1
$1 broken price	=	$1 unbroken price rounded down to the break point
total payout	=	$1 broken price × gross amount bet on winner
total breakage	=	net pool - total payout

(B) PROFIT SPLIT (PLACE POOL)

Profit is net pool less gross amount bet on all place finishers. Finishers split profit ½ and ½ (place profit), then divide by gross amount bet on each place finisher for two (2) unique prices.

(C) PROFIT SPLIT (SHOW POOL)

Profit is net pool less gross amount bet on all show finishers. Finishers split profit ⅓ and ⅓ and ⅓ (show profit), then divide by gross amount bet on each show finisher for three (3) unique prices.

(2) Net Price Calculation Procedure

(A) SINGLE PRICE POOL (WIN POOL)

gross pool	=	sum of wagers on all betting interests - refunds
takeout	=	gross pool × percent takeout
* for each source:		
net pool	=	gross pool - takeout
net bet on winner	=	gross amount bet on winner × (1 - percent takeout)
total net pool	=	sum of all sources net pools
total net bet on winner	=	sum of all sources net bet on winner
total profit	=	total net pool - total net bet on winner
profit per dollar	=	total profit/total net bet on winner
$1 unbroken base price	=	profit per dollar + $1
* for each source:		
$1 unbroken price	=	$1 unbroken base price × (1 - percent takeout)
$1 broken price	=	$1 unbroken price rounded down to the break point
total payout	=	$1 broken price × gross amount bet on winner
total breakage	=	net pool - total payout

(B) PROFIT SPLIT (PLACE POOL)

Total profit is the total net pool less the total net amount bet on all place finishers. Finishers split total profit ½ and ½ (place profit), then divide by total net amount bet on each place finisher for two (2) unique unbroken base prices.

(C) PROFIT SPLIT (SHOW POOL)

Total profit is the total net pool less the total net amount bet on all show finishers. Finishers split total profit ⅓ and ⅓ and ⅓ (show profit), then divide by total net amount bet on each show finisher for three (3) unique unbroken base prices.

(d) If a profit split results in only one (1) covered winning betting interest or combinations it shall be calculated the same as a single price pool.

(e) Minimum payoffs and the method used for calculating breakage shall be established by the commission.

(f) The individual pools outlined in these rules may be given alternative names by each association, provided prior approval is obtained from the commission. *(Indiana Horse Racing Commission; 71 IAC 9-4-1; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1184; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.:*

20190925-IR-071190319RFA)

71 IAC 9-4-2 Win pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 2. (a) The amount wagered on the betting interest which finishes first is deducted from the net pool, the balance remaining being the profit; the profit is divided by the amount wagered on the betting interest finishing first, such quotient being the profit per dollar wagered to win on that betting interest.

(b) The net win pool shall be distributed as a single price pool to winning wagers in the following precedence, based upon the official order of finish:

(1) To those whose selection finished first; but if there are no such wagers, to subdivision (2).
(2) To those whose selection finished second; but if there are no such wagers, to subdivision (3).
(3) To those whose selection finished third; but if there are no such wagers, to subdivision (4).
(4) The entire pool shall be refunded on win wagers for that contest.

(c) If there is a dead heat for first involving:

(1) contestants representing the same betting interest, the win pool shall be distributed as if no dead heat occurred; or
(2) contestants representing two (2) or more betting interests, the win pool shall be distributed as a profit split.

(Indiana Horse Racing Commission; 71 IAC 9-4-2; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1185; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-4-3 Place pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 3. (a) The amounts wagered to place on the first two (2) betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into two (2) equal portions, one (1) being assigned to each winning betting interest and divided by the amount wagered to place on that betting interest, the resulting quotient is the profit per dollar wagered to place on that betting interest.

(b) The net place pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

(1) If contestants of a coupled entry or mutuel field finished in the first two (2) places, as a single price pool, to those who selected the coupled entry or mutuel field; or
(2) as a profit split to those whose selection is included within the first two (2) finishers; but if there are no such wagers on subdivisions (1) or (2), to subdivision (3).
(3) As a single price pool to those who selected the one (1) covered betting interest included within the first two (2) finishers; but if there are no such wagers, to subdivision (4).
(4) As a single price pool to those who selected the third place finisher; but if there are no such wagers, to subdivision (5).
(5) The entire pool shall be refunded on place wagers for that contest.

(c) If there is a dead heat for first involving:

(1) contestants representing the same betting interest, the place pool shall be distributed as a single price pool; or
(2) contestants representing two (2) or more betting interests, the place pool shall be distributed as a profit split.

(d) If there is a dead heat for second involving:

(1) contestants representing the same betting interest, the place pool shall be distributed as if no dead heat occurred; or
(2) contestants representing two (2) or more betting interests, the place pool is divided with one-half (½) of the profit distributed to place wagers on the betting interest finishing first and the remainder is distributed as a profit split among place wagers on those betting interests involved in the dead heat for second.

(Indiana Horse Racing Commission; 71 IAC 9-4-3; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1185; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26,

2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-4-4 Show pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 4. (a) The amounts wagered to show on the first three (3) betting interests to finish are deducted from the net pool, the balance remaining being the profit; the profit is divided into three (3) equal portions, one (1) being assigned to each winning betting interest and divided by the amount wagered to show on that betting interest, the resulting quotient being the profit per dollar wagered to show on that betting interest.

(b) The net show pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

(1) If contestants of a coupled entry or mutuel field finished in the first three (3) places, as a single price pool to those who selected the coupled entry or mutuel field; or

(2) if contestants of a coupled entry or mutuel field finished as two (2) of the first three (3) finishers, the profit is divided with two-thirds (⅔) distributed to those who selected the coupled entry or mutuel field and one-third (⅓) distributed to those who selected the other betting interest included within the first three (3) finishers; or

(3) as a profit split to those whose selection is included within the first three (3) finishers; but if there are no such wagers on subdivisions (1) through (3), to subdivision (4).

(4) As a profit split to those who selected one (1) of the two (2) covered betting interests included within the first three (3) finishers; but if there are no such wagers on two (2) of those three (3) finishers, to subdivision (5).

(5) As a single price pool to those who selected the one (1) covered betting interest included within the first three (3) finishers; but if there are no such wagers, to subdivision (6).

(6) As a single price pool to those who selected the fourth-place finisher; but if there are no such wagers, to subdivision (7).

(7) The entire pool shall be refunded on show wagers for that contest.

(c) If there is a dead heat for first involving:

(1) two (2) contestants representing the same betting interest, the profit is divided with two-thirds (⅔) distributed to those who selected the first place finishers and one-third (⅓) distributed to those who selected the betting interest finishing third;

(2) three (3) contestants representing a single betting interest, the show pool shall be distributed as a single price pool; or

(3) contestants representing two (2) or more betting interests, the show pool shall be distributed as a profit split.

(d) If there is a dead heat for second involving:

(1) contestants representing the same betting interest, the profit is divided with one-third (⅓) distributed to those who selected the betting interest finishing first and two-thirds (⅔) distributed to those who selected the second place finishers;

(2) contestants representing two (2) betting interests, the show pool shall be distributed as a profit split; or

(3) contestants representing three (3) betting interests, the show pool is divided with one-third (⅓) of the profit distributed to show wagers on the betting interest finishing first and the remainder is distributed as a profit split among show wagers on those betting interests involved in the dead heat for second.

