CHAPTER 69.5-01-08
PARI-MUTUEL WAGERING SYSTEMS

Section
69.5-01-08-01 General
69.5-01-08-02 Totalizator System
69.5-01-08-03 Records
69.5-01-08-04 Calculation and Distribution of Pools
69.5-01-08-05 Minimum Wager and Payoff
69.5-01-08-06 Minors Prohibited From Wagering
69.5-01-08-07 Odds or Payoffs Posted
69.5-01-08-08 Betting Explanation
69.5-01-08-09 Prior Approval Required for Betting Pools
69.5-01-08-10 Pools Dependent Upon Betting Interests
69.5-01-08-11 Pari-Mutuel Ticket Sales
69.5-01-08-12 Coupled Entries and Mutuel
69.5-01-08-12.1 The Pari-Mutuel Manager
69.5-01-08-13 Emergency Situations
69.5-01-08-14 Totalizator Employees
69.5-01-08-15 Breakage and Outs
69.5-01-08-16 Pari-Mutuel Cash Vouchers
69.5-01-08-17 Display of Betting Information By Associations
69.5-01-08-18 Refunds for Short Fields
69.5-01-08-19 Prior Approval Required for Betting Pools
69.5-01-08-20 Claims for Payment from Pari-Mutuel Pool
69.5-01-08-21 Complaints Pertaining to Association Pari-Mutuel Operations
69.5-01-08-22 Licensee Duty to Report

69.5-01-08-01. General.

Each association may permit wagering only on races conducted by each association on the grounds of such association except as otherwise permitted by the commission and state law. A licensee that is hosting pools may permit wagering only through the systems and methods approved by the commission. All such permitted wagering must be under the pari-mutuel system employing a totalizator system approved by the commission. All other systems of wagering other than pari-mutuel are prohibited.

History: Effective July 1, 1989; amended effective January 1, 2008; April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-02. Totalizator system.

1. Each association shall install and operate during its meeting a totalizator system approved by the commission and such system must be tested prior to and during the meeting as required by the commission.

2. A licensee that is hosting pools shall use only a totalizator system approved by the commission.

3. A licensee hosting tournament style pools, including the tournament wager or 123racing Pick-n Wager may elect to calculate pools using its own software and servers suitable for this purpose rather than a licensed totalizator system only if all of the following conditions are met:

   a. Wagers made into the tournament pool are not comingled with wagers placed through any other entity or any interstate or international combined wagering pools.

b. The licensee provides a daily report of all tournament wagering activity including such data as requested by the commission or as necessary to comply with statute or administrative rules. The daily reports must be delivered to the commission's independent auditor or other designated representative no later than 8:00 a.m. eastern time the day following the generation of the wagers in a manner and format designated by the commission.

c. The licensee establishes a real-time data feed with a totalizator company approved by the commission. The data feed must include the odds feed, stop betting, scheduled post time, and payoffs for any race comprising part of the tournament wager. The data feed may be provided via inter-tote system protocol, web service application program interface, or other method capable of providing the required data as approved by the commission. The licensee shall utilize a secure network for all data communications.

d. The licensee utilizes the stop betting data from the real-time data feed to automatically close wagering. The licensee's system also must be capable of automatically closing wagering at post time in the event of an interruption in the real-time data feed.

e. After close of wagering for a tournament or any race or races comprising the tournament, the licensee makes all such picks publicly available by immediately posting a listing of all selections by player in the tournament.

f. The licensee obtains all necessary authorizations to allow the commission, its independent auditor, or other designated representative to obtain pricing data files directly from the host totalizator at a track holding a race which comprises part of the tournament wager. If there is a discrepancy between the pricing data of the track host totalizator and the licensee, the licensee shall work directly with the independent auditor to identify and reconcile the error in accordance with section 69.5-01-11-04.1.

g. The licensee provides any track holding a race which comprises part of the tournament wager with authorization to view reports from the commission's independent auditor or other designated representative providing the wagering data required in order to audit licensee payments to the track.

h. A totalizator company provides access to the commission, its independent auditor, or its designated representative to its facility, records, and any other information as required by the commission.

i. The licensee submits a tournament wagering operations plan to the commission for its review and approval. The operations plan must provide details on all operations specified in this section as well as any additional information requested by the commission. The plan must provide the following additional information and specifically address how the licensees operations ensure the same level of integrity in the wagering process as required of licensed totalizators pursuant to sections 69.5-01-11-13 through 69.5-01-11-15 as applicable:

(1) Facility safety and security.

(2) Hardware operation and security.

(3) Software operation and security.

(4) Management procedures.

(5) Personnel requirements.

(6) Reporting and log requirements.

History: Effective July 1, 1989; amended effective April 1, 2016; January 1, 2017.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-03. Records.

The pari-mutuel (mutuels) manager shall maintain complete records of all wagering so the commission may review such records for any race including the opening line, subsequent odds fluctuation, the amount and at which window wagers were placed on any betting interest, and such other information as the commission may require. Such wagering records must be retained by each association or licensee and safeguarded for a period of time specified by the commission.

History: Effective July 1, 1989; amended effective January 1, 2008; April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-04. Calculation and distribution of pools.

1. **General.** The only pari-mutuel wagering pools permitted are, those designated in the association of racing commissioners international model rules of racing version 6.0, rules ARCI-004-105 part I, A through X, and pari-mutuel plus, pick 1-2-3, pick 1-2-3-4-5, 123racing Pick-n Wager©, Tote-X® win, and tournament wager. In each pool there must be a separate and independent calculation and distribution. From each pool there must be deducted by each association or licensee the commissions as provided by state law. The remainder of the moneys in the pool must be distributed as payoff to ticketholders as set out therein.

2. **Pari-mutuel plus.**

   a. The pari-mutuel plus pool requires selection of the order of any designated number of finishers, in their exact positions, in designated contests. The service provider must obtain written approval from the commission concerning the scheduling of the pari-mutuel plus contests and designate the percentage of the amount of carryover. The pari-mutuel plus pool consists of a pool and jackpot carryover and must have predetermined percentages set aside for the pool designated to winners who selected the designated number of finishers. The pool will be distributed to the winners who selected the finishers, in their exact positions, and they will then be eligible for the random drawing of the randomly generated numbers assigned to the wager's ticket to be drawn for the awarding of the jackpot pool. To be awarded the jackpot pool, the winner of the pool must have the matching randomly generated number on the person's ticket that is drawn randomly from the group of designated numbers. Any changes to the approved pari-mutuel plus format require prior approval from the commission.

   b. Unless otherwise stated, the major share of the net pari-mutuel plus pool shall be distributed as a single price pool to those who selected the designated number of finishers, in exact positions, based upon the official order of finish.

   c. The pari-mutuel plus pool shall be apportioned with no minor pool and carryover by choosing the designated number of horses in exact order of finish. The service provider must make a written request to the commission for approval to offer consolation and minor pools in the pari-mutuel plus pool, and be granted approval before implementation.

