

MINUTES

NEW YORK STATE RACING AND WAGERING BOARD

MEETING OF MAY 18, 2005

A meeting of the New York State Racing and Wagering Board was held on Wednesday, May 18, 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 11:03 a.m.

In Attendance Were:

Michael J. Hoblock, Jr., Chairman

Cheryl Buley, Member

John Cansdale, Executive Director

Gail Pronti, 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

Francesca Pizzimenti, NYSR&WB

Mark Stuart, NYSR&WB

Richard Dircks, Getnick & Getnick

Paul D'Onofrio, Monticello Raceway

Robert Hemsworth, Capital OTB

OPEN COMMENT PERIOD: No comments were made.

A. The Board approved the minutes of the Board meeting held on April 13, 2005.

B. ITEMS PREVIOUSLY APPROVED OR DEFERRED BY THE CHAIRMAN.

1. FINGER LAKES REQUEST TO OFFER PROMOTION

For entry into the minutes, on April 12, 2005, approval was granted for the request by Finger Lakes to conduct the handicapping challenges to be held on June 4th, July 9th and August 6th with the finals on August 27th. Further approval was granted for the voucher giveaways during the handicapping contests per the submitted guidelines. There is no entry fee and the winners will be notified by mail and a list of winners must be made available to the general public.

Also approved is the Pick A Lucky Horseshoe promotion on the opening weekend of 2005 as well as the Kentucky Derby Trip Giveaway per the submitted rules. Also approved are the Run For The Lilacs-Mercy Flight Central race day promotion that includes net wagering proceeds from the designated Mercy Flight Central named race be donated to the organization. Further approved are the "Cash Cube" promotions on the submitted dates and per the submitted rules.

The promotions presented for Senior Days, Kentucky Derby merchandise giveaway, the "Preakness and the Belmont Stakes official glass giveaways" are acknowledged and do not require the approval of the Racing and Wagering Board.

2. FINGER LAKES REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the import of simulcasts from the year 2005 Hawthorne race meeting. This approval is valid through May 10th only as stipulated in the Illinois Thoroughbred Horsemen's Association, Inc. permission letter. The simulcasts of the above named racing program will be utilized as imported simulcasts only as permitted under the Racing Law.

To continue on the thoroughbred portion of this simulcast contract with Hawthorne Race Course after May 10th, a new letter of permission from the Illinois Horsemen must be secured and filed with the Board. A letter of permission from the Illinois harness horsemen must also be filed with the Board prior to the start of the 2005 Hawthorne/Suburban Downs harness meet currently scheduled to begin on June 5th.

* For entry into the minutes, on April 14, 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 the Western Regional Off-Track Betting Corporation's ITW located at Batavia Downs. Also approved is the export of simulcasts to the Capital District Regional Off-Track Betting Corporation throughout the year 2005 Finger Lakes live racing season.

Also approved are the agreements with Suffolk Downs, Autotote Enterprises (Connecticut OTB) and its subsidiaries in Connecticut and U.S. Off-Track in Oregon.

Acknowledged are the receipt of renewals of contracts with the entities of Rosecroft Raceway in Maryland, Sports Creek Raceway in Michigan and Choctaw Racing Services in Oklahoma, all of which were in receipt of the Finger Lakes simulcasts in 2004 and are not new, in-state or located in contiguous states.

* For entry into the minutes, on April 14, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of simulcasts to the Las Vegas Dissemination Company (LVDC)

This approval is effective immediately.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcast to a new customer, Saginaw Harness Raceway in Michigan, during the year 2005 live racing season.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcasts to Lien Games in North Dakota and its associated sites as listed in the March 29, 2005 application.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcasts to the following:

- o The Downs Racing, LLP that operates the Pocono Downs harness track in Wilkes Barre and its five affiliated OTWs in Pennsylvania;
- o MTRA, Inc. that operates Penn National, a thoroughbred racetrack in Grantville, Pennsylvania and its six affiliated OTWs and The Charles Town Races in Charles Town, West Virginia;
- o Stevenson and Associates that handles Finger Lakes simulcasts for dissemination to Aruba, Barbados, Bermuda, Colombia, Dominican Republic, Panama, Puerto Rico, St. Thomas, St. John, Trinidad and Tobago;
- o Wyoming Downs & Pony-Up Bet, an account wagering service that operates in the State of Wyoming;
- o Youbet.com, an account wagering service that operates in California and Nevada;
- o Day At The Track (DATT), an account wagering service that operates in California and Idaho;
- o The Choctaw Racing Services of Oklahoma and their 18 related sites.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the import of simulcasts from Lone Star Park in Grand Prairie, Texas. Also approved is the export of the Finger Lakes simulcasts in-state to Saratoga Harness during 2005.