(e) If there is a dead heat for third involving:

(1) contestants representing the same betting interest, the show pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the show pool is divided with two-thirds (⅔) of the profit distributed to show wagers on the betting interests finishing first and second and the remainder is distributed as a profit split among show wagers on those betting interests involved in the dead heat for third.

(Indiana Horse Racing Commission; 71 IAC 9-4-4; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1186; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-4-5 Double pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 5. (a) The double requires selection of the first place finisher in each of two (2) specified contests.

(b) The net double 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 whose selection finished first in each of the two (2) contests; but if there are no such wagers, to subdivision (2).

(2) As a profit split to those who selected the first place finisher in either of the two (2) contests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those who selected the one (1) covered first place finisher in either contest; but if there are no such wagers, to subdivision (4).

(4) As a single price pool to those whose selection finished second in each of the two (2) contests; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on double wagers for those contests.

(c) If there is a dead heat for first in either of the two (2) contests involving:

(1) contestants representing the same betting interest, the double pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the double pool shall be distributed as a profit split if there is more than one (1) covered winning combination.

(d) Should a betting interest in the first half of the double be scratched prior to the first double contest being declared official, all money wagered on combinations, including the scratched betting interest, shall be deducted from the double pool and refunded.

(e) Should a betting interest in the second half of the double be scratched prior to the close of wagering on the first double contest, all money wagered on combinations, including the scratched betting interest, shall be deducted from the double pool and refunded.

(f) Should a betting interest in the second half of the double be scratched after the close of wagering on the first double contest, all wagers combining the winner of the first contest with the scratched betting interest in the second contest shall be allocated a consolation payoff. In calculating the consolation payoff, the net double pool shall be divided by the total amount wagered on the winner of the first contest and an unbroken consolation price obtained. The unbroken consolation price is multiplied by the dollar value of wagers on the winner of the first contest combined with the scratched betting interest to obtain the consolation payoff. Breakage is not declared in this calculation. The consolation payoff is deducted from the net double pool before calculation and distribution of the winning double payoff. Dead heats involving separate betting interests in the first contest shall result in a consolation payoff calculated as a profit split.

(g) If either of the double contests are canceled prior to the first double contest, or the first double contest is declared no contest, the entire double pool shall be refunded on double wagers for those contests.

(h) If the second double contest is canceled or declared no contest after the conclusion of the first double contest, the net double pool shall be distributed as a single price pool to wagers selecting the winner of the first double contest. In the event of a dead heat involving separate betting interests, the net double pool shall be distributed as a profit split. *(Indiana Horse Racing Commission; 71 IAC 9-4-5; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1186; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-4-6 Pick three pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 6. (a) The pick three requires selection of the first place finisher in each of three (3) specified contests.

(b) The net pick three 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 whose selection finished first in each of the three (3) contests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those who selected the first place finisher in any two (2) of the three (3) contests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those who selected the first place finisher in any one (1) of the three (3) contests; but if there are no such wagers, to subdivision (4).

(4) The entire pool shall be refunded on pick three wagers for those contests.

(c) If there is a dead heat for first in any of the three (3) contests involving:

(1) contestants representing the same betting interest, the pick three pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the pick three pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.

(d) Should a betting interest in any of the three (3) pick three contests be scratched, the actual favorite, as evidenced by total amounts wagered in the win pool at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the win pool total for two (2) or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

(e) If all three (3) pick three contests are canceled or declared no contest, the entire pool shall be refunded on pick three wagers for those contests.

(f) If one (1) or two (2) of the pick three contests are canceled or declared no contest, the pick three pool will remain valid and shall be distributed in accordance with subsection (b). *(Indiana Horse Racing Commission; 71 IAC 9-4-6; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1187; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-4-7 Pick (n) pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 7. (a) The pick (n) requires selection of the first place finisher in each of a designated number of contests. The association must obtain written approval from the commission concerning the following:

(1) The scheduling of pick (n) contests.

(2) The designation of one (1) of the methods prescribed in subsection (b).

(3) The amount of any cap to be set on the carryover.

Any changes to the approved pick (n) format require prior approval from the commission.

(b) The pick (n) pool shall be apportioned under one (1) of the following methods:

(1) Method 1. Pick (n) with carryover, the net pick (n) pool and land carryover, if any, shall be distributed as a single price pool to those who selected the first place finisher in each of the pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests. The remainder shall be added to the carryover. If there are no wagers that include at least one (1) correct selection in any of the pick (n) contests, based upon the official order of finish, the day's entire pool shall be refunded and the previous carryover pool amount, if any, shall be carried over to a corresponding pool on the next scheduled performance.

(2) Method 2. Pick (n) with 100% carryover: The next pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first-place finisher in each of the pick (n) contests, based upon the official order of finish. If there are no such wagers, 100% of that day's net pool shall be added to the carryover for a corresponding pool on the next scheduled performance. If there are no wagers that include at least one correct selection in any of the pick (n) contests, based on the official order of finish, the day's entire pool shall be refunded and the previous carryover pool, if any, shall be carried over to a corresponding pool on the next scheduled performance.

(3) Method 3. Pick (n) with minor pool and carryover: The major share of the net pick (n) pool and the carryover, if any, shall be distributed to those who selected the first place finisher in each of the pick (n) contests, based upon the official order of finish. The minor share of the net pick (n) pool shall be distributed to those who selected the first place finisher in the second greatest number of pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place finisher of all pick (n) contests, the minor share of the net pick (n) pool shall be distributed as a single price pool to those who

selected the first place finisher in the greatest number of pick (n) contests, and the major share shall be added to the carryover. If there are no wagers that include at least one (1) correct selection in any of the pick (n) contests, based on the official order of finish, the day's entire pick (n) pool shall be refunded and the previous carryover pool, if any, shall be carried over to a corresponding pool on the next scheduled performance.

(4) Method 4. Pick (n) with no minor pool and no carryover: The net pick (n) pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool shall be refunded.

(5) Method 5. Pick (n) with minor pool and no carryover: The major share of the net pick (n) pool shall be distributed to those who selected the first place finisher in the greatest number of pick (n) contests, based upon the official order of finish. The minor share of the net pick (n) pool shall be distributed to those who selected the first place finisher in the second greatest number of pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place finisher in a second greatest number of pick (n) contests, the minor share of the net pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests. If the greatest number of first place finishers selected is one (1), the major and minor shares shall be combined and distributed as a single price pool. If there are no winning wagers, the entire pool shall be refunded.

(6) Method 6. Pick (n) with minor pool and no carryover: The major share of net pick (n) pool shall be distributed to those who selected the first place finisher in each of the pick (n) contests, based upon the official order of finish. The minor share of the net pick (n) pool shall be distributed to those who selected the first place finisher in the second greatest number of pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place finisher in all pick (n) contests, the entire net pick (n) pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests. If there are no wagers selecting the first place finisher in a second greatest number of pick (n) contests, the minor share of the net pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first place finisher in the greatest number of the pick (n) contests. If there are no winning wagers, the pool shall be refunded.