      (1) The net pari-mutuel plus pool shall be distributed in accordance with the method for distributing the major share to all winners who selected the designated number of finishers, in exact positions.

      (2) If there are no wagers qualifying for the major share, the net major share shall be added to the carryover.

d. If there is a dead heat in the pari-mutuel plus pool involving:

(1) Contestants representing the same betting interest, the pool will be distributed as if no dead heat occurred.

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

e. The pari-mutuel plus pool shall be canceled and all pari-mutuel plus wagers for the individual performance shall be refunded under the following conditions:

(1) If the pari-mutuel plus contests are canceled or declared no contest prior to the first pari-mutuel plus contest being declared official, the entire pari-mutuel plus pool shall be refunded on wagers for those contests.

(2) If all remaining pari-mutuel plus contests are canceled or declared no contests after the first pari-mutuel plus contest is declared official, the entire net pari-mutuel plus pool, but not the pari-mutuel plus carryover, shall be distributed as a single price pool to wagers selecting the winning combination in the pari-mutuel plus contest. However, if there are no wagers selecting the winning combination in the pari-mutuel plus contest, the entire pool shall be refunded on wagers for those contests.

f. Mandatory distribution.

(1) The service provider must submit a written request to the commission for permission to distribute the pari-mutuel plus carryover on a specific performance. The request to the commission shall contain justification for the mandatory distribution, an explanation of the benefit to be derived, and the intended date and performance of the distribution. The service provider must notify the commission at least ten days prior to implementation. If the pari-mutuel plus pool cannot be distributed during a designated performance, the mandatory distribution shall resume on the next approved mandatory distribution performance.

(2) If the pari-mutuel plus carryover is designated for distribution on a specific date and performance, and if there are no wagers qualifying for the major share, which is sixty-five percent of the pool, then the following precedence shall be followed in determining the winning wagers for the pari-mutuel plus pool and carryover pool:

(a) The major share and the pari-mutuel plus carryover shall be distributed as a single price pool to those who selected the designated number of finishers, in exact positions, based upon the official order of finish, and who have received a matching random number selected through a drawing of one of a designated group of numbers, minus the service provider or racetrack take-out.

(b) The major share and the pari-mutuel plus carryover shall be distributed as a single price pool to those who correctly selected the most finishers, in their exact positions, based upon the official order of finish.

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

h. With written approval of the commission, the service provider may contribute to the pari-mutuel plus carryover a sum of money to be designated by the service provider or the

racetrack. Moneys contributed to the pool may be withdrawn when the pool accumulation totals the moneys contributed.

i. Providing information to any person regarding covered combinations, amounts wagered on specific combinations, number of tickets sold, or 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.

j. The service provider may suspend previously approved pari-mutuel plus wagering with prior approval from the commission. Any carryover shall be held until the suspended pari-mutuel plus wagering is reinstated. A service provider may request approval of the pari-mutuel plus wager or a separate pari-mutuel plus wagering pool for specific performances.

3. **Pick 1-2-3 pool.** The pick 1-2-3 pool requires selection of the first three finishers, irrespective of order, in each of three designated contests. Payment of the ticket may be made only to the purchaser who has selected the qualifying finishers in three designated races.

a. Pick 1-2-3 requires a selection of a combination of either nine, eight, seven, or six, first, second, and third place finishers, in any order, in three consecutive races that are designated as pick 1-2-3 races to qualify for a payout. There will be no monetary award for the winning combination for winning the first pick 1-2-3 race or any combination of five or less qualifiers in each of the three races.

b. The service provider must obtain written approval from the commission concerning the scheduling of the pick 1-2-3 contests, the designation of qualifying races, and the cap to be set on the carryover. Any changes to the pick 1-2-3 wager format requires prior approval from the commission.

c. The pick 1-2-3 pool and carryover, if any, shall be distributed as a single price pool to those who selected the winning combination of the top three finishers in three races, or a decreasing scale of qualifiers eight of nine, seven of nine, or six of nine, in the following payout method:

(1) Fifty percent of net pool and accumulated jackpot divided between players selecting nine of nine.

(2) Thirty percent of net pool divided between players selecting eight of nine.

(3) Fifteen percent of net pool divided between players selecting seven of nine.

(4) Five percent of net pool divided between players selecting six of nine.

(5) If there are no winning wagers for the nine of nine winners, then fifty percent of the net pool carryover will be added to the next pick 1-2-3 race in the race meet schedule.

(6) If there are no winning wagers for the eight of nine winners, then thirty percent of the net pool carryover will be added to the next pick 1-2-3 race in the race meet schedule.

(7) If there are no winning wagers for the seven of nine winners, then fifteen percent of the net pool carryover will be added to the next pick 1-2-3 race in the race meet schedule.

(8) If there are no winning wagers for the six of nine winners, then five percent of the net pool carryover will be added to the next pick 1-2-3 race in the race meet schedule.

d. Dead heats. In the event of a dead heat in any of the position pick 1-2-3 contests based upon the official order of finish for the purposes of determining whether a wager correctly selected the finishers in exact position, contestants in a dead heat are deemed to jointly occupy both or all positions in the dead heat. For example, if five and six finish in a dead heat for first, then a selection of five for either first or second is correct and a selection of six for either first or second is also correct.

e. Scratches.

(1) If, due to a late scratch, the number of betting interests in a contest of the pick 1-2-3 pool is reduced to fewer than six contestants, for the purposes of the pick 1-2-3 pool only, such contests shall be declared no contest and the pick 1-2-3 pool shall be declared a canceled contest.

(2) Should a betting interest in any contest of the pick 1-2-3 pool be scratched or excused from the contest, no more wagers shall be accepted selecting that scratched contestant.

(3) Scratch contestant losers:

(a) The scratch contestant is deemed to be a loser, for the purposes of the pick 1-2-3 pool only.

