

SUBMISSION TO CURACAO REGULATORS
AS PART OF LICENSE APPLICATION

BUSINESS PLAN OF ELITE TURF CLUB, NV

1. Overview of the business products and services/brands as well as proprietary IP.

Elite has been licensed by Curacao as a gaming operator for over twenty years. During that entire time, Elite has maintained a physical presence in Willemstad with an office and multiple full-time employees.

The Ultimate Beneficial Owner of Elite is Belinda Stronach. Ms. Stronach controls a large group of gaming businesses in North America, including premier horse racetracks, a land-based casino, an online wagering platform, gaming-related technology companies and entertainment companies.

Elite is a consumer-facing wagering platform that accepts pari-mutuel wagers from its customers on horse races conducted at licensed, regulated horseracing facilities. Elite currently has six full-time employees who work from its office in Willemstad. These six employees monitor the digital wagering activities of Elite's wagering customers, prepare bespoke daily reports for each customer, and handle inbound requests and questions from the customers, including requests relating to funds transfers. The Curacao employees also assist with Elite's reporting and accounting activities. The employees are trained in anti-money-laundering (AML) best practices through periodic AML training courses.

Elite only has approximately 20 customers, but they are among the most well-capitalized and skilled horseracing wagerers in the world. In 2023, Elite accepted and managed more than US\$2 billion in pari-mutuel horserace wagers placed by its customers. Each of these customers maintains a funded wagering account with Elite. The accounts contain either Euros or US Dollars that the customers wire to Elite prior to the commencement of wagering. Elite maintains each customer's funds (whether Euros or US Dollars) in a US bank account held at Wells Fargo Bank.

The wagers placed by Elite's customers are pari-mutuel wagers, meaning that the customers bet not against Elite, but rather against other players around the world who utilize other horserace wagering platforms. The wagers placed by Elite's customers are matched through proprietary digital technology against wagers placed by other players around the world—a process referred to as “commingling” in the horseracing industry. Elite's players are wagering with Elite to make money; they are not wagering for entertainment. In general, Elite's players do in fact make money on their wagering, after taking into account player rewards provided to the players by Elite. Unlike a traditional bookmaker, Elite does not limit the wagers of winning customers because the money won by Elite customers does not come from Elite; it comes from other horseplayers around the world wagering on the same races.

Because all wagers by Elite's customers are placed with the company via a digital interface, the Curacao employees do not actually “accept” any wagers. For example, if a customer wants to wager \$100 on a horse running in a race at a racetrack located in New York,

the customer will use Elite's proprietary digital interface to inform Elite of the desired wager. Elite will deduct the \$100 from the funds held in the player's wagering account, and match (i.e., commingle) the \$100 wager with wagers of other players around the world wagering on that same race. After the race is completed, if the customer's wager was successful, Elite will add the winnings to the customer's wagering account. In addition to making deductions and additions to each player's wagering account based on his/her wagering activity, Elite's employees in Curacao also make adjustments to the customer accounts as needed based on the terms and conditions of the contractual relationship between Elite and the customer.

