

MINUTES
NEW YORK STATE RACING AND WAGERING BOARD
MEETING OF APRIL 13, 2005

A meeting of the New York State Racing and Wagering Board was held on April 13, 2005 at 11:00 a.m. at the Racing & Wagering Board's Albany Office located at 1 Watervliet Avenue Extension, Albany, New York.

The meeting was called to order at 11:05 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Cheryl Buley, Member

Erin Dahlmeyer, Secretary to the Board

Robert Feuerstein, General Counsel

Thomas Casaregola, Director of Audits & Investigations

Joseph Lynch, Chief of Racing Operations

Also in Attendance Were:

Dianne Landor, NYSR&WB

Stacy Clifford, NYSR&WB

Francesca Pizzimenti, NYSR&WB

Paul D'Onofrio, Monticello Raceway

Giorgio DeRosa, Capital, Catskill & Nassau OTB

Robert Hemsworth, Capital OTB

OPEN COMMENT PERIOD: No public comments made.

A. The Board approved the minutes of the Board meeting held on March 16, 2005.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 15, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from the year 2005 race meeting conducted at the following racetracks:

- Beulah Park in Ohio through May 7, 2005 ONLY
- The Downs at Albuquerque in New Mexico
- Hawthorne National Racecourse in Illinois through May 10, 2005 ONLY
- Northville Downs in Michigan
- Indiana Downs in Indiana
- Penn National Racecourse in Pennsylvania
- River Downs in Ohio
- Rosecroft Raceway in Maryland

These simulcasts may be imported whenever permitted under the Racing Law. To continue with Beulah Park and Hawthorne National Racecourse later in 2005, new federally required permission letters must be filed with the Board. These approvals further extend to Suffolk Regional OTB.

* For entry into the minutes, on March 30, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation by enabling the import of simulcasts from the harness track of Cal Expo in California. Also approved is the import of simulcasts from the thoroughbred tracks of Delaware Park, Emerald Downs, Fair Grounds, Louisiana Downs and Philadelphia Park.

These simulcasts may be utilized whenever in accordance with the Racing Law. This approval further extends to Suffolk Regional OTB.

* For entry into the minutes, on March 30, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation by enabling the import of simulcasts from Ruidoso Downs in New Mexico during their 2005 race meeting.

This approval also applies to Suffolk Regional OTB. This simulcast may be imported and utilized whenever in accordance with Racing Law.

2. SUFFOLK OTB REQUEST TO OFFER PROMOTION

2. For entry into the minutes, on March 15, 2005, approval was granted for the request by Suffolk Regional OTB for a promotion to add ten-dollars (\$10) to any new phone accounts opened by first time applicants. This approval is based on the information submitted with the request for a change in the plan of operation addressed in the March 10th application relative to telephone account wagering.

This promotion is approved for three months from the date of this approval. The promotion may be extended an additional six months by Suffolk OTB should this promotion prove to bolster the number of new accounts and increased volume in Suffolk OTB telephone account betting.

3. FINGER LAKES REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 22, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of simulcasts in-state to Buffalo Raceway during the year 2005 Finger Lakes live racing season.

* For entry into the minutes, on March 31, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of simulcasts to NYRA, Monticello Raceway, Yonkers Raceway and the Ohio racetracks of Beulah Park, Raceway Park, River Downs as well as America Tab.

These approvals are given in accordance with the Board's policy of requiring all agreements involving the export of in-state simulcast signals to be filed with the Board if such are:

- o New entities
- o In-state sites
- o Sites in contiguous states

All other exports of in-state simulcast signals to entities not falling within the above three sectors are approved with the continuing requirement that a monthly list of receiving sites and rates charged are filed with the Board.

The Board also acknowledges the receipt of an agreement with Lincoln Park in Rhode Island.

