

CALIFORNIA HORSE RACING BOARD
1010 HURLEY WAY, SUITE 300
SACRAMENTO, CA 95825
(916) 263-6000
FAX (916) 263-6042



REGULAR MEETING

of the **California Horse Racing Board** will be held on **Monday, November 27, 2006**, commencing at **9:00 a.m.**, at the **Hollywood Park Race Track, Sunset Room, 1050 S. Prairie Avenue, Inglewood, California.**

AGENDA

Action Items:

1. Report by representatives of Magna Entertainment Corporation (MEC) on the **progress of redevelopment of the barn area at the Santa Anita Park.**
2. Discussion and action by the Board **on the adoption of the race dates calendar for the northern night industry – harness for the 2007 racing year.**
3. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Sacramento Harness Association (H)** at Cal-Expo, commencing January 3, 2007 through July 28, 2007, inclusive.
4. Discussion and action by the Board on the **Application to Conduct a Horse Racing Meeting of the Pacific Racing Association (T)** at Golden Gate Fields, commencing December 26, 2006 through February 11, 2007, inclusive.
5. Discussion and action by the Board on the **Application for License to Conduct a Horse Racing Meeting of the Los Angeles Turf Club (T)** at Santa Anita, commencing December 26, 2006 through April 22, 2007, inclusive.
6. Discussion and action by the Board on the **Application for License to Conduct a Horse Racing Meeting of the Los Alamitos Quarter Horse Racing Association (Q)** at Los Alamitos, commencing December 28, 2006 through December 23, 2007, inclusive.
7. Election of **Board Chairman and Vice Chairman.**
8. Report and discussion by the Board on the **update from the Jockey's Guild on the Health and Welfare Program.**
9. Discussion by the Board regarding **Strategic Planning for 2009 and beyond.**

10. Discussion and action by the Board on the **Application for License to Conduct Advanced Deposit Wagering (ADW) of XpressBet, Inc., for a California multi-jurisdictional wagering hub**, from January 1, 2007 through December 31, 2007.
11. Discussion and action by the Board on the **Application for approval to Conduct Advanced Deposit Wagering (ADW) of Youbet.Com Inc., for a California multi-jurisdictional wagering hub and approval for an out-of-state multi-jurisdictional wagering hub**, from January 1, 2007 through December 31, 2007.
12. Discussion and action by the Board on the **Application for Approval to Conduct Advanced Deposit Wagering (ADW) of ODS Technologies, L.P., dba TVG, for an out-of-state multi-jurisdictional wagering hub**, from January 1, 2007 to December 31, 2007.
13. Discussion and action by the Board on the **Application for Approval to Conduct Advanced Deposit Wagering (ADW) of Day At The Track, Inc., for an out-of-state multi-jurisdictional wagering hub**, from January 1, 2007 to December 31, 2007.
14. Public hearing by the Board on the adoption of the **proposed amendment to CHRB Rule 1536, Stewards' Minutes**, to require stewards to report jockey injuries to specified parties, pursuant to AB 1180.
15. Discussion and action by the Board concerning the **authorization to execute documents and agreements on behalf of the California Horse Racing Board**.
16. Staff report on the following concluded race meets:
 - A. **Sonoma County Fair** at Santa Rosa from July 26 through August 7, 2006.
 - B. **San Mateo County Fair** at Bay Meadows from August 9 through August 23, 2006.
 - C. **Humboldt County Fair** at Ferndale from August 10 through August 20, 2006.
 - D. **Del Mar Thoroughbred Club** at Del Mar from July 19 through September 6, 2006.
 - E. **Los Angeles County Fair** at Pomona from September 8 through September 25, 2006.
 - F. **Sacramento Harness** at Cal Expo from January 4 through July 29, 2006.
 - G. **Oak Tree Racing** at Santa Anita from September 27 through October 29, 2006.
 - H. **Fresno District Fair** at Fresno from October 4 through October 15, 2006.

Other Business

17. **General Business:** Communications, reports, requests for future actions of the Board.
Note: Persons addressing the Board under this item will be restricted to **five (5) minutes** for their presentation.
18. **Closed Session:** For the purpose of receiving advice from counsel, considering pending litigation, reaching decisions on administrative licensing and disciplinary hearings, and personnel matters, as authorized by Section 11126 of the Government Code.
 - A. Personnel
 - B. Board may convene a Closed Session to consider any of the attached pending litigation.
 - C. The Board may also convene a Closed Session to consider any of the attached pending administrative licensing and disciplinary hearings.

Additional information regarding this meeting may be obtained from the CHRB Administrative Office, 1010 Hurley Way, Suite 300, Sacramento, CA 95825; telephone (916) 263-6000; fax (916) 263-6042. This notice is located on the CHRB website at www.chrb.ca.gov. *Information for requesting disability related accommodation for persons with a disability who require aid or services in order to participate in this public meeting, should contact Jacqueline Wagner.

CALIFORNIA HORSE RACING BOARD

Richard B. Shapiro, Chairman
Marie G. Moretti, Vice Chairman
John Amerman, Member
John Andreini, Member
William A. Bianco, Member
John C. Harris, Member
Jerry Moss, Member
Ingrid Fermin, Executive Director

CALIFORNIA HORSE RACING BOARD

NOVEMBER 27, 2006
REGULAR BOARD MEETING

There is no board package material for item 1.

STAFF ANALYSIS
2007 HARNESS DATES

REGULAR BOARD MEETING
NOVEMBER 27, 2006

Background:

At the October 26 meeting the Board approved all racing schedules for 2007 except the harness dates. Cal Expo is the current venue for harness racing in California and has submitted letters requesting race dates at their facility. The letters are dated September 7, 2006 and November 4, 2006, which are included with this agenda item. Taken as a whole, their request is for harness dates from December 26, 2006 through December 22, 2007.

Recommendation:

Staff recommends that the Board hear from the Strategic Planning Committee.



CAL EXPO

November 4, 2006

Honorable Commissioners
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

Dear Commissioners,

On behalf of the California Exposition & State Fair, I respectfully submit this letter to clarify our request for the allocation of Harness Racing Dates at our facility for the 2007 calendar period.

As noted in our letter dated September 7, 2006 (attached), we requested Harness Racing Dates for the period December 26, 2006 through July 28, 2007 and again from September 21, 2007 through December 22, 2007.

As you know, we were in discussions with all entities of the Northern California racing industry regarding the allocation of Thoroughbred racing dates at the time of our September 7, 2006 letter. Since that time, the Northern California racing dates calendar has been approved and we have agreed not to conduct a TB/Mixed Breed meet in 2007. Therefore, we respectfully request the CHRB to consider and approve the following:

- Approve the allocation of Harness Racing Dates at Cal Expo as stated in our letter of September 7, 2006
- Approve the allocation of Harness Racing Dates at Cal Expo for the period of July 29 through September 20, 2007 OR refer the matter to the Strategic Planning Committee

Your consideration of these matters is sincerely appreciated.

Respectfully,
CALIFORNIA EXPOSITION & STATE FAIR

Norbert J. Bartosik,
General Manager/CEO

CALIFORNIA EXPOSITION & STATE FAIR

P.O. Box 15649 • Sacramento, CA 95852-1649 State of California • Arnold Schwarzenegger, Governor

November 4, 2006
CHRB Commissioners
Page 2

cc: Cal Expo Board of Directors
Ms. Ingrid Fermin
Mr. Ralph Scurfield
Mr. Norm Towne
Mr. David Elliott



CAL EXPO

September 7, 2006

Mr. Richard Shapiro, Chair
Mr. John Amerman, Commissioner
Ms. Marie Moretti, Commissioner
California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95815

Dear Committee Members:

On behalf of the California Exposition & State Fair, we submit the following request related to the allocation of **Harness Racing dates for 2007**.

The historical approved practice of the request and allocation of harness racing dates to and from the CHRB has been based on the location "owner". Therefore, we respectfully request the allocation of harness racing dates at Cal Expo for the period December 26, 2006 through July 28, 2007 AND September 21, 2007 through December 22, 2007.

As noted in our request for Thoroughbred/Mixed Breed dates for 2007, we respectfully request the approval to reengage the CHRB should additional harness dates become available during the annual fair period.

Your consideration is appreciated.

Respectfully,
CALIFORNIA EXPOSITION & STATE FAIR

Norbert J. Bartosik
General Manager/CEO

cc: Cal Expo Board of Directors
Ms. Ingrid Fermin
Mr. Ralph Scurfield
Mr. Norm Towne
Mr. David Elliott

CALIFORNIA EXPOSITION & STATE FAIR

P.O. Box 15649 • Sacramento, CA 95852-1649 State of California • Arnold Schwarzenegger, Governor

STAFF ANALYSIS
November 27, 2006

ISSUE: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF SACRAMENTO HARNESS ASSOCIATION DECEMBER 28, 2006 THROUGH JULY 28, 2007.

Sacramento Harness Association filed its application to conduct a harness horse racing meeting at Cal Expo:

- December 28 through July 28, 2007. The association proposes to race 118 nights with 1475 races. The (estimated) average daily purse for this meet is \$48,275. The meet for 2006 is currently running.

December - 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25 H	26	27	28	29	30

January - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 H	2	3	4	5	6
7	8	9	10	11	12	13
14	15 H	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 H	13	14	15	16	17
18	19	20 H	21	22	23	24
25	26	27	28			

March - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28 H	29	30	31		

June - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4 H	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

- Racing Wednesday through Saturday.
- First live post 5:35 p.m. Wednesday and Thursday, 5:35 p.m. Fridays and Saturdays thru April 28. 6:20 p.m. Friday and Saturday beginning May 4 through the end of the meet. 5:00 p.m. Friday December 29, January 5, January 12 and February 16.
- Will coordinate post times with Los Alamitos Quarter Horse races, thoroughbred twilight and evening races and all racing fairs.
- Increase of \$1.00 for admission.
- Stable accommodations reduced from 1016 to 986.
- Request Carl Sobey be appointed horse identifier pursuant to CHRB Rule 1525.

- Track safety requirements have been fulfilled.
- Inspection of backstretch worker housing completed.
- Wagering program will use CHRB rules.
 - Early wagering 11:00 a.m. to 5:00 p.m.
 - Request \$20,000 guaranteed gross Pick-Four pool each Friday and Saturday races 9, 10, 11 and 12.
 - Request to continue Bal-Cal Pick-Four, and pursue other multi-track wagering opportunities. Specific permission will be requested.
- The Advance Deposit Wagering (ADW) providers are TVG and Youbet.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.

Specific information **still needed** to complete this application includes:

1. Horsemen's agreement.

RECOMMENDATION:

Staff recommends the Board approve the application contingent upon receiving the additional information necessary to conduct the racing meet.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD
 APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING
 CHRB-17 (Rev. 7/05)

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

- A. Name, mailing address, telephone and fax numbers of association:
Sacramento Harness Association, Incorporated
2335 American River Drive, Suite #406
Sacramento, CA 95825
916-239-4040 V
916-239-4048 F
- B. Breed of horse: **HARNESS**
- C. Racetrack name: **California Exposition & State Fair Race Course, (Cal Expo)**
- D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **On File**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

- A. Inclusive dates for the entire meeting: **December 28, 2006 thru July 28, 2007**
- B. Actual dates racing will be held: **See Schedule I - 2007 Racing Calendar**
- C. Total number of days or nights of racing: **118 NIGHTS**
- D. Days or nights of the week races will be held: **Wednesday through Saturday nights,**
Exceptions: Dark: Wednesdays 1/3, 1/10,
2/14, 5/23, and 7/4.
- E. Number of days or nights of racing per week: **4 (Four) Nights**

3. RACING PROGRAM

- A. Total number of races: **1475**

CHRB CERTIFICATION

Application received: **9/29/06**
 Deposit received:
 Reviewed: **JS**

Hearing date: **11/27/06**
 Approved date:
 License number:

Schedule 1

SACRAMENTO HARNESS ASSOCIATION

2007 Racing Calendar

December 28, 2006 thru July 28, 2007

118 Race Days

DECEMBER						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JANUARY						
S	M	T	W	T	F	S
	1	2	3	4	5	6
				7	8	9
7	8	9	10	11	12	13
				14	15	16
14	15	16	17	18	19	20
			21	22	23	24
21	22	23	24	25	26	27
			28	29	30	31

FEBRUARY						
S	M	T	W	T	F	S
				1	2	3
				4	5	6
4	5	6	7	8	9	10
			11	12	13	14
11	12	13	14	15	16	17
			18	19	20	21
18	19	20	21	22	23	24
			25	26	27	28

MARCH						
S	M	T	W	T	F	S
				1	2	3
				4	5	6
4	5	6	7	8	9	10
			11	12	13	14
11	12	13	14	15	16	17
			18	19	20	21
18	19	20	21	22	23	24
			25	26	27	28
25	26	27	28	29	30	31

APRIL						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
			8	9	10	11
8	9	10	11	12	13	14
			15	16	17	18
15	16	17	18	19	20	21
			22	23	24	25
22	23	24	25	26	27	28
			29	30		

MAY						
S	M	T	W	T	F	S
			1	2	3	4
			5	6	7	8
6	7	8	9	10	11	12
			13	14	15	16
13	14	15	16	17	18	19
			20	21	22	23
20	21	22	23	24	25	26
			27	28	29	30
27	28	29	30	31		

JUNE						
S	M	T	W	T	F	S
				1	2	
				3	4	5
3	4	5	6	7	8	9
			10	11	12	13
10	11	12	13	14	15	16
			17	18	19	20
17	18	19	20	21	22	23
			24	25	26	27
24	25	26	27	28	29	30
			31			

JULY						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
				8	9	10
8	9	10	11	12	13	14
			15	16	17	18
15	16	17	18	19	20	21
			22	23	24	25
22	23	24	25	26	27	28
			29	30	31	

B. Number of races for each day or night:

**Wednesday up to 11 races per night.
Thursday up to 13 races per night
Friday and Saturday up to 14 races per night**

Request special 16 race card on Friday's of three day weeks (12/29, 1/5, 1/12 and 2/16).

C. Total number of stakes races: **26**

D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.