(b) Other correctly selected finishers in the pick 1-2-3 shall continue to count toward winning, as usual.

f. Canceled contests.

(1) If any of the pick 1-2-3 contests are canceled or declared no contest prior to the first pick 1-2-3 contest being declared official, the daily pick 1-2-3 pool shall be refunded on the pick 1-2-3 wagers for those contests.

(2) If all remaining pick 1-2-3 contests are canceled or declared no contest after the first pick 1-2-3 contest is declared official, the entire net pick 1-2-3 pool, but not the pick 1-2-3 carryover, shall be distributed as a single price pool to wagers selecting the winning combination in the first pick 1-2-3 contest. However, if there are no wagers selecting the winning combination in the first pick 1-2-3 contest, the daily pick 1-2-3 pool shall be refunded on pick 1-2-3 wagers for those contests.

g. Mandatory distribution. The service provider must submit a written request for permission to distribute the pick 1-2-3 carryover on a specific performance to the commission. The request shall contain justification for the mandatory distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution. The service provider must notify the commission at least ten days prior to implementation. If the pick 1-2-3 pool cannot be distributed during a designated performance, the mandatory distribution shall resume on the next approved mandatory distribution performance.

4. **Pick 1-2-3-4-5 pool.** Pick 1-2-3-4-5 requires selection of the first five finishers, irrespective of order, in each of three designated contests. Payment of the ticket may be made only to the purchaser who has selected the qualifying finishers in three designated races.

a. Pick 1-2-3-4-5 requires the selection of a combination of either fifteen, fourteen, thirteen, or twelve first, second, third, fourth, and fifth place finishers, in any order, in three consecutive races that are designed as pick 1-2-3-4-5 races to qualify for a payout. There will be no monetary award for the winning combination for winning the first pick 1-2-3-4-5 race or any combination of eleven or less qualifiers in each of the three races.

b. The service provider must obtain written approval from the commission concerning the scheduling of the pick 1-2-3-4-5 contests, the designation of qualifying races and the cap to be set on the carryover. Any changes to the pick 1-2-3-4-5 wager format require prior approval from the commission.

c. The pick 1-2-3-4-5 pool and carryover, if any, shall be distributed as a single price pool to those who selected the first five finishers in three races or a decreasing scale of qualifiers fifteen of fifteen, fourteen of fifteen, thirteen of fifteen, or twelve of fifteen in the following payout method:

   (1) Fifty percent of net pool and accumulated jackpot divided between players selecting fifteen of fifteen.

   (2) Thirty percent of net pool divided between players selecting fourteen of fifteen.

   (3) Fifteen percent of net pool divided between players selecting thirteen of fifteen.

   (4) Five percent of net pool divided between players selecting twelve of fifteen.

   (5) If there are no winning wagers for the fifteen of fifteen winners, then fifty percent of the net pool carryover will be added to the next pick 1-2-3-4-5 race in the race meet schedule.

   (6) If there are no winning wagers for the fourteen of fifteen winners, then thirty percent of the net pool carryover will be added to the next pick 1-2-3-4-5 race in the race meet schedule.

   (7) If there are no winning wagers for the thirteen of fifteen winners, then fifteen percent of the net pool carryover will be added to the next pick 1-2-3-4-5 race in the race meet schedule.

   (8) If there are no winning wagers for the twelve of fifteen winners, then five percent of the net pool carryover will be added to the next pick 1-2-3-4-5 race in the race meet schedule.

d. Dead heats. In the event of a dead heat in any of the position pick 1-2-3-4-5 contests based upon the official order of finish for the purposes of determining whether a wager correctly selected the finishers in exact position, contestants in a dead heat are deemed to jointly occupy both or all positions in the dead heat. For example, if five and six finish in a dead heat for first, then a selection of five for either first or second is correct and a selection of six for either first or second is also correct.

e. Scratches.

   (1) If, due to a late scratch, the pick 1-2-3-4-5 pool is reduced to fewer than six contestants, for the purposes of the pick 1-2-3-4-5 pool only, such contests shall be declared no contest and the pick 1-2-3-4-5 pool shall be declared a canceled contest.

(2) Should a betting interest in any contest of the pick 1-2-3-4-5 pool be scratched or excused from the contest, no more wagers shall be accepted selecting that scratched contestant.

(3) Scratch contestant losers:

(a) The scratch contestant is deemed to be a loser, for the purposes of the pick 1-2-3-4-5 pool only.

(b) Other correctly selected finishers in the pick 1-2-3-4-5 shall continue to count toward winning, as usual.

f. Canceled contests.

(1) If any of the pick 1-2-3-4-5 contests are canceled or declared no contest prior to the first pick 1-2-3-4-5 contest being declared official, the entire pick 1-2-3-4-5 pool shall be refunded on the pick 1-2-3-4-5 wagers for those contests.

(2) If all remaining pick 1-2-3-4-5 contests are canceled or declared no contest after the first pick 1-2-3-4-5 contest is declared official, the entire net pick 1-2-3-4-5 pool, but not the pick 1-2-3-4-5 carryover, shall be distributed as a single price pool to wagers selecting the winning combination in the first pick 1-2-3-4-5 contest. However, if there are no wagers selecting the winning combination in the first pick 1-2-3-4-5 contest, the entire pick 1-2-3-4-5 pool shall be refunded on pick 1-2-3-4-5 wagers for those contests.

g. Mandatory distribution. The service provider must submit a written request for permission to distribute the pick 1-2-3-4-5 carryover on a specific performance to the commission. The request shall contain justification for the mandatory distribution, an explanation of the benefit to be derived, and the intended date and performance for the distribution. The service provider must notify the commission at least ten days prior to implementation. If the pick 1-2-3-4-5 pool cannot be distributed during a designated performance, the mandatory distribution shall resume on the next approved mandatory distribution performances.

h. Coupled entries and mutuel fields. Coupled entries and mutuel fields are not permitted in pick 1-2-3-4-5 contests.