4. NYRA REQUEST TO OFFER PROMOTION □ MYSTERY CASHCARD

For entry into the minutes, on March 22, 2005, approval was granted for the request by NYRA to issue the number of mystery CashCard (vouchers) valid on Saturday, April 9th only in the denominations as submitted and per the agreed New York State Racing and Wagering Board/NYRA guidelines for promotions. This promotion will utilize the United Tote "CashCards" rather than the formerly used ticket-like vouchers.

These mystery CashCard vouchers would be redeemable only on the date as printed on the face of the CashCard and only at Aqueduct Race Track on Saturday, April 9th. It is understood that a patron with a mystery voucher

may be escorted to and from designated windows to redeem that voucher and do so without paying admission or parking fees.

As with all previous voucher distributions, the Board reserves the right to audit results of this specific April 9, 2005 voucher promotion using the United Tote CashCards.

5. SARATOGA HARNESS REQUEST TO OFFER HANDICAPPING CONTEST

For entry into the minutes, on March 22, 2005, approval was granted for the request by Saratoga Harness to conduct a thoroughbred handicapping contest on five Saturdays during the month of April per the submitted rules.

6. YONKERS RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 22, 2005, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Indiana Downs.

The Board also acknowledges the receipt of the Yonkers Raceway agreements to simulcast its signal to Harrington Raceway in Delaware and to Lewiston Raceway in Maine during the 2005 racing season.

* For entry into the minutes, on March 30, 2005, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Hazel Park in Michigan and Finger Lakes in New York.

This approval is effective immediately and these signals may be utilized whenever in compliance with the Racing Law.

* For entry into the minutes, on April 4, 2005, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the export of simulcast signals from Yonkers Raceway to the account wagering service of U.S. Off-Track located in Oregon.

7. CAPITAL OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on March 22, 2005, approval was granted for the request by Capital District Regional OTB to conduct a promotion in relation to its telephone account wagering system.

By this promotion, account holders that are active at least half of the days in the previous month would have their names deposited in a collection from which fifteen (15) random drawings would be made. The account holders who have their names randomly drawn would receive a direct deposit of one hundred dollars (\$100) into their already established telephone account.

8. CATSKILL OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 22, 2005, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation

enabling the import of simulcasts from the 2005 Beulah Park race meeting through May 7th, as stipulated in the Ohio Division of the Horsemen's Benevolent and Protective Association permission letter.

To continue on this simulcast contract after May 7, 2005, a new letter of permission from the Ohio Horsemen must be secured and filed with the Board.

Also approved for the year 2005 racing season is the import of simulcasts from Northfield Park and River Downs in Ohio. The simulcast of the above named racing programs will be utilized as permitted under the Racing Law.

* For entry into the minutes, on April 1, 2005, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts of the year 2005 Pocono Downs race meeting.

This simulcast may be utilized whenever permitted under the Racing Law. This approval further extends to Western Regional OTB.

9. NEW YORK CITY OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on March 22, 2005, approval was granted for the request by New York City OTB to amend its plan of operation to offer their "Bonus Bucks" promotion.

By this promotion, established telephone accounts would receive an extra eight dollars (\$8.00) when their account is replenished by credit card in the sum of fifty dollars (\$50.00) or more. This approval is effective immediately.

10. FINGER LAKES REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 29, 2005, approval was granted for the request by Finger Lakes Racing Association to amend its simulcast plan of operation enabling the import of simulcasts from Turfway Park in Kentucky. This approval is valid through April 7, 2005 only to coincide with the federally required permission letter issued by the Kentucky Thoroughbred Owners and Breeders Association.

To continue on with Turfway Park past April 7, 2005, a new letter of permission from the Kentucky Thoroughbred Owners and Breeders Association must be filed with the Board. This simulcast may be imported and utilized whenever in accordance with the Racing Law.

* For entry into the minutes, on March 29, 2005, approval was granted for the request by Finger Lakes Racing Association to amend its simulcast plan of operation enabling the import of simulcasts from the Dubai World Cup in the United Arab Emirates through the auspices of Churchill Downs Louisiana Racing, Co., LLC.