See attached Schedule II – Stakes Races

E. Will provisions be made for owners and trainers to use their own registered colors?

Yes No If no, what racing colors are to be used: **Driver's Colors**

F. List all post times for the daily racing program:

5:35 pm	All Wednesdays and Thursdays
5:35 pm	Fridays and Saturdays thru 4/28
6:20 pm	Fridays and Saturdays beginning 5/4 thru the balance.
5:00 pm	Friday 12/29, 1/5, 1/12 and 2/16. (Three day weeks special 16 race cards)

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)

B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **On file**

C. CORPORATION

1. Registered name of the corporation: **Sacramento Harness Association**
2. State where incorporated: **California**
3. Registry or file number for the corporation: **File # C2716543**
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:

Ralph Scurfield	President
Jack Coffey	Vice-President
Vickie Desomer	Secretary
James Kouretas	Director

SCHEDULE II

Sacramento Harness Association
December 28, 2006 through July 28, 2007

Stakes Schedule

March 23	California Standardbred Sires Stake	3-year-old Trotting Fillies	\$22,500
March 23	California Standardbred Sires Stake	3-year-old Trotting Colts/Geldings	\$22,500
March 24	California Standardbred Sires Stake	3-year-old Pacing Fillies	\$22,500
March 24	California Standardbred Sires Stake	3-year-old Pacing Colts/Geldings	\$22,500
April 6	California Standardbred Sires Stake	3-year-old Trotting Fillies	\$22,500
April 6	California Standardbred Sires Stake	3-year-old Trotting Colts/Geldings	\$22,500
April 7	California Standardbred Sires Stake	3-year-old Pacing Fillies	\$22,500
April 7	California Standardbred Sires Stake	3-year-old Pacing Colts/Geldings	\$22,500
April 20	California Standardbred Sires Stake	3-year-old Trotting Fillies	\$22,500
April 20	California Standardbred Sires Stake	3-year-old Trotting Colts/Geldings	\$22,500
April 21	California Standardbred Sires Stake	3-year-old Pacing Fillies	\$22,500
April 21	California Standardbred Sires Stake	3-year-old Pacing Colts/Geldings	\$22,500
May 5	CA Stndbrd Sires Stake Championship	3-year-old Trotting Fillies	\$32,500
May 5	CA Stndbrd Sires Stake Championship	3-year-old Trotting Colts/Geldings	\$32,500
May 5	CA Stndbrd Sires Stake Championship	3-year-old Pacing Fillies	\$32,500
May 5	CA Stndbrd Sires Stake Championship	3-year-old Pacing Colts/Geldings	\$32,500

LATE CLOSING EVENTS

The "Joe Lighthill" Trot

Cond Clmg N/W 8 (DHA & FM 12) EX PM Races or \$40,000 (DHA & FM \$60,000)

Lifetime as of December 15, 2006..... Final Purse \$10,000 Added

The "Nicol Tremblay" Trot

N/W 3 (DHA & FM 6) EX PM Races or \$12,000 (DHA & FM \$18,000)

Lifetime as of Jan 1, 2007..... Final Purse \$10,000 Added

The "John McGregor" Pace

N/W3 (DHA & FM 6) EX PM Races or \$12,000 (DHA & FM \$18,000)

Lifetime as of December 17, 2006..... Final Purse \$10,000 Added

The "Ann McGregor Memorial" FM Pace

N/W 3 (DHA & FM 6) EX PM Races or \$12,000 (DHA & FM \$18,000)

Lifetime as of December 31, 2006..... Final Purse \$10,000 Added

The "Jim Dennis" Pace

Cond Clmg N/W 8 (DHA & FM 12) EX PM Races or \$40,000 (DHA & FM \$60,000)

Lifetime as of December 31, 2006..... Final Purse \$10,000 Added

The "Robert Gordon Memorial" Pace

N/W 6 (DHA & FM 9) EX OM Races or \$30,000 (DHA & FM \$45,000)

Lifetime as of December 31, 2006..... Final Purse \$12,500 Added

Diamond Alliance - 4 yr old Mares Pace	\$25,000 Added
Diamond Alliance - 4 yr old Mares Trot	\$25,000 Added
Diamond Alliance - 4 yr old Colts & Geldings Pace.....	\$25,000 Added
Diamond Alliance - 4 yr old Colts & Geldings Trot	\$25,000 Added

SCHEDULE III

Sacramento Harness Association
December 28, 2006 through July 28, 2007

Post Time Schedule

Wednesday		Thursday		Friday		Saturday	
1	5:35 pm	1	5:35 pm	1	5:35 pm	1	5:35 pm
2	6:00 pm	2	5:58 pm	2	5:59 pm	2	5:59 pm
3	6:25 pm	3	6:20 pm	3	6:24 pm	3	6:24 pm
4	6:50 pm	4	6:43 pm	4	6:48 pm	4	6:49 pm
5	7:04 pm	5	7:06 pm	5	7:09 pm	5	7:16 pm
6	7:28 pm	6	7:27 pm	6	7:32 pm	6	7:41 pm
7	7:52 pm	7	7:51 pm	7	7:56 pm	7	8:06 pm
8	8:16 pm	8	8:14 pm	8	8:21 pm	8	8:31 pm
9	8:40 pm	9	8:38 pm	9	8:46 pm	9	8:56 pm
10	9:02 pm	10	9:02 pm	10	9:10 pm	10	9:22 pm
11	9:25 pm	11	9:26 pm	11	9:34 pm	11	9:47 pm
		12	9:50 pm	12	9:58 pm	12	10:12 pm
				13	10:22 pm	13	10:39 pm
				14	10:48 pm	14	11:02 pm

Exceptions:

Friday		Friday		Saturday	
12/29, 1/05, 1/12, & 2/16		5/4 thru 7/27		5/5 thru 7/28	
1	5:00 pm	1	6:20 pm	1	6:20 pm
2	5:25 pm	2	6:43 pm	2	6:46 pm
3	5:50 pm	3	7:06 pm	3	7:12 pm
4	6:15 pm	4	7:29 pm	4	7:37 pm
5	6:40 pm	5	7:52 pm	5	8:01 pm
6	7:05 pm	6	8:16 pm	6	8:25 pm
7	7:30 pm	7	8:40 pm	7	8:49 pm
8	7:54 pm	8	9:05 pm	8	9:13 pm
9	8:18 pm	9	9:29 pm	9	9:37 pm
10	8:42 pm	10	9:53 pm	10	10:01 pm
11	9:06 pm	11	10:17 pm	11	10:24 pm
12	9:30 pm	12	10:41 pm	12	10:47 pm
13	9:54 pm	13	11:04 pm	13	11:08 pm
14	10:18 pm	14	11:25 pm	14	11:28 pm
15	10:42 pm				
16	11:05 pm				

Post Time Notes:

- ◆ Cal Expo will coordinate post times with Los Alamitos Quarter Horse Racing
- ◆ Cal Expo will coordinate with thoroughbred twilight and evening thoroughbred racing.
- ◆ Cal Expo will coordinate post times with all racing fairs.

R. Burnett Miller	Director
Ivan Axelrod	Director
Lou Blanas	Director

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
None
6. Number of outstanding shares in the corporation: **None**
7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
N/A
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
N/A
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
N/A
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **On file**

D. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.

E. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

Christopher J. Schick	General Manager
Wayne Short	Director Backstretch Operations
J.R. Williams	Track Superintendent
Steve Carpenito	Director of Marketing
Marty Bridges	Program Director
Scott Ehrlich	Announcer/Director of Publicity
Sharee Green	Group Sales Director
Sandee Baker	Owner Relations/New Owner Development
Gary Gelfand	Anchor/TV Host
Donna Newman	Controller/Paymaster
Glen Harris	Mutuel Manager/Paymaster

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

Christopher J. Schick	General Manager
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5. PURSE PROGRAM

A. Purse distribution:

1. All races other than stakes:

Current meet estimate:	\$4,715,000
Prior meet actual:	\$3,626,000

2. Overnight stakes:

Current meet estimate:	\$222,500
Prior meet actual:	\$220,000

3. Non-overnight stakes:

Current meet estimate:	\$400,000 - California Sires Stakes
Prior meet actual:	\$800,000- California Sires Stakes

B. Stakes races:

1. Purse distribution for all stakes races:

Current meet estimate:	\$622,500
Prior meet actual:	\$1,020,000

2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:

Current meet estimate:	82%
Prior meet actual:	78%

C. Funds to be generated for all California-bred incentive awards:

- | | |
|------------------------|-----------------|
| Current meet estimate: | \$76,100 |
| Prior meet actual: | \$71,400 |

- D. Payment to each recognized horsemen’s organization contracting with the association and the name(s) of the organization(s): **California Harness Horseman’s Association**

Recognized Horsemen’s Organization

Current meet estimate: **\$282,900**

Prior meet actual: **\$222,000**

CA Harness Horsemen’s Assn.

Total

Total

- E. Amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: **\$5,696,500**

Prior meet actual: **\$4,939,400**

- F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: **\$794,000 On Track \$3,964,500 Intrastate**

Prior meet actual: **\$764,000 On Track \$3,282,000 Intrastate**

- G. Purse funds to be generated from interstate handle:

Current meet estimate: **\$928,000**

Prior meet actual: **\$895,180**

- H. Bank and account number for the Paymaster of Purses' purse account:

CAL Net Bank Acct# 1000420123

- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Disher Accountancy Corp., 1816 Maryal Drive, Sacramento, CA 95864, 916/482-4224, Fax 916/482-4225

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **986**
- B. Minimum number of stalls believed necessary for the meeting: **986**

- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **none**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **none**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **N/A**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting:
- G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall: **N/A**
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: **N/A**

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE
	See Schedule IV - Types of Wagers	

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **Final night of race meet (July 28th)**
- C. List any options requested with regard to exotic wagering:
Request permission for \$20,000 guaranteed gross Pick-Four pool each Friday & Saturday, races 9, 10, 11, & 12

Request permission to continue the Bal-Cal Pick-Four, and pursue other multi track wagering opportunities. Specific permission will be requested.

- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin: **11 am to 5 pm**

- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract: **Scientific Games, Inc., Terry McWilliams, equipment on file with Board, contract thru 9/07 on**

SCHEDULE IV

Sacramento Harness Association December 28, 2006 through July 28, 2007 Proposed Wagering Format

The following CHRB wagering rules will be in affect during the 2007 Sacramento Harness meeting.

Type		Rule Number
Exacta	(E)	1959
Trifecta	(TRI)	1979
Daily Double	(DD)	1957
Superfecta	(SF)	1979.1
PK 3	(PK3)	1977
PK 4	(PNP)	1976.9
PK 6	(PNP)	1976.9

Wednesday	Thursday	Friday & Saturday (*12/29, 1/5 1/12, & 2/16)
Race 1: 1E, 1TRI, 1DD	Race 1: 1E, 1TRI, 1DD	Race 1: 1E, 1TRI, 1DD
Race 2: 1E, 1TRI, 1PK4	Race 2: 1E, 1TRI, 1PK4	Race 2: 1E, 1TRI, 1PK4
Race 3: 1E, 1TRI, 1SF	Race 3: 1E, 1TRI, 1SF	Race 3: 1E, 1TRI, 1SF
Race 4: 1E, 1TRI, 2PK6	Race 4: 1E, 1TRI, 2PK6	Race 4: 1E, 1TRI, 2PK6
Race 5: 1E, 1TRI, 1PK3	Race 5: 1E, 1TRI, 1PK3	Race 5: 1E, 1TRI, 1PK3
Race 6: 1E, 1TRI, 1PK3	Race 6: 1E, 1TRI, 1PK3	Race 6: 1E, 1TRI, 1PK3
Race 7: 1E, 1TRI, 1PK4	Race 7: 1E, 1TRI, 1PK4	Race 7: 1E, 1TRI, 1PK3
Race 8: 1E, 1TRI, 1PK3, 1SF	Race 8: 1E, 1TRI, 1PK3, 1SF	Race 8: 1E, 1TRI, 1PK3, 1SF
Race 9: 1E, 1TRI, 1PK3	Race 9: 1E, 1TRI, 1PK3	Race 9: 1E, 1TRI, 1PK4
Race 10: 1E, 1TRI, 1SF	Race 10: 1E, 1TRI, 1PK3	Race 10: 1E, 1TRI, 1PK3
Race 11: 1E, 1TRI, 1SF	Race 11: 1E, 1TRI, 1SF	Race 11: 1E, 1TRI, 1PK3
	Race 12: 1E, 1TRI, 1SF	Race 12: 1E, 1TRI, 1PK3
		Race 13: 1E, 1TRI, 1SF
		Race 14: 1E, 1TRI, 1SF
		*Race 15: 1E, 1TRI, 1SF
		*Race 16: 1E, 1TRI, 1SF

Wagering Notes:

#1PK4 (CHRB 1976.9) If no ticket correctly selects all four winners, 25% of net pool paid to winner(s) correctly selecting the most winners, 75% carryover to next pick four wager.

#2PK6 (CHRB 1976.9) If no ticket correctly selects all six winners; 25% of net pool paid to winner(s) correctly selecting the most winners, 75% carryover to the next racing program.

file

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Southern California Off Track Wagering Inc. (Scotwinc)
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file**
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:
All licensed California simulcast locations
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
See Schedule V – Simulcast Locations
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
ALL
- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”: **N/A**

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”: **N/A**

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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Six (6) out-of-state harness or quarter horse races per live racing program on nights with QH overlap; twelve (12) out-of-state harness or quarter horse races on nights without QH overlap, with races

Schedule V

OUT OF STATE SIMULCAST WAGERING LOCATIONS

American Tab, Oregon	New Jersey Casinos, New Jersey
Atlantic City, New Jersey	New York City OTB, New York
Balmoral Park, Illinois	Northfield Park, Ohio
Capitol District OTB, New York	Northlands Park, BC, CAN
Catskill Region OTB, New York	Northville Downs, Michigan
Connecticut OTB, Connecticut	Ocean Downs, Maryland
Diaryland Greyhound, Wisconsin	Penn National Gaming, Pennsylvania
Downs at Albuquerque, New Mexico	Philadelphia Park, Pennsylvania
ExpressBet, California	Plainridge Racecourse, Massachusetts
Euro Off Track, NA	Pompano Park, Florida
European Wagering Services, LTD. Oregon	Racing Channel, Oregon
Fire Lake Casino, Oklahoma	Raceway Park, Ohio
Foxwoods Casino, Connecticut	Racing & Gaming Services, St. Kitts
Fraser Downs, BC, CAN	Rosecroft Raceway, Maryland
Freehold Raceway, New Jersey	Sam Houston Park, Texas
Harrington Raceway, Delaware	Saratoga Harness, New York
Hastings Park, BC, CAN	Scioto Downs, Ohio
Hawthorne Racecourse, Illinois	Southland Greyhound, Arkansas
Hazel Park, Indiana	Sports Creek Raceway, Michigan
Hippodrome de Montreal, QUE, CAN	Suffolk Downs, MA
Hoosier Park, Indiana	Suffolk Regional OTB, New York
Illinois OTB, Illinois	Sunland Park, New Mexico
Indianapolis Downs, Indiana	Television Games Network (TVG)
International Racing Group, Curacao	Thistledown, Ohio
Ladbrokes at Meadows, Pennsylvania	The Downs at Albuquerque, New Mexico
Las Vegas Dissemination, Nevada	The Red Mile, Kentucky
Les Bois Park, Idaho	Tri-State Greyhound, WV
Lone Star Park, Texas	Western Fair, ONT, CAN
Maywood Park, Illinois	Western Region OTB, New York
Meadowlands Race Track, New Jersey	Windsor Raceway, ONT, CAN
Mesquaki Casino, Iowa	Woodbine Entertainment. Group, ONT, CAN
Mohawk Racetrack, ONT, CAN	Yonkers Raceway, New York
Nassau Region OTB, New York	YouBet.com, Inc., California
Nevada Pari-mutuel Association, Nevada	YouBet, Oregon

predominantly from harness tracks in Illinois, Ohio, Kentucky, and New Jersey, but also may include selected events from tracks in other CHRB approved jurisdictions. A full card of simulcast races to be imported on North America Cup night, Meadowlands Pace night, and Breeders Cup on July 28th

- I. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: **On occasion quarter horse races may be imported from approved CHRB jurisdictions.**

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
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- J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Sections 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **N/A**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Sacramento Regional Community Foundation, 5555 Capitol Mall, Suite 550; Sacramento, CA 95814**
- B. Names and addresses of the trustees or directors of the distributing agent: **2006 Board of Directors attached**
- C. Dates the association will conduct races as charity racing days OR:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. Racing officials nominated:
Association Veterinarian(s) **Dr. Henry Cook**

From:

06/08/2006 12:16 #127 P.002/002



SACRAMENTO REGION
COMMUNITY FOUNDATION

The Foundation's Board and Staff

2006 Board of Directors

<i>President</i>	Ralph Andersen ; President, REA Enterprises
<i>Vice-President</i>	Larry Gilzean ; Vice-President, Spare Time, Inc.
<i>Treasurer</i>	William G. Hegg ; Chairman of the Board, Alleghany Properties, Inc.
<i>Secretary</i>	Donald C. Poole ; Shareholder, McDonough, Holland & Allen

Nicholas Alexander; Principal Owner, NG Alexander Real Estate Development LLC
Stephen F. Boutin; Partner, Boutin, Dentino, Gibson, DiGiusto, Hodell & West, Inc.
Stephen A. Brandenburger; Resort Proprietor, Loch Leven Lodge
Patricia Cochran; CFO, Vision Service Plan
Dan Cole; Partner, The Evergreen Company
Michael Dunlavey; President, The Dunlavey Studio, Inc.
Robert M. Earl; Earl Consulting Co.
Larry R. Gilzean; Director of Development, Spare Time, Inc.
Oleta Lambert; Owner, CEO, Pacific Neon Company
Robert L. Lorber; CEO, Lorber Kamai Consulting
Dave Lucchetti; President/CEO, Pacific Coast Building Products
Daniel I. Parrish; President, Dan Parrish Insurance Services, Inc.
Jeanne Reaves; President & CEO, River City Bank
Elizabeth Rindskopf Parker; Dean, University of the Pacific McGeorge School of Law
Lillian Sioukas; Community Volunteer
Fred Teichert; Executive Director, Teichert Foundation
Jesse Vaughan; Headmaster, St. Michael's Episcopal Day-School
Mike Ziegler; President & CEO, Pride Industries