(7) Method 7. Pick (n) with minor pool and carryover with a unique winning wager provision: The entire net pick (n) pool and carryover, if any, shall be distributed to the holder of a unique wager selecting the first place finisher in each of the selected pick (n) contests, based upon the official order of finish. If there is no unique winning wager selecting the first place finisher in each of the pick (n) contests, the minor share of the net pick (n) pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests, and the major share shall be added to the carryover. Associations may suspend previously approved unique winning ticket wagering with the prior approval of the commission. Any carryover shall be held until the suspended unique winning ticket wagering is reinstated. If there are not wagers that include at least one (1) correct selection in any of the pick (n) contests, based on the official order of finish, the day's entire pick (n) pool shall be refunded and the previous carryover pool, if any, shall be carried over to the next scheduled corresponding pool. In obtaining authorization for operating a pick (n) pool with a unique winning wager provision, associations must clearly identify which definition under (p)(3)(A)(B) of this section *[subsection (p)(3)]* will be relied upon for determining the existence of a unique winning wager.

(c) If there is a dead heat for first in any of the pick (n) contests involving:

(1) contestants representing the same betting interest, the pick (n) pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the pick (n) pool shall be distributed as a single price pool with each winning wager receiving an equal share of the profit.

(d) Should a betting interest in any of the pick (n) contests be scratched, or is designated to run for purse money only, the actual favorite, as evidenced by total amounts wagered in the win pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the win pool total for two (2) or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination. Notwithstanding the provisions of this subsection, an association may also obtain authorization from the commission to allow patrons to select an alternate wagering interest in any of the pick (n) contests.

(e) If the conditions on the turf course warrant a change of racing surface in any of the legs of the pick (n) races, and the change has not been disclosed to the public prior to the close of wagering for the first race of the pick (n), the stewards shall declare each

changed leg an "all-win" for the pick (n) wagering purposes only. An "all-win" race shall assign the winner of that race to each pick (n) ticket holder as their selection for that race. Any surface change as defined in this subsection shall result in the net pool for the pick (n) being distributed as a single price pool to those whose selection finished first in the greatest number of pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the pick (n) carryover but not the carryover from previous performances, except in circumstances to be determined by the stewards.

(f) The pick (n) pool shall be canceled and all pick (n) wagers for the individual performance shall be refunded if:

(1) at least two (2) contests included as part of a pick 3 are canceled or declared no contest;

(2) at least three (3) contests included as part of a pick 4, pick 5, or pick 6 are canceled or declared no contest;

(3) at least four (4) contests included as part of a pick 7, pick 8, or pick 9 are canceled or declared no contest; or

(4) at least five (5) contests included as part of a pick 10 are canceled or declared no contest.

(g) If at least one (1) contest included as part of a pick (n) is canceled or declared no contest, but not more than the number specified in subsection (f), the net pool shall be distributed as a single price pool to those who selected the greatest number of first place finishers in the pick (n) contests for that performance, based on the official order of finish. Such distribution shall include the portion ordinarily retained for the pick (n) carryover but not the carryover from previous performances.

(h) The pick (n) carryover may be capped at a designated level approved by the commission so that if, at the close of any performance, the amount in the pick (n) carryover equals or exceeds the designated cap, the pick (n) carryover will be frozen until it is won or distributed under this rule. After the pick (n) carryover is frozen, one hundred percent (100%) of the net pool, part of which ordinarily would be added to the pick (n) carryover, shall be distributed to those whose selection finished first in the greatest number of pick (n) contests for that performance.

(i) A written request for permission to distribute the pick (n) carryover on a specific performance may be submitted to the commission. The request must contain the following:

(1) Justification for the distribution.

(2) An explanation of the benefit to be derived.

(3) The intended date and performance for the distribution.

(j) Unless otherwise stated in writing by the commission under subsection (j) *[sic]*, on the final pick (n) of the meeting, the net pool, including any applicable carryover, shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests, based upon the official order of finish.

(k) Should the pick (n) carryover be designated for distribution on a specified date and performance in which there are no wagers selecting the first place finisher in each of the pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished first in the greatest number of pick (n) contests. The pick (n) carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

(1) Upon written approval from the commission as provided in subsection (h) *[subsection (i)]*.

(2) Upon written approval from the commission when:

(A) there is a change in the carryover cap;

(B) there is a change from one (1) type of pick (n) wagering to another; or

(C) the pick (n) is discontinued.

(3) On the closing performance of the meet or split meet.

(l) If, for any reason, the pick (n) carryover must be held over to the corresponding pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the commission. The pick (n) carryover plus accrued interest shall then be added to the net pick (n) pool of the following meet on a date and performance so designated by the commission.

(m) With the written approval of the commission, the association may contribute to the pick (n) carryover a sum of money up to the amount of any designated cap.

(n) Providing information to any person regarding:

(1) covered combinations;

(2) amounts wagered on specific combinations;

(3) number of tickets sold; or

(4) number of live tickets remaining;

is strictly prohibited. This shall not prohibit necessary communication between totalizator and pari-mutuel department employees for processing of pool data.

(o) The association may suspend previously approved pick (n) wagering with the prior approval of the commission. Any

carryover shall be held until the suspended pick (n) wagering is reinstated. An association may request approval of a pick (n) wager or separate wagering pool for specific performances.

(p) As it relates to any distribution method under subsection (b) which contains a unique winning wager provision:

(1) A written request for permission to distribute the pick (n) unique winning wager carryover on a specific performance may be submitted to the commission. The request must contain the following:

(A) Justification for the distribution.

(B) An explanation of the benefit to be derived.

(C) The intended date and performance for the distribution.

(D) A description of the methods by which the pool host will present the information to the public that identifies the intended date and performance of the distribution.

(2) Should the pick (n) unique winning wager net pool and any applicable carryover be designated for distribution on a specified date and performance and there is no unique winning wager, the entire pool and any applicable carryover shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of pick (n) contests.

(3) The association must clearly identify which method under subparts (A) and (B) below *[clauses (A) and (B)]* will be relied upon for determining the existence of a unique winning ticket:

(A) There is one, and only one, wager that correctly selected the first place finisher in each of the pick (n) contests, based upon the official order of finish, to be verified by the unique number or code assigned to by the tote company that issued the ticket that includes the winning wager.

(B) The total amount wagered on one, and only one, winning combination selected the first place finisher in each of the pick (n) contests, based upon the official order of finish, is equal to the minimum allowable wager.

(Indiana Horse Racing Commission; 71 IAC 9-4-7; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1188; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; emergency rule filed Jul 19, 2010, 12:22 p.m.: 20100728-IR-071100480ERA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Jul 13, 2020, 4:21 p.m.: 20200715-IR-071200402ERA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)

71 IAC 9-4-8 Place pick (n) pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 8. (a) The place pick (n) requires selection of the first place or second place finisher in each of a designated number of contests. The association must obtain written approval from the commission concerning the following:

(1) The scheduling of place pick (n) contests.