This simulcast may be imported and utilized whenever in accordance with the Racing Law.

* For entry into the minutes, on April 1, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the import of the year 2005 simulcasts for the Spring thoroughbred meeting emanating from Keeneland Race Course in Kentucky.

This simulcast may be utilized whenever permitted under the Racing Law.

* For entry into the minutes, on April 6, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation allowing the export of the year 2005 Finger Lakes simulcast signals to the Ohio harness racetracks known as Lebanon Raceway and Scioto Downs. Also approved is the export to the racetracks operated by the New Jersey Sports and Exhibition Authority of The Meadowlands and Monmouth Park, along with Freehold Raceway.

These approvals are given in accordance with the Board policy of requiring all agreements involving the export of in-state simulcast signals to be filed with the Board if such are:

- New entities
- In-state sites
- Site in contiguous states

All other exports of in-state simulcast signals to entities not falling within the above three sectors are approved with the continuing requirements that a monthly list of receiving sites and rates charged are filed with the Board.

* For entry into the minutes, on April 6, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation allowing the export of the year 2005 Finger Lakes simulcast signals to the Plainridge Race Course in the contiguous state of Massachusetts.

Also approved is the agreement to export signals to The Meadows, including its satellite sites and its telephone account wagering system, in the contiguous state of Pennsylvania during the year 2005 live Finger Lakes racing season.

11. MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on March 29, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of the year 2005 simulcasts from Keeneland Race Course in Kentucky.

Also approved is the new 2005 agreement enabling the import of simulcasts from the in-state racetrack of Finger Lakes. These simulcasts may be utilized whenever permitted under the Racing Law.

* For entry into the minutes, on March 30, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Plainridge Race Course, Hazel Park and Indiana Downs.

These simulcasts may be utilized whenever permitted under the Racing Law.

12. NYRA REQUEST TO OFFER GUARANTEED POOL IN 2005

For entry into the minutes, on March 29, 2005, approval was granted for the request by NYRA to amend its pari-mutuel plan of operation with the guaranteed amount of \$1,000,000 in the pick-four pools of Belmont Stakes Day, June 11th and on Travers Day, August 27th. Further approved was the guaranteed pick-six wagering pool on Belmont Stakes Day.

Also approved are the \$500,000 guaranteed pick-four pools on the Saturdays of July 30th, August 6th, 13th, 20th, September 3rd, 10th and October 1st during the 2005 Saratoga Race Course and Belmont Park Fall meetings.

13. CAPITAL OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on March 30, 2005, approval was granted for the request by Capital District Regional OTB to conduct a promotion entitled "Battle of the Branches" on all Saturdays in April and on Saturday, May 14th per the submitted rules.

14. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 1, 2005, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of simulcasts from the Keeneland Race Course in Kentucky through April 29th. To continue in the Fall of 2005 with Keeneland Race Course, new federally required letters of permission from the Kentucky H.B.P.A. and the Kentucky Thoroughbred Association must be submitted to the Board.

Also approved are the 2005 agreements with Lone Star Park, a thoroughbred track in Texas and Delaware Park in Delaware. This interstate simulcast signal may be utilized whenever in accordance with the Racing Law.

Further approved is the ability to export the Saratoga Harness simulcast to Philadelphia Park during 2005. Included among the receiving sites associated with Philadelphia Park are:

- The Turf Club at Center City in Philadelphia
- The Turf Club at Upper Darby
- The Turf Club in South Philadelphia
- The Turf Club at Valley Forge in Oaks
- The Turf Club at Brandywine in Concordville
- The Northeast Turf Club in Philadelphia
- The Atlantic City Race Course in Mays Landing, NJ

The Board also acknowledges the receipt of the agreement for 2005 for The Red Mile in Kentucky to receive the year 2005 Saratoga Harness simulcast signals.