Staff

Shanna Ames, Administrative Coordinator
Ruth Blank, Chief Executive Officer
Beth Gorley, Director of Development
Sonja Jarvis, Assistant Controller
Suzanne Mayes, Program Officer
Jim McCallum, Chief Financial Officer
Jennesa Quinn, Program & Operations Associate
Arlene Wilson-Grant, Program Officer

Clerk of Scales	N/A
Clerk of the Course	Patricia Petersen
Film Specialist	Brent Bridges
Horse Identifier	Carl Sobey
Horseshoe Inspector	John Walker
Paddock Judge	Jack Williams
Patrol Judges	Bill Vallandingham
Placing Judges	Brent Bridges
Starter	Bill Vallandingham
Timer	Brent Bridges

- B. Management officials in the racing department:
- | | |
|-------------------------------------|---------------------------|
| Director of Racing | N/A |
| Racing Secretary | Fred Kuebler |
| Assistant Racing Secretary | Joe Nefsky/Brent Bridges |
| Paymaster of Purses | Glen Harris/ Donna Newman |
| Others (identify by name and title) | |
- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:
Esther Schwartz, Capitol Reporters
1300 Ethan Way, Ste. 225, Sacramento, CA 95825, 916/923-5447
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corp USA – CDV – 210 System – Bill O'Brien – contact thru 7/07
- E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. (7) **Pegasus Communications – Jim Porep, President – contract thru 7/07**
Upper Pan Camera
Lower Pan Camera
1/8 Pole Tower Camera
5/8 Pole Tower Camera
Infield Warm Up Camera
Paddock Camera
Winners Circle/Finish Line Ground Level Camera
- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract: **Cal Expo owned timer: PC, Controllers, Frannie Packard Display on Tote Board Infield Displays located at ¼, ½, and ¾ poles. Maintenance and service by Pegasus Communications. Contract thru 7/08**

11. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers. **Attached**
- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on

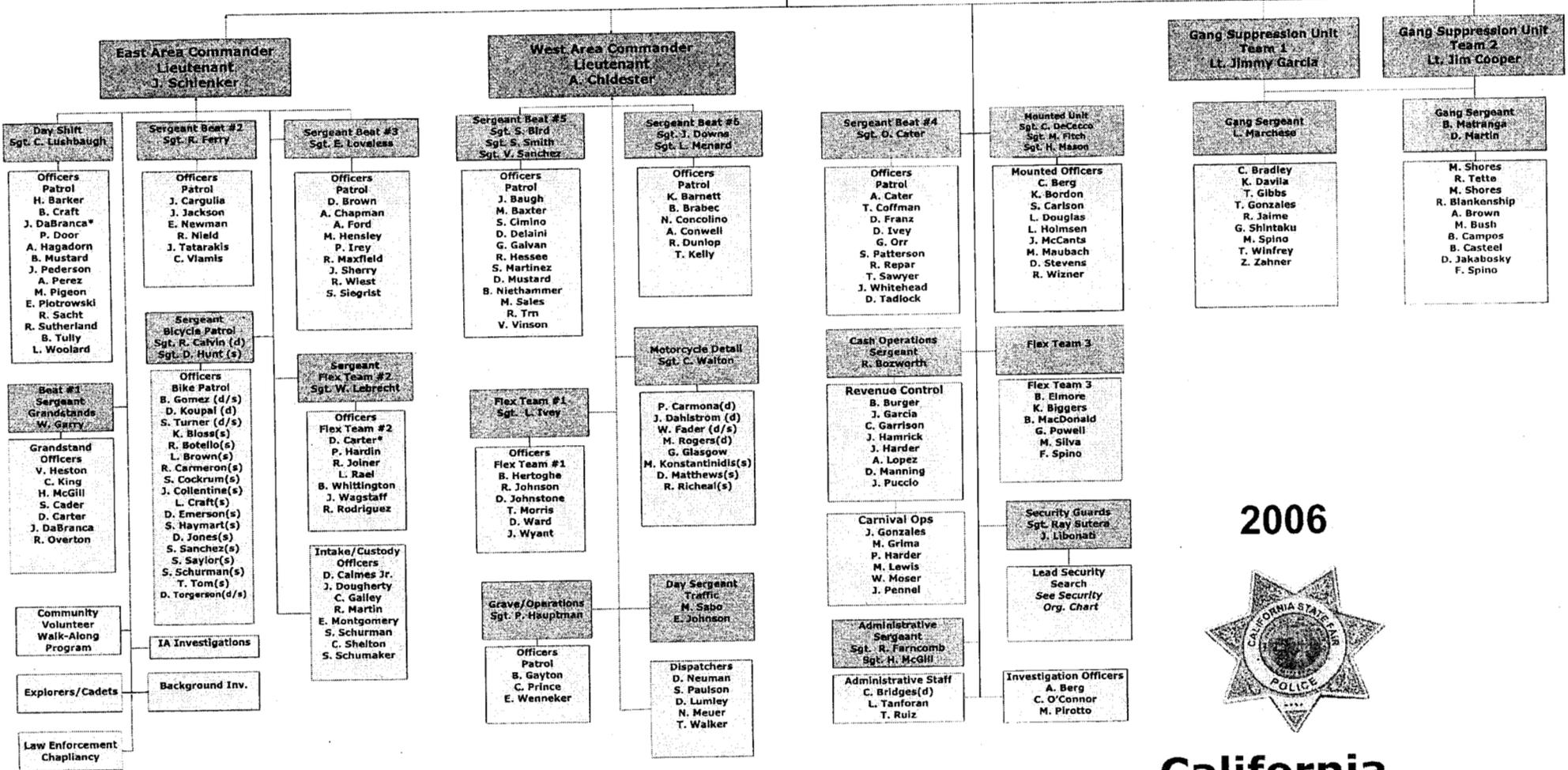


**General Manager
Norb Bartosik**

**Deputy General Manager
Brian May**

**Robert L. Craft
Chief of Police**

Cathy Purcell
Staff Services Analyst



2006



**California
Exposition & State Fair
Police Department**

Section 11. Security Controls

A. & B.

Cal Expo Police Department

The Cal Expo Police Department is headed up by Chief Robert Craft. Chief Craft is a retired captain of the Sacramento Sheriffs Department and is one of the highest decorated officers in the history of the department. The Cal Expo police department enjoys a great working and professional relationship with the CHRB staff.

The grandstand and backstretch areas of the Cal Expo facility will be served by our police department. A minimum of 6 police officers, 2 mobile patrol units, 1 armed officer in the detention barn and 4 gatemen will be assigned exclusively to the racetrack, grandstand, and backstretch areas. Our backstretch and detention barn will also be served by unarmed Cal Expo Security Guards.

An organizational chart of our police department is attached and the contact phone numbers are: 916-263-3050 and 916-263-3120

2. Detention Barn-

Sacramento Harness has constructed a new detention barn. All California Sire Stake races and Overnight Stake races with purse of \$15,000 will be a detention barn race. All horses in those races must report for detention by 12 noon. Those horses will be in detention from then until race time.

Each horse in the detention barn will be limited to two caretakers (one groom and trainer) at a time and each person will be identified by CHRB license, checked, and all equipment will be checked. All functions in the detention barn will be documented and the documentation will be securely filed.

In addition, trainers having high TCO2 test(s) will be required to race all of their horses out of the detention barn for thirty days. Those horses must also report by 12 noon.

3. TCO2 Testing

Sacramento Harness will adhere to all CHRB guidelines in conjunction with TCO2 testing. In addition, horses that have previously tested high will be detained and placed under surveillance cameras each race day for no less than 30 days. The number of security personnel assigned to the TCO2 program will be determined on a day-to-day basis.

C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate. **Surveillance cameras on all stalls for detained horses with prior TCO2 offenses.**

D. For night racing associations: Describe emergency lighting system

Sacramento Harness Association will employ the use of four generators that will be strategically placed in locations around the racetrack and be turned on continuously while night racing is occurring. In the event of a racetrack light failure, the generators will provide enough light to ensure the safety of all participants. Also, the patrol judge in the starter's car that tracks each race will illuminate the racetrack with their headlights.

a regular full-time basis: **18**

1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **N/A**
2. Detention Barns: **All Items Attached**
 - A. Attach a plan for use of graded stakes or overnight races:
 - B. Number of security guards in the detention barn area during a 24-hour period.
 - C. Describe number and location of surveillance cameras in detention barn area.
3. TCO2 Testing: **All Items Attached**
 - A. Number of races to be tested, and number of horses entered in each race to be tested.
 - B. Plan for enhanced surveillance for trainers with high-test results.
 - C. Plan for detention barns for repeat offenders.
 - D. Number of security personnel assigned to the TCO2 program.
- C. Describe the electronic security system:
 1. Location and number of video surveillance cameras for the detention barn and stable gate.
- D. For night racing associations. Describe emergency lighting system:

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races: **American Medical Response, 1779 Tribute Road, Sacramento, CA 95815, Contact Steve Guicy, 916/563-0600**
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: **N/A**
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises. **Scheduled to be inspected 12/7/06**
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **State Fund Compensation, Policy #1727124 expiration 4/1/2007**
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation. **Attached**

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
06/08/2006

PRODUCER (916)988-0214 FAX (916)989-4719
Albano, Dale, Dunn & Lewis, Inc.
9197 Greenback Lane Suite E
P. O. Box 2470 Lic#0442296
Orangevale, CA 95662

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Sacramento Harness Association
2335 American River Drive
Suite 406
Sacramento, CA 95825

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: State Compensation	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	#1829531-06	04/01/2006	04/01/2007	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

10 days notice of cancellation for non-payment of premium.

CERTIFICATE HOLDER

California Horse Racing Board
1010 Hurley Way
Suite 300
Sacramento, CA 95825

EXPIRATION DATE THEREON, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

- B. Describe the quarters to be used for female jockeys/drivers: **Same type separated quarters**

17. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by **Investigator Martin Snezek** on **6/3/06**.
- B. Number of rooms used for housing on the backstretch of the racetrack: **92**
- C. Number of restrooms available on the backstretch of the racetrack: **8**
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: **8/160**

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: One mile feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Pylons are to be used instead of inner hub rail, an Aluminum Steriliner Racing Rail, in full compliance of track safety regulation.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
Wayne Short, Director Backstretch Operations & J.R. Williams, Track Superintendent
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **On file**

19. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No Exceptions**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **To be submitted**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **On file**

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10/05/2006

PRODUCER (916)988-0214 FAX (916)989-4719
Albano, Dale, Dunn & Lewis, Inc.
9197 Greenback Lane Suite E
P. O. Box 2470 Lic#0442296
Orangevale, CA 95662

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED Sacramento Harness Association
2335 American River Drive,
Suite 406
Sacramento, CA 95825

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Lexington Insurance Company	
INSURER B: Progressive	
INSURER C: State Compensation Insurance Fund	
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY	AIP-00002235253-01	09/18/2006	09/18/2007	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 300,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ EXCLUDED
		GEN'L AGGREGATE LIMIT APPLIES PER:				PERSONAL & ADV INJURY	\$ 1,000,000
		<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
B		AUTOMOBILE LIABILITY	03441742-0	03/20/2006	03/20/2007	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input checked="" type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident)	\$
		<input checked="" type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		<input checked="" type="checkbox"/> NON-OWNED AUTOS					
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		EXCESS/UMBRELLA LIABILITY	AIX-00002235254-01	09/18/2006	09/18/2007	EACH OCCURRENCE	\$ 2,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 2,000,000
		<input type="checkbox"/> DEDUCTIBLE					\$
		RETENTION \$					\$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	1829531-06	04/01/2006	04/01/2007	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
		OTHER				E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
*10 Days notice of cancellation applies for non-payment of premium.

Proof of Insurance

CERTIFICATE HOLDER

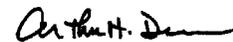
California Horse Racing Board
1010 Hurlley Way Suite 210
Sacramento, CA 95825

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL *30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Arthur Dunn/JODY



D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):
No Exceptions

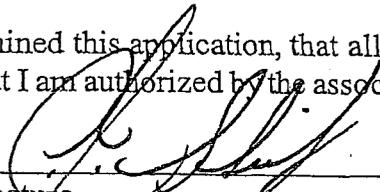
E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No Exceptions**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

CHRISTOPHER J. SCHICK
Print Name


Signature

General Manager
Print Title

9/29/06
Date

STAFF ANALYSIS
November 27, 2006

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE PACIFIC RACING ASSOCIATION AT GOLDEN GATE FIELDS DECEMBER 26, 2006 THROUGH FEBRUARY 11, 2007.

Pacific Racing Association [PRA] filed its application to conduct a thoroughbred horse racing meeting at Golden Gate Fields:

- December 26 through February 11, 2007, or 31 days. The association proposes to race a total of 265 races, or 8.55 races per day. During the 36 days from August 25 through October 15, 2006 they raced 8.72 races per day with an average of 7.30 runners per race. The (estimated) average daily purse for this meet is \$177,453. They did not conduct racing during the prior year timeframe.
- The race dates proposed are the dates the Board allocated.

December - 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25 H	26	27	28	29	30

January - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 H	2	3	4	5	6
7	8	9	10	11	12	13
14	15 H	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 H	13	14	15	16	17
18	19	20 H	21	22	23	24
25	26	27	28			

- Racing 4 days per week, Thursday through Sunday, with 8 races weekdays and 9 or 10 weekends, holidays and dates of special interest.
- Racing concurrently with dates allocated to Los Angeles Turf Club with exception of 1/10, 1/24, 1/31 and 2/7.
- First post 12:45 p.m. daily.
 - Request the option to change post times to coordinate north/south signals.
- Increase of \$0.25 for on-track and off-track programs.
- Request Patrick Kealy be appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use all CHRB rules.
 - Early wagering will not be offered.
- The Advance Deposit Wagering (ADW) providers are Xpressbet and Youbet.

- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application includes:

1. Horsemen's agreement.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon receiving the additional information necessary to conduct the racing meet.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

A. Name, mailing address, telephone and fax numbers of association:

Pacific Racing Association

1100 Eastshore Highway

Berkeley, California 94710

Phone (510) 559-7300

Administration Fax (510) 559-7464

B. Breed of horse: TB QH H

C. Racetrack name: **Golden Gate Fields**

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **On file with the Board.**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: **December 26, 2006 through February 11, 2007**

B. Actual dates racing will be held:

December 26, 28-31; January 1, 4-7; 11-15, 18-21, 25-28; February 1-4; February 8-11

C. Total number of days or nights of racing: **31 days**

D. Days or nights of the week races will be held:

Wed - Sun Tues - Sat Other (specify) Thurs - Sun

Racing Tuesday December 26

Racing Mondays January 1 and January 15

E. Number of days or nights of racing per week:

4 days per week except as set forth in Item D above.