The simulcast signal from Lone Star Park may be utilized whenever permitted under the Racing Law.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the export of the Finger Lakes simulcasts to Philadelphia Park located in the contiguous State of Pennsylvania, including its satellite locations as named on the application.

This approval is valid throughout the year 2005 live racing season.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the import of simulcasts from the Magna/Maryland Jockey Club racetrack known as Pimlico Racecourse through June 12, 2005. Although this contract is for all Maryland thoroughbred racing during 2005, to continue on this contract past June 12th requires a new federally required simulcast permission letter be filed with the Board.

Also approved were the agreements with Delaware Park and Philadelphia Park and the contracts enabling Finger Lakes to receive in-state harness racing from Buffalo Raceway and Saratoga Harness.

Further approved are the Spring ONLY meets at Churchill Downs through July 10th, Hollywood Park through July 17th, and Hoosier Park through June 25th. The Fair Grounds part of the Churchill Downs, Inc. agreement is not approved until the year 2005-06 federally required Louisiana Commission and Horsemen approval letters are filed with the Board.

To continue on past June 12th with Laurel and Pimlico in Maryland, new letters of permission from the representative Maryland Horsemen's group must be filed with the Board. To continue on with the agreement to import Churchill-owned tracks of Churchill Downs after July 10th, Hollywood Park after July 17th, Hoosier Park after June 25th or the 2005-06 Fair Grounds (Louisiana) race meetings, new federally required letters of permission must be filed with the Board.

Acknowledged as filed with the Board is the export agreement for 2005 with SPW, Inc. for the dissemination of the Finger Lakes simulcasts to Caymanans Park in Jamaica and to Goodwood Racing in Guyana. Also approved is the export to The Racing Channel d/b/a Oneclickbetting.com in Oregon.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Finger Lakes to amend its simulcast plan of operation enabling the imports of thoroughbred simulcasts from Louisiana Downs and Suffolk Downs into Finger Lakes during the year 2005.

3. MONTICELLO RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Thistledown Race Track in Ohio during the calendar year 2005 and whenever applicable under the Racing Law.

Also approved were the following simulcasts emanating from the Churchill Downs operated racetracks of Arlington Park in Illinois, Calder Race Course in Florida, Churchill Downs (part year) and Ellis Park in Kentucky, The Fair Grounds (pending receipt of the federally required permission letters) in Louisiana, Hollywood Park (part year) in California and Hoosier Park in Indiana.

The representative horsemen's groups at Churchill Downs and Hollywood Park specify the Spring meetings only in their permission letters. The letters for the Fair Grounds have yet to be issued for the 2005-06 meeting. Therefore, the approval is for Hollywood Park through July 17, 2005 and for Churchill Downs through July 10, 2005 only. To continue on with these new agreements for Churchill Downs and Hollywood Park for their Fall 2005 meets, new federally required representative horsemen and appropriate racing commission letters of permission must be filed with the Board. This is also required for the 2005-06 Fair Grounds race meeting.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of harness simulcasts from Rockingham Park in New Hampshire during their 2005 live racing season. This simulcast may be taken whenever in accordance with the Racing Law.

* For entry into the minutes, on May 2, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation for the addendum to a previously approved agreement with The Racing Channel d/b/a Oneclickbetting.com.

The addendum provides for TRN International, Inc. to be a recipient of the Monticello Raceway simulcast for distribution in the United Kingdom, The Netherlands and in Ireland.

* For entry into the minutes, on May 2, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of thoroughbred simulcasts from Suffolk Downs in Massachusetts during the 2005 live racing season.