5. **123racing Pick-n Wager©.**

a. The 123racing Pick-n Wager is a separate pari-mutuel pool wager established by the association or licensee on a designated number of races. The gross pool consists of the total amount wagered for the multiple race bet. Winning wagers are determined by the highest points totals earned after all rounds have been completed, based on cumulative mythical two dollar win, place, show wagers (a fantasy two dollar across the board wager), on one betting interest per wagering race. It is not a parlay and has no connection with or relation to other pools conducted by the association or licensee other than the utilization of live race payouts as a means of calculating players' fantasy points.

b. A valid 123racing Pick-n Wager ticket shall be evidence of a binding contract between the holder of the ticket and the association or licensee, and shall constitute an acceptance of 123racing Pick-n Wager provisions and rules contained in this chapter.

c. A 123racing bet may not be retracted once it has been purchased.

d. A 123racing Pick-n Wager may be given a distinctive name by the association conducting the meeting or licensee, subject to commission approval, and existing license, copyrights, and patents.

e. 123racing Pick-n Wagers shall be conducted as follows:

(1) Each player wagers into the gross pool and selects one betting interest per wagering race.

(2) The number of races that complete the wager varies depending on the specifics of "tournament", as determined by the host racing association or licensee, but shall include no less than four races.

(3) Each round of the "tournament" consists of a mythical win, place, show wager on one betting interest per race.

(4) Official program numbers must be used for all wagers. All players are responsible for ensuring each wager is placed correctly.

(5) Live race payouts are used to calculate players' fantasy points totals.

(6) As part of the announced tournament rules, and as approved by the commission, the host racing association or licensee may opt to cap the maximum odds on all fantasy payouts.

(7) Each player's fantasy points will be reflected in their cumulative fantasy points totals at the end of each race.

(8) Following a race being declared "official", the actual pari-mutuel pool payout for a fantasy across-the-board wager will be translated to points and added to a player's cumulative fantasy points totals. The host racing association or licensee may specify a maximum number of points that can be accumulated by any one wager per contest race subject to commission approval.

(9) Of the bettors, the players with the highest fantasy points totals after the last leg are the "winners".

(10) A portion of the net pari-mutuel pool as determined in advance of the contest by the host racing association or licensee and approved by the commission, designated the "major net pool" is distributed in accordance with subdivision i.

(11) In addition to the major net pool, a host racing association or licensee may designate in advance of the contest and as approved by the commission a portion of the net pari-mutuel pool for carryover as follows:

(a) A "perfect pick carryover pool" is carried over to subsequent contests until a bettor successfully selects the winning runners of all designated contests in the current contest, in which case the perfect pick carryover pool will be equally divided between the bettors successfully selecting every winning runner.

(b) A "place carryover pool" is carried over to subsequent contests until a bettor successfully selects runners finishing first or second in all designated contests in the current contest, in which case the place carryover pool will be equally divided between the bettors successfully selecting runners finishing first or second in all designated contests.

(c) A "show carryover pool" is carried over to subsequent contests until a bettor successfully selects runners finishing first, second, or third in all designated contests in the current contest, in which case the show carryover pool will be divided between the bettors successfully selecting runners finishing first, second, or third in all designated contests.

(d) A host racing association or licensee may designate a contest on which a perfect pick carryover pool, place carryover pool, or show carryover pool is terminated and fully distributed to the best performing bettor or bettors in that contest.

f. A fantasy wager on a coupled entry or field is considered a wager on the remaining part of the coupled entry or field as determined by the rules of the live corresponding race.

g. If a selection in any race designates a betting interest that was scratched, excused, or determined by the stewards to be a nonstarter in the race, the fantasy wager will be on the tote favorite in that race.

h. Points for dead heats will be determined by the payouts of the live corresponding race.

i. The takeout and its distribution for the 123racing Pick-n Wager shall be set and approved by the host regulatory commission, but shall include the distribution of the negotiated proprietary fee.

j. All tickets shall be refunded if all races comprising the 123racing Pick-n Wager are canceled or declared as a no contest. The entire pool shall be refunded if less than four races are completed and if four or more races are completed the net pool shall be distributed pursuant to subdivision l.

k. After wagering closes on the first race comprising the 123racing Pick-n Wager, the tournament shall be deemed closed and no entry ticket shall be sold, exchanged, or canceled. No person shall be determined to hold a wining 123racing Pick-n Wager ticket until the last designated race has been declared official.

l. In accordance with the following provisions, the host racing association or licensee shall distribute the net pool to the holders of valid tickets that correctly selected the combination of first-place, second-place, and third-place place finishers that generated the top three highest points totals through the designated races or rounds comprising the 123racing Pick-n Wager as follows, unless otherwise approved by the host racing commission:

(1) Sixty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holder of the pari-mutuel ticket with the wager which has the highest fantasy points totals after all races have been completed.

(2) Thirty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holder of the pari-mutuel ticket with the wager which has the second-highest points totals after all races have been completed.

(3) Ten percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holder of the pari-mutuel ticket with the wager which has the third-highest points totals after all races have been completed.

(4) If there are two pari-mutuel wagers that equal the highest points totals after all races have been completed, ninety percent of the net amount in the pari-mutuel pool subject to distribution shall be distributed to those ticket holders. Ten percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holders of pari-mutuel tickets with wagers which have the third-highest points totals after all races have been completed.

(5) If there are three pari-mutuel wagers that equal the highest points totals after all races have been completed, one hundred percent of the net amount in the pari-mutuel pool subject to distribution shall be distributed to those ticket holders.

(6) If one pari-mutuel ticket wager scores the highest points totals, and two or more pari-mutuel tickets wagers equal the second-highest points totals after all races have been completed, sixty percent of the net amount in the pari-mutuel pool subject to distribution shall be distributed to the highest-scoring ticket holder, and forty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holders of pari-mutuel tickets which have the second-highest points totals after all races have been completed.

(7) If one pari-mutuel ticket wager scores the highest points totals, one pari-mutuel ticket wager scores the second-highest points totals, and two or more pari-mutuel ticket wagers score the third-highest points totals after all races have been completed, then sixty percent of the net amount in the pari-mutuel pool subject to distribution shall be distributed to the highest-scoring ticket holder, thirty percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the second-highest scoring ticket holder, and ten percent of the net amount in the pari-mutuel pool subject to distribution among winning ticket holders shall be distributed to the holders of pari-mutuel tickets which have the third-highest points totals.

m. Should circumstances occur which are not addressed by these rules, questions arising thereby shall be resolved in accordance with general pari-mutuel practice. Decisions regarding distribution of the 123racing Pick-n Wager pool made by the commission are final.