3. RACING PROGRAM

A. Total number of races: **265**

CHRB CERTIFICATION

Application received: 9/27/06
Deposit received:
Reviewed: AD

Hearing date: 11/27/06
Approved date:
License number:

- B. Number of races for each day or night: **8.5 will be the average throughout the meet; we propose to conduct 8 races on weekdays, 9 or 10 on weekends, holidays and dates of special interest. We will request administrative approval to conduct more than an average of 8.5 races per day if the horse population permits additional racing.**
- C. Total number of stakes races: 7
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses. **Stakes schedule attached.**
- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:
- F. List all post times for the daily racing program:

<u>Post Time</u>	<u>Race Number</u>
12:45 p.m.	1
1:15 p.m.	2
1:45 p.m.	3
2:15 p.m.	4
2:45 p.m.	5
3:15 p.m.	6
3:45 p.m.	7
4:15 p.m.	8
4:45 p.m.	9
5:15 p.m.	10

Request the option to change post time schedules due to Santa Anita post times in order to coordinate North/South signals.
 * Post time scheduled at 12:15 p.m. on Tuesday, December 26, 2006 – Opening Day (Subject to change)
 * Post time tentatively scheduled at 12:15 p.m. on Saturday, January 27, 2007 – Sunshine Millions (Subject to change)
 * Post time tentatively scheduled at 11:15 a.m. on Sunday, February 4, 2007 – Super Bowl Sunday (Subject to change)

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)
- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership.
On file with the Board.
- C. CORPORATION

- 1. Registered name of the corporation: **Pacific Racing Association**
- 2. State where incorporated: **California**
- 3. Registry or file number for the corporation: **Federal ID #94-1585367
California ID #173-1919-5**

**Golden Gate Fields
2006/2007 Holiday Meet
Stakes Schedule**

Stakes Race	Purse	Distance	Date	Closes	Nom	Entry
California Derby	\$150,000 G	1 1/16M	January 28, 2007	January 18, 2007	\$50	\$1,500
3 YO's						
California Oaks	\$100,000 G	1 1/16M	February 10, 2007	February 1, 2007	\$50	\$1,000
3 YO Fillies						
Overnight Stakes						
Stakes Race	Purse	Distance	Date	Closes	Nom	Entry
Union Square	\$50,000 A	1 1/16M	December 26, 2006	December 18, 2006	\$50	Free
3 YO's & Upward						
Stinson Beach	\$50,000 A	6 Furlongs	January 1, 2007	December 26, 2006	\$50	Free
3 YO's						
Tiburon	\$50,000 A	6 Furlongs	January 6, 2007	December 30, 2006	\$50	Free
3 YO Fillies						
Muir Woods	\$50,000 A	1 1/16M	January 13, 2007	January 6, 2007	\$50	Free
F&M 4 YO's & Upward						
Fairfax	\$50,000 A	6 Furlongs	February 3, 2007	January 27, 2007	\$50	Free
4 YO's & Upward						

4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
Pacific Racing Association has only one shareholder, Magna Entertainment Corporation, a Delaware Corporation:
Frank Stronach, Chairman and Interim Chief Executive Officer
Brant Latta, Senior Vice-President, Operations
Jim Bromby, Senior Vice-President, Operations
Ron Charles, President, MEC California Operations
Blake Tohana, Executive Vice-President and Chief Financial Officer
Frank DeMarco, Jr., Vice-President Regulatory Affairs
Peter W. Tunney, Executive Vice-President
Calvin Rainey, Vice-President and Assistant General Manager

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
None

6. Number of outstanding shares in the corporation:
69,347 shares of no par value common stock.

7. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **Not applicable.**

9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Magna Entertainment Corporation

10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **On file with the Board.**

D. LLC – **Not applicable**

E. OTHER – **Not applicable**

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:
Ron Charles, President, MEC California Operations
Brant Latta, Senior Vice-President, Operations
Jim Bromby, Senior Vice-President, Operations
Blake Tohana, Executive Vice-President and Chief Financial Officer
Frank DeMarco, Jr., Vice-President Regulatory Affairs
Peter W. Tunney, Executive Vice-President
Calvin Rainey, Vice-President, Assistant General Manager
Robert Hartman, General Manager
Jason Spetnagel, Assistant General Manager

- F. Management and Staff (continued)
 - Merry Scalzo, Director of Operations**
 - Adam Njaa, Controller of Operations**
 - Amanda Stifle, Director of Marketing**
 - Bill Newell, Director of Food and Beverage**
 - T.W. Johnson, Director of Security**
 - Jerry Aldoroty, Director of Sales**
 - Bryan Wayte, Manager of Mutuels**
 - Aaron Vercruysse, Simulcast Coordinator**
 - Tom Ferrall, Publicity Manager**
 - Michael Wrona, Announcer**
 - William Vassar, Track Photographer**
 - Robert Hemmer, Operations Manager**
 - David Seftel, M.D., Track Physician**

- 2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:
 - Peter W. Tunney, Executive Vice-President**

5. PURSE PROGRAM

A. Purse distribution: Prior meet actual represents February 8 – May 7, 2006 (65 race days)

- 1. All races other than stakes:
 - Current meet estimate: **\$4,327,600.00**
 - Prior meet actual: **\$8,255,715.00**
- 2. Overnight stakes:
 - Current meet estimate: **\$250,000.00**
 - Prior meet actual: **\$640,000.00**
- 3. Non-overnight stakes:
 - Current meet estimate: **\$250,000.00**
 - Prior meet actual: **\$979,963.00**

B. Stakes races:

- 1. Purse distribution for all stakes races:
 - Current meet estimate: **\$ 500,000.00**
 - Prior meet actual: **\$1,619,963.00**
- 2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 - Current meet estimate: **0% (Note: 8/25/06 – 10/15/06 meet CB = 35%)**
 - Prior meet actual: **10%**

C. Funds to be generated for all California-bred incentive awards:

- Current meet estimate: **\$ 453,647.00**
- Prior meet actual: **\$1,024,271.99**

- D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Current meet estimate:		Prior meet actual:	
TOC (NTRA Contribution)	\$ 90,511.00	TOC (NTRA Contribution)	\$188,824.55
TOC	\$ 51,720.00	TOC	\$107,899.74
CTT (Administration)	\$ 25,860.00	CTT (Administration)	\$ 53,949.87
CTT (Pension)	<u>\$ 51,720.00</u>	CTT (Pension)	<u>\$107,899.74</u>
Total	\$219,811.00	Total	\$458,573.90

- E. Total amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: \$ 5,501,058.00
 Prior meet actual: \$11,358,523.89

- F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: \$ 4,098,660.00
 Prior meet actual: \$ 8,847,538.36

- G. Purse funds to be generated from interstate handle:

Current meet estimate: \$ 959,043.00
 Prior meet actual: \$1,749,669.70

- H. Bank and account number for the Paymaster of Purses' purse account:

Wells Fargo Bank - Account #4496895475

- I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Bowen & McBeth, 10722 Arrow Route, Suite 110, Rancho Cucamonga, California 91730, (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

- A. Number of usable stalls available for racehorses at the track where the meeting is held: **1325**
- B. Minimum number of stalls believed necessary for the meeting: **2000**

- C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **1,100**
- D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: **Bay Meadows Racecourse - 900 Stalls Pleasanton - 200 Stalls**
- E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. **On file.**

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

- F. Total number of usable stalls made available on-site for the **1986** meeting: **1405**
- G. Estimated cost to provide off-site stalls for this meeting:- Show cost per day per stall:
Stabling costs for this meet: \$528,000.00
Stabling costs per day per stall: \$ 12.23
- H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse:
Vanning fees for this meet: \$64,170.00; Vanning fee per horse: \$115.00
Pleasanton Vanning & Starter Fees: \$44,950.00; Pleasanton fee per horse \$290.00

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, and TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$.10 SF# \$2 PAR^, \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1954.1; 1976.9
Race #2	\$2 DD*; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$1 PPN%; \$.10 SF# \$2 PAR^, \$1 PNP!	CHRB#1957; 1959; 1958; 1977; 1979; 1976.8; 1979.1; 1954.1; 1976.9
Race #3	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF#; \$1 PPN%; \$2 PAR^, \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1954.1, 1976.9
Race #4	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$2 PAR^, \$1 PNP!	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1954.1, 1976.9
Race #5	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; \$2 PAR^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; 1954.1
Race #6	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; \$2 PAR^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; 1954.1
Race #7	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; \$2 PAR^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; 1954.1
Race #8	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; \$2 PAR^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; 1954.1
Race #9	\$2 DD*; \$2 PNP@; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# \$1 PPN%; \$1 PNP!; \$2 PAR^	CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; 1976.9; 1954.1

Race #10 \$2 DD*; \$2 PNP @; \$1 E; \$2 Q; \$1 PK3+; \$1 TRI++; \$.10 SF# CHRB#1957; 1976.9; 1959; 1958; 1977; 1979; 1979.1; 1976.8; \$1 PPN%; \$1 PNP! 1976.9

- * - \$2 Daily Double on all races
- @ - \$2 Pick 6 on last six races
- + - \$1 Pick 3 on every race
- ++ - \$1 Trifecta on every eligible race
- # - \$.10 cent Superfecta on all eligible races
- % - \$1 Place Pick All on all races carded
- ! - \$1 Pick 4 on first four and last four races
- ^ - \$2 Parlay on every eligible race

Additional deduction provided by subdivision (a) of Section 19611.5 will be made.

- B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: **February 11, 2007 for the period of December 26, 2006 through February 11, 2007.**
- C. List any options requested with regard to exotic wagering: **2 Tier - 70%/30% split**
- D. Will "advance" or "early bird" wagering be offered? Yes No
If yes, when will such wagering begin:
- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing, LLC, Bill Huntley, Expires: September 2007

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Northern California Off-Track Wagering, Inc.
- B. Attach the agreement between the associations and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. **On file.**
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

Northern California

- Alameda County Fair, Pleasanton**
- Bay Meadows Racecourse, San Mateo**
- Big Fresno Fair, Fresno**
- California State Fair & Exposition, Sacramento**
- Club One, Fresno**
- Kern County Fair, Bakersfield**
- Monterey County Fair, Monterey**
- Redwood Acres Fair, Eureka**

Southern California

- Antelope Valley Fair, Lancaster**
- Barona Casino, Lakeside**
- California Mid-State Fair, Paso Robles**
- Del Mar Thoroughbred Club, Del Mar**
- Derby Club at Seaside Park, Ventura**
- Earl Warren Showgrounds, Santa Barbara**
- Fairplex Park, Pomona**
- Hollywood Park, Inglewood**

Northern California

San Joaquin County Fair, Stockton
 San Mateo County Fair, San Mateo
 Santa Clara County Fair, San Jose
 Shasta District Fair, Anderson
 Solano County Fair, Vallejo
 Sonoma County Fair, Santa Rosa
 Stanislaus County Fair, Turlock
 Tulare County Fair, Tulare

Southern California

Indian Fantasy Springs Casino, Indio
 Los Alamitos Racecourse, Los Alamitos
 National Orange Show, San Bernardino
 Santa Anita Park, Arcadia
 Santa Barbara County Fair, Santa Maria
 Shalimar Sports Center, Indio
 Sports Pavilion, Lake Perris
 Sports Pavilion, Victorville
 Sycuan Casino, El Cajon
 Viejas Casino, Alpine

D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:

**Pacific Racing Association/Golden Gate Fields
 December 26, 2006 through February 11, 2007
 Out-of-State Imports - Full or Partial Card (Subject to Change)**

<u>TRACK</u>
Aqueduct
Calder Race Course
Fairgrounds
Fort Erie - Canada
Gulfstream Park
Hastings
Hawthorne
Keeneland
Laurel Park
Lone Star Park
Louisiana Downs
Keeneland
Northlands Park
Oaklawn Park
Pimlico
Portland Meadows
Remington Park
NYRA
River Downs
Stampede Park
Tampa Bay Downs
Thistledown
Turf Paradise
Turfway Park
Woodbine

E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:

- | | | |
|--|---|--|
| <p>American Tab, OH
Amwest Entertainment, ND
Arapahoe Park, CO
Arlington International Race Course, IL
Atlantic City Casino Assn., NJ
Atlantic City Race Course, NJ
Atokad Downs, NE
Balmoral Park, IL
Beulah Park, OH
Birmingham Race Course, AL
Blue Ribbon Downs, OK
Buffalo Trotting Association, NY
Calder Race Course, FL
Canterbury Park, MN
Capital Sports Ply, Ltd, Australia
Capitol Racing, ID
Chester Downs, PA
Choctaw Racing Services, L.L.C., OK
Churchill Downs, KY
Colonial Downs, VA
Columbus Races, NE
Connecticut OTB, CT
Corpus Christi Greyhound Track, TX
Dairyland Greyhound Park, WI
Delaware Park, DE
Downs at Albuquerque, NM
Downs Racing LP, PA
Ellis Park, KY
Emerald Downs, WA
European Simulco, CA
Evangeline Downs, LA
Fairgrounds Race Course, LA
Finger Lakes Race Track, NY
Fonner Park, NE
Freehold Raceway, NJ
Great Lakes Downs, MI
Gulfstream Park, FL</p> | <p>Hawthorne National LCC, IL
Hazel Park, MI
Hinsdale Greyhound Park, NH
Hoosier Park, IN
Horsemen's Park, NE
Indiana Downs, IN
International All Sports Limited, FL
Jackson Harness Raceway, MI
Keeneland Association, KY
Las Vegas Dissemination Co, NV
Lebanon Raceway, OH
Lewiston Raceway Inc., ME
Lien Games, Inc., ND
Lone Star Race Park Ltd., TX
Louisiana Downs, LA
LVDC/Elite Turf Club, NV
LVDC/Tribal Locations, NV
Maryland Jockey Club, MD
Midway Slots & Simulcast, DE
Monticello Raceway, NY
Mount Pleasant Meadows, MI
Mountaineer Park, WV
Mt. Pleasant Meadows, MI
Nevada Pari-Mutuel Association, NV
New Jersey Sports & Exposition, NJ
New York City Off-Track Betting, NY
New York Racing Association, NY
Northfield Park, OH
Northville Downs, MI
Oaklawn Park, AR
Ocean Downs, MD
Penn National Race Course, PA
Philadelphia Park, PA
Plainridge Racecourse, MA
Portland Meadows, OR
Prairie Meadows, IA
Raceway Park, OH
Racing & Gaming Services, British Wl
Raynham Greyhound Park, MA
Remington Park, OK
Retama Park, TX</p> | <p>River Downs, OH
Rockingham Park, NH
Rosecroft Raceway, NY
Ruidoso Downs, NM
Saginaw Harness Raceway, MI
Sam Houston Park, TX
Saratoga Raceway, NY
Scarborough Downs, ME
Scioto Downs, OH
Southland Greyhound Park, AR
Sports Creek Raceway, MI
State Fair Park, NE
Stevenson & Associates, Inc., FL
Suffolk Downs, MA
Sunland Park, NM
Sunray Park, NM
The Green Park, AL
The Lodge @ Belmont, NH
The Meadows, PA
The Texas Hub, TX
Thistledown Racing, OH
Tioga Downs / Vernon Downs, NY
Tri-State Racetrack & Gaming Center, WV
Turfway Park, KY
Turf Paradise, AZ
Wheeling Downs, WV
Wichita Greyhound Park, KS
Will Rogers Downs, OK
Wonderland Greyhound Park, MA
Woodlands, KS
Wyoming OTB, WY
XpressBet, Inc., CA
Yonkers Raceway, NY
Youbet, CA
Zia Park, NM</p> <p>Separate Pools:
Hipodromo Presidente Remon, Panama
Woodbine, Canada
Stevenson & Associates, S. America/C.
America/ Mexico
Caliente, Mexico</p> |
|--|---|--|

F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
See 8D above.	TBD	

G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Los Alamitos	Per CHRB calendar	Full Card

H. For STANDARD BRED racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Sacramento Harness Assn. @ Cal Expo	Per CHRB calendar	Full Card

I. For ALL racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
None			

J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **Not applicable.**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19596.3, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association: **Pacific Racing Association is agent for distribution.**

B. Names and addresses of the trustees or directors of the distributing agent: **Pacific Racing Association will act as its own distributing agent.**

C. Dates the association will conduct races as charity racing days OR:

D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)?

Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s)	Heather Kerr
Clerk of Scales	Paul Nicolo
Clerk of the Course	Ella Robinson
Film Specialist	Ken Sjordal
Horse Identifier	Patrick Kealy
Horseshoe Inspector	Jack Hammonds
Paddock Judge	Tina Walker
Patrol Judges	Tammy Morris & Mandy Ebbets
Placing Judges	Linda Anderson & Anne S. Daftary
Starter	Chuck Burkes
Timer	Richard Somers

B. Management officials in the racing department:

Racing Secretary	Sean Greely
Assistant Racing Secretary	C. Gregory Brent, Jr.
Assistant to the Racing Secretary	David Jerkens
Paymaster of Purses	Patricia Prospero
Others (identify by name and title)	
Main Track Superintendent	Juan Meza
Turf Track Superintendent	Jason Spetnagel
Price Maker	Richard Somers
Stable Area Superintendent	Carrie Fawcett

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Christine Niccoli**
Niccoli Reporting Service, 619 Pilgrim Drive, Foster City, CA 94404-1707, (650) 573-9339

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corp., USA, Bill O'Brien, Expires: March 2007

E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.
Pegasus Communications, Inc, Jim Porep, Jr., System maintained in house, Equipment contract expires: December 31, 2007.

Cameras are in place at the 1/4 pole, 3/8 pole, 5/16 pole and 7/8 pole towers. There are two cameras located on the roof and two on the ground, at the finish line and the starting gate.

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Pacific Racing Assn. electronic timer is installed and maintained by Pacific Racing Assn. staff.

11. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

T.W. Johnson, Director of Security is responsible for security on site.

Security Department organizational chart is attached.

Security Department phone number (510) 559-7370

Stable Security phone number (510) 559-7533

T.W. Johnson cell phone number (510) 418-3161

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: **29**

1. Attach a written plan for enhanced security for graded stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. **Attached**

2. Detention Barns:

- A. Attach a plan for use of graded stakes or overnight races.

6 hour surveillance prior to race in Graded Stakes with purses of \$100,000 or over

24 hour surveillance in detention barn for Trainers with high-test results and repeat offenders

- B. Number of security guards in the detention barn area during a 24-hour period.

Four Security Guards

- C. Describe number and location of surveillance cameras in detention barn area.

Attached

3. TCO2 Testing:

- A. Number of races to be tested, and number of horses entered in each race to be tested.

Every horse in every race has been tested since early January 2005

- B. Plan for enhanced surveillance for trainers with high-test results.

24 Hour detention and video surveillance prior to the race

- C. Plan for detention barns for repeat offenders.

Assigned to detention barns with 24 hour surveillance

- D. Number of security personnel assigned to the TCO2 program.

As needed per the direction of CHRB staff

- C. Describe the electronic security system:

1. Location and number of video surveillance cameras for the detention barn and stable gate.

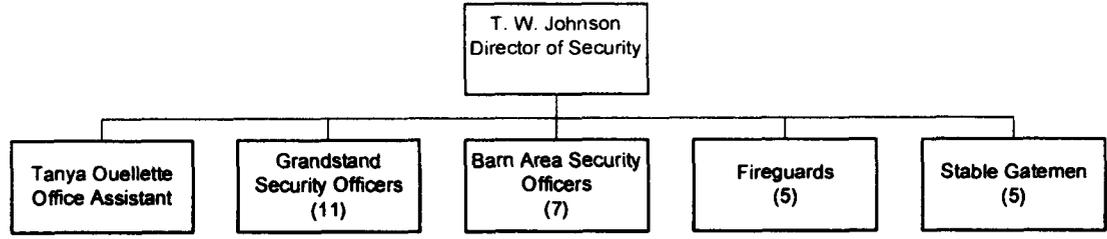
Attached

- D. For night racing associations: Describe emergency lighting system: **Not applicable.**

Pacific Racing Association
Organizational Chart
Live Racing
Attachment 11A

Security

Sunday, September 24, 2006



Attachment to PRA License Application
11B (1) and 11B (2):

SECURITY CONTROLS

Graded Stakes and Races of \$100,000 or more

The following procedures have been put in place at Golden Gate Fields to ensure that proper security surveillance guidelines for races of \$100,000 or more are followed:

- Carrie Fawcett, Stable Superintendent, provides a list of starters to T. W. Johnson, Director of Security which includes the following information:
 1. Name of horse
 2. Name of trainer
 3. Barn number
 4. Stall number
- Supplemental security staff, provided by a licensed security contractor, are called in the morning of the race to meet with the Director of Security for the following instruction:
 - A. An overview of the race track operating procedures
 - B. A briefing of their duties throughout the day
 - C. All guards are asked to sign out for their specific video camera
 - D. A form is provided by the CHRB to each guard which is to be signed by the attending veterinarian when administering medication to bleeders.
 - E. Each guard is given a video camera to record ALL activities involving individuals entering and exiting their assigned stall. Instruction is given to first record the posted number on the stall to confirm that the camera is directed at the assigned horse.
 - F. Instruction is given to monitor any and all suspicious activity and to contact the Director of Security if and when suspicious activity occurs.
 - G. Guards are instructed to position themselves as close to the horse's stall without jeopardizing safety.
 - H. The horse and handler will be followed on foot by each guard to the receiving barn before the race.
 - I. After all horses are safely in the receiving barn, the guards are instructed to meet in the Security office with the Director of Security. The guards sign that they have returned their video camera and participate in a discussion of the day's surveillance activities.
- Surveillance videotapes are saved until all test results have received a negative result.

**Attachment to PRA License
11 (3)**

EXHIBIT A

Track is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2006/2007 Meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, and owners' horses within their control, will be subject to the following:

- A. **1st Offense** – For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse may have his/her barn, and all owners' horses stabled therein, subject to "earned surveillance" for a period of 45 days from the date of the infraction. Such earned surveillance will be conducted at TRACK's sole discretion, and may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notification of the first offense, may be subject to confinement in a detention barn beginning at noon on the day before said horse is scheduled to compete. Such detention barn will be established at management's sole discretion, with the costs of such detention/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being born by the trainer or owner of such horse.
- B. **2nd Offense** – For the second test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be prohibited from entering any owners' horse within his/her care in a race for a period of 15 race days.
- C. **3rd Offense** – For the third test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall be expelled from TRACK's enclosure for a period of one year, and shall further be precluded from entering any owners' horses within his care for the balance of Track's 2006/2007 Meet.

Track further agrees that it shall enforce these penalties when imposed as a result of similar contract provisions with other racing associations in California. By way of example only, Track agrees that should any horse running at its meet be subject to detention barn confinement as the result of a positive at another association, Track will continue to require detention barn confinement for the remainder of said 30 day period. Also by way of example, should a trainer have a TCO2 positive or positives at a race meet other than its own and a subsequent positive at Track's race meet or at another associations meet, Track will enforce paragraph B, and may, at its discretion, enforce paragraph C above as though the original positive(s) had taken place at its meet.

**Attachment to PRA License Application
11C (1):**

Detention Barn Surveillance:

Barn #44 contains 27 stalls and is utilized as our Transit and Detention Barn. The surveillance system in place contains cameras strategically placed to monitor entrances and exits along with 1 camera in designated stalls to monitor horses under 24 hour surveillance.

The camera equipment is connected to a digital recording system which is kept in a secured area with a power back-up in place.

Stable Gate Surveillance:

Cameras are strategically placed to monitor all activities at the Main Stable Gate and the Horsemen Walk-In Gate.

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races: **Brad Winding Turf Rescue, LLC, 19615 Barclay Road, Castro Valley, CA 94546, (510) 581-8470**
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:
Bay Meadows - Bayshore Ambulance, P. O. Box 4622, Foster City, CA 94404, 650- 525-9700
Pleasanton – American Medical Response, 640-143rd Ave., San Leandro, CA 94577, 510-895-7600
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises.
Berkeley fire clearance attached.
Albany fire clearance will be provided to the Board upon receipt.
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details): **Liberty International - #WC1-B71-072827-036**
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation. **Attached**

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each: Current concessionaires have been previously provided to the Board.

Tip Sheets	Jack's Blue Card, 127 Sun Avenue, Hayward, CA 94544
Armored Car Services	Loomis Armored Car, P.O. Box 44196, San Francisco, CA 94144
Track Physician	Dr. David Seftel, Conocen Corp., 20066 Austin Lane, Castro Valley, CA 94546
Official Program	Del Mar Graphics, 1100 Eastshore Highway, Albany, CA 94706
Jockey's Laundry	F. Lorene Dutton, Bailey's Mobile Laundry, 3263 Vineyard Ave., Pleasanton, CA 94566
Starting Gate	Mike Costello, United Puett Starting Gate Co., P.O. Box 18, S. Salem, NY 10590
Track Photographer	Bill Vassar, Vassar Photography, 1167 Sapphire Drive, Livermore, CA 94550

-2006

10:01

FROM-GOLEN GATE FIELDS

510 559 7676

T-882 P.002/002 F-767

Golden Gate Fields

November 12, 2006

Mr. David Ross
Fire Inspector
City of Berkeley
Sent via fax (510) 981-5579

Dear Mr. Ross:

This letter confirms that Pacific Racing Association at Golden Gate Fields has no Fire and Life Safety violations outstanding following the inspection conducted by your office. In accordance with your instructions to the California Horse Racing Board, we request your signature below to verify that we have received Fire Clearance from the City of Berkeley for the period of January 2007 through January 2008.

Sincerely,



Jason Spetnagel
Assistant General Manager



David Ross, Fire Inspector
City of Berkeley

JS:mjs

Aon Reed Stenhouse Inc.
 20 Bay Street
 Toronto ON M5J 2N9
 tel 416-868-5500 fax 416-868-5580

Re: Amending Memorandum Ref. No. 320005487789
 Evidence of Insurance

California Horse Racing Board
 Attention : Insurance Department
 1010 Hurley Way
 Sacramento, CA 95825
 USA

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

Magna Entertainment Corp.; a/o Pacific Racing
 Association; a/o Golden Gate Fields; a/o MI
 Developments Inc.
 1100 Eastshore Highway
 Albany, CA 94706
 USA

Coverage

Commercial General Liability	Insurer	Zurich American Insurance Company		
	Policy #	GLO 9302183-04		
	Effective	01-Jan-2006	Expiry	01-Jan-2007
	Limits of Liability not less than	Bodily Injury & Property Damage, Each Occurrence USD1,000,000		
US Workers Comp/Employers Liability	Insurer	Liberty Mutual Insurance Company		
	Policy #	WC1-B71-072827-036		
	Effective	01-Jan-2006	Expiry	01-Jan-2007
	Limits of Liability not less than	Workers Compensation As Per Applicable Law		

Terms and / or Additional Coverage

Commercial General Liability Policy is subject to aggregate where applicable

THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
 OR, IN THE CASE OF AUTOMOBILE INSURANCE,
 THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE



14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

The tentative Winter 2006/2007 promotional/giveaway schedule is listed below (subject to change).

December, 26, 2006 – Opening Day

- Giveaway - Golden Gate Fields 2007 Russell Baze wall calendar including Bounce Back admission coupons to all fans with paid admission while supplies last.

December 28, 2006

- Bounce Back Coupon valid for Club House admission.

December 29, 2006

- Bounce Back Coupon valid for Club House admission.

December 30, 2006

- Mystery Mutuel Voucher – All fans on the GGF mailing list will receive a Mystery Mutuel Voucher for redemption on December 30th with prizes ranging from \$2 to \$10,000.
- Bounce Back Coupon valid for Club House admission and program.

December 31, 2006

- Bounce Back Coupon valid for Club House admission.

January 1, 2007

- Giveaway – Long-Sleeved shirt to all fans with paid admission while supplies last.

January 4, 2007

- Senior Thursday – Seniors 62 and older will receive Free Grandstand or Free Club House admission with a valid THOROUGHBREDS card.

January 6, 2007

- New Fan Offer – An invitation to fans who are not currently on the GGF mailing list. The offer includes 2 complimentary Turf Club admission passes, a Valet parking pass and a Mystery Mutuel Voucher.
- Direct Mail - Day on Us! – Fans on the GGF mailing list will receive 2 Club House admission passes, Valet parking pass, Complimentary Program and Complimentary Daily Racing Form.

January 7, 2007

- New Fan Offer

January 11, 2007

- Direct Mail VIP Offer – Fans on the GGF mailing list will receive 2 complimentary Turf Club admission passes and a Valet parking pass.
- Senior Thursday

January 12, 2007

- Direct Mail VIP Offer

January 13, 2007

- New Fan Offer
- \$1 Day – Fans will receive \$1 General Admission, \$1 General Parking, \$1 Program, \$1 Hot Dogs and \$1 Sodas.

January 14, 2007

- New Fan Offer

January 15, 2007 – Martin Luther King, Jr. Day (African-American Heritage Day)

- New Fan Offer

January 18, 2007

- Senior Thursday

January 20, 2007

- New Fan Offer

January 21, 2007

- Giveaway (College Day) – College students can enter a drawing to win a \$1,000 college scholarship.
- New Fan Offer

January 25, 2007

- Direct Mail VIP Offer
- Senior Thursday

January 26, 2007

- Direct Mail VIP Offer

January 27, 2007 – Sunshine Millions Day**January 28, 2007**

- Giveaway (California Derby Day) – Folding Chair to all fans with paid admission while supplies last.

February 1, 2007

- Senior Thursday

February 3, 2007

- Mystery Mutuel Voucher

February 4, 2007 (Super Bowl Sunday)

- Giveaway - Drawing contest to win a 42” flat screen television after each race.

February 10, 2007

- Direct Mail – Day on Us!

February 11, 2007 (Closing Day)

- Fan Appreciation Day

B. Number of hosts and hostesses employed for meeting:

4 Customer Service Representatives

5 Group Sales Hosts/Hostesses

C. Describe facilities set aside for new fans:

Horse Wizard Lounge – Easy to use totalisator machines geared toward new customers on how to wager in a fun filled interactive environment.

Customer Service – Our customer service center is open year round with trained customer service representatives to assist fans with general racing information, maintain our frequent fan club known as the THOROUGHBREDS, and assist with ExpressBet sign ups and account maintenance. The customer service representatives also sell our newly initiated Prepaid Admission program for TB Club Members which guarantees a fixed admission price for a minimum of 30 visits to the General Admission @ \$1.75 each and a minimum of 15 visits in the Club House at \$3.50 each.

Mutuel Newcomer Window - A specific Mutuel teller window has been created which includes a hand-selected Mutuel clerk trained in customer service.

New Fans with Personal Handicapper - An invitation to fans that are not currently on the GGF mailing list. The offer will include 2 free Admission Passes, Valet Parking and a Mystery Mutuel Voucher. In addition, the fans will receive personalized assistance on how to wager on the races at their table from a Golden Gate Fields customer service representative.

Group Sales Contest Area – All group attendees can enter contests for prizes which creates a festive atmosphere where people can mingle and share their handicapping prowess.

D. Describe any improvements to the physical facility in advance of the meeting that directly benefits:

1. Horsemen:

- A plan to create a more user-friendly area for owners and trainers to watch morning workouts.
- A plan to construct a horsemen’s lounge so the horsemen have a private area in which to congregate and view the races.

2. Fans:

- A plan to improve fan amenities by upgrading the quality of televisions while enclosing the Bayview Lounge to create a more upscale area for fans to watch and wager.