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

* For entry into the minutes, on May 2, 2005, approval was granted for the request by Monticello Raceway to amend its simulcast plan of operation enabling the import of simulcast signals from Delaware Park, Harrington Raceway and Pocono Downs during the entire 2005 racing season of each racetrack.

The Board also acknowledges the receipt of agreements to export the simulcasts of Monticello Raceway to both Harrington Raceway and to Pocono Downs during 2005.

4. SARATOGA HARNESS REQUEST TO OFFER HANDICAPPING CONTEST

For entry into the minutes, on April 12, 2005, approval was granted for the request by Saratoga Harness to conduct a May harness and thoroughbred handicapping contest. The winners will be awarded the schedule of prizes in the denominations and percentages as outlined in the submission.

These handicapping challenges will be conducted per all rules submitted to the Board with the Saratoga Gaming and Raceway promotional application dated April 7, 2005.

5. SARATOGA HARNESS REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of simulcasts from Finger Lakes, Calder Race Course, Ellis Park, Pocono Downs, Hazel Park and Plainridge Race Course.

Also approved are the Spring ONLY meets at Churchill Downs through July 10th, Hollywood Park through July 17th and Hoosier Park through June 25th. The Fair Grounds part of the Churchill Downs, Inc. agreement is not approved until the year 2005-06 federally required Louisiana Commission and horsemen approval letters are filed with the Board.

To continue with Hoosier Park past June 25th, Churchill Downs past July 10th and Hollywood Park past July 17th, new federally required letters of permission from the respective state racing commissions and representative horsemen's associations must be filed with the Board.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling the import of simulcasts from Hawthorne Race Course in Illinois through May 10, 2005, per the federally required letter of permission issued by the Illinois Thoroughbred Horsemen's Association.

To continue with harness simulcasts from Hawthorne, scheduled to commence on June 5th, and to take the Fall thoroughbred simulcast signals from Hawthorne Race Course operated by Hawthorne National, LLC in Cicero, Illinois beginning on September 23rd, new federally required letters of permission from the representative harness and thoroughbred horsemen's association must be filed with the Board.

6. YONKERS RACEWAY REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Yonkers Raceway to amend its simulcast plan of operation enabling the import of simulcasts from Harrington Raceway in Delaware during its 2005 racing season.

7. CATSKILL OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Plainridge Racecourse in Massachusetts. Also approved is the import of simulcasts from Pompano Park in Florida through the remainder of their 2005 live race meeting.

This approval is effective immediately and when in compliance with the Racing Law. The Plainridge Racecourse approval further extends to Capital and Western OTB. The Pompano Park approval extends to Western OTB.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation enabling the import of thoroughbred simulcasts from Louisiana Downs in Bossier City.

This approval is effective immediately and can continue throughout 2005 whenever in compliance with the Racing Law. This approval further extends to Capital and Western Regional OTB.

* For entry into the minutes, on April 25, 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 year 2005 race meeting conducted at Penn National Racecourse in Pennsylvania.

This simulcast may be imported whenever in compliance with the Racing Law. This approval further extends to Western Regional OTB.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Catskill OTB to amend its simulcast plan of operation enabling the import of simulcasts from Evangeline Downs in Louisiana.

This approval further extends to Capital District and Western Regional OTB. The Evangeline Downs simulcast may be imported and utilized for wagering whenever in accordance with the Racing Law.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Catskill Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Prairie Meadows and Turf Paradise in 2005. Also approved is the agreement with Hazel Park for the remainder of their 2005 harness simulcasts.

This approval further extends to Capital District and Western Regional OTB. These simulcasts may be imported and utilized for wagering whenever in accordance with the Racing Law.

8. NASSAU OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on April 12, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Harrington Raceway in Delaware Park through the two race meetings scheduled during 2005.

This simulcast may be imported whenever in accordance with the Racing Law. This approval extends to Suffolk Regional OTB as well.

* For entry into the minutes, on April 12, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation by addendum to an approved agreement with Oaklawn Park in Arkansas.