6. **Tote-X win.**

a. The Tote-X wagering platform uses a conventional pari-mutuel betting system and a separate pari-mutuel pool to allow ticket holders to wager among themselves on the results of individual races. However, at the time the bet is placed on a selected race through the Tote-X platform, the customer is allocated a fixed number of redeemable units ("RUs") based upon the then-current odds of the horse being wagered upon using proprietary algorithms. The algorithms are applied uniformly to all wagers in the pool. These RUs are then held within the Tote-X platform specific to that bettor. When the odds of the horses in that race change after the initial wager is placed, the value of the issued RUs fluctuates in accordance with the change in odds. The customer may then choose to redeem all or part of their RUs for the current cash value of the RUs at any time prior to the close of wagering on the selected race. The Tote-X platform calculates the final pool by combining all bets made into the Tote-X win pool on a given event and then deducting commission, refunds, redemption payouts, and applicable taxes and fees.

b. For each Tote-X win pool:

(1) All bets are placed into the Tote-X win pool for a specific race.

(2) A valid Tote-X ticket or unique electronic identifier shall be evidence of a binding contract between the holder of the ticket and the host racing association or licensee, and shall constitute an acceptance of Tote-X provisions and rules contained in this chapter.

(3) Official program numbers must be used for all Tote-X wagers. All players are responsible for ensuring each wager is placed correctly.

(4) The odds calculations for Tote-X are performed on the same basis as for a conventional pari-mutuel pool. In the Tote-X platform, the proprietary mathematical algorithms will then automatically recalculate the RU values for each horse after each transaction or batch of transactions (bet or redemption), reflecting the change in the current Tote-X pool odds.

(5) The Tote-X proprietary algorithms shall be applied uniformly to all wagers in the pool.

(6) As approved by the commission, the host racing association or licensee may opt to cap the maximum odds on all Tote-X payouts.

(7) A Tote-X wager on a coupled entry or field is considered a wager on the remaining part of the coupled entry or field as determined by the rules of the live corresponding race.

(8) The customer may choose to redeem all or part of their RUs for their then-current value at any time prior to the close of the relevant pool if a horse or combination of horses has not been excused by the stewards or declared a nonstarter and the pool operator has not otherwise suspended the capacity for ticket holders to redeem their wagers.

(9) A Tote-X wager may not be rescinded once it has been purchased other than through proper redemption of RUs in accordance with these rules.

(10) A redemption requires the customer to surrender all or part of the underlying wager. In the event of a redemption of all RUs issued for a specific wager, the original wager shall be surrendered in its entirety. In the event of a partial redemption of the RUs issued for a specific wager, the original wager will be surrendered in proportion to the percentage of RUs being redeemed;

(11) Subsequent to the deduction from the pool of each redemption payout, the remainder of the funds in the pool shall constitute the new value of all RUs which are available for subsequent redemptions. Thereafter, those RUs which are not redeemed prior to the closure of the pool constitute the net pool for distribution as payoff to ticket holders of wagers following a race being declared "official".

(12) Once the Tote-X win pool is closed prior to the race, ticket holders may no longer redeem any of their RUs.

(13) Each customer holding a successful bet after the race is declared "official" is entitled to collect according to the relevant final odds.

(14) From each redemption and final pool payout a commission shall be deducted by the host racing association or licensee in accordance with state law.

(15) The commission and its distribution for the Tote-X wager shall be approved by the commission.

c. Notwithstanding any language to the contrary, the funds remaining in the Tote-X win pool following the payment of redemptions prior to the closure of the pool constitute the net pool for the purpose of distribution as payoff to winning ticket holders.

d. Any funds remaining after the closing of the Tote-X win pool will be distributed as payoff to the winning ticket holders in the same manner as a win pool pursuant to subsection 2.

e. Notwithstanding subsection 20 or any language to the contrary contained in this chapter, if, after wagering has commenced on a race, a horse not coupled with another as a betting interest is excused by the stewards or declared a nonstarter, an amount based on the then-current odds as represented by the current value of the RUs on such horse shall be deducted from the pools and refunded upon presentation and surrender of affected pari-mutuel tickets or unique electronic identifier. If more than one horse represents a single betting interest by reason of coupling as a mutuel entry or mutuel field, such single betting interest being the sole subject of a wager, then there may be no refund unless all of the horses representing such single betting interest as excused by the stewards or declared a nonstarter, or both.

f. Notwithstanding subsection 21 or any language to the contrary contained in this chapter, if, after wagering has commenced on a race, the race is thereafter canceled or declared a "no race" by the stewards, and no redemptions have occurred prior to such, then all wagering thereon shall be refunded upon presentation and surrender of affected pari-mutuel tickets or unique electronic identifier. However, if one or more redemptions have occurred prior to the stewards canceling or declaring a "no race", then all wagering thereon shall be refunded at the then-current odds, as represented by the current value of the RUs, at the time of cancellation upon presentation and surrender of affected pari-mutuel tickets or unique electronic identifier.

g. Notwithstanding subsection 22 or any language to the contrary contained in this chapter, in the event of an irreparable breakdown of the totalizator system during the wagering on a race, all Tote-X wagering thereon shall be refunded at the then-current odds, as represented by the current value of the RUs, at the time of irreparable breakdown upon presentation and surrender of affected pari-mutuel tickets or unique electronic identifier.

h. Notwithstanding section 69.5-01-08-05 or any language to the contrary contained in this chapter, there is no minimum payoff for a Tote-X redemption. However, any distribution made after closing of the Tote-X win pool shall be subject to the minimum payoff provisions of section 69.5-01-08-05.

i. Should circumstances occur which are not addressed by these rules, questions arising therefrom shall be resolved in accordance with general pari-mutuel practice. Decisions regarding distribution of the Tote-X pool made by the stewards are final.

7. **Tournament wager.**

a. The tournament wager is a separate pari-mutuel pool wager established by the licensee on a designated number of races. The gross pool consists of the total amount wagered for the multiple race bet. Winning wagers are determined by the highest points totals earned after all races have been completed. It is not a parlay and has no connection with or relation to other pools conducted by the licensee other than the utilization of live race payouts as a means of calculating players' points.

b. A valid tournament wager ticket is evidence of a binding contract between the holder of the ticket and the association, and constitutes an acceptance of tournament wager provisions and rules contained in this chapter.

c. A tournament wager ticket may not be retracted within two hours of post time unless otherwise approved by the commission. A tournament wager ticket may be canceled only with the approval of the licensee.

d. A licensee may establish a minimum and maximum number of entries per tournament. If the minimum number of entries are not received, the licensee may cancel and refund all wagers in that tournament. The regarding minimum entries for each tournament must be approved by the commission and published in advance of the opening of the tournament.

e. A tournament wager may be given a distinctive name by the licensee, subject to commission approval.

f. Tournament wagers must be conducted as follows:

(1) Mythical win/place and win/place/show tournament:

(a) Players select one primary betting interest for each designated tournament race.

