**Section 325.20 License to Conduct Advance Deposit Wagering**

An organization licensee or a person or third party who contracts with an organization licensee in order to conduct ADW shall be licensed by the Board prior to accepting advance deposit wagers from Illinois residents.

a) No ADW licensee or organization licensee may place or cause to be placed any wagering terminal or electronic device that facilitates the placement of an advance deposit wager anywhere other than in a licensed wagering facility as authorized in Section 26(g) of the Illinois Horse Racing Act of 1975 [230 ILCS 5/26(g)].

b) The advance deposit wagering license application shall include:

1) If a third party is utilized, a copy of the contracts, including the consent of the horsemen's association, to provide ADW services by an ADW operator licensed by the Board to an organization licensee licensed by the Board;

2) A copy of all current ADW, pari-mutuel wagering and gaming licenses, regardless of jurisdiction;

3) A list of all totalisator hub and ADW personnel processing Illinois wagers containing the name, position, job location and licensed jurisdiction for each person (if applicable);

4) A list of all officers, directors, partners and shareholders with a 5% or greater share of ownership or beneficial interest;

5) Full disclosure of all fees and other financial considerations relating to the contract with the organization licensee;

6) A detailed description of procedures to allow the Board prompt access to reports, logs, wagering transaction detail, and customer account detail, in printed form or standard electronic format approved by the Board;

7) A detailed description of systems and procedures used to validate the identity, age and legal residency of account holders and procedures validating the legality of wagers accepted;

8) A detailed description of procedures to allow the Board prompt access to all records relating to customer identification, age and residency in hard copy or standard electronic format acceptable to the Board;

9) A detailed description of procedures to allow the Board prompt access to customer account detail in hard copy or an electronic format acceptable to the Board for customers who are Illinois residents;

10) A description of the secure retention procedures of all records related to wagering and customers accounts for a period of not less than three years or a period specified by the Board;

11) A copy of account holder rules/terms governing the acceptance and management of accounts, and a copy of any amendments in the rules at least 10 days prior to the effective date of those amendments;

12) A bond from a surety company admitted in the State of Illinois or other form of financial security in the amount of $500,000; and

13) A chart illustrating the organizational structure, including reporting lines.

c) All employees working on behalf of the ADW licensee shall either be licensed by the Board or licensed by the state where the ADW center is located. In addition, key personnel (persons that have the authority to develop or administer policy or to make discretionary decisions) shall be licensed by the Board.

d) An ADW licensee shall utilize or contract with a Board approved and licensed totalisator system.

e) An ADW licensee must operate and communicate with the totalisator system in such a way as not to provide or facilitate a wagering advantage based on access to wagering information and methods of processing wagers by ADW account holders relative to persons who wager at racetracks or off track wagering facilities.