By this addendum, Nassau and Suffolk OTB will compensate Oaklawn Park at the rate of three percent (3%) on the one wager known as the "Premier Pick 4" in relation to the April 16th final race card of the year.

* For entry into the minutes, on April 12, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Prairie Meadows in Iowa.

This simulcast may be imported whenever in accordance with the Racing Law. This approval extends to Suffolk Regional OTB as well.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Dover Downs in Delaware through the remaining race meetings scheduled for 2005.

This simulcast may be imported whenever in accordance with the Racing Law. This approval further extends to Suffolk Regional OTB.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation by addendum to an agreement with Los Alamitos racetrack in California.

By this addendum, Nassau and Suffolk OTB will be joined by Capital District, Catskill and Western OTB in importing the 2005 Los Alamitos nighttime simulcasts.

* For entry into the minutes, on April 25, 2005, approval was granted for the request by Nassau Regional OTB to amend its simulcast plan of operation enabling the import of simulcasts from Woodbine Race Course and Mohawk Raceway in Ontario, Canada.

Also approved is the import of simulcasts from Suffolk Downs located in Boston in the Commonwealth of Massachusetts. These simulcasts may be imported whenever in accordance with the Racing Law. This approval further extends to Suffolk Regional OTB.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Nassau OTB to amend its simulcast plan of operation enabling the import of the simulcasts from Yavapai Downs in Arizona during their 2005 meeting that begins on May 28th and concludes on September 6th.

This approval to import the Yavapai Downs simulcasts also applies to Suffolk Regional OTB. The Yavapai Downs simulcasts may be imported and utilized for wagering whenever in accordance with the Racing Law.

* For entry into the minutes, on April 27, 2005, approval was granted for the request by Nassau OTB to amend its simulcast plan of operation enabling the import of thoroughbred racing programs from Evangeline Downs in Louisiana through the remaining race meetings scheduled during 2005.

Also approved is the agreement with Keeneland Racecourse through April 29, 2005 only, to coincide with the federally required letter of approval for this simulcast to occur as issued by the Kentucky Horsemen's Benevolent and Protective Association, Inc. To continue on with this multi-year contract with Keeneland Racecourse for the use of their simulcasts, a new letter of permission from the Kentucky Horsemen's Benevolent and Protective Association, Inc. must be filed with the Board.

These simulcasts may be imported and Wagering conducted whenever in accordance with the Racing Law. These approvals further extend to Suffolk Regional OTB.

9. NASSAU OTB REQUEST TO OFFER PROMOTION - KENTUCKY DERBY

For entry into the minutes, on April 12, 2005, approval was granted for the request by Nassau Regional OTB to conduct a special Kentucky Derby sweepstakes promotion per the submitted rules.

Nassau OTB is not charging any fee whatsoever to the customer and the prizes will be awarded as listed in the submitted application.

10. NASSAU OTB REQUEST TO AMEND PLAN OF OPERATION

For entry into the minutes, on April 12, 2005, approval was granted for the request by New York City OTB to amend its plan of operation to provide for out-of-state Scientific Games, LLC Company interface services per the submitted agreement.

11. SUFFOLK OTB REQUEST TO OFFER PROMOTIONS

For entry into the minutes, on April 14, 2005, approval was granted for the request by Suffolk Regional OTB to conduct a promotional giveaway of vouchers to contestants participating in the on-field Suffolk OTB/Long Island Ducks home game promotions per the submitted rules.

Also approved are the betting voucher giveaways in conjunction with the Preakness and the Belmont Stakes resulting from the Kentucky Derby mailing to names on the Suffolk OTB marketing list and registered through the Internet site www.suffolkotb.com. Upon completion of this promotion, Suffolk OTB must provide the Board with a report (post-promotion) as to the number of coupons redeemed, which branches the coupons were redeemed and at which teller window.

It is understood by the Board that Suffolk OTB is not charging any fee whatsoever to the contest participants and the prizes awarded will be as listed in the submitted application.

The Board suggested that Suffolk OTB adopt a formal written policy regarding employees (and their families) participation in such promotions.