(b) Players may select an alternate betting interest. If there is a scratch of the player's primary selection, the alternate will be substituted. If there is also a scratch of the player's alternate selection, or if no alternate selection has been made, the selection will default to the remaining betting interest with the best post time odds as determined by win pool odds.

(c) Players accrue earnings based on the actual pari-mutuel win, place, or show payouts for any correct selections, determined from tote payouts, based on a mythical win/place or win/place/show wager of a dollar value established by the licensee in advance of the contest. The licensee may establish maximum mythical earnings in advance of the opening of the contest. As an example, for a two-dollar win/place/show tournament, the maximum payout may be forty-two dollars for a successful win selection, twenty-two dollars for a successful place selection, and twelve dollars for a successful show selection.

(d) Should there be a tie in earnings in the contest, ties will be broken in accordance with the following procedures:

[1] The entry with the most number of winners selected will win the tie, if a tie still remains, then;

[2] The entry selecting the horse with the highest mutuel win payout will win the tie, if a tie still remains, then;

[3] The entry with the most number of place horses selected will win the tie, if a tie still remains, then;

[4] The entry with the highest mutuel place payout will win the tie, if a tie still remains, then;

[5] The entry with the most number of show (third place finishers that did not win or place) horses selected will win the tie, if a tie still remains, then; and

[6] The winning entry will be determined by a random draw among eligible entries.

(e) A licensee may provide qualification for future or online tournaments for the entry based on their final ranking, including any tie breakers. Such an offering must be included in the tournament rules published in advance of the opening of the tournament.

(f) Pari-mutuel distributions are made at the conclusion of the tournaments that are based on the pari-mutuel distribution schedule published by the licensee in advance of the opening of the tournament.

(2) Survivor tournament:

(a) Players select one primary betting interest for each designated tournament race. Players remain in the tournament if the player's betting interest finishes in a win, place, or show position. Players whose betting interest does not finish win, place, or show must be eliminated from the tournament.

(b) Players may select an alternate betting interest. If there is a scratch of the player's primary selection, the alternate will be substituted. If there is also a scratch of the player's alternate selection, or if no alternate selection has been made, the selection will default to the remaining betting interest with the best post time odds as determined by win pool odds.

(c) Players earn one point per correct selection of a betting interest finishing in a win, place, or show position as determined by existence of a pari-mutuel payout for that position.

(d) If the size of the field or other circumstances produce only win/place or only win payouts, only those horses will be considered to be correct selections for the purposes of scoring.

(e) In the discretion of the licensee, tiebreakers may be applied in survivor tournaments pursuant to the terms published in advance of the opening of the tournament.

(f) Pari-mutuel distributions are made at the conclusion of the tournaments that are based on the pari-mutuel distribution schedule published by the licensee in advance of the opening of the contest.

(3) Exacta box tournament:

(a) Players select three primary betting interests for each designated tournament race.

(b) Players may select an alternate betting interest for each of their three primary selections. If there is a scratch of the player's primary selection, the alternate will be substituted. If there is also a scratch of the player's alternate selection, or if no alternate selection has been made, the selection will default to the remaining betting interest with the best post time odds as determined by win pool odds.

(c) Players accrue earnings based on the actual pari-mutuel exacta payout for any correct selections regardless of order, determined from tote payouts, based on a mythical exacta wager of a dollar value established by the licensee in advance of the contest. The licensee may establish maximum mythical earnings in advance of the opening of the contest.

(d) In the discretion of the licensee, tiebreakers may be applied in exacta box tournaments pursuant to the terms published in advance of the opening of the tournament.

(e) Pari-mutuel distributions are made at the conclusion of the tournaments that are based on the pari-mutuel distribution schedule published by the licensee in advance of the opening of the contest.

g. A fantasy wager on a coupled entry or field is considered a wager on the remaining part of the coupled entry or field as determined by the rules of the live corresponding race.

h. Earnings or points for dead heats will be determined by the payouts of the live corresponding race.

i. The takeout and its distribution for the tournament wager shall be set and approved by the host regulatory commission.

j. All tickets must be refunded if all races comprising the tournament wager are canceled or declared as a no contest. The entire pool must be refunded if less than seventy percent of the tournament's designated races remain.

k. After wagering closes on the first race comprising the tournament wager, the tournament is deemed closed and no entry ticket may be sold, exchanged, or canceled. No person shall be determined to hold a winning tournament wager ticket until the last designated race has been declared official.

l. The licensee shall distribute the net pool to the holders of valid tickets that correctly selected the combination of finishers that generated the highest fantasy earnings or points totals through the designated races/rounds comprising the tournament wager. In advance of the opening of the tournament, the licensee shall submit a payout schedule to the racing commission for approval providing the number of places to be paid and the percentage of payout for each place. Approved payout schedules must be published in advance of the opening of the tournament to which they apply.

m. Should circumstances occur which are not addressed by these rules, questions arising thereby must be resolved in accordance with general pari-mutuel practice. Decisions regarding distribution of the tournament wager pool made by the commission are final.

8. **Refunds.** Unless otherwise provided, after wagering has commenced, if a horse not coupled with another as a betting interest is excused by the stewards or is prevented from racing because of failure of the starting gate door to open properly, the wagers on such horse must be deducted from the pools, and refunded upon presentation and surrender thereof. If more than one horse represents a single betting interest by reason of coupling as a mutuel entry or mutuel field, such single betting interest being the sole subject of a wager or part of a combination then there may be no refund unless all of the horses representing such single betting interest are excused by the stewards or are prevented from racing because of failure of the starting gate doors to open properly, or both.

9. **Race canceled.** If for any reason a race is canceled or declared "no race" by the stewards after wagering has commenced on such race, then all wagering thereon must be refunded upon presentation and surrender of pari-mutuel tickets thereon; except as otherwise provided.