3. Facilities in the restricted areas – Equine Hospital

15. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (General)	\$ 4.00
Admission (Club House)	\$ 6.00
Admission (Turf Club)	\$10.00 Weekdays
Admission (Turf Club)	\$15.00 Weekends and Holidays
Reserved seating (General)	N/A
Reserved seating (Clubhouse)	\$ 3.00 (N/C with valid Thoroughbred Club Card)
Parking (general)	\$ 4.00
Parking (preferred)	\$ 8.00
Parking (valet)	\$ 8.00
Programs (on-track)	\$ 2.25 (Increase of \$.25)
(off-track)	\$ 2.25 (Increase of \$.25)

Thoroughbred Club Members

General Admission:		Club House Admission:	
1-3 Visits	\$3.00	1-3 Visits	\$4.00
4-8 Visits	\$2.50	4-8 Visits	\$3.50
9-15 Visits	\$2.00	9-15 Visits	\$3.00
16-20 Visits	\$1.50	16-20 Visits	\$2.50
Over 20 Visits	\$1.00	Over 20 Visits	\$2.00
		Reserved seating	Free

Thoroughbred Club Prepaid Admissions

Valid during live and ITW

TB Club Members can purchase a minimum of 30 Prepaid G/A admissions @ \$1.75 each

TB Club Members can purchase a minimum of 15 Prepaid C/H admissions @ 3.50 each

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

Turf Club – Full Season Single Membership	\$ 1,000.00
Turf Club – Full Season Dual Membership	\$ 2,000.00
Top of the Stretch – Full Season Membership	\$ 500.00
Club House Box (4 seats, no admission)	\$ 450.00
Club House Season Pass (Admission only)	\$ 400.00
Grandstand Season Pass (Admission only)	\$ 200.00

C. Describe any "package" plans such as combined parking, admission and program: **None**

16. JOCKEYS/DRIVERS' QUARTERS

A. Check the applicable amenities available in the jockeys/drivers' quarters:

- Corners (lockers and cubicles) How many
- Showers Steam room, sauna or steam cabinets Lounge area
- Masseur Food/beverage service Certified platform scale

B. Describe the quarters to be used for female jockeys/drivers:

Fifteen by twenty foot room accessed from a community hallway. The room has a television and bed with an attached shower room, sink and toilet.

17. BACKSTRETCH EMPLOYEE HOUSING

A. Inspection of backstretch housing completed 10/26/06 by Supervising Investigator Bob Gai.

B. Number of rooms used for housing on the backstretch of the racetrack: **128**

C. Number of restrooms available on the backstretch of the racetrack: **18 with showers, 7 in office areas.**

D. Estimated ratio of restroom facilities to the number of backstretch personnel: **1 restroom for every 12 people.**

18. TRACK SAFETY

A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.

B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.

Inner and outer railings are metal gooseneck. Coverings are Fontana Safety Rail. Approximate height of the top of the inner railing is 42 inches.

C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Juan Meza**

D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file.**

E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **Not applicable.**

19. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions.**
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **In negotiations.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **Not applicable.**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Robert Hartman
Print Name

[Signature]
Signature

General Manager
Print Title

11/8/06
Date

STAFF ANALYSIS
November 27, 2006

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF THE LOS ANGELES TURF CLUB AT SANTA ANITA DECEMBER 26, 2006 THROUGH APRIL 22, 2007.

Los Angeles Turf Club filed its application to conduct a thoroughbred horse racing meeting at Santa Anita:

- December 26, 2006 through April 22, 2007, or 85 days, 1 less than in 2006. The association proposes to race a total of 720 races, or 8.47 per day. In 2006 they raced 8.67 races per day with an average of 8.47 runners per race. The (actual) average daily purse for the spring 2006 meet was \$494,534. The (estimated) average daily purse for this meet is \$495,529.
- The race dates proposed are the dates allocated.

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25 H	26	27	28	29	30

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 H	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16 H	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 H	13	14	15	16	17
18	19	20 H	21	22	23	24
25	26	27	28			

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

- Racing 5 days per week, Wednesday through Sunday, with 8 races per day weekdays and 9 races opening day, weekends and Mondays, January 1, 15 and February 19 with the option to program 10 races on opening day, weekends and Mondays, January 1, 15 and February 19.
- 11 races March 3, 2007, Santa Anita handicap and April 7, 2007, Santa Anita Derby.
- First post 1:00 p.m. weekdays and 12:30 p.m. weekends and holidays.
 - 12:00 p.m. December 26, 2006, March 3 and April 7, 2007.
 - 11:45 p.m. January 27, 2007.
- Request that Jennifer Paige is appointed horse identifier pursuant to CHR B Rule 1525.
- Track safety requirements have been fulfilled.

- Wagering program will use all CHRB rules.
 - Early wagering will be 8:30 a.m. to 10:00 a.m. each day.
- The Advance Deposit Wagering (ADW) providers are Youbet and XpressBet.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application includes:

1. Horsemen's agreement.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon receiving the additional information necessary to conduct the racing meeting.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse-racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

A. Name, mailing address, telephone and fax numbers of association:

Los Angeles Turf Club, Incorporated
Santa Anita Park
285 W. Huntington Drive Telephone: **626/574-7223**
Arcadia, CA 91007 Fax: **626/446-9565**

B. Breed of horse: TB QH H

C. Racetrack name: **Santa Anita Park**

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490. **Attached**

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: **December 26, 2006 through April 22, 2007**

B. Actual dates racing will be held: **December 26, 28, 29, 30, 31**
January 1, 4, 5, 6, 7, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 24, 25, 26, 27, 28, 31,
February 1, 2, 3, 4, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 22, 23, 24, 25, 28,
March 1, 2, 3, 4, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29, 30, 31,
April 1, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22

C. Total number of days or nights of racing: **85 Days**

D. Days or nights of the week races will be held:
 Wed - Sun Tues - Sat Other (specify)

E. Number of days or nights of racing per week: **5 Days**
Exception: 6 Days Monday, January 1, 2007 - Sunday, January 7, 2007

CHRB CERTIFICATION		
Application received: <i>9/27/06</i>		Hearing date: <i>11/27/06</i>
Deposit received: <i>11/27/06</i>		Approved date:
Reviewed: <i>AO</i>		License number:

3. RACING PROGRAM

- A. Total number of races: **Estimate 720**
- B. Number of races for each day or night: **8 races weekdays
9 races Opening Day, Weekends and Mondays, January 1, 15 and February 19;
With the option to program 10 races on such days. 11 races March 3, 2007, Santa Anita Handicap and April 7, 2007, Santa Anita Derby.**
- C. Total number of stakes races: **73**
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.
Exhibit 3 (D) attached.

E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:

F. List all post times for the daily racing program:

	<u>Weekdays</u>	<u>Weekends & Holidays</u>
Race 1	1:00 p.m.	12:30 p.m.
Race 2	1:30 p.m.	1:00 p.m.
Race 3	2:00 p.m.	1:30 p.m.
Race 4	2:30 p.m.	2:00 p.m.
Race 5	3:00 p.m.	2:30 p.m.
Race 6	3:30 p.m.	3:00 p.m.
Race 7	4:00 p.m.	3:30 p.m.
Race 8	4:30 p.m.	4:00 p.m.
Race 9		4:30 p.m.
Race 10		5:00 p.m. (When applicable)

Exceptions:

Monday, December 26, 2006	Opening Day	12:00 pm
Saturday, January 27, 2007	Sunshine Millions	11:45 pm
Saturday, March 3, 2007	Santa Anita Handicap	12:00 pm
Saturday, April 7, 2007	Santa Anita Derby	12:00 pm

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
- LLC (complete subsection D)
- Other (specify, and complete subsection E)

- B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. **Addendum A on file with CHRB.**

C. CORPORATION

1. Registered name of the corporation: **Los Angeles Turf Club, Incorporated**
2. State where incorporated: **California**
3. Registry or file number for the corporation: **481360**
4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:
The officers of the corporation hold zero shares in Los Angeles Turf Club, Incorporated.

Ron Charles, President & Chief Executive Officer
Donald M. Amos, Executive V.P. & Chief Operating Officer & Director
Blake S. Tohana, Executive V.P. & Chief Financial Officer
George Haines II, V.P. & General Manager
Frank De Marco, Jr., V.P. Regulatory Affairs and Assistant Secretary
Allen Gutterman, V.P. Marketing & Sales
Gina Lavo, V.P. Finance
Scott F. Daruty, Director

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
Los Angeles Turf Club, Incorporated is a wholly owned subsidiary of The Santa Anita Companies, Inc., a Delaware Corporation, which is a wholly owned subsidiary of Magna Entertainment Corp., a Delaware Corporation.
6. Number of outstanding shares in the corporation:
Los Angeles Turf Club, Incorporated: 25 shares (Not publicly traded.)
The Santa Anita Companies, Inc.: 100 shares (Not publicly traded.)
Magna Entertainment Corp.: 49,035,618 Class A Subordinate Voting Shares
58,466,056 Class B Shares
As of August 31, 2006
7. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:
The MEC shares are traded on the NASDAQ Exchange.
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: **N/A**
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Magna Entertainment Corp.

10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee.

Magna Entertainment Corp. on file.

D. LLC N/A

E. OTHER N/A

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

Ron Charles, President

George Haines, Vice-President & General Manager

Frank DeMarco, Jr., Vice-President Regulatory Affairs & Assistant Secretary

Allen Gutterman, Vice-President Marketing & Sales

Gina Lavo, Vice-President Finance

Candace Coder-Chew, Director of Print & Graphics

Steve Guise, Director of Facility & Grounds

Randy Hartzell, Director of Mutuels

Dick Honaker, Chief of Security

Chris Quinn, Director of Group Sales

Pete Siberell, Director of Community Service & Special Events

Aaron Vercruysse, Simulcast Coordinator

Ken Walker, Director of Labor Relations

Mike Willman, Director of Publicity & Public Relations

Amy Zimmerman, Director of Broadcasting

Nina Zukin, Director of Information Services

Jay Cohen, Hornblower

Trevor Denman, Public Address Commentator/Announcer

Steve Wood, Track Superintendent

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

Frank DeMarco, Jr., Vice-President Regulatory Affairs & Assistant Secretary

5. PURSE PROGRAM

A. Purse distribution:

- 1. All races other than stakes:
 - Current meet estimate: **\$ 26,460,000**
 - Prior meet actual: \$ 26,850,000
- 2. Overnight stakes:
 - Current meet estimate: **\$ 1,200,000**
 - Prior meet actual: \$ 1,500,000
- 3. Non-overnight stakes:
 - Current meet estimate: **\$ 10,390,000**
 - Prior meet actual: \$ 10,280,000

B. Stakes races:

- 1. Purse distribution for all stakes races:
 - Current meet estimate: **\$ 11,590,000**
 - Prior meet actual: \$ 11,780,000
- 2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 - Current meet estimate: **13%**
 - Prior meet actual: 13%

C. Funds to be generated for all California-bred incentive awards:

- Current meet estimate: **\$ 2,700,000**
- Prior meet actual: \$ 2,750,000

D. Payment to each recognized horsemen's organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen's Organization

Current meet estimate:		Prior meet actual:	
NTRA	\$ 450,000	NTRA	\$ 186,270
TOC	\$ 350,000	TOC	\$ 387,000
CTT	* \$ 570,000	CTT	*\$ 581,000
	*Pension Fund \$ 376,000		*Pension Fund \$ 383,000
	*Administration \$ 194,000		*Administration \$ 198,000
	Total \$ 570,000		Total \$ 581,000

E. Total amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5B+5C+5D):

- Current meet estimate: **\$ 42,120,000**
- Prior meet actual: \$ 42,534,270

2006-07 SA STAKES FINAL...

Sat Feb 17	Daytona Handicap	4 & UP	abt 6 1/2 F (T)	\$75,000A	Thu Feb 8	\$50
Sun Feb 18	Sensational Star Handicap	4 & UP (CA Breds)	abt 6 1/2 F (T)	\$125,000A	Thu Feb 8	\$125
Mon Feb 19	Buena Vista Handicap (Grade II)	F/M, 4 & UP	1 M (T)	\$150,000G	Thu Feb 8	\$150
Sat Feb 24	Las Flores Handicap (Grade III)	F/M, 4 & UP	6 F	\$100,000A	Thu Feb 15	\$100
Sun Feb 25	San Luis Obispo Handicap (Grade II)	4 & UP	1 1/2 M (T)	\$150,000G	Thu Feb 15	\$150
Sat Mar 3	Santa Anita Handicap (Grade I)	4 & UP	1 1/4 M	\$1,000,000G	Sat Feb 17	\$300
Sat Mar 3	Frank E. Kilroe Mile (Grade I)	4 & UP	1 M (T)	\$300,000G	Sat Feb 17	\$300
Sat Mar 3	Robert B. Lewis Stakes (Grade II)	3 YO	1 1/16 M	\$200,000G	Thu Feb 22	\$200
Sat Mar 3	China Doll Stakes	F, 3 YO	1 M (T)	\$75,000A	Thu Feb 22	\$50
Sun Mar 4	La Habra Stakes	F, 3 YO	abt 6 1/2 F (T)	\$100,000A	Thu Feb 22	\$100
Sat Mar 10	Santa Margarita Handicap (Grade I)	F/M, 4 & UP	1 1/8 M	\$300,000G	Invitational	
Sat Mar 10	Baldwin Stakes (Grade III)	3 YO	abt 6 1/2 F (T)	\$100,000A	Thu Mar 1	\$100
Sun Mar 11	Santa Anita Oaks (Grade I)	F, 3 YO	1 1/16 M	\$300,000G	Thu Mar 1	\$300
Sun Mar 11	Santana Mile	4 & UP	1 M	\$75,000A	Thu Mar 1	\$50
Fri Mar 16	Pasadena Stakes	3 YO	1 M (T)	\$75,000A	Fri Mar 9	\$50
Sat Mar 17	San Felipe Stakes (Grade II)	3 YO	1 1/16 M	\$250,000G	Thu Mar 8	\$250
Sat Mar 17	Irish O'Brien Stakes	F/M, 4 & UP (CA Breds)	abt 6 1/2 F (T)	\$125,000 A	Thu Mar 8	\$125
Sun Mar 18	Crystal Water Handicap	4 & UP (CA Breds)	1 M (T)	\$100,000A	Thu Mar 8	\$100
Sat Mar 24	San Luis Rey Handicap (Grade II)	4 & UP	1 1/2 M (T)	\$200,000G	Thu Mar 15	\$200
Sun Mar 25	Santa Ana Handicap (Grade II)	F/M, 4 & UP	1 1/8 M (T)	\$150,000G	Thu Mar 15	\$150
Sat Mar 31	Tokyo City Cup (Grade III)	4 & UP	1 1/8 M	\$100,000A	Thu Mar 22	\$100
Sun Apr 1	Santa Paula Stakes (Grade III)	F, 3 YO	6 1/2 F	\$100,000A	Thu Mar 22	\$50
Sat Apr 7	Santa Anita Derby (Grade I)	3 YO	1 1/8 M	\$750,000G	Thu Dec 14	\$250
Sat Apr 7	**Potrero Grande B/C Handicap (Grade II)	4 & UP	6 1/2 F	\$200,000G	Thu Mar 29	\$200
Sat Apr 7	Arcadia Handicap (Grade II)	4 & UP	1 M (T)	\$150,000G	Thu Mar 29	\$150
Sat Apr 7	Providencia Stakes (Grade III)	F, 3 YO	1 M (T)	\$100,000A	Thu Mar 29	\$100
Sun Apr 8	San Pedro Stakes	3 YO	6 1/2 F	\$75,000A	Thu Mar 29	\$50
Sun Apr 8	Pro or Con Handicap	F/M, 4 & UP (CA Breds)	1 M (T)	\$100,000A	Thu Mar 29	\$100
Sat Apr 14	Santa Lucia Handicap (Restricted)	F/M, 4 & UP	1 1/16 M	\$75,000A	Thu Apr 5	\$50
Sat Apr 14	La Puente Stakes	3 YO	1 M (T)	\$100,000A	Thu Apr 5	\$100
Sun Apr 15	Las Cienegas Handicap (Grade III)	F/M, 4 & UP	abt 6 1/2 F (T)	\$100,000A	Wed Apr 5	\$100
Sat Apr 21	Santa Barbara Handicap (Grade II)	F/M, 4 & UP	1 1/4 M (T)	\$200,000G	Thu Apr 12	\$200
Sat Apr 21	San Simeon Handicap (Grade III)	4 & UP	abt 6 1/2 F (T)	\$100,000A	Thu Apr 12	\$100
Sun Apr 22	San Juan Capistrano Handicap (Grade II)	4 & UP	abl 1 3/4 M (T)	\$250,000G	Invitational	
	American Beauty Stakes	F/M, 4 & UP	1 M (T)	\$75,000A	Thu Mar 29	\$50
	Flower Girl Stakes	F/M, 4 & UP	abt 6 1/2 F (T)	\$75,000A		\$50
	Tapestry Stakes	F, 3 YO	6 F	\$75,000A		\$50
	Shanekite Stakes	3 YO	6 F	\$75,000A		\$50

2006-07 SA STAKES FINAL...