12. BUFFALO RACEWAY REQUEST TO AMEND PLAN OF OPERATION RACE DATES

For entry into the minutes, on April 25, 2005, approval was granted for the request by Buffalo Raceway to amend its plan of operation with the addition of three racing dates to its 2005 schedule.

The dates consist of three consecutive Wednesday evenings beginning May 11th and continuing on May 18th and May 25th with the scheduled first post time remaining at 7:35 p.m.

13. NYRA REQUEST TO OFFER CONTEST

For entry into the minutes, on April 25, 2005, approval was granted for the request by NYRA to conduct the Spring-Summer 2005 Belmont Park Spring SHOWdown Internet handicapping contest.

The contest will be held throughout the year 2005 Spring-Summer Belmont Park race meeting, Wednesday, May 4th through Sunday, July 24th with the condition of a ten dollar (\$10) entry fee per contestant and all paid entry fees returned to the winners as outlined in the rules.

14. SARATOGA HARNESS REQUEST TO AMEND PLAN OF OPERATION POST TIMES

For entry into the minutes, on April 25, 2005, approval was granted for the request by Saratoga Harness to amend its simulcast plan of operation enabling a new first post-time of 8:10 p.m. effective on each of the three thoroughbred Triple Crown race days.

These Triple Crown days include Saturday, May 7th Kentucky Derby Day; Saturday, May 21st Preakness Day; and Saturday June 11th Belmont Stakes Day.

15. CATSKILL OTB REQUEST FOR RELOCATION OF BRANCH WEST HAVERSTRAW

For entry into the minutes, on April 25, 2005, approval was granted for the request by Catskill Regional OTB to relocate its simulcast branch located in an out-building at the front of Samsondale Plaza on Route 9W in West Haverstraw.

The new location will be 40 Route 9W in the Village of West Haverstraw.

16. BOARD STEWARD (NYRA) REQUEST FOR EXTENSION OF APPRENTICE JOCKEY ALLOWANCE - GOMEZ

For entry into the minutes, on April 27, 2005, approval was granted for the request for extension of the qualified apprentice year of jockey Oscar Gomez of an additional fourteen (14) days. Mr. Gomez's date of record for the expiration of his apprenticeship allowance is now Sunday, February 12, 2006.

However, Mr. Gomez is currently in his second and final year of his extended apprenticeship. This extended apprenticeship automatically ends should Oscar Gomez ride his fortieth (40th) winner before February 12, 2006.

17. BOARD STEWARD (NYRA) REQUEST FOR EXTENSION OF APPRENTICE JOCKEY ALLOWANCE - VAZ

For entry into the minutes, on April 27, 2005, approval was granted for the request for extension of the qualified apprentice year of jockey Eriluis Vaz of an additional fourteen (14) days. Mr. Vaz's date of record for the expiration of his apprenticeship allowance is now Sunday, May 29, 2005.

18. NEW YORK CITY OTB REQUEST TO SIMULCAST VARIOUS LOCATIONS IN 2005

For entry into the minutes, on May 2, 2005, approval was granted for the request by New York City OTB to amend its simulcast plan of operation enabling import of simulcasts from the thoroughbred racetrack known as Bay Meadows in northern California. This approval is valid through May 8th of the year 2005 to coincide with the federally required letters of permission issued by the California Horse Racing Board and the Thoroughbred Owners of California (TOC), the representative horsemen's group. To continue on past May 8th with Bay Meadows race meeting, new federally required letters of permission must be filed with the Board.

This simulcast may be utilized whenever in compliance with the Racing Law.

19. SUFFOLK OTB REQUEST TO OFFER PROMOTION

For entry into the minutes, on May 2, 2005, approval was granted for the request by Suffolk Regional OTB to award two dollar betting vouchers as outlined on the application and request letter, dated April 26, 2005. This approval is for the promotion to be conducted at the Route 110 branch in East Farmingdale on Thursday, May 12, 2005.

20. NYRA REQUEST TO OFFER PROMOTION - CASHCARDS

For entry into the minutes, on May 13, 2005, approval was granted for the request by NYRA for a promotion, dated March 16, 2005, involving the issuance of mystery CashCards (vouchers) in the number denominations as submitted and per the agreed NYS Racing & Wagering Board/NYRA guidelines for a promotion. This promotion is valid on May 21st (Preakness Day) and Sunday, June 19th (Family Fun/Father's Day) only. The two promotions will utilize the United Tote "CashCards" rather than the formerly used ticket-like vouchers.

