

**Ontario
Racing
Commission**

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January 29, 2010

**POLICY DIRECTIVE NO. 1–2010
Racetrack Due Diligence Investigations**

The Ontario Racing Commission at its meeting of Thursday, January 28, 2010, resolved that the following directive be approved, effective immediately.

WHEREAS, the Ontario Racing Commission (ORC) is authorized under the *Racing Commission Act 2000* to licence racetrack operations (Associations) for the purposes of conducting racing meets in the Province of Ontario;

AND WHEREAS, the Director under the Act is authorized to make decisions with respect to the licensing of persons associated with the Associations to participate;

TAKE NOTICE that persons wishing to act in the following capacities with respect to all Associations are required to be subject to a due diligence investigation to include but not be limited to the areas of employment, litigation, financial and taxation:

Key Person

(also known as Interested Person as defined in the terms and conditions of a racetrack licence)

A key person is defined as

- 1) a person who holds equity, controls or directs, in whole or in part, of an entity that is, or is applying to be, licensed to operate a racetrack, and/or
- 2) a person in a governance position who influences or has decision making authority with respect to the entity that holds the licence to operate a racetrack.

This would include, but not be limited to:

- Sole proprietors, partners and the like
- Shareholders
- Officers and Directors of the incorporated entity
- Board members, governors, directors, and the like of for-profit or non-profit entities
- or any other person identified by the Director, as required.

Key Employee

A key employee is defined as a person employed by the entity that is, or is applying to be, licensed to operate a racetrack, who exercises decision making authority with respect to the operation of the racetrack. This would include the heads of departments responsible for the human resources, accounting, audit, purchasing or compliance with respect to the premises.

- President/General Manager/CEO/COO/other senior executive
- Director or Head of:
 - Racing
 - Security
 - Facilities
 - Finance
- Human Resources
- Race Secretary
- Track Superintendant
- Mutuels Manager
- Teletheatre Network Manager
- or any other person identified by the Director, as required.

All key persons and key employees must hold a valid and current ORC licence as an Association Official.

BY ORDER OF THE COMMISSION

Original Signed

John L. Blakney
Executive Director