

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF DECEMBER 29, 2004

A meeting of the New York State Racing and Wagering Board was held on Wednesday, December 29, 2004 at 10:30 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 10:35 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

Robert Hemsworth, Capital OTB

Pete O'Connell, Western OTB

Bill Crowell, Hinman Straub

Albert Fiss, Jockey's Guild

OPEN COMMENT PERIOD: Paul D'Onofrio stated that the Chairman's comments regarding dissatisfaction with the progress on the paddock at Monticello was heard by management. They are moving along with the winter paddock and are hoping to be done by the end of January 2005. He also stated that they are working on the horsemen's contract.

A. The Board approved the minutes of the Board meeting held on December 16, 2004.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on December 20, 2004, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the export of simulcasts to YouBet.

The approval is effective immediately and is valid for the remainder of the year 2004 and the entire year 2005.

* For entry into the minutes, on December 20, 2004, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation by addendum enabling the import of simulcasts from Sam Houston Park in Texas during their upcoming 2005 initial thoroughbred race meeting that is scheduled to end on April 10, 2005.

This later date coincides with the federally required permission letter for this interstate simulcast to occur as supplied by the Texas Horsemen's Partnership, LLP that is the recognized horsemen's association at Sam Houston Park.

To continue with any Sam Houston simulcasts after April 10, 2005, a new letter of permission from the Texas Horsemen's Partnership must be filed with the Board. This simulcast may be imported and utilized for wagering whenever in accordance with the Racing Law.

2. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on December 20, 2004, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of the simulcast signals from the thoroughbred racetrack known as Tampa Bay Downs and the harness racetrack known as Pompano Park.

Both racetracks are located in the State of Florida. These simulcasts may be utilized whenever in compliance with the Racing Law.

3. YONKERS RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on December 20, 2004, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the export of the Yonkers simulcast signal to Autotote Enterprises, Inc. in Connecticut and to Day At The Track in California.

Fifty percent (50%) of the gross receipts resulting from the Yonkers Raceway simulcast to Autotote and to Day At The Track will be shared with Yonkers horsemen represented by the Standardbred Owners Association (SOA).

4. NASSAU OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on December 20, 2004, approval was granted for the request by Nassau OTB to sell gift certificates in the amount of fifty (\$50) or one hundred dollars (\$100). One-half of the purchase price for the gift certificate may be redeemed by the customer for a betting voucher.

The premium to the customer is that after redeeming one-half of the face value of the gift certificate for a betting voucher, the remainder of the value of a \$50 certificate will be a \$31 food credit; while the remaining value of a \$100 certificate will be a \$62 food credit.

5. NEW YORK CITY OTB REQUEST TO CLOSE BRANCH □ BROOKLYN

For entry into the minutes, on December 20, 2004, approval was granted for the request by New York City OTB for an amendment to its plan of operation for the closure of a branch located within the borough of Brooklyn. The branch (Branch 2094) is located at 320 Court Street, Brooklyn, New York.

The last day of operation of this branch will be December 31, 2004.

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

1. CATSKILL OTB REQUEST TO ADD PARTICIPATING COUNTY □ SULLIVAN

For entry into the minutes, on December 21, 2004, the Board approved the request by Catskill Regional OTB to amend its plan of operation enabling a change in the status of a non-participating county (Sullivan County) to now be a participating county.

D. ITEMS APPROVED, DENIED OR DEFERRED BY THE BOARD

1. WESTERN OTB/BATAVIA DOWNS TRACK AND SIMULCAST LICENSES FOR 2005

The Board approved the Western OTB/Batavia Downs track and simulcast license applications for 2005. The Board assigned the 55 programs requested on the specified dates.

The 2005 track and simulcast licenses 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. 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.

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.

2. BUFFALO RACEWAY TRACK LICENSE APPLICATION FOR 2005

The Board approved the Buffalo Raceway track and simulcast license applications for 2005. The Board assigned the 79 programs requested on the specified dates.

The 2005 track and simulcast licenses 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. 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.
 - a. 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.
 - 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.

3. BUFFALO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2005

See item number two above.

4. FINGER LAKES TRACK LICENSE APPLICATION FOR 2005

The Board deferred action on the Finger Lakes track and simulcast license applications for 2005 pending receipt of a fully executed horsemen's agreement and fire inspections by the Town of Farmington.

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

Finger Lakes may remain operational on the continuing rights of the 2004 track and 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. 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.

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.

5. FINGER LAKES SIMULCAST LICENSE APPLICATION FOR 2005

See Board item number four above.