These mystery CashCards would be redeemable only on the date printed on the face of the cash card and only at Belmont Park on Saturday, May 21st or Sunday, June 19th. It is understood that a person 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 promotion using the United Tote CashCards.

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

1. SARATOGA HARNESS REQUEST TO ALLOW LIVE MUSIC, ETC. IN TENT

For entry into the minutes, on April 15, 2005, the Board approved the request by Saratoga Harness to amend its plan of operation enabling the implementation of a temporary entertainment tent with pari-mutuel machines and monitors capable of displaying live and simulcast races. Also to be included within the tent is live music that may be continuously played, including during the conduct of a live race on track.

Further approved is the ability to have outside pari-mutuel windows and monitors capable of displaying the live and simulcast racing on the track apron south of the temporary tent and covered by an awning.

2. CAPITAL OTB REQUEST TO OFFER CASH CARDS - TELETHEATER

For entry into the minutes, on April 21, 2005, the Board granted temporary conditional approval of the Capital District Regional Off-Track Betting Corporation's (CDROTB) general use of Capital Cash Cards at the OTB Teletheater facility. The conditions for this approval require CDROTB to submit to the Board:

1. By no later than May 1, 2005 a copy of a completed and filed application registering CDROTB as a Money Service Business or provide a copy of a revised request to FinCen seeking clarification whether or not CDROTB, because of its general operations (including offering telephone account wagering), register as a Money Services Business.
2. A report prepared by an independent certified public accounting firm that expresses an opinion directly on the effectiveness of CDROTB's internal controls over the Capital Cash Card System as of September 30, 2005. Such report must be filed with the Board no later than November 30, 2005.
3. By no later than May 1, 2005 acknowledgement that they have amended CDROTB's internal controls to reflect implementation of the following denomination limits:

Cash cards are not to be funded in excess of:

\$1.00 (in the amount of 100) or \$100

\$5.00 (in the amount of 100) or \$500

\$10.00 (in the amount of 100) or \$1,000

\$20.00 (in the amount of 100) or \$2,000

4. By no later than May 1, 2005 acknowledgement that they have amended CDROTB's internal controls to reflect implementation of the following:
 - o Restriction of cards to minors and steps taken to identify a minor;
 - o When a cash card is confiscated from a minor, the policy to ensure funds are not returned to a minor and;
 - o Policies addressing steps taken should a minor attempt to reactivate or cash out such a card.

This conditional approval is for the OTB Teletheater location only and will expire at midnight December 31, 2005. If CDROTB intends on offering the Cash Card system at other locations, an application requesting approval for each location must be submitted to the Board for approval.

3. NOTICE OF ADOPTION □ ERYTHROPOIETIN, DARBEOIETIN, RESERPINE AND FLUPHENAZINE

For entry into the minutes, on April 25, 2005, the Board approved the permanent adoption of thoroughbred and harness rules to address the use of the substances erythropoietin, darbepoietin, reserpine and fluphenazine.

4. NYRA REQUEST FOR AGREEMENT FOR BREEDERS □ CUP

For entry into minutes, on April 25, 2005, the Board approved the request by NYRA, in accordance with Section 904 of the Racing, Pari-Mutuel Wagering and Breeding Law, of the proposed agreement of the New York Racing Association Inc. to enter into with Breeders' Cup Ltd. for NYRA to host the 2005 Breeders' Cup World Thoroughbred Championships at Belmont Racetrack. This approval is granted subject to compliance with all relevant laws.

A copy of the fully executed contract, with attachments is to be filed with the Board within five days of signing.

5. IN THE MATTER OF JAMIE DUNLAP

For entry into the minutes, on April 29, 2005, the Board approved the summary suspension of the trainer/owner license of Jamie Dunlap for testing positive for opiates, codeine and morphine on April 27, 2005 at Buffalo Raceway in violation of Board Rule 4042.4(a, c) and his Consent to Conditions for Licensing, dated February 20, 2004.