Run Date	Race	Age	Distance	Purse	Close Date	Nom Fee
Tue Dec 26	Malibu Stakes (Grade I)	3 YO	7 F	\$250,000G	Thu Dec 14	\$250
Tue Dec 28	Sir Beaufort Stakes (Grade III)	3 YO	1 M (T)	\$100,000A	Thu Dec 14	\$100
Tue Dec 26	California Breeders Champion Stakes	2 YO (CA Breds)	7 F	\$125,000A	Thu Dec 14	\$125
Thu Dec 28	Kalookan Queen Handicap	F/M, 3 & UP	6 1/2 F	\$75,000A	Thu Dec 21	\$50
Fri Dec 29	California Breeders Champion Stakes	F, 2 YO (CA Breds)	7 F	\$125,000A	Thu Dec 21	\$125
Sat Dec 30	La Brea Stakes (Grade I)	F, 3 YO	7 F	\$250,000G	Thu Dec 21	\$250
Sat Dec 30	Eddie Logan Stakes	2 YO	1 M (T)	\$75,000A	Thu Dec 21	\$50
Sun Dec 31	San Gabriel Handicap (Grade II)	3 & UP	1 1/8 M (T)	\$150,000G	Thu Dec 21	\$150
Sun Dec 31	Blue Norther Stakes	F, 2 YO	1 M (T)	\$75,000A	Fri Dec 22	\$50
Mon Jan 1	Monrovia Handicap (Grade III)	F/M, 4 & UP	abt 6 1/2 F (T)	\$100,000A	Thu Dec 21	\$100
Mon Jan 1	El Conejo Handicap (Grade III)	4 & UP	5 1/2 F	\$100,000A	Thu Dec 21	\$100
Sat Jan 6	San Pasqual Handicap (Grade II)	4 & UP	1 1/16 M	\$150,000G	Thu Dec 28	\$150
Sat Jan 6	Santa Ysabel Stakes (Grade III)	F, 3 YO	1 1/16 M	\$100,000A	Thu Dec 28	\$100
Sun Jan 7	San Gorgonio Handicap (Grade II)	F/M, 4 & UP	1 1/8 M (T)	\$150,000G	Thu Dec 28	\$150
Sun Jan 7	San Miguel Stakes	3 YO	6 F	\$75,000A	Thu Dec 28	\$50
Wed Jan 10	Impressive Luck Handicap	4 & UP	abt 6 1/2 F (T)	\$75,000A	Fri Jan 5	\$50
Fri Jan 12	Paseana Handicap	F/M, 4 & UP	1 1/16 M	\$75,000A	Fri Jan 5	\$50
Sat Jan 13	**San Fernando B/C Stakes (Grade II)	4 YO	1 1/16 M	\$200,000G	Thu Jan 4	\$200
Sat Jan 13	San Rafael Stakes (Grade II)	3 YO	1 M	\$150,000G	Thu Jan 4	\$150
Sun Jan 14	El Encino Stakes (Grade II)	F, 4 YO	1 1/16 M	\$150,000G	Thu Jan 4	\$150
Mon Jan 15	Santa Ynez Stakes (Grade II)	F, 3 YO	7 F	\$150,000G	Thu Jan 4	\$150
Sat Jan 20	Palos Verdes Handicap (Grade II)	4 & UP	6 F	\$150,000G	Thu Jan 11	\$150
Sun Jan 21	San Marcos Stakes (Grade II)	4 & UP	1 1/4 M (T)	\$150,000G	Thu Jan 11	\$150
Wed Jan 24	Tuzla Handicap	F/M, 4 & UP	1 M (T)	\$75,000A	Thu Jan 18	\$50
Sat Jan 27	Sunshine Millions Turf	4 & UP (CA/FL Breds)	1 1/8 M (T)	\$500,000G	Thu Dec 7	\$100
Sat Jan 27	Sunshine Millions Distaff	F/M, 4 & UP (CA/FL Breds)	1 1/16 M	\$500,000G	Thu Dec 7	\$100
Sat Jan 27	Sunshine Millions Sprint	4 & UP (CA/FL Breds)	6 F	\$300,000G	Thu Dec 7	\$100
Sat Jan 27	Sunshine Millions Oaks	F, 3 YO (CA/FL Breds)	6 F	\$250,000G	Thu Dec 7	\$100
Sun Jan 28	Santa Monica Handicap (Grade I)	F/M, 4 & UP	7 F	\$250,000G	Thu Jan 18	\$250
Sun Jan 28	Wishing Well Handicap	F/M, 4 & UP	abt 6 1/2 F (T)	\$75,000A	Sun Jan 21	\$50
Sat Feb 3	Strub Stakes (Grade II)	4 YO	1 1/8 M	\$300,000G	Thu Jan 25	\$300
Sat Feb 3	Sham Stakes (Grade III)	3 YO	1 1/8 M	\$100,000A	Thu Jan 25	\$100
Sat Feb 3	Thunder Road Handicap	4 & UP	1 M (T)	\$75,000A	Thu Jan 25	\$50
Sun Feb 4	San Antonio Handicap (Grade II)	4 & UP	1 1/8 M	\$250,000G	Thu Jan 25	\$250
Sat Feb 10	Las Virgenes Stakes (Grade I)	F, 3 YO	1 M	\$250,000G	Thu Feb 1	\$250
Sat Feb 10	Santa Maria Handicap (Grade I)	F/M, 4 & UP	1 1/16 M	\$250,000G	Thu Feb 1	\$250
Sun Feb 11	La Canada Stakes (Grade II)	F, 4 YO	1 1/8 M	\$200,000G	Thu Feb 1	\$200
Sun Feb 11	San Vicente Stakes (Grade II)	3 YO	7 F	\$150,000G	Thu Feb 1	\$150
Sat Feb 17	San Carlos Handicap (Grade II)	4 & UP	7 F	\$150,000G	Thu Feb 8	\$150

F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: **\$ 27,000,000**
 Prior meet actual: **\$ 28,000,000**

PAGE 5 – 10

G. Purse funds to be generated from interstate handle:

Current meet estimate: **\$ 8,000,000**
 Prior meet actual: **\$ 8,500,000**

H. Bank and account number for the Paymaster of Purses' purse account:

Wells Fargo Regional Commercial Bank, West Covina Office, paid through Paymaster of Purses Account #4761-070465

I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Bowen, McBeth Co., 10722 Arrow Route, Suite 110, Rancho Cucamonga, CA 91730 Telephone: (909) 944-6465

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, shall not be deemed as income to the association; shall not be transferred to a parent corporation outside the State of California; and shall, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of underpayment of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

A. Number of usable stalls available for racehorses at the track where the meeting is held: **1,950**

B. Minimum number of stalls believed necessary for the meeting: **1,853**

C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: **2,500**

D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site:

Hollywood Park 1,500 San Luis Rey Downs 500 Fariplex 500

E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site.

SCOTWINC agreement on file with CHRB

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

F. Total number of usable stalls made available on-site for the **1986** meeting: **1,950**

G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall: **PAGE 5 – 11**
\$ 1,700,000 (\$10.00/day/stall; excludes vanning costs)

H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: **\$350,000**

\$180 RT for Hollywood and Pomona

\$320 RT for San Luis Rey Downs

7. PARI-MUTUEL WAGERING PROGRAM

A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for Superfecta, TRI for trifecta and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS				APPLICABLE RULES	
Example Race:	\$1 E; \$1 Double				CHRB #1959; RCI #VE	
Race #1	\$1E	\$2DD	\$1PK3	\$1PPN	CHRB #1959, 1957, 1977, 1976.8	
Race #2	\$1E	\$2DD	\$1PK3		CHRB #1959, 1957, 1977	
Race #3	\$1E	\$2DD	\$1PK3	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9	
Race #4	\$1E	\$2DD	\$1PK3	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9	
Race #5	\$1E	\$2DD	\$1PK3	\$2PNP6	CHRB #1959, 1957, 1977, 1976.9	
Race #6	\$1E	\$2DD	\$1PK3	\$1PNP4	CHRB #1959, 1957, 1977, 1976.9	
Race #7	\$1E	\$2DD	\$1PK3	\$1PNP4	CHRB #1959, 1957, 1977, 1976.9	
Race #8	\$1E	\$2DD	\$1PK3	\$1PNP4	CHRB #1959, 1957, 1977, 1976.9	
Race #9	\$1E	\$2DD			CHRB #1959, 1957	
Race #10	\$1E	\$2DD			CHRB #1959, 1957	

- Rolling \$2 Daily Doubles beginning with Race #1. (CHRB #1957)
- \$1 Trifecta on all eligible races. (CHRB #1979)
- \$1 Superfecta wagers on all qualifying races. (CHRB #1979.1)
- Incoming simulcasts will follow host track format.
- \$1 Place PK8 on 8-race program; Place PK9 on 9-race program, Place PK10 on 10-race program. Alternate runner provision. [All \$1 Wagers] No carryover. Pay all tickets with most winners. (CHRB 1976.8)
- \$2 PNP6 Last six live races 70% Carryover, 30% Minor. Alternate runner provision. (CHRB #1976.9)
- \$1 PNP4 last four live races. Alternate runner provision. (CHRB #1976.9)
- \$2 Parlay Wagering Races 1-10. (CHRB #1954.1)
- Additional deduction provided by subdivision (a) of Section 19611.5 will be made.

B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool:

Unlimited

C. List any options requested with regard to exotic wagering: **N/A**

D. Will "advance" or "early bird" wagering be offered? Yes No

If yes, when will such wagering begin:

8:30 AM to 10:00 AM each day.

- E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
Scientific Games Racing, David Haslett Expires: 9/2007

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Southern California Off-Track Wagering, Inc.
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools.
Agreement on file with CHRB.
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:
Alameda County Fair, Pleasanton
Antelope Valley Fair, Lancaster
Barona Casino, Lakeside
Bay Meadows, San Mateo
Big Fresno Fair, Fresno
California Start Fair & Exposition, Sacramento
Club One, Fresno
Desert Expo Centre, Indio
Earl Warren Showgrounds, Santa Barbara
Fairplex Park, Pomona
Fantasy Springs Casino (Cabazon), Indio
Golden Gate Fields, Albany
Hollywood Park, Inglewood
Kern County Fair, Bakersfield
LA County Fair, Pomona
Lake Perris Sports Pavilion, Perris
Los Alamitos Racecourse, Los Alamitos
Mid-State Fair, Paso Robles
Monterey County Fair, Monterey
National Orange Show, San Bernardino
Redwood Acres Fair, Eureka
San Bernardino County Fair, Victorville
San Joaquin County Fair, Stockton
San Mateo County Fair, San Mateo
Santa Barbara County Fair, Santa Maria
Santa Clara County Fair, San Jose
Shasta District Fair, Anderson
Solano County Fair, Vallejo
Sonoma County Fair, Santa Rosa
Stanislaus County Fair, Turlock
Surfside Race Place, Del Mar
Sycuan Gaming Center, El Cajon
Tulare County Fair, Tulare
Ventura County Fair, Ventura
Viejas Casino & Turf Club, Alpine

- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
As listed under (E)

PAGE 5 – 13

- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
Export Simulcast Site List:

EXPORT SIMULCAST SITE REQUEST - LOS ANGELES TURF CLUB 2006-07**Subject to Change/Additions**

Guest	State	Guest	State
AmericaTab	Ohio	Midway Slots & Simulcast	Delaware
Amwest Entertainment	North Dakota	Monmouth Park	New Jersey
Arapahoe Park	Colorado	Montana Simulcast Partners	Montana
Arlington International Racecourse	Illinois	Monticello Raceway	New York
Atlantic City Casino Assn.	New Jersey	Mount Pleasant Meadows	Michigan
Atlantic City Race Course	New Jersey	Mountaineer Park	West Virginia
Atokad Downs	Nebraska	Nassau/Suffolk OTB	New York
Balmoral Park/Maywood	Illinois	Nevada Pari-Mutuel Association	Nevada
Bettor Racing OTB (Royal River)	South Dakota	New Jersey Sports & Exposition Authority	New Jersey
Beulah Park	Ohio	New York City Off-Track Betting	New York
Birmingham Race Course	Alabama	New York Racing Association	New York
Blue Ribbon Downs	Oklahoma	Newport Jai-Alai	Rhode Island
Bluffs Run Greyhound Park & Casino	Iowa	Northfield Park	Ohio
Boyd Gaming, dba Delta Downs	Louisiana	Northville Racing Corp.	Michigan
Buffalo Trotting Association	New York	Oaklawn Park	Arkansas
Calder Race Course	Florida	Ocean Downs	Maryland
Canterbury Park	Minnesota	Penn National Race Course	Pennsylvania
Capital District OTB	New York	Philadelphia Park	Pennsylvania
Capital Sports Pty Ltd.	Australia	Plainridge Race Course	Massachusetts
Catskill OTB	New York	Portland Meadows	Oregon
Charles Town Races	West Virginia	Prairie Meadows	Iowa
Choctaw Racing Services, LLC	Oklahoma	Raceway Park	Ohio
Churchill Downs	Kentucky	Racing & Gaming Services, Inc.	British WI
Churchill Downs Sports Spectrum	Kentucky	Remington Park	Oklahoma
Coeur d' Alene Casino	Idaho	Retama Park	Texas
Colonial Downs	Virginia	River Downs	Ohio
Columbus Races	Nebraska	Rockingham Park	New Hampshire
Connecticut OTB	Connecticut	Rosecroft Raceway	Maryland
Corpus Christi Greyhound Race Track	Texas	Ruidoso Downs	New Mexico
Crystal Palace Casino	Bahamas	Saginaw Harness Raceway	Michigan
Dairyland Greyhound Park	Wisconsin	Sam Houston Race Park, LTD	Texas
Delaware Park	Delaware	Saratoga Raceway	New York
Dover Downs	Delaware	Scarborough Downs	Maine
Downs at Albuquerque	New Mexico	Scioto Downs	Ohio
Ellis Park	Kentucky	Southland Greyhound Park	Arkansas
Emerald Downs	Washington	Sports Creek Raceway	Michigan
European Simulco	Austria	State Fair Park	Nebraska
Evangeline Downs	Louisiana	Stevenson & Associates, Inc. (Common)	Florida
Fair Meadows at Tulsa	Oklahoma	Suffolk Downs	Massachusetts
Fairgrounds Race Course	Louisiana	Suffolk OTB	New York
Fairmount Park	Illinois	Sunland Park	New Mexico
Finger Lakes Race Track	New York	Sunray Park	New Mexico
Fonner Park	Nebraska	The Green Track	Alabama
Freehold Raceway	New Jersey	The Greyhound Park at Post Falls	Idaho
Geneva Lakes Kennel Club	Wisconsin	The Meadows	Pennsylvania
Gillespie County Fair Race Meet	Texas	The Texas Hub at Gulf Greyhound	Texas

CHRB-17 (Rev. 07/05)			
Great Lakes Downs	Michigan	Thistledown Racing	Ohio
Hawthorne National LLC	Illinois	Tri-State Racetrack & Gaming Center	West Virginia
Hazel Park	Michigan	Turf Paradise	Arizona
Hinsdale Greyhound Park	New Hampshire	Turfway Park	Kentucky
Hoosier Park	Indiana	Western Regional OTB	New York
Horsemen's Park	Nebraska	Wheeling Downs	West Virginia
Indiana Downs	Indiana	Wichita Greyhound Park	Kansas
International All Sports Limited	Florida	Wonderland Greyhound Park	Massachusetts
Jackson Harness Raceway	Michigan	Woodlands	Kansas
Keeneland Association	Kentucky	Wyoming OTB	Wyoming
Las Vegas Dissemination Co.	Nevada	XpressBet, Inc.	California
Lebanon Raceway	Ohio	Yonkers Raceway	New York
Les Bois Park	Idaho	Youbet / I.R.G.	California
Lewiston Raceways, Inc.	Maine	Zia Park	New Mexico
Lien Games, Inc.	North Dakota	Separate Pool:	
Lincoln Park	Rhode Island	Woodbine/Hastings	Canada
Lone Star Race Park Ltd.	Texas	<u>Stevenson & Associates, Inc. (Separate)</u>	
Louisiana Downs	Louisiana	Arima Race and Sports Book	Trinidad
LVDC / Elite Turf Club	Nevada	<u>Caliente:</u> Mexico, Central & South America,	
LVDC / Tribal Locations	Nevada	Panama, Austria	
Manor Downs	Texas	Presidente Remon	Panama
Maryland Jockey Club	Maryland		

F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state "selected feature and/or stakes races":

***LATC 2007 Import List: (Subject to Change)**

*Subject to Change-No signals will be full card for the most part with the exception of Canadian Imports which do not count against the 23-race/day-import average.