(2) The designation of one (1) of the methods prescribed in subsection (b).

(3) The distinctive name identifying the pool.

(4) The amount of any cap to be set on the carryover.

Any changes to the approved place pick (n) format require prior approval from the commission.

(b) The place pick (n) pool shall be apportioned under one (1) of the following methods:

(1) For place pick (n) with carryover, the net place pick (n) pool and carryover, if any, shall be distributed as a single price pool to those who selected the first place or second place finisher in each of the place pick (n) contests, based upon the official order of finish. If there are no such wagers, then a designated percentage of the net pool shall be distributed as a single price pool to those who selected the first place or second place finisher in the greatest number of place pick (n) contests; the remainder shall be added to the carryover.

(2) For place pick (n) with minor pool and carryover, the major share of the net place pick (n) pool and the carryover, if any, shall be distributed to those who selected the first place or second place finisher in each of the place pick (n) contests, based upon the official order of finish. The minor share of the net place pick (n) pool shall be distributed to those who selected the first place or second place finisher in the second greatest number of place pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place or second place finisher of all place pick (n) contests, the minor share of the net place pick (n) pool shall be distributed as a single price pool to those who selected the first place or second place

finisher in the greatest number of place pick (n) contests; the major share shall be added to the carryover.

(3) For place pick (n) with no minor pool and no carryover, the net place pick (n) pool shall be distributed as a single price pool to those who selected the first place or second place finisher in the greatest number of place pick (n) contests, based upon the official order of finish. If there are no winning wagers, the pool is refunded.

(4) For place pick (n) with minor pool and no carryover, the major share of the net place pick (n) pool shall be distributed to those who selected the first place or second place finisher in the greatest number of place pick (n) contests, based upon the official order of finish. The minor share of the net place pick (n) pool shall be distributed to those who selected the first place or second place finisher in the second greatest number of place pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place or second place finisher in a second greatest number of place pick (n) contests, the minor share of the net place pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first place or second place finisher in the greatest number of place pick (n) contests. If the greatest number of first place or second place finishers selected is one (1), the major and minor shares are combined for distribution as a single price pool. If there are no winning wagers, the pool is refunded.

(5) For place pick (n) with minor pool and no carryover, the major share of net place pick (n) pool shall be distributed to those who selected the first place or second place finisher in each of the place pick (n) contests, based upon the official order of finish. The minor share of the net place pick (n) pool shall be distributed to those who selected the first place or second place finisher in the second greatest number of place pick (n) contests, based upon the official order of finish. If there are no wagers selecting the first place or second place finisher in all place pick (n) contests, the entire net place pick (n) pool shall be distributed as a single price pool to those who selected the first place or second place finisher in the greatest number of place pick (n) contests. If there are no wagers selecting the first place or second place finisher in a second greatest number of place pick (n) contests, the minor share of the net place pick (n) pool shall be combined with the major share for distribution as a single price pool to those who selected the first place or second place finisher in each of the place pick (n) contests. If there are no winning wagers, the pool is refunded.

(c) If there is a dead heat for first in any of the place pick (n) contests involving:

(1) contestants representing the same betting interest, the place pick (n) pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the place pick (n) pool shall be distributed as a single price pool with a winning wager, including each betting interest participating in the dead heat.

(d) If there is a dead heat for second in any of the place pick (n) contests involving:

(1) contestants representing the same betting interest, the place pick (n) pool shall be distributed as if no dead heat occurred; or

(2) contestants representing two (2) or more betting interests, the place pick (n) pool shall be distributed as a single price pool with a winning wager, including the betting interest which finished first or any betting interest involved in the dead heat for second.

(e) If the conditions on the turf course warrant a change of racing surface in any of the legs of the pick (n) races, and the change has not been disclosed to the public prior to the close of wagering for the first race of the place pick (n), the stewards shall declare each changed leg an "all-win" and an "all-place" for place pick (n) wagering purposes only. An "all-win, all-place" race shall assign the winner and the second place finisher of that race as correct selections for each place pick (n) ticket holder as their selections for that race. Any surface change as defined in this subsection shall result in the net pool for the place pick (n) being distributed as a single price pool to those whose selection finished first or second in the greatest number of place pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the pick (n) carryover but not the carryover from the previous performance, except in circumstances to be determined by the stewards.

(f) Should a betting interest in any of the place pick (n) contests be scratched, the actual favorite, as evidenced by total amounts wagered in the win pool at the host association for the contest at the close of wagering on that contest, shall be substituted for the scratched betting interest for all purposes, including pool calculations. In the event that the win pool total for two (2) or more favorites is identical, the substitute selection shall be the betting interest with the lowest program number. The totalizator shall produce reports showing each of the wagering combinations with substituted betting interests which became winners as a result of the substitution, in addition to the normal winning combination.

(g) The place pick (n) pool shall be canceled and all place pick (n) wagers for the individual performance shall be refunded if:

(1) at least two (2) contests included as part of a place pick 3 are canceled or declared no contest.

(2) at least three (3) contests included as part of a place pick 4, place pick 5, or place pick 6 are canceled or declared no contest.

(3) at least four (4) contests included as part of a place pick 7, place pick 8, or place pick 9 are canceled or declared no contest.

(4) at least five (5) contests included as part of a place pick 10 are canceled or declared no contest.

(h) If at least one (1) contest included as part of a place pick (n) is canceled or declared no contest, but not more than the number specified in subsection (f), the net pool shall be distributed as a single price pool to those whose selection finished first or second in the greatest number of place pick (n) contests for that performance. Such distribution shall include the portion ordinarily retained for the place pick (n) carryover but not the carryover from previous performances.

(i) The place pick (n) carryover may be capped at a designated level approved by the commission so that if, at the close of any performance, the amount in the place pick (n) carryover equals or exceeds the designated cap, the place pick (n) carryover will be frozen until it is won or distributed under this rule. After the place pick (n) carryover is frozen, one hundred percent (100%) of the net pool, part of which ordinarily would be added to the place pick (n) carryover, shall be distributed to those whose selection finished first or second in the greatest number of place pick (n) contests for that performance.

(j) A written request for permission to distribute the place pick (n) carryover on a specific performance may be submitted to the commission. The request must contain the following:

(1) Justification for the distribution.

(2) An explanation of the benefit to be derived.

(3) The intended date and performance for the distribution.

(k) Should the place pick (n) carryover be designated for distribution on a specified date and performance in which there are no wagers selecting the first place or second place finisher in each of the place pick (n) contests, the entire pool shall be distributed as a single price pool to those whose selection finished first or second in the greatest number of place pick (n) contests. The place pick (n) carryover shall be designated for distribution on a specified date and performance under any of the following circumstances:

(1) Upon written approval from the commission as provided in subsection (i) *[subsection (j)]*.

(2) Upon written approval from the commission when:

(A) there is a change in the carryover cap;

(B) there is a change from one (1) type of place pick (n) wagering to another; or

(C) the place pick (n) is discontinued.

(3) On the closing performance of the meet or split meet.