6. EMERGENCY RULEMAKING - EXCESS TCO2 TESTING (MILKSHAKING)

For entry into the minutes, on May 5, 2005, the Board approved an emergency rulemaking for testing of excess TCO2 in thoroughbred and harness racehorses, penalties for excess TCO2 and procedures for guarded quarantine and voidable claims.

The emergency rulemaking will be in effect for 90 days. The rule was submitted to the Department of State on May 6, 2005 and will expire on August 4, 2005.

7. FINGER LAKES REQUEST FOR ADDITION OF RACING OFFICIAL - COMBS

For entry into the minutes, on May 6, 2005, the Board approved the request by Finger Lakes for approval of Donald E. Combs as a racing official for the year 2005 Finger Lakes live racing season. Mr. Combs is approved as a Category III racing official that may act as the steward appointed by The Jockey Club as required under Board Rule 4005.1.

This approval is conditioned upon the background check of Donald E. Combs.

8. NYRA REQUEST TO AMEND LIST OF RACING OFFICIALS - JACKSON

For entry into the minutes, on May 3, 2005, approval was granted for the request by NYRA to appoint Dr. Katrina Sheryce Jackson to a position as one of the association's examining veterinarians in compliance with Board Rule 4005.1.

This approval is conditioned upon Dr. Jackson's filing of a satisfactory license application upon her appearance at Belmont Park on Friday, May 6, 2005.

D. ITEMS TO BE APPROVED, DENIED OR DEFERRED BY THE BOARD

1. DESIGNATION OF EMPLOYEE TO ADMINISTER OATHS AND ISSUE SUBPOENAS - PRONTI

The Board approved Gail Pronti, Secretary to the Board, be so designated to have the power to administer oaths, examine witnesses and issue subpoenas to compel attendance and for the production of documents, pursuant to Section 101(9) of the Racing, Pari-Mutuel Wagering and Breeding Law.

2. DESIGNATION OF EMPLOYEE TO ADMINISTER OATHS AND ISSUE SUBPOENAS - CANSDALE

The Board approved John G. Cansdale, Executive Director, be so designated to have the power to administer oaths, examine witnesses and issue subpoenas to compel attendance and for the production of documents, pursuant to Section 101(9) of the Racing, Pari-Mutuel Wagering and Breeding Law.

3. RULES REPEAL □ BOARD RULE 5400.1(i)- FOIL APPLICATION NOTICE

The Board approved the repeal of Board Rule 5400.1(i) and renumbering of certain portions of the Board's rules governing Freedom of Information Law applications.

The repeal of this rule will become effective upon publication in the State Register.

4. FINAL RULEMAKING AMENDMENT TO BINGO RULE "OCCASION" □ 5800.1(q)

The Board approved the adoption of the definition of bingo "Occasion" under 9E NYCRR 5800.1(q). This rule is necessary to clarify the language of an existing rule to specifically state how the existing rule is to be applied to multiple occasions conducted in succession. The new rule will expressly state that organizations that conduct double header and triple header bingo sessions shall not be required to offer a minimum of 20 games per double header or 30 games per triple header.

5. BUFFALO RACEWAY REQUEST TO WITHDRAW FROM CIF - \$33,471.60

The Board approved the request by Buffalo Raceway to withdraw \$33,471.60 from its Capital Improvement Fund for reimbursement of capital improvement expenditures.

Other (100%)

Replace 8 Duplex Torsion Springs \$ 3,390.00

Prime/Paint Interior/Exterior Walls 2,970.00

Install 2 Canopy Flat Roofs Over East

Grandstand 11,415.00

3 Gallons Paint 70.62

Power Wash, Repair, Prime and

Paint East Grandstand 1,850.00

Install Dura Coat EFIS system - West

Grandstand: trackside wall 13,750.00

2 Spring loaded hinges 25.98

Total Approved \$33,471.60

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 June 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 June 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.