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, a review of "shareholder suitability" and corporate structure/financing. The Board assigned the racing programs requested for the month of January 2005 with 12 races as a maximum per program 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 next 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:

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.

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.

7. MONTICELLO RACEWAY SIMULCAST LICENSE APPLICATION FOR 2005

See Board item number six above.

8. 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 fully executed horsemen's agreement and proper licensure of one of the executives in the corporation.

The Board will consider further action at the next 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:

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.

A 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.

9. SARATOGA HARNESS SIMULCAST LICENSE APPLICATION FOR 2005

See Board item number eight above.

10. YONKERS RACEWAY TRACK LICENSE APPLICATION FOR 2005

The Board approved the Yonkers Raceway track and simulcast license applications for 2005. The Board assigned the 245 racing programs as requested with 12 races as a maximum per program with the ability to seek permission from the presiding judge for additional races on a "case-by-case" basis.

The 2005 track and simulcast licenses 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. 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.

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.

- a. 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.

11. YONKERS RACEWAY SIMULCAST LICENSE APPLICATION FOR 2005

See Board item number ten above.

12. CAPITAL OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Capital OTB simulcast license application for 2005 pending receipt of completed fire inspections.

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

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.

13. CATSKILL OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Catskill OTB simulcast license application for 2005 pending receipt of completed fire inspections.

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

Catskill 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. 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. 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.

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.

14. NASSAU OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Nassau OTB simulcast license application for 2005 pending receipt of completed fire inspections.

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. 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. 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.

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.

15. NEW YORK CITY OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board approved the New York City Off-Track Betting Corporation simulcast license application for 2005.

The 2005 simulcast license is 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. 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.

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.

16. SUFFOLK OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Suffolk OTB simulcast license application for 2005 pending receipt of completed fire inspections.

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

Suffolk 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. 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. 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.

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.

At Counsel's request, the Board approved certification to the NYS Department of Tax and Finance of the year 2005 racing dates pursuant to Section 318(5) of the Racing Pari-Mutuel Wagering and Breeding Law that Yonkers Raceway has been assigned for 2005 at least 90% of program races raced in 1985 or 1986 (whichever had fewer).

Regarding Batavia Downs and Buffalo Raceway, the Board found that it would be uneconomical or impractical for these associations to be assigned the prescribed number and that such finding entitles them to be considered as if they did comply with such requirements.

17. IN THE MATTER OF MICHAEL J. KULLS

The Board approved Hearing Officer Brittell's recommendation and revoked Mr. Kull's license based upon his arrest in September 2004 for two crimes, which rendered his continued participation in harness racing inconsistent with the public interest, convenience and necessity or with the best interest of racing.

18. IN THE MATTER OF THE CLAIM OF "COURRIEL" IN THE 2ND RACE ON AUGUST 8, 2004 AT SARATOGA RACE COURSE (PATRICIA NICHOLSON)

The Board approved Hearing Officer Baller's recommendation that the decision of the stewards at Saratoga Race Course, which voided a claim for the horse COURRIEL from the second race of August 8, 2004, be upheld. The claim was voided based upon a deviation from the procedures set forth in Board Rule 4038.5 (Requirements for claim; determination by stewards)-in this case the entry of an incorrect race date on the claiming form.

19. IN THE MATTER OF RONALD LANGLEY

The Board approved Hearing Officer Brittell's recommendation that the thirty (30) day suspension and \$500 fine issued by the Presiding Judge at Monticello Raceway based on an incident on July 28, 2004 that Mr. Langley assaulted and threatened a racing official in violation of Board Rules 4119.1 and 4119.3, be upheld.

The Board rejected the recommendation that the suspension be considered moot.

20. NYRA REQUEST FOR APPROVAL OF RACING OFFICIALS FOR 2005

The Board approved the request by NYRA for all officials and employees listed as belonging in Categories I, II or III to perform duties at the NYRA tracks during the 2005 racing season.

The Board issued its approval on the basis that approval for one or more of these specific officials may be withdrawn during 2005 should the investigation being conducted by other State agencies uncover wrongdoing involving such persons.

This approval is in compliance with Board Rule 4005.1.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. GAMES OF CHANCE BINGO REGISTRATION NUMBERS DECEMBER 12/04-34-E

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between October 13, 2004 December 13, 2004.

2. GAMES OF CHANCE BELL JAR TICKETS DECEMBER 12/04-35-E

List of bell jar ticket authorized/denied by the Charitable Gaming Unit between October 13, 2004 December 13, 2004.

The meeting was adjourned at 12:32 p.m.