(l) If, for any reason, the place pick (n) carryover must be held over to the corresponding place pick (n) pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the commission. The place pick (n) carryover plus accrued interest shall then be added to the net place pick (n) pool of the following meet on a date and performance so designated by the commission.

(m) With the written approval of the commission, the association may contribute to the place pick (n) carryover a sum of money up to the amount of any designated cap.

(n) Providing information to any person regarding:

(1) covered combinations;

(2) amounts wagered on specific combinations;

(3) number of tickets sold; or

(4) number of live tickets remaining;

is strictly prohibited. This shall not prohibit necessary communication between totalizator and pari-mutuel department employees for processing of pool data.

(o) The association may suspend previously approved place pick (n) wagering with the prior approval of the commission. Any carryover shall be held until the suspended place pick (n) wagering is reinstated. An association may request approval of a place pick (n) wager or separate wagering pool for specific performances. *(Indiana Horse Racing Commission; 71 IAC 9-4-8; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1189; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-4-9 Quinella pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 9. (a) The quinella requires selection of the first two (2) finishers, irrespective of order, for a single contest.

(b) The net quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

(1) If contestants of a coupled entry or mutuel field finish as the first two (2) finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; or

(2) as a single price pool to those whose combination finished as the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those whose combination included either the first place or second place finisher; but if there are no such wagers on one (1) of the those two (2) finishers, to subdivision (4).

(4) As a single price pool to those whose combination included the one (1) covered betting interest included within the first two (2) finishers; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on quinella wagers for that contest.

(c) If there is a dead heat for first involving:

(1) contestants representing the same betting interest, the quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish;

(2) contestants representing two (2) betting interests, the quinella pool shall be distributed as if no dead heat occurred; or

(3) contestants representing three (3) or more betting interests, the quinella pool shall be distributed as a profit split.

(d) If there is a dead heat for second involving contestants representing the same betting interest, the quinella pool shall be distributed as if no dead heat occurred.

(e) If there is a dead heat for second involving contestants representing two (2) or more betting interests, the quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

(1) As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one (1) covered combination, to subdivision (2).

(2) As a single price pool to those combining the winner with the one (1) covered betting interest involved in the dead heat for second; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, to subdivision (4).

(4) As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on quinella wagers for that contest.

(Indiana Horse Racing Commission; 71 IAC 9-4-9; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1192; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-4-10 Quinella double pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 10. (a) The quinella double requires selection of the first two (2) finishers, irrespective of order, in each of two (2) specified contests.

(b) The net quinella double pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

(1) If a coupled entry or mutuel field finishes as the first two (2) contestants in either contest, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest, as well as the first two (2) finishers in the alternate quinella double contest; or

(2) as a single price pool to those who selected the first two (2) finishers in each of the two (2) quinella double contests; but

if there are no such wagers, to subdivision (3).

(3) As a profit split to those who selected the first two (2) finishers in either of the two (2) quinella double contests; but if there are no such wagers on one (1) of those contests, to subdivision (4).

(4) As a single price pool to those who selected the first two (2) finishers in the one (1) covered quinella double contest; but if there were no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on quinella double wagers for those contests.

(c) If there is a dead heat for first in either of the two (2) quinella double contests involving:

(1) contestants representing the same betting interest, the quinella double pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish for that contest;

(2) contestants representing two (2) betting interests, the quinella double pool shall be distributed as if no dead heat occurred; or

(3) contestants representing three (3) or more betting interests, the quinella double pool shall be distributed as a profit split.

(d) If there is a dead heat for second in either of the quinella double contests involving contestants representing the same betting interest, the quinella double pool shall be distributed as if no dead heat occurred.

(e) If there is a dead heat for second in either of the quinella double contests involving contestants representing two (2) or more betting interests, the quinella double pool shall be distributed as profit split.

(f) Should a betting interest in the first half of the quinella double be scratched prior to the first quinella double contest being declared official, all money wagered on combinations including the scratched betting interest shall deducted from the quinella double pool and refunded.

(g) Should a betting interest in the second half of the quinella double be scratched prior to the close of wagering on the first quinella double contest, all money wagered on combinations, including the scratched betting interest, shall be deducted from the quinella double pool and refunded.

(h) Should a betting interest in the second half of the quinella double be scratched after the close of wagering on the first quinella double contest, all wagers combining the winning combination in the first contest with a combination, including the scratched betting interest in the second contest, shall be allocated a consolation payoff. In calculating the consolation payoff the net quinella double pool shall be divided by the total amount wagered on the winning combination in the first contest and an unbroken consolation price obtained. The unbroken consolation price is multiplied by the dollar value of wagers on the winning combination in the first contest combined with a combination, including the scratched betting interest in the second contest, to obtain the consolation payoff. Breakage is not declared in this calculation. The consolation payoff is deducted from the net quinella double pool before calculation and distribution of the winning quinella double payoff. In the event of a dead heat involving separate betting interests, the net quinella double pool shall be distributed as a profit split.

(i) If either of the quinella double contests is canceled prior to the first quinella double contest, or the first quinella double contest is declared no contest, the entire quinella double pool shall be refunded on quinella double wagers for those contests.

(j) If the second quinella double contest is canceled or declared no contest after the conclusion of the first quinella double contest, the net quinella double pool shall be distributed as a single price pool to wagers selecting the winning combination in the first quinella double contest. If there are no wagers selecting the winning combination in the first quinella double contest, the entire quinella double pool shall be refunded on quinella double wagers for those contests. *(Indiana Horse Racing Commission; 71 IAC 9-4-10; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1192; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-4-11 Exacta pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 11. (a) The exacta requires selection of the first two (2) finishers, in their exact order, for a single contest.

(b) The net exacta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish:

(1) If contestants of a coupled entry or mutuel field finish as the first two (2) finishers, as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; or

(2) as a single price pool to those whose combination finished in correct sequence as the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those whose combination included either the first place betting interest to finish first or the second place betting interest to finish second; but if there are no such wagers on one (1) of those two (2) finishers, to subdivision (4).

(4) As a single price pool to those whose combination included the one (1) covered betting interest to finish first or second in the correct sequence; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on exacta wagers for that contest.

(c) If there is a dead heat for first involving:

(1) contestants representing the same betting interest, the exacta pool shall be distributed as a single price pool to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; or

(2) contestants representing two (2) or more betting interests, the exacta pool shall be distributed as a profit split.

(d) If there is a dead heat for second involving contestants representing the same betting interest, the exacta pool shall be distributed as if no dead heat occurred.

(e) If there is a dead heat for second involving contestants representing two (2) or more betting interests, the exacta pool shall be distributed to ticket holders in the following precedence, based upon the official order of finish:

(1) As a profit split to those combining the first place betting interest with any of the betting interests involved in the dead heat for second; but if there is only one (1) covered combination, to subdivision (2).

(2) As a single price pool to those combining the first place betting interest with the one (1) covered betting interest involved in the dead heat for second; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those wagers correctly selecting the winner for first place and those wagers selecting any of the dead-heated betting interests for second place; but if there are no such wagers, then

(4) The entire pool shall be refunded on exacta wagers for that contest.