15. YONKERS RACEWAY REQUEST TO AMEND RACE DATES

For entry into the minutes, on April 4, 2005, approval was granted for the request by Yonkers Raceway to amend its plan of operation with the cancellation of future Thursday racing programs beginning with Thursday, April 7th.

The track will notify the Board well in advance of attempting to resume both its previously approved Thursday and Friday live racing programs.

C. ITEMS PREVIOUSLY APPROVED, DENIED OR DEFERRED BY THE BOARD

1. NYRA REQUEST TO OFFER MYSTERY VOUCHER PROMOTION

For entry into the minutes, on March 15, 2005, the Board granted temporary conditional approval of the New York Racing Association's general use of NYRA CashCards at NYRA facilities. The conditions for this approval are:

1. By no later than March 31, 2005 a fully executed (i.e. signed) Statement of Policy

entitled "Policies and Procedures to Combat Money Laundering and Terrorist Activity" shall be filed with the Board. (An unsigned copy had been provided by NYRA).

2. By no later than March 31, 2005 a copy of the signed and completed application filed with the appropriate offices registering NYRA as a Money Service Business shall be filed with the Board
3. By no later than March 31, 2005 signed legal opinions on the appropriate law firm letterhead regarding the applicability of various state and federal anti-money laundering regulations shall be filed with the Board. (Unsigned copies on "white paper" have been previously provided.)

4. By no later than March 31, 2005 signed legal opinions on the appropriate company letterhead regarding the applicability of the New York State abandoned property laws shall be filed with the Board.

1. By no later than March 31, 2005 confirm in writing with the Board that the independent tote monitoring system developed by E-Success will be operational no later than May 1, 2005 at Belmont. Further, confirm in writing the subsequent dates for operation of this tote monitoring system for each of the remaining meets of the year at Aqueduct, Belmont and Saratoga.
2. File with the Board a report prepared by an independent certified public accounting firm that expresses an opinion directly on the effectiveness of NYRA's internal controls over the NYRA CashCard System as of August 31, 2005. Such report must be filed with the Board no later than October 31, 2005.

7. By no later than March 31, 2005 an amendment to NYRA's accounting and internal controls shall be filed with the Board to reflect all controls adopted or modified relating to this item.

This conditional approval will expire at midnight December 31, 2005. Any further application for approval for use of NYRA CashCards at NYRA facilities must be filed with the Board no later than November 15, 2005.

2. IN THE MATTER OF SHAWN P. ANSWEENEY

For entry into the minutes, on March 30, 2005, the Board summarily suspended the owner/trainer license of Shawn P. Answeeney upon a finding that the public safety and welfare imperatively require this emergency action based on a positive test for cannabinoid in violation of Board Rule 4119.11.

The suspension would remain in effect pending further disposition by the Board after a hearing.

3. PROPOSED RULEMAKING AMENDMENT PICK-SIX RULE □ 4011.23

For entry into the minutes, on March 31, 2005, the Board approved additional amendments to Section 4011.23, consistent with the original intent of the revision to subparagraph (h).

This change will ensure consistently throughout the text that a pick-six bettor will receive a distribution from the 75 percent net pool as a winner, not only when the bettor chooses all six horses on his winning ticket, but also when a bettor has selected five winners and has the sixth an "all win" selection. An "all win" situation will occur in instances where there has been a track surface change, from the turf to the dirt, after the close of the bet.

4. PROPOSED RULEMAKING PROPOSITION WAGERING □ 4011.25 & 4122.47

For entry into the minutes, on March 31, 2005, the Board approved the proposal of new rules (Section 4011.25 and 4122.47) to implement proposition wagering. The rules include the prohibition of the offer of any betting interests with the same owner and trainer, in any instance.

5. BATAVIA DOWNS REQUEST FOR VLT RELATED CONSTRUCTION/DEMOLITION

For entry into the minutes, on April 1, 2005, the Board approved the request by Western Regional OTB/Batavia Downs for construction work for the proposed Video Lottery Terminal

facilities at Batavia Downs pursuant to Section 322 of the New York State Racing, Pari-Mutuel Wagering and Breeding Law.