2. Company management structure showing key management roles and reporting lines.

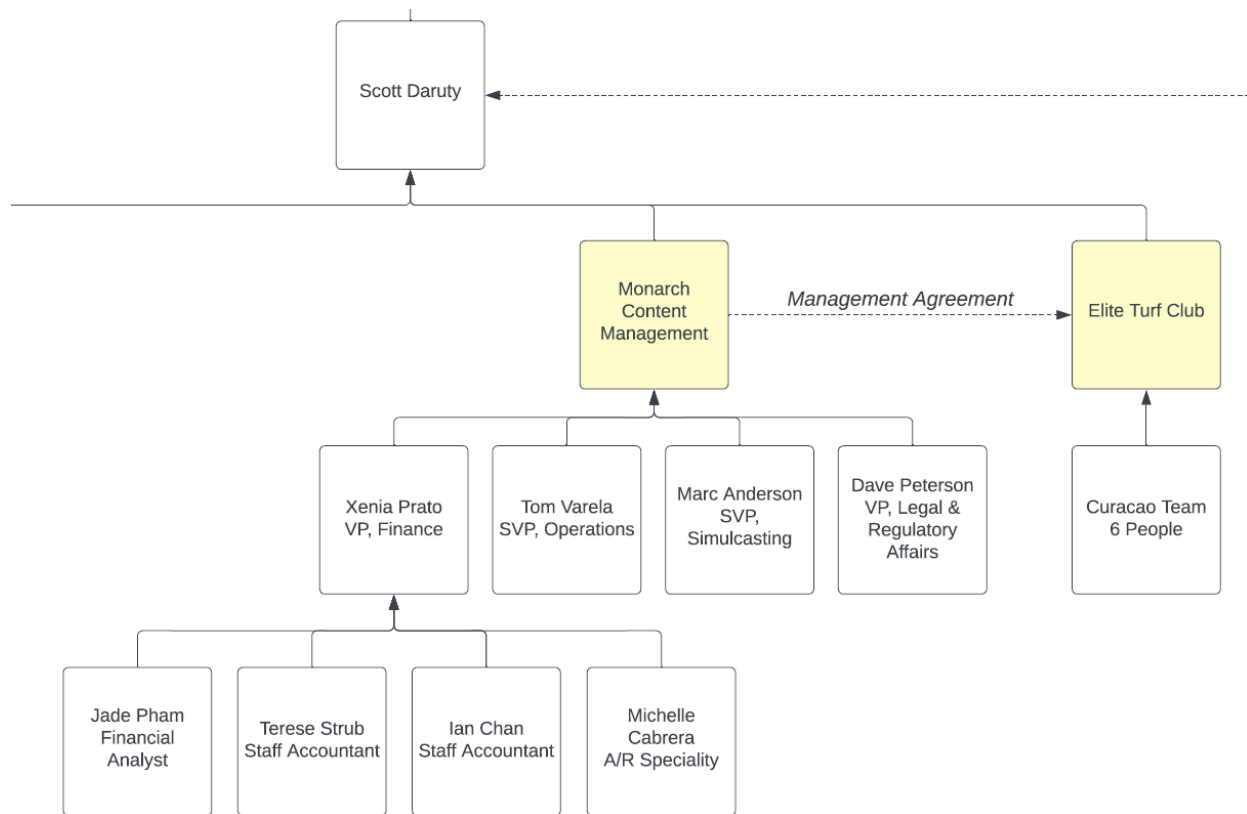
Elite has two supervisory directors, Scott Daruty and Mike Rogers. Mr. Daruty and Mr. Rogers have each spent over twenty years working within the Stronach group of racing and gaming companies.

The six Elite employees based in Elite's office in Willemstad report to Mr. Daruty. As described above, these six Elite employees fulfill the customer service role for Elite. The business, legal and finance roles for Elite are fulfilled pursuant to a management services agreement with Elite's US-based affiliate, Elite Turf Club LLC, a limited liability company based in the State of Nevada ("Elite Nevada").

Elite Nevada performs the following activities on behalf of and at the direction of Elite:

- negotiating with racetracks regarding the terms and conditions upon which Elite's customers may place pari-mutuel wagers into the pari-mutuel pools of such racetracks;
- paying or collecting all amounts owing to/from racetracks based on the wagers placed by Elite's customers;
- conducting due diligence (both initial and ongoing) on Elite customers to investigate compliance with applicable laws and regulations, including, without limitation, confirming that Elite customers do not appear on any international sanctions lists or watchlists; and
- upon the instruction of Elite, receiving funds from or sending funds to Elite's customers from the US bank account at Wells Fargo Bank.

Mr. Daruty is the President of Elite Nevada. Many of the functions of Elite Nevada are in turn performed pursuant to a second management agreement with another affiliated company named Monarch Content Management LLC ("Monarch"). Mr. Daruty also serves as the President of Monarch. Monarch's organizational chart is set forth below:



3. Business forecasts for 3 years.

See attached.

4. Overview of intended strategy for the business growth and to secure/maintain/grow market share with specific financial and marketing plans.

Elite's business formula has proven successful over the past 20 years. During that time, Elite has grown from a start-up wagering business to the leading wagering platform servicing the North American pari-mutuel horseracing industry. Given its past success, Elite does not intend to alter its business strategy moving forward.

As a business, Elite is set up to service the largest, most successful horse players in the world. It is an immense challenge to successfully wager on horseracing at the level required to be a wagering customer of Elite. Therefore, Elite does not advertise, market or promote its business. The customers in this space know who Elite is through word-of-mouth, and they seek Elite out if they think they have what it takes to be successful at this level.

