

**MINUTES
NEW YORK STATE RACING AND WAGERING BOARD
MEETING OF MARCH 22, 2004**

OPEN COMMENT PERIOD: Began 11:43 a.m. Robert Barrer, Attorney from Hiscock & Barklay, representing Vernon Downs, stated that a fire inspection had been completed and that Vernon Downs would rectify the remaining issues. Martin Gersten, Attorney for Vernon Downs, acknowledged assistance from government officials and introduced Dennis Dowd, the new Track General Manager. Mr. Dowd stated that he started last Thursday and may seek to change the start of racing after talking with the horsemen. Gary Greenberg, shareholder of Vernon Downs, stated that he has received no information from management or what is being done to keep Shawn Scott out of the operations of the track. He also asked the Board to stipulate in any approval that Vernon Downs hold a shareholders meeting. Open comment period ended at 11:55 a.m.

Meeting began at 11:55 a.m.

1. VERNON DOWNS REQUEST TO RECONSIDER REFUSAL OF TRACK & SIMULCAST LICENSE APPLICATIONS FOR 2004

The Board granted the request by Vernon Downs to reconsider the license refusals of the 2004 track and simulcast license applications. The Board issued year 2004 licenses to Mid-State Raceway, Inc. to conduct pari-mutuel harness racing and simulcasting. Further, the Board assigned the race dates requested in the previously submitted track license application.

The licenses were issued upon the following specific conditions in addition to the standard conditions of compliance with all applicable provisions of the Racing, Pari-Mutuel Wagering and Breeding Law, Board rules and regulations, and the requirements set forth in the track and simulcast license applications:

1. The submission of a budget no later than March 29, 2004, adopted by the Mid-State Raceway, Inc. Board of Directors and approved by the General Manager, that is satisfactory to the Board;
2. The individual occupational licensability of the General Manager and any subsequent General Manager, if any, as well as the condition that the licenses will be deemed to lapse if at any time there is no General Manager in place pursuant to the Resolution;
3. The receipt by the Board of a Certificate of Compliance or equivalent, issued by the New York State Office of Fire Prevention and Control, in satisfaction of fire safety issues;
4. The requirement that the General Manager immediately report to the Board or its designee any contacts, whether directly or indirectly, by or on behalf of unlicensed

individuals, including those whose licenses have been refused, now or previously associated with the management or operation of Vernon Downs; and

5. The requirement and principle that to the extent any provision contained in the Operating Agreement is inconsistent with the intent and language of the Proposal approved by the Mid-State Raceway, Inc. Board of Directors, the Proposal is controlling.

The Board also rescinded the March 2, 2004 Notice of Refusal of Licenses, conditioned upon satisfactory compliance by Mid-State Raceway, Inc, and its agents, employees and representatives with the terms and conditions of the licenses granted by Board action on March 22, 2004.

The meeting was adjourned at 12:13 p.m.