The construction approved is described in the New York State Office of General Services construction permit, dated March 15, 2005. An additional approval of this Board will be required prior to any other construction related to this project.

D. ITEMS APPROVED, DENIED OR DEFERRED BY THE BOARD

1. IN THE MATTER OF JASON BOLDEN

The Board approved Hearing Officer Baller's recommendation that the harness license of Jason Bolden be revoked for a period of eighteen months (18) based upon:

1. illegal possession of hypodermic injection equipment and a bottle without a veterinary or prescription label at Yonkers Raceway on November 30, 2004, in violation of Board Rules 4120.6(a)(1), 4120.6(c), as well as the terms and conditions for his conditional racing license;
2. improper behavior toward the Presiding Judge at Monticello Raceway on January 4, 2005, in violation of Board Rules 4119.1, 4119.2, 4119.3, 4119.7(b) and (d), 4119.8 and 4119.9(a); and
3. falsely scratching the horse "Apple Darling" (entered to race on January 1, 2005) by certifying that the horse was sick, when the horse had been sold, in violation of Board Rules 4105.14(b)(7), 4113.13, and 4119.9(a).

The Board further found that Mr. Bolden, because of the foregoing and his history of violations, is an undesirable person whose conduct is detrimental to the best interest of harness racing and who should be barred from New York State tracks.

2. IN THE MATTER OF FREDRIK HAAVIND

The Board approved Hearing Officer Brittell's recommendation that the license owner-groom rider license of Fredrik Haavind continue to be suspended following Mr. Haavind's refusal to submit a urine sample for human drug testing on February 11, 2005 at Saratoga Raceway. The refusal was cited to have been in violation of Board Rule 4119.11 and the Consent to Conditions for Reinstatement dated May 5, 2004. However, the Board modified the recommendation as to the suspension by continuing the suspension until a determination is made as to Mr. Haavind's appeal of his license refusal.

3. IN THE MATTER OF MICHAEL LUTCHMAN
*****CORRECTION*****

The word harness was incorrectly placed in the item when it should have said thoroughbred. We apologize for the error.

The Board approved Hearing Officer Brittell's recommendation that the exercise rider license of Michael Lutchman be revoked following an indictment in December 2004 for crimes in relation to the murder of Diip Amarsingh, an exercise rider.

The Board further found that Mr. Lutchman, because of the seriousness of this violation, is an undesirable person whose conduct is detrimental to the best interest of thoroughbred racing and who should be barred from New York State tracks.

4. FINGER LAKES REQUEST TO WITHDRAW FROM CIF - \$156,047.70

The Board approved the request by Finger Lakes Race Track to withdraw a total of \$156,047.70 from its Capital Improvement Fund for reimbursement of capital improvement expenditures.

Other (8%)

Heater for Green House \$ 573.76

Card Access-Employee Door 5,242.38

TurboChef-Convection Microwave Oven 5,989.91

Total Other \$11,806.05

Backstretch (92%)

Back Hoe \$33,311.85

Fire Extinguishers- Backside 978.12

Dryers (3) 784.00

Tires for JD Loader 544 2,386.32

Overhaul of JD Loader 544 13,070.07

Snowpusher for Back Hoe 3,297.94

Sand - main track 90,413.35

Total Backstretch \$144,241.65

Total Approved \$156,047.70

5. FINGER LAKES REQUEST FOR RACING OFFICIAL - BOTTORF

The Board approved Frank Bottorf as a racing official for the year 2005 Finger Lakes live racing season. Mr. Bottorf is approved as an "on-call" official that may act as the official Horse Identifier, Clerk of Scales, Placing or Paddock Judge as needed.

This approval is issued pursuant to Board Rule 4005.1.