10. **Totalizator breakdown.** In the event of an irreparable breakdown of the totalizator during the wagering on a race, the wagering on that race must be declared closed and the payoff must be computed on the sums wagered in each pool up to the time of the breakdown.

History: Effective July 1, 1989; amended effective January 1, 2008; July 1, 2011; October 1, 2013; July 1, 2014; April 1, 2016; January 1, 2017.
General Authority: NDCC 53-06.2-05
Law Implemented: NDCC 53-06.2-06, 53-06.2-10, 53-06.2-10.1, 53-06.2-11

69.5-01-08-05. Minimum wager and payoff.

The minimum wager to be accepted by any licensed association is one dollar except multiple contribution wagers may be accepted at ten cents. The minimum payoff on a two dollar wager must be two dollars and ten cents.

History: Effective July 1, 1989; amended effective January 1, 2008.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-06. Minors prohibited from wagering.

No minor may be permitted by any licensed association to purchase a pari-mutuel ticket or be present in the immediate wagering areas.

History: Effective July 1, 1989; amended effective January 1, 2008.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-07. Odds or payoffs posted.

Approximate odds, based on win pool betting for finishing first for each betting interest, must be posted on one or more boards or television screens within view of the wagering public, at intervals of not more than ninety seconds. If daily double wagering is conducted before off time of the second daily double race, the possible payoff for each two dollar daily double wager combining the winner of the first daily double race with every horse or betting interest in the second daily double race; excepting that, in the event of a dead heat for first in the first daily double race, or a scheduled start in the second daily double race, is excused so as to cause a consolation daily double pool, then posting of all possible payoffs is not mandatory, but the association shall make every effort to compute such daily double prices and advise the public of the same by posting or public address announcement as soon as possible and prior to the running of the second daily double race.

History: Effective July 1, 1989.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-08. Betting explanation.

Each association shall cause to be published in the daily race program a general explanation of pari-mutuel betting and an explanation of each type of betting pool offered; such explanation also must be posted in conspicuous places about the association grounds so as to adequately inform the public. Such explanation must be submitted to the commission prior to publication so as to ensure an absence of conflict with these rules.

History: Effective July 1, 1989; amended effective January 1, 2008.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-09. Prior approval required for betting pools.

Each association desiring to conduct other than ten betting races in a single day, or desiring to offer daily double, trifecta, exacta, or quinella wagering, shall first apply therefore in writing to the

commission and obtain specific approval as to number of betting races and type of wagering to be offered on a single day.

History: Effective July 1, 1989.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-10. Pools dependent upon betting interests.

Unless the commission otherwise provides, at the time the pools are opened for wagering, the association:

1. Shall offer win wagering on all contests with three or more betting interests.
2. May offer win wagering on all contests with two or more betting interests.
3. Shall offer place wagering on all contests with four or more betting interests.
4. Shall offer show wagering on all contests with five or more betting interests.
5. May offer quinella wagering on all contests with three or more betting interests.
6. May offer quinella double wagering on all contests with three or more betting interests.
7. May offer exacta wagering on all contest with two or more betting interests.
8. May offer trifecta wagering on all contests with three or more betting interests.
9. May offer superfecta wagering on all contests with four or more betting interests.
10. May offer twin quinella wagering on all contests with three or more betting interests.
11. May offer show quinella wagering on all contests with three or more betting interests.
12. Shall not offer twin trifecta, tri-superfecta, or twin trifecta wagering on any contests with six or less betting interests.

History: Effective July 1, 1989; amended effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-11. Pari-mutuel ticket sales.

1. No pari-mutuel tickets may be sold except by the association conducting the races on which such wagers are made or a licensee who is hosting pools. Association tickets must be sold only at regular "seller" windows properly designated by signs showing the type and denomination of tickets to be sold at such windows if there are restrictions of any kind. No pari-mutuel tickets may be sold after the totalizator has been locked and no association is responsible for ticket sales entered into but not completed by issuance of a ticket before the totalizator has been locked.
2. Any claim by a person that the person has been issued a ticket other than that which the person requested must be made before such person leaves the seller window and before the totalizator is locked.
3. After purchasing a ticket and after leaving a ticket window, a person is not entitled to enter for issuance of an incorrect ticket, or claim refund or payment for tickets discarded, lost, destroyed, or mutilated beyond identification.

4. Payment on valid pari-mutuel tickets may be made only upon presentation and surrender thereof to the association where such wager was made within ninety days following the running of the race on which such wager was made. Failure to present any such ticket within ninety days constitutes a waiver of the right to receive payment thereon. The balance of funds not paid out constitutes the outs.

5. Payment of valid pari-mutuel tickets must be made on the basis of the order of finishes purposely posted on the infield results board and declared "official" by the stewards; any subsequent change in such order of finish or award of purse money as may result from a subsequent ruling by the stewards or commission in no way affects the pari-mutuel payoff. Cashiers' windows must remain open a reasonable length of time after the last race.

6. The association is responsible for the correctness of all payoff prices posted as "official" on the infield results board. If an error is made in posting the payoff figures on the public board, and ascertained before any tickets are cashed thereon, then such posting error may be corrected accompanied by a public address announcement, and only the correct amounts may be used in the payoff, irrespective of the initial error on the public board.

7. Prior to posting payoffs, the pari-mutuel manager shall require each of the computer printout sheets of such race to be proven and the winners verified. Such proof must show the amounts for commissions, breakage, and payoffs, which added together must equal the total pool. All pay slips are to be checked with computer printout sheets as to winner and prices before being issued to cashiers, and all board prices are to be rechecked before released to the public.

8. Whenever the recapitulation of the sales registered by each ticket issuing machine subsequently proves that the actual amount in the pool, or pools, is less than the amount used in calculating the payoff, such deficiency must be deposited in the pool or pools by the association. Should the recapitulation of sales prove that the actual amount in the pool or pools is greater than the amount used in calculating the payoff due to an error of the totalizator, such error resulting in underpayment to the public, then the aggregate of such underpayments must be paid into the corresponding pool of the next race or races in such amounts as may be determined by the state steward and the pari-mutuel manager. If any such error should occur in computing the daily double pool, the underpayment must be added to the daily double pool of the following day. Overpayments and underpayments subsequently discovered upon recapitulation after the close of a meeting may be adjusted, and any underpayment resulting from such final adjustment must be paid to the commission.

History: Effective July 1, 1989; amended effective January 1, 2008; April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-12. Coupled entries and mutuel fields.