8. NYRA REQUEST TO AMEND LIST OF RACING OFFICIALS - BROWN

The Board approved the request by NYRA for Edward Brown to become a Category I racing official. Mr. Brown will perform the duties of an assistant Clerk of Scales at the New York Racing Association's tracks during the remainder of the year 2005 racing season.

This approval is in compliance with Board Rule 4005.1.

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 final fire inspection of the backstretch area. The Board assigned the racing programs requested for the month of June 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 June 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.
 - 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.

10. SARATOGA HARNESS SIMULCAST LICENSE APPLICATION FOR 2005

See Board Item number nine above.

11. SARATOGA HARNESS REQUEST TO WITHDRAW FROM CIF - \$29,578.91 & \$62,878.95

The Board approved the request by Saratoga Harness to withdraw \$29,578.91 from its Capital Improvement Fund (CIF) for reimbursement of advertising and promotional expenditures.

Advertising and Promotional Expenditures

WTEN □ 10 - Television Ad \$11,147.75

WYNT □ 13 - Television Ad 10,038.50

Clear Channel - Radio Ad 9,996.00

\$31,182.25

Total Approved \$29,578.91

The Board also approved the request by Saratoga Harness to withdraw \$62,878.95 from its Capital Improvement Fund (CIF) for reimbursement of capital improvement expenditures.

The Board conditioned this approval upon explanation as to why the sand truck was not included in the budget. Upon further review by staff after the Board meeting, it was determined that the Spreader for Sand Truck had been included in the 2004 budget as submitted with a different description.

Other (40%)

22 Widescreen HD Televisions \$27,720.00

Backstretch (60%)

Spreader for sand Truck \$ 9,966.58

Barn Area Paving 9,750.00

Track Conditioner Parts 4,656.37

Replace Roof Barn #2 7,750.00

Replace Roof Barn #3 9,630.00

\$41,752.95

12. 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.

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

Capital OTB will remain operational on the continuing rights of the 2004 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. 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.

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

The Board approved the request by Catskill Regional OTB to conduct wagering and display simulcasts at Fred's Inn in Norwich (Chenango County). At this new remote location, all wagering is self-service and initiated in a Scientific Games (Autotote) STAN machine using cash, a winning ticket or voucher only. The amount limit in the issuance of any voucher to a customer at any one time will be limited to a maximum of five hundred dollars (\$500).

In addition, it is expected that Catskill OTB, using its own personnel, will occasionally inspect the Fred's Inn remote wagering facility and certify that all rules and laws concerning the conduct of wagering in New York State are being followed.

Furthermore, the Secretary to the Board is to be notified in writing in a timely manner should a change in procedure be implemented that affects the operation of this approved Catskill Regional OTB remote wagering facility.

14. NASSAU OTB SIMULCAST LICENSE APPLICATION FOR 2005

The Board deferred action on the Nassau OTB simulcast license application for 2005 pending review 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.

- 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.

E. ITEMS FOR BOARD INFORMATION/DISCUSSION

1. GAMES OF CHANCE BINGO REGISTRATION NUMBERS MAY 05/05-04-E

List of Games of Chance and Bingo Registration Numbers authorized/denied by the Charitable Gaming Unit between March 30, 2005 May 6, 2005.

2. GAMES OF CHANCE BELL JAR TICKETS MAY 05/05-06-E

List of bell jar ticket authorized/denied by the Charitable Gaming Unit between

March 30, 2005 May 6, 2005.

3. GAMES OF CHANCE LICENSED BINGO & GAMES OF CHANCE SUPPLIERS MAY 05/05-05-E

List of manufacturers/suppliers licensed by the Charitable Gaming Unit, between

March 30, 2005 May 6, 2005.

4. INDIAN GAMING - LICENSING STATISTICS FOR APRIL 2005 04/05-21-E

Licensing statistics for April 1, 2005 April 30, 2005. Also included are the certifications for Turning Stone, Akwesasne, Seneca Niagara and Seneca Allegany.

5. LICENSING CURRENT RACING LICENSING COUNT AS OF APRIL 2005 05/05-08-E

The current racing licensing counts as of April 30, 2005 are as follows: total receipts 4283 and total licenses 3302 for the year 2005.

The meeting was adjourned at 11:49 a.m.