6. MONTICELLO RACEWAY TRACK LICENSE APPLICATION FOR 2005

The Board deferred action on the Monticello Raceway track and simulcast license applications for 2005 pending receipt of a fully executed horsemen's agreement, and a review of "shareholder suitability" and corporate structure/financing. The Board assigned the racing programs requested for the month of May 2005 with 12 races as a maximum with the ability to seek permission from the presiding judge for additional races on a "case-by-case" basis.

The Board will consider further action at the May Board meeting.

Monticello Raceway may remain operational on the continuing rights of the 2004 track and simulcast license. However, continuing rights are conditioned upon the following:

- o Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - a. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - b. The Board has the authority to audit the out-of-state receiving site's books and records (including all secondary sites that receive your simulcast) and must be noted in any simulcast agreement entered into for your simulcast signal. Included within the agreement must be reference that the guest shall permit inspection of the totalizator facilities at the site where guest's wagers are subject to commingling and all related totalizator books and records by a representative of the host or of the host's Board. Names and contact telephone numbers and/or

addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.

- c. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
- o An SAS- 70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2005.
- o The name, address, social security number and date of birth must be obtained from each individual who opens a wagering account (i.e. temporary wagering account, day account, telephone wagering account, etc.) and the account number they have been assigned. Information is to be maintained for three years and made available to Board staff upon request.

7. MONTICELLO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2005

See Board Item number six above.

7. NYRA REQUEST TO AMEND RACING OFFICIALS

The Board approved the request by NYRA for Dr. Diane Simoncini to become a Category I Racing Official during the remainder of the year 2005 racing season. Dr. Simoncini will perform duties as an Examining Veterinarian.

This approval is issued pursuant to Board Rule 4005.1. This approval is also conditioned upon a satisfactory suitability check by the Audits and Investigations Unit.

9. SARATOGA HARNESS TRACK LICENSE APPLICATION FOR 2005

The Board deferred action on the Saratoga Harness track and simulcast license applications for 2005 pending receipt of a formal fire inspection of the backstretch area. The Board assigned the racing programs requested for the month of May 2005. Racing programs are approved with 12 races as a maximum with the ability to seek permission from the presiding judge for additional races on a "case-by-case" basis.

The Board will consider further action at the May Board meeting.

Saratoga Harness may remain operational on the continuing rights of the 2004 track and simulcast license. However, continuing rights are conditioned upon the following:

- o Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York

State Racing and Wagering Board. These include but are not limited to the following:

- a. All contracts for sites to receive New York simulcasts must provide that such receiving sites not rebate *in cash* on New York races.
 - b. Retransmission of your simulcast signal by authorized recipients to secondary recipients is not allowable without disclosure within the contract of the names and locations of all secondary recipients.
 - c. The Board has the authority to audit the out-of-state receiving site's books and records (including all secondary sites that receive your simulcast) and must be noted in any simulcast agreement entered into for your simulcast signal. Included within the agreement must be reference that the guest shall permit inspection of the totalizator facilities at the site where guest's wagers are subject to commingling and all related totalizator books and records by a representative of the host or of the host's Board. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.
 - d. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
- o An SAS- 70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2005.
 - o The name, address, social security number and date of birth must be obtained from each individual who opens a wagering account (i.e. temporary wagering account, day account, telephone wagering account, etc.) and the account number they have been assigned. Information is to be maintained for three years and made available to Board staff upon request.

10. SARATOGA HARNESS SIMULCAST LICENSE APPLICATION FOR 2005

See Board item number nine above.

11. CAPITAL OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Capital District Regional OTB simulcast license application for 2005 pending receipt of completed fire inspections and information regarding an SAS-70 Type 2 audit report.

The Board will consider further action at the May Board meeting.

Capital OTB will remain operational on the continuing rights of the 2004 simulcast license. However, continuing rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your simulcast transactions, if not included within individual contracts, must be supplied to the Board.
 - b. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
- An SAS- 70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2005.
- The name, address, social security number and date of birth must be obtained from each individual who opens a wagering account (i.e. temporary wagering account, day account, telephone wagering account, etc.) and the account number they have been assigned. Information is to be maintained for three years and made available to Board staff upon request.