(Indiana Horse Racing Commission; 71 IAC 9-4-11; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1193; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)

71 IAC 9-4-12 Trifecta pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 12. (a) The trifecta requires selection of the first three (3) finishers, in their exact order, for a single contest.

(b) The net trifecta 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 whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, to subdivision (4).

(4) The entire pool shall be refunded on trifecta wagers for that contest.

(c) If less than three (3) betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.

(d) If there is a dead heat for first involving:

(1) contestants representing three (3) or more betting interests, all of the wagering combinations selecting three (3) betting interests which correspond with any of the betting interests involved in the dead heat shall share in a profit split; or

(2) contestants representing two (2) betting interests, both of the wagering combinations selecting the two (2) dead-heated betting interests, irrespective of order, along with the third place betting interest shall share in a profit split.

(e) If there is a dead heat for second, all of the combinations correctly selecting the winner combined with any of the betting interests involved in the dead heat for second shall share in a profit split.

(f) If there is a dead heat for third, all wagering combinations correctly selecting the first two (2) finishers, in correct sequence, along with any of the betting interests involved in the dead heat for third shall share in a profit split. *(Indiana Horse Racing Commission; 71 IAC 9-4-12; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1194; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2083; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-4-13 Twin quinella pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 13. (a) The twin quinella requires selection of the first two (2) finishers, irrespective of order, in each of two (2) designated contests. Each winning ticket for the first twin quinella contest must be exchanged for a free ticket on the second twin quinella contest in order to remain eligible for the second half twin quinella pool. Such tickets may be exchanged only at attended ticket windows prior to the second twin quinella contest. There will be no monetary reward for winning the first twin quinella contest. Both of the designated twin quinella contests shall be included in only one (1) twin quinella pool.

(b) In the first twin quinella contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the first twin quinella contest:

(1) If a coupled entry or mutuel field finishes as the first two (2) finishers, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners; or

(2) those whose combination finished as the first two (2) betting interests shall be winners; but if there are no such wagers, to subdivision (3).

(3) Those whose combination included either the first place or second place finisher shall be winners; but if there are no such wagers on one (1) of those two (2) finishers, to subdivision (4).

(4) Those whose combination included the one (1) covered betting interest included within the first two (2) finishers shall be winners; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on twin quinella wagers for that contest.

(c) In the first twin quinella contest only, if there is a dead heat for first involving:

(1) contestants representing the same betting interest, those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish shall be winners;

(2) contestants representing two (2) betting interests, the winning twin quinella wagers shall be determined as if no dead heat occurred; or

(3) contestants representing three (3) or more betting interests, those whose combination included any two (2) of the betting interests finishing in the dead heat shall be winners.

(d) In the first twin quinella contest only, if there is a dead heat for second involving contestants representing two or more betting interests, the twin quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

(1) As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one (1) covered combination, to subdivision (2).

(2) As a single price pool to those combining the winner with the one (1) covered betting interest involved in the dead heat for second; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, to subdivision (4).

(4) As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second; but if there are no such wagers, to subdivision (5).

(5) The entire pool shall be refunded on twin quinella wagers for that contest.

(e) In the second twin quinella contest only, the entire net twin quinella pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second twin quinella contest:

(1) If a coupled entry or mutuel field finishes as the first two (2) finishers, as a single price pool to those who selected the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish; or

(2) as a single price pool to those whose combination finished as the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those whose combination included either the first place or second place finisher; but if there are no such wagers on one (1) of those two (2) finishers, to subdivision (4).

(4) As a single price pool to those whose combination included the one (1) covered betting interest included within the first two (2) finishers; but if there are no such wagers, to subdivision (5).

(5) As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, to subdivision (6).

(6) In accordance with subsection (b).

(f) In the second twin quinella contest only, if there is a dead heat for first involving:

(1) contestants representing the same betting interest, the net twin quinella pool shall be distributed to those selecting the coupled entry or mutuel field combined with the next separate betting interest in the official order of finish;

(2) contestants representing two (2) betting interests, the net twin quinella pool shall be distributed as if no dead heat occurred; or

(3) contestants representing three (3) or more betting interests, the net twin quinella pool shall be distributed as a profit split to those whose combination included any two (2) of the betting interests finishing in the dead heat.

(g) In the second twin quinella contest only, if there is a dead heat for second involving contestants representing two (2) or more betting interests, the twin quinella pool shall be distributed to wagers in the following precedence, based upon the official order of finish:

(1) As a profit split to those combining the winner with any of the betting interests involved in the dead heat for second; but if there is only one (1) covered combination, to subdivision (2).

(2) As a single price pool to those combining the winner with the one (1) covered betting interest involved in the dead heat for second; but if there are no such wagers, to subdivision (3).

(3) As a profit split to those combining the betting interests involved in the dead heat for second; but if there are no such wagers, to subdivision (4).

(4) As a profit split to those whose combination included the winner and any other betting interest and wagers selecting any of the betting interests involved in the dead heat for second, to subsection (5).

(5) As a single price pool to all the exchange ticket holders for that contest; but if there are no such tickets, to subsection (6).

(6) In accordance with subsection (b).

(h) If a winning ticket for the first half of the twin quinella is not presented for exchange prior to the close of betting on the second half twin quinella contest, the ticket holder forfeits all rights to any distribution of the twin quinella pool resulting from the outcome of the second contest.

(i) Should a betting interest in the first half of the twin quinella be scratched, those twin quinella wagers, including the scratched betting interest, shall be refunded.

(j) Should a betting interest in the second half of the twin quinella be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second twin quinella contest, the ticket holder forfeits all rights to the twin quinella pool.

(k) If either of the twin quinella contests is canceled prior to the first twin quinella contest, or the first twin quinella contest is declared no contest, the entire twin quinella pool shall be refunded on twin quinella wagers for that contest.

(l) If the second half twin quinella contest is canceled or declared no contest after the conclusion of the first twin quinella contest, the net twin quinella pool shall be distributed as a single price pool to wagers selecting the winning combination in the first twin quinella contest and all valid exchange tickets. If there are no such wagers, the net twin quinella pool shall be distributed as described in subsection (b). *(Indiana Horse Racing Commission; 71 IAC 9-4-13; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1194; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-4-14 Twin trifecta pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 14. (a) The twin trifecta requires selection of the first three (3) finishers, in their exact order, in each of two (2) designated contests. Each winning ticket for the first twin trifecta contest must be exchanged for a free ticket on the second twin trifecta contest in order to remain eligible for the second half twin trifecta pool. Such tickets may be exchanged only at attended ticket windows prior to the second twin trifecta contest. Winning first half twin trifecta wagers will receive both an exchange and a monetary payoff. Both of the designated twin trifecta contests shall be included in only one (1) twin trifecta pool.

(b) After wagering closes for the first half of the twin trifecta and commissions have been deducted from the pool, the net pool shall then be divided into separate pools:

(1) the first half twin trifecta pool; and

(2) the second half twin trifecta pool.

(c) In the first twin trifecta contest only, winning wagers shall be determined using the following precedence, based upon the official order of finish for the first twin trifecta contest:

(1) As a single price pool to those whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, to subdivision (4).