1. Contestants coupled in association wagering as a coupled entry or mutuel field are be considered part of a single betting interest for the purpose of price calculations and distribution of pools. Should any contestant in a coupled entry or mutuel field be officially withdrawn or scratched, the remaining contestants in that coupled entry or mutuel field may remain valid betting interests and no refunds will be granted; or the stewards may order a refund for the entire betting interest. If all contestants within a coupled entry or mutuel field are scratched, then tickets on such betting interests must be refunded, notwithstanding other provisions of these rules.

2. For the purpose of price calculations only, coupled entries and mutuel fields must be calculated as a single finisher, using the finishing position of the leading contestant in that coupled entry or mutuel field to determine order of placing. The rule applies to all

circumstances, including situations involving a dead heat, except as otherwise provided by these rules.

History: Effective July 1, 1989; amended effective January 1, 2008; April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-12.1. The pari-mutuel manager.

The association pari-mutuel manager:

1. Shall deliver to the commission at the end of each racing day, a record showing the amount wagered in each pool, the commission and the breakage for each race, and the totals of each for the day.

2. Shall be properly and timely advised by the racing secretary, prior to the beginning of wagering on each race, on the horses that will compete in the race.

3. Is held responsible for the conduct of the mutuel's employees, but is not responsible for their shorts or longs. Each seller or cashier shall be responsible to the pari-mutuel manager for their shorts or longs. Such shorts or longs shall be a guide to the pari-mutuel managers as to the conduct and character of the employees.

4. Shall employ only those licensed by the commission unless by special permission of the commission.

5. Shall allow no one to enter the mutuel department other than those properly licensed and whose employment requires their presence, except with the specific authorization of the pari-mutuel manager or the commission.

6. Shall sign all license applications for employees of the pari-mutuel department.

7. Shall, upon discharging an employee or the resignation of an employee, immediately report same to the commission. If a discharge or resignation is related to possible violations of racing rules or state laws, or problems involving the handling or reconciliations of wagers, notice shall be accompanied by a report to the commission concerning the reasons for the action.

8. Shall be responsible for the odds board and the information it reflects.

History: Effective January 1, 2008; amended effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-13. Emergency situations.

In the event any emergency arises in connection with the operation of the pari-mutuel department not provided for by these rules, then the association pari-mutuel manager shall make an immediate decision and render a full report to the commission.

History: Effective July 1, 1989; amended effective January 1, 2008; April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-14. Totalizator employees.

Any employee of a totalizator company shall report any irregularities or wrongdoings by any person involving pari-mutuel wagering immediately to the commission.

History: Effective July 1, 1989; amended effective January 1, 2008.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-15. Breakage and outs.

1. Each licensee conducting a race meeting shall report to the commission the full amount of all breakage and funds due the state of North Dakota as prescribed by law and these rules, and shall remit such breakage and funds to the commission within thirty days after the race day on which such breakage and funds shall occur or accrue.

2. Each licensee conducting a race meeting shall report to the commission and remit to the commission the full amount of all outs (unclaimed winning tickets) within fifteen days after the ninety-day waiting period as described in subsection 4 of section 69.5-01-08-11.

History: Effective July 1, 1989; amended effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-16. Pari-mutuel cash vouchers.

1. Pari-mutuel cash vouchers may be offered by an association that issues pari-mutuel tickets. These vouchers shall be dispensed through the totalizator system. The stored value on a voucher may be redeemed in the same manner as a value of a winning pari-mutuel ticket for wagers placed at a pari-mutuel window or a self-service terminal, and may be redeemed for their cash value at any time.

2. An association, with prior approval of the commission, may issue special pari-mutuel cash vouchers as incentives or promotion prizes, and may restrict the use of those vouchers to the purchase of pari-mutuel wagers.

3. The tote system transaction record for all pari-mutuel vouchers must include the voucher identification number in subsequent pari-mutuel transactions. Pari-mutuel wagers made from a voucher must identify the voucher by identification number.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-17. Display of betting information by associations.

1. An association shall post the approximate odds for win pool betting on display devices within view of the wagering public and update at intervals of not more than sixty seconds for the current race of the performance.

2. The probable payout 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.

3. Official results and payouts must be displayed upon each contest being declared official.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-18. Refunds for short fields.

1. Notwithstanding other provisions of these rules, refunds of the entire association pool must be made on:

   a. 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.

   b. Place pools, quinella pools, trifecta pools, first-half quinella double pools, first-half twin quinella pools, first-half twin trifecta pools, and first-half tri-superfecta pools offered in contests in which the number of betting interests has been reduced to fewer than three.

   c. 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.

2. Authorized refunds must be paid upon presentation and surrender of the affected pari-mutuel ticket or automatically by a service provider or site operator in the case of account deposit wagering.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-19. Prior approval required for betting pools.

1. An association that desires to offer new forms of wagering shall apply in writing to the commission and receive written approval prior to implementing the new betting pool.

2. The association may suspend previously approved forms of wagering with the prior approval of the commission. Any carryover must 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.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-20. Claims for payment from pari-mutuel pool.

1. At a designated location, a written, verified claim for payment from a pari-mutuel pool shall be accepted by an association in any case where the association has withheld payment, not placed a wager requested by a customer, or has refused to cash a pari-mutuel wager. The association's full written report on the matter in accordance with requirements of section 69.5-01-08-21 (complaints pertaining to pari-mutuel operations) shall be forwarded to the commission within forty-eight hours of the commission's request.

2. In the case of a claim made for payment of a mutilated pari-mutuel ticket, 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.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-21. Complaints pertaining to pari-mutuel operations.

1. When a patron makes a complaint regarding pari-mutuel operations a complaint report must be issued upon commission request, setting out:

a. The name of the complainant;

b. The nature of the complaint;

c. The name of the persons, if any, against whom the complaint was made;

d. The date of the complaint; and

e. The action taken or proposed to be taken, if any.

2. Every complaint report must be submitted to the commission within forty-eight hours of commission request.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11

69.5-01-08-22. Licensee duty to report.

All licensees shall report any known irregularities or wrong doings by any person involving pari-mutuel wagering immediately to the commission and cooperate in subsequent investigations.

History: Effective April 1, 2016.
General Authority: NDCC 53-06.2-04, 53-06.2-05, 53-06.2-10
Law Implemented: NDCC 53-06.2-10, 53-06.2-11