12. NASSAU OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Nassau OTB simulcast license application for 2005 pending receipt of information requested regarding "day accounts".

The Board will consider further action at the next Board meeting.

Nassau OTB may remain operational on the continuing rights of the 2004 simulcast license. However, continuing rights are conditioned upon the following:

- Compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and orders and directives of the New York State Racing and Wagering Board. These include but are not limited to the following:
 - a. Names and contact telephone numbers and/or addresses of managers at all pari-mutuel "hubs" used in the course of your

simulcast transactions, if not included within individual contracts, must be supplied to the Board.

- b. Any agreement which you are party to is subject to the requirements of the host and guest states with any provision mandated by either Commission or Board with such provisions specifically incorporated into contract by reference. Both parties, including any Secondary Recipients, shall comply with the provisions of all-applicable Federal, State and local laws and regulations.
- o An SAS-70 Type II audit is to be performed for the current licensing period on the totalizator operations utilized and located at your facility. The report is to be filed with the Board no later than October 31, 2005.
- o The name, address, social security number and date of birth must be obtained from each individual who opens a wagering account (i.e. temporary wagering account, day account, telephone wagering account, etc.) and the account number they have been assigned. Information is to be maintained for three years and made available to Board staff upon request.

13. CATSKILL OTB REQUEST TO ADD NEW REMOTE LOCATION - NORWICH

The Board deferred action on the request for a new remote location at Fred's Inn pending further information regarding David J. Cirello.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. GAMES OF CHANCE BINGO REGISTRATION NUMBERS APRIL 03/05-29-E

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between March 3, 2005 March 30, 2005.

2. GAMES OF CHANCE BELL JAR TICKETS APRIL 03/05-31-E

List of bell jar ticket authorized/denied by the Charitable Gaming Unit between March 3, 2005 March 30, 2005.

3. GAMES OF CHANCE LICENSED BINGO & GAMES OF CHANCE SUPPLIERS APRIL 03/05-30-E

List of manufacturers/suppliers licensed by the Charitable Gaming Unit, between March 3, 2005 March 30, 2005.

4. INDIAN GAMING - LICENSING STATISTICS FOR FEBRUARY AND MARCH 2005 03/05-11-E & 03/05-34-E

Licensing statistics for February 1, 2005 through March 31, 2005. Also included are the certifications for Turning Stone, Akwesasne, Seneca Niagara and Seneca Allegany.

5. LICENSING CURRENT RACING LICENSING COUNT AS OF MARCH 2005
03/05-01-E

The current racing licensing counts as of March 31, 2005 are as follows: total receipts 2850 and total licenses 1954 for the year 2005.

6. NOTICE OF ADOPTION PROGRAMMING OF JOCKEYS (4025.33)

06/03-14-E

On March 23, 2005, the amendments to Section 4025.33, which pertains to the programming of jockeys, were adopted and became effective.

F. FOLLOW-UP ON ITEMS PREVIOUSLY APPROVED

CONDITIONS MET _____ 1. NYRA/FINGER LAKES PAYMENTS ON OUT

Date: **OUT OF STATE THOROUGHBRED RACES**

Conditioned date: 1/24/05 **1017.1(b)(5)(D) & 1017.1 (b)(6)(D)**

Directed that written notification be provided to the Board by FLRA and NYRA within sixty (60) days of the date of letter (2/8/05) concerning the status of this matter and any agreement affecting the disposition of these supplemental commissions.

Due April 18, 2005.

CONDITIONS MET X 2. FINGER LAKES REQUEST FOR ROSTER OF

Date: 3/30/05 **RACING OFFICIALS FOR 2005**

Conditioned
date: 3/16/05
The Board
deferred Mr.
Thomas
Muller as a
racing official
pending
resolution of
financial
affairs before
the opening
of the Finger
Lakes 2005
racing
season.

Finger Lakes
withdrew
Thomas
Muller for
consideration
as a racing
official.