(4) The entire twin trifecta pool shall be refunded on twin trifecta wagers for that contest and the second half shall be canceled.

(d) If no first half twin trifecta ticket selects the first three (3) finishers of that contest in exact order, winning ticket holders shall not receive any exchange tickets for the second half twin trifecta pool. In such case, the second half twin trifecta pool shall be retained and added to any existing twin trifecta carryover pool.

(e) Winning tickets from the first half of the twin trifecta shall be exchanged for tickets selecting the first three (3) finishers of the second half of the twin trifecta. The second half twin trifecta pool shall be distributed to winning wagers in the following precedence, based upon the official order of finish for the second twin trifecta contest:

(1) As a single price pool, including any existing carryover monies, to those whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such tickets, to subdivision (2).

(2) The entire second half twin trifecta pool for that contest shall be added to any existing carryover monies and retained for the corresponding second half twin trifecta pool of the next consecutive performance.

(f) If a winning first half twin trifecta ticket is not presented for cashing and exchange prior to the second half twin trifecta contest, the ticket holder may still collect the monetary value associated with the first half twin trifecta pool but forfeits all rights to any distribution of the second half twin trifecta pool.

(g) Should a betting interest in the first half of the twin trifecta be scratched, those twin trifecta wagers, including the scratched betting interest, shall be refunded.

(h) Should a betting interest in the second half of the twin trifecta be scratched, an announcement concerning the scratch shall be made and a reasonable amount of time shall be provided for exchange of tickets that include the scratched betting interest. If tickets have not been exchanged prior to the close of betting for the second twin trifecta contest, the ticket holder forfeits all rights to the second half twin trifecta pool.

(i) If, due to a late scratch, the number of betting interests in the second half of the twin trifecta is reduced to fewer than the minimum, all exchange tickets and outstanding first half winning tickets shall be entitled to the second half twin trifecta pool for that contest as a single price pool, but not the twin trifecta carryover.

(j) If there is a dead heat or multiple dead heats in either the first half or second half of the twin trifecta, all twin trifecta wagers selecting the correct order of finish, counting a betting interest involved in a dead heat as finishing in any dead-heated position, shall be a winner. In the case of a dead heat occurring in:

(1) the first half of the twin trifecta, the payoff shall be calculated as a profit split; and

(2) the second half of the twin trifecta, the payoff shall be calculated as a single price pool.

(k) If either of the twin trifecta contests are canceled prior to the first twin trifecta contest, or the first twin trifecta contest is declared no contest, the entire twin trifecta pool shall be refunded on twin trifecta wagers for that contest and the second half shall be canceled.

(l) If the second half twin trifecta contest is canceled or declared no contest, all exchange tickets and outstanding first half winning twin trifecta tickets shall be entitled to the net twin trifecta pool for that contest as a single price pool, but not twin trifecta

carryover. If there are no such tickets, the second half twin trifecta pool shall be retained and added to any existing twin trifecta carryover pool as described in subsection (d).

(m) The twin trifecta carryover may be capped at a designated level approved by the commission so that if, at the close of any performance, the amount in the twin trifecta carryover equals or exceeds the designated cap, the twin trifecta carryover will be frozen until it is won or distributed under this rule. After the twin trifecta carryover is frozen, one hundred percent (100%) of the net twin trifecta pool for each individual contest shall be distributed to winners of the first half of the twin trifecta pool.

(n) A written request for permission to distribute the twin trifecta carryover on a specific performance may be submitted to the commission. The request must contain the following:

(1) Justification for the distribution.

(2) An explanation of the benefit to be derived.

(3) The intended date and performance for the distribution.

(o) Should the twin trifecta carryover be designated for distribution on a specified date and performance, the following precedence will be followed in determining winning tickets for the second half of the twin trifecta after completion of the first half of the twin trifecta:

(1) As a single price pool to those whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, to subdivision (4).

(4) As a single price pool to holders of valid exchange tickets; but if there are not such holders, to subdivision (5).

(5) As a single price pool to holders of outstanding first half winning tickets.

(p) Contrary to subsection (b), during a performance designated to distribute the twin trifecta carryover, exchange tickets will be issued for those combinations selecting the greatest number of betting interests in their correct order of finish for the first half of the twin trifecta. If there are no wagers correctly selecting the first place, second place, and third place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first place and second place betting interests. If there are no wagers correctly selecting the first place and second place finishers, in their exact order, then exchange tickets shall be issued for combinations correctly selecting the first place betting interest only. If there are no wagers selecting the first place betting interest only in the first half of the twin trifecta, all first half tickets will become winners and will receive one hundred percent (100%) of that day's net twin trifecta pool and any existing twin trifecta carryover as a single price pool.

(q) The twin trifecta carryover shall be designated for distribution on a specified date and performance only under the following circumstances:

(1) Upon written approval from the commission as provided in subsection (o) *[subsection (n)]*.

(2) Upon written approval from the commission when there is a change in the carryover cap or when the twin trifecta is discontinued.

(3) On the closing performance of the meet or split meet.

(r) If, for any reason, the twin trifecta carryover must be held over to the corresponding twin trifecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the commission. The twin trifecta carryover plus accrued interest shall then be added to the second half twin trifecta pool of the following meet on a date and performance so designated by the commission.

(s) Providing information to any person regarding:

(1) covered combinations;

(2) amounts wagered on specific combinations;

(3) number of tickets sold; or

(4) number of valid exchange tickets;

is strictly prohibited. This shall not prohibit necessary communication between totalizator and pari-mutuel department employees for processing of pool data.

(t) The association must obtain written approval from the commission concerning:

(1) the scheduling of twin trifecta contests;

(2) the percentages of the net pool added to the first half pool and second half pool; and

(3) the amount of any cap to be set on the carryover.

Any changes to the approved twin trifecta format require prior approval from the commission.

(u) Nonwinning second half twin trifecta tickets have no monetary value, and no refunds or exchanges will be made after the start of the second twin trifecta race. *(Indiana Horse Racing Commission; 71 IAC 9-4-14; emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1196; errata filed Mar 9, 1994, 2:50 p.m.: 17 IR 1622; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2084; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-4-15 Superfecta pools

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 15. (a) The superfecta requires selection of the first four (4) finishers, in their exact order, for a single contest.

(b) For all contests offering superfecta wagering, except for the final contest of the meet which offers superfecta wagering, the net superfecta 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 whose combination finished in correct sequence as the first four (4) betting interests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests; but if there are no such wagers, to subdivision (4).

(4) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, to subdivision (5).

(5) The entire pool may be refunded on superfecta wagers for that contest.

(6) Subject to the approval of the commission, the pool may be carried over in the event that there are no winning wagers that satisfy subdivision (1). Requests to carry over the superfecta pools that do not satisfy subdivision (1) must be made in writing by the association.

(c) For the final contest of the meet which offers superfecta wagering, the net superfecta 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 whose combination finished in correct sequence as the first four (4) betting interests; but if there are no such wagers, to subdivision (2).

(2) As a single price pool to those whose combination finished in correct sequence as the first three (3) betting interests; but if there are no such wagers, to subdivision (3).