Many of Elite's customers have been with Elite for ten years or more. In the last three years, Elite has added only two new players. Therefore, Elite's growth will come primarily from the continued success and growth of our existing players; not from acquiring new customers.

5. Who are the key suppliers and material dependencies.

Elite's key suppliers are the racetracks on which our customers wager. The racetracks are primarily located in North America, although Elite customers also wager on racetracks in Europe, Australia and South America. The contracts with the racetracks are negotiated by Monarch on behalf of Elite Nevada on behalf of Elite, pursuant to the two management agreements referenced above. There are a few tracks in North America that Elite does not have access to due to contractual restrictions. However, in general Monarch is well-positioned to ensure that Elite continues to have access to a critical mass of racing content so that Elite's business can continue uninterrupted.

Elite's other key supplier is AmTote International ("AmTote"). AmTote is part of the Stronach group of racing and gaming companies. AmTote has developed the proprietary digital wagering system utilized by Elite's customers to place their pari-mutuel wagers on horseracing. Because Elite and AmTote are affiliated entities, the risk of Elite losing access to the AmTote services is very low.

6. Risk evaluation and management.

Elite has a robust system of policies and procedures in place to assess and mitigate the risk in its business. First of all, every customer of Elite is known personally to Elite management, and is individually investigated and background checked before becoming a customer. Additionally, Elite performs an updated background check on each customer every six months. These background checks include checks against international sanctions lists, terrorist watch lists, etc.

Elite has stringent funds management policies in place. Elite funds are maintained pursuant to the affiliate management agreements in US bank accounts at Wells Fargo Bank, which accounts are in the name of Elite Nevada and are managed by Monarch. The funds can only be transferred with the affirmative joint approval of two key officers of Monarch – the President and the Vice President of Finance.

As for AML, Elite only accepts funds in the form of a wire transfer from a bank account in the name of the customer. Any funds withdrawn by a customer are sent by Elite via wire transfer to a bank account that must be in the name of the customer. Elite employees in Curacao as well as Monarch employees who deal with Elite's funds all undergo annual AML training.

7. Legal and governance framework.

As mentioned above, Elite has two supervisory directors. Elite also utilizes the services of a top Curacao-based trust company in carrying out its local business activities.

Within the structure of the Stronach group of racing and gaming companies, oversight of the Elite business is provided by the group CEO as well as the group finance department. Monthly, quarterly and annual budgeting and reporting are provided to the group CEO and finance department by the Elite team (to be precise, by the Monarch team on behalf of Elite pursuant to the management agreement).

Because the Elite business has been operating successfully for over twenty years based on a well-established set of operating procedures, it is very rare for the group CEO or finance department to intervene. However, when an issue of first impression arises that could have a material impact on the business of Elite, then Elite management seeks the input of the group CEO and finance department.

Legal and regulatory assistance are provided to Elite by a myriad of sources. Elite has both a trust company and a law firm in Curacao that assist it in legal and regulatory matters. The Vice President of Legal & Regulatory Affairs of Monarch is active (pursuant to the management agreement) in the implementation of AML procedures, audit procedures and similar matters (including the semi-annual background checks performed on each Elite player). The legal department of the Stronach group of racing and gaming companies is available to assist, as are several US private law firms that have assisted Elite with various matters over the years.

8. Target KPIs and business objectives.

Elite's business formula has proven successful over the past 20 years. During that time, Elite has grown from a start-up wagering business to the leading wagering platform servicing the North American pari-mutuel horseracing industry.

Elite has grown to be the industry leader by providing impeccable, cost-effective service to its customers, treating its long-time Curacao-based employees fairly and with respect, all while returning a reasonable profit to its shareholder. Elite's measure of success is to continue to operate the business moving forward to the same standards as it has in the past.

9. Policies and Procedures.

Elite has an extensive set of policies and procedures which govern its operations, including policies and procedures relating to AML, politically exposed persons, transaction monitoring, source of funds, and risk assessment.

These policies and procedures are implemented by the Monarch team on behalf of Elite pursuant to the management agreement. Independent oversight is provided by the AML officer of the Stronach group of racing and gaming companies.