(3) As a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests; but if there are no such wagers, to subdivision (4).

(4) As a single price pool to those whose combination correctly selected the first place betting interest only; but if there are no such wagers, to subdivision (5).

(5) The entire pool may be refunded on superfecta wagers for that contest.

(6) Subject to the approval of the commission, the pool may be carried over to the first contest of the next meet which offers superfecta wagering. A pool that meets subdivision (1) may not carry over. Requests to carry over the superfecta pools that do not satisfy subdivision (1) must be made in writing by the association.

(d) If less than four (4) betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection beyond the number of betting interests completing the contest shall be ignored.

(e) If there is a dead heat for first involving:

(1) contestants representing four (4) or more betting interests, all of the wagering combinations selecting four (4) betting interests, which correspond with any of the betting interests involved in the dead heat, shall share in a profit split;

(2) contestants representing three (3) betting interests, all of the wagering combinations selecting the three (3) dead-heated betting interests, irrespective of order, along with the fourth place betting interest, shall share in a profit split; or

(3) contestants representing two (2) betting interests, both of the wagering combinations selecting the two (2) dead-heated betting interests, irrespective of order, along with the third place betting interest, shall share in a profit split.

(f) If there is a dead heat for second, all of the combinations correctly selecting the winner combined with any of the betting interests involved in the dead heat for second shall share in a profit split.

(g) If there is a dead heat for third, all wagering combinations correctly selecting the first two (2) finishers, in correct sequence, along with any of the betting interests involved in the dead heat for third, shall share in a profit split. *(Indiana Horse Racing Commission; 71 IAC 9-4-15; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2160; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)*

71 IAC 9-4-16 Odd-even pool

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 16. (a) The odd-even wager requires the selection of the odd number or the even number of the betting interest, as listed in the official program, which is the first place finisher in a contest.

(b) A patron purchasing an odd-even pari-mutuel ticket shall designate "odd" or "even". An "odd" ticket represents a wager on each betting interest with an odd number as listed in the official program in a contest. An "even" ticket represents a wager on each betting interest with an even number as listed in the official program in a contest.

(c) The odd-even is a pool separate from, and with no relation to, the win, place, and show pools shown on the totalizator board. The odd-even pool is calculated as a single price pool.

(d) If the betting interest finishing first has an odd program number, the odd-even pool shall be distributed to the holders of tickets designating odd. If the betting interest finishing first has an even program number, the odd-even pool shall be distributed to the holders of tickets designating even.

(e) Except as otherwise provided by this section, if, after wagering has begun a betting interest entered in an odd-even race is scratched, declared out, or prevented from racing, there will be no refund.

(f) Except as otherwise provided by this section, if a race ends in a dead heat for first place between a betting interest with an odd program number and a betting interest with an even program number, the program number of the third place finishing betting interest will determine the winners of the odd-even pool. If there is a dead heat for third place between a betting interest with an odd program number and a betting interest with an even program number, the program number of the fifth place betting interest will determine the winners of the odd-even pool. If a race ends a dead heat for first place between three (3) betting interests, the type of program number of the majority of the betting interests involved in the dead heat will determine the winners of the odd-even pool. *(Indiana Horse Racing Commission; 71 IAC 9-4-16; emergency rule filed Mar 18, 1998, 1:40 p.m.: 21 IR 3023; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: 20070404-IR-071070030RFA; readopted filed Nov 26, 2013, 11:25 a.m.: 20131225-IR-071130345RFA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA)*

71 IAC 9-4-17 Pentafecta wagering

Authority: IC 4-31-3-9
Affected: IC 4-31

Sec. 17. (a) The pentafecta wager requires selection of the first five (5) finishers, in their exact order, for a single contest.

(b) Winnings shall be distributed as follows:

(1) The net pentafecta pool shall be distributed to winning wagers in the following order, based on the official order of finish:

(A) As a single price pool, including any applicable carryover, to those whose combination finished in correct sequence as the first five (5) betting interests.

(B) If there are no wagers as outlined in clause (A), then the entire net pool shall be carried over to the next corresponding pentafecta pool.

(C) If the contest race is cancelled, declared no contest, or the pentafecta is cancelled, all pentafecta wagers will be refunded for that contest and any carryover from previous contests will be carried over to the next corresponding

pentafecta pool.

(D) If any betting interest is scratched or officially withdrawn, all pentafecta wagers with the scratched betting interest shall be refunded and deducted from the pentafecta pool.

(2) On the last pentafecta race on the final day of the meeting, the net pool, including any applicable carryover, shall be distributed to winning wagers in the following order, based upon the official order of finish:

(A) As a single price pool to those whose combination finished in correct sequence as the first five (5) betting interests.

(B) If there are no wagers as described in clause (A), then as a single price pool to those whose combination finished in correct sequence as the first four (4) betting interests.

(C) If there are no wagers as described in clause (A) or (B), then as a single price pool to those whose combination included, in correct sequence, the first three (3) betting interests.

(D) If there are no wagers as described in clause (A), (B), or (C), then as a single price pool to those whose combination included, in correct sequence, the first two (2) betting interests.

(E) If there are no wagers as described in clause (A), (B), (C), or (D), then as a single price pool to those whose combination correctly selected the first-place betting interest only.

(F) If there are no wagers as described in clause (A), (B), (C), (D), or (E), then the entire pool shall be refunded on pentafecta wagers for that contest and any carryover from previous contests will be carried over to the first corresponding pool of the subsequent race meet.

(c) If for any reason the pentafecta carryover must be held over to the corresponding pentafecta pool of a subsequent meet, the carryover shall be deposited in an interest-bearing account approved by the commission and maintained by the permit holder. The pentafecta carryover plus accrued interest shall then be added to the net pentafecta pool of the following meet on a date and performance so designated by the commission.

(d) If fewer than five (5) betting interests finish and the contest is declared official, payoffs will be made based upon the order of finish of those betting interests completing the contest. The balance of any selection on any ticket beyond the number of betting interests completing the contest shall be ignored. If the pools are being distributed under subsection (b)(1)(A), any previous pentafecta contest's carryover will not be included in the payoff and will be retained for the next contest's carryover. This contest's net pentafecta pool will be distributed using the method described in subsection (b)(1)(A).

(e) If there is a dead heat in any finishing position, all wagers selecting either of the dead heated positions with the correct nondead heated positions shall be winners and share in the single prize.

(f) In the event that more than one (1) component of a coupled entry or mutuel field finishes within the first five (5) positions, the first member of the coupled entry or mutuel field to finish shall determine the position of the single betting interest. The net pool shall be distributed to those whose selection included the coupled entry or mutuel field and each of the other four (4) betting interests.

(Indiana Horse Racing Commission; 71 IAC 9-4-17; emergency rule filed Mar 30, 2016, 12:18 p.m.: 20160406-IR-071160138ERA; readopted filed Aug 28, 2019, 1:23 p.m.: 20190925-IR-071190319RFA; emergency rule filed Mar 2, 2021, 3:10 p.m.: 20210310-IR-071210076ERA)

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