Track	Races
Aqueduct - AQU: DEC-APRIL	Selected Feature and/or Stakes Races
Calder Race Course - CRC: DEC-JAN	Selected Feature and/or Stakes Races
Fairground @ La. Downs: DEC-APRIL	Selected Feature and/or Stakes Races
Fort Erie - Canada: APRIL	Full Card
Gulfstream Park - GP: JAN-APRIL	Selected Feature and/or Stakes Races
Hastings - HST: APRIL	Full Card
Hawthorne - HAW: FEB-APRIL	Selected Feature and/or Stakes Races
Keeneland - KEE: APRIL	Selected Feature and/or Stakes Races
Laurel Park - LRL: JAN-APRIL	Selected Feature and/or Stakes Races
Lone Star Park - LS: APRIL	Selected Feature and/or Stakes Races
Louisiana Downs - LAD: APRIL	Selected Feature and/or Stakes Races
Northlands Park - NP: MARCH-APRIL	Full Card
Oaklawn Park - OP: JAN-APRIL	Selected Feature and/or Stakes Races
Philadelphia Park - PHA: JAN-APRIL	Selected Feature and/or Stakes Races
Pimlico - PIM: APRIL	Selected Feature and/or Stakes Races
Portland Meadows - DEC-APRIL	Selected Feature and/or Stakes Races

CHRB-17 (Rev. 07/05)
 Remington Park - RP: APRIL
 River Downs - RD: APRIL
 Stampede Park - STP: APRIL
 Tampa Bay Downs - TAM: DEC-APRIL
 Thistledown - TDN: MARCH-APRIL
 Turf Paradise - TUP: DEC-APRIL
 Turfway Park - TP: JAN-APRIL
 Woodbine - WO: APRIL

Selected Feature and/or Stakes Races
 Selected Feature and/or Stakes Races
 Full Card
 Selected Feature and/or Stakes Races
 Full Card

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”: **N/A**

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”: **N/A**

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track Race Dates Full Card or Selected Feature and/or Stakes Races

I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported: **N/A**

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track Breed of Horse Race Dates Number of Races to be Imported

J. For **ALL** racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). **N/A**

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific written approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vanning deductions. Every association shall pay to its Paymaster of Purses'

account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:
- Board of Directors
Los Angeles Turf Club, Incorporated
285 W. Huntington Drive
Arcadia, CA 91007**
- B. Names and addresses of the trustees or directors of the distributing agent:
- Los Angeles Turf Club, Incorporated
Frank De Marco, Assistant Secretary
285 W. Huntington Drive
Arcadia, CA 91007**
- C. Dates the association will conduct races as charity racing days **OR**:
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? **Yes**

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

- A. **Racing officials nominated:**
- | | |
|-----------------------------|--|
| Association Veterinarian(s) | Dr. Steven Buttgenbach |
| Clerk of Scales | Kevin Colosi |
| Clerk of the Course | Melanie Stubblefield |
| Film Specialist | Ruben Hernandez |
| Horse Identifier | Jennifer Paige |
| Horseshoe Inspector | Victor Tovar |
| Paddock Judge | Ken Goldberg |
| Patrol Judges | Ken Goldberg, Ruben Hernandez, Dawn Jackson |
| Placing Judges | Bob Moreno, Lisa Jones |
| Starter | Jay Slender |
| Timer | Jeff Tufts |
- B. **Management officials in the racing department:**
- | | |
|-------------------------------------|--------------------------|
| Director of Racing | Michael J. Harlow |
| Racing Secretary | Rick Hammerle |
| Assistant Racing Secretary | Richard Wheeler |
| Paymaster of Purses | Cece Connor |
| Others (identify by name and title) | |
| Assistant Clerk of Scales | Charles McCaul |

- C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards: **Ms. Barbara Weinstein, 9582 Hamilton Avenue, Suite 265, Huntington Beach CA 92646, 714/964-7102**
- D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:
Plusmic Corporation USA/Bill O'Brien Expires December 31, 2007
- E. Photopatrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks. **In-house Video System**

MAJOR VIDEO EQUIPMENT LISTING

Cameras

- All cameras, except ENG cameras, are BTS LDK 91 or BTS LDK 100 broadcast color cameras.
- All cameras are equipped with Fujinon lens and Vinten camera Support Equipment.
- All cameras (except the 2 wireless) are on triax camera control systems.
- ENG cameras are Sony DVW-700 digital betacams.
- Enclosed saddling stall cameras are high-8 lock-down cameras.

Camera Positions

- 1) 3/8 tower on grass 55:1 lens
- 2) 3/8 tower on dirt 55:1 lens
- 3) hillside/square box on hill grass (remote) 18:1 lens
- 4) 1/4 tower on both grass and dirt 24:1 lens
- 5) tight pan camera on both grass and dirt 70:1 lens
- 6) loose pan camera on both grass and dirt 36:1 lens
- 7) 7/8 tower on grass 55:1 lens
- 8) 7/8 tower on dirt 55:1 lens
- 9) winner's circle 24:1 lens
- 10) wireless starting gate and saddling barn 18:1 lens
- 11) wireless lower finish line and interviews 14:1 lens
- 12) walking ring 14:1 lens
- 13) east saddling barn (remote) 7:1 lens
- 14) west saddling barn (remote) 7:1 lens
- 15) studio 18:1 lens
- 16) infield speaker pole (remote) 18:1 lens
- 17) ENG camera 20:1 lens
- 18) ENG camera 15:1 lens
- 19) East saddling barn enclosed saddling stall (lock-down)
- 20) West saddling barn enclosed saddling stall (lock-down)
- 21) 5/16 Camera outside of main track rail 14:1 lens

Public

- | | |
|-----|----------------------------------|
| 250 | 13" Gateway Flat Screen Monitors |
| 30 | 42" LG Plasma Monitors |

over 600	9" Sony receivers
over 500	27" Sony receivers
over 350	32" Sony receivers
over 75	13" Sony receivers
over 150	10" Sony receivers
150	20" Sony receivers
8	Barco Video Projectors
1	40'x53' Display Ad Large screen LED video board
2	Barco LED Screens
1	32' x 18' Barco mobile LED video board

Control Room Equipment

- 1- Tektronix 4-channel digital profile file server.
- 1- Digital Betacam VTP
- 2- Composite Digital Video Tape recorders
- 6- Betacam record/play VCRs with slo-mo
- 2- Betacam record/play VCRs
- 1- 3/4" Umatic record/play VCR
- 1- 3/4" Umatic VCR
- 5 Digital Beta cam VCR's
- 1- GVG IPS-110 Editor
- 2- Hi 8 record/play VCR
- 6- VHS record/play VCR
- 1- BTS 128x128 video router with 64x64 stereo audio follow
- 1- GVG 3000 composite digital switcher w/dual MEs, PVW/PGM
- 1- Dual channel GVG DPM 700 digital effects system
- GVG video DAs
- 1- GVG GF-40 character generator/paint system
- 1- GVG DSS-4 stillstore
- 1- Quanta character generator
- Sony video monitors
- 5- Tektronix WFM and V-scopes
- 1- GVG 100 video switchers
- 2- Soundcraft Delta audio mixers
- 1- GVG 251 Editor
- 30- Jerold TV Modulators
- 2- Chyron MAX! Graphics Generators
- 2- Chryon Maxine! Graphics Generators
- 1- Abekes Dveous digital effects machine
- 2- Sony DVD Recorder/Players

Number and location of cameras for dirt and turf tracks:

- 1 Tight Pan
- 1 Loose Pan
- 1 7/8th camera *dirt*
- 1 7/8th camera *turf*
- 1 RF Starting Gate camera
- 1 3/8th camera *dirt*
- 1 3/8th camera *turf*
- 1 3/16th camera *dirt*
- 1 3/16th camera *turf*

- 1 ¼ pole camera
- 1 hillside camera *turf*
- 1 5/16th camera *dirt/turf*

- F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:
Electronic timing systems on both dirt and turf courses, maintained and operated by Santa Anita personnel. Systems backed by hand timing.

11. SECURITY CONTROLS

- A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

Richard Honaker, Chief of Security
Front Side Security Office (626) 574-6406
Stable Security Office (626) 574-6469
Organizational Chart: Attached Exhibit 11-A

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis:

7 Investigators
1 Dispatcher/Child Care
40 Security Guards
1 Office Manager/Risk Manager
1 Fire Marshall
13 Gatemen
1 Secretary, Stable Credentials

1. Attach a written plan for enhanced security for graded/stakes races and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns.

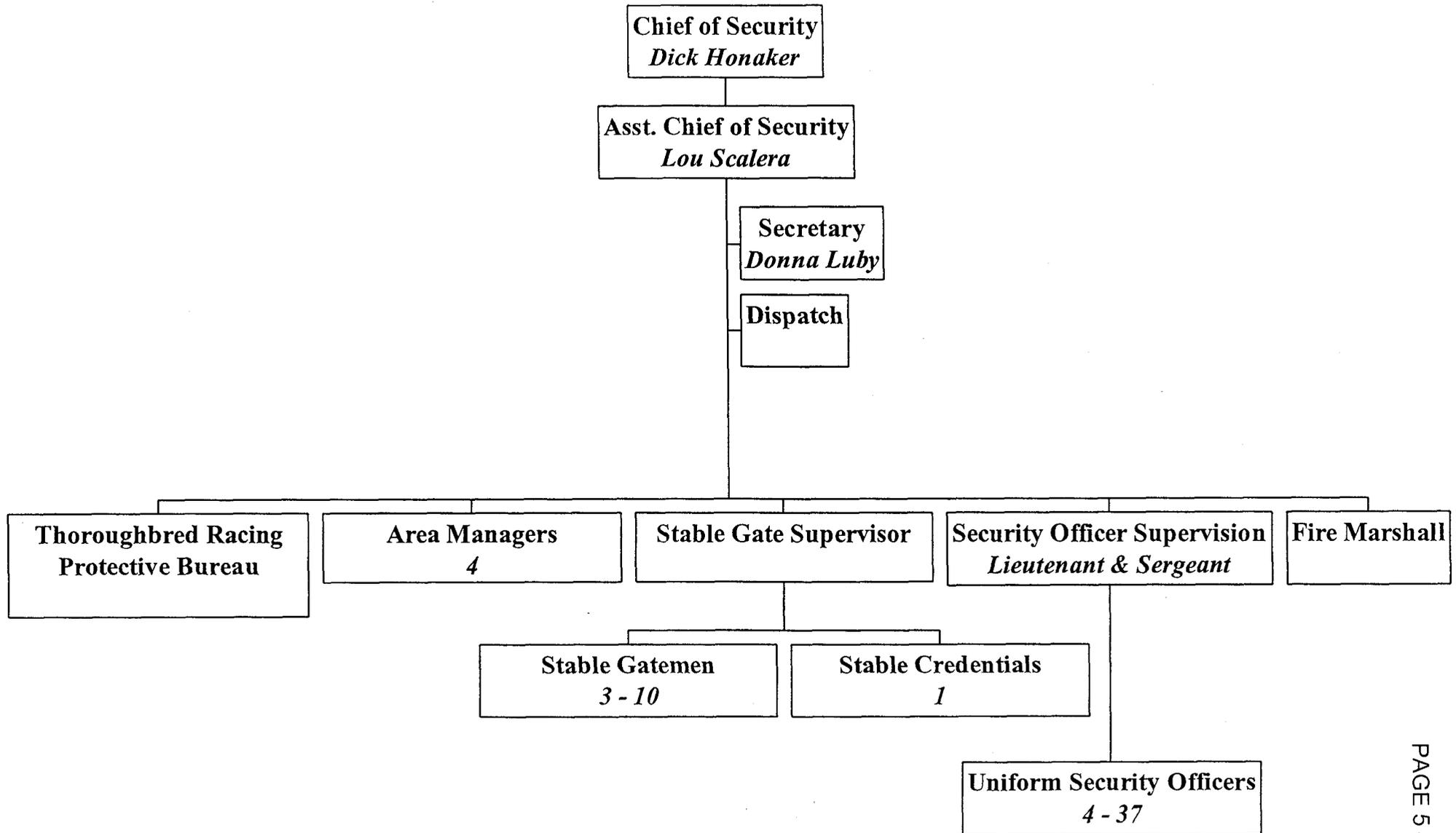
A cooperative effort by Los Angeles Turf Club, Incorporated and TOC, has created and implemented a plan for Graded/Stakes Races. Under the plan, each horse entered in a graded race is assigned a contracted security officer. Each contracted security officer will be licensed by the CHRB. Each of these officers has received training from LATC Stable Security management, the CHRB and one or more track veterinarians. Each officer is also issued a hand-held digital video camera and a log sheet to record [in writing and electronically] all activity including persons entering the stall with the horses entered. Each security officer is briefed before starting surveillance a minimum of six (6) hours prior to the post time of the given race. LATC also tests for carbon dioxide (TCO₂) levels of entries prior to all races.

2. Detention Barns

- a. Attach a plan for use of graded stakes or overnight races.

As indicated in Exhibit B-3-A, the Detention Barn is used when a trainer's entry tests high for carbon dioxide (TCO₂). All race entries for the offending trainer must be transported to the Detention Barn by noon of the day prior to the scheduled race. In addition to the electronic surveillance as mentioned in section C1, below, a contracted security guard is then placed on

SANTA ANITA PARK Security Live Racing





**2006-2007 Testing Policy & Procedures
Stall Application Supplemental Form**

Los Angeles Turf Club is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2006-2007 meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more shall be subject to the following actions:

- a. **1st Offense** – For the first test that results in a total carbon dioxide (TCO₂) of 37 millimoles per liter of plasma or more, the registered trainer of such horse may have his/her barn, and all owners' horses stabled therein, subject to "earned surveillance" for a period of 45 days from the date of the infraction. Such earned surveillance will be conducted at the Los Angeles Turf Club's sole discretion, and may include, but not be limited to, the placing of surveillance cameras with recording devices in any locations within that barn that Los Angeles Turf Club deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notification of the first offense, may be subject to confinement in a detention barn beginning at noon on the day before said horse is scheduled to compete. Such detention barn will be established at management's sole discretion, with the costs of such detention/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being borne by the trainer or owner of such horse.
- b. **2nd Offense** – *To Be Determined*
- c. **3rd Offense** – *To Be Determined*

My signature below indicates that I have read the above policy and understand the consequences if a horse under my care tests positive.

By: Trainer

Date:

duty for every 3 horses in the Detention Barn. In addition, entries for graded races that are confined to the Detention Barn receive a contracted security officer six (6) hours before post as indicated in (1) above.

- b. Number of security guards in the detention barn area during a 24-hour period.
See 2-a. above.

- c. Describe number and location of surveillance cameras in detention barn area.

LATC utilizes several cameras at various locations in the stable area. Each camera has the ability to pan, tilt and zoom remotely. Images from these cameras are recorded on hard disk drives and are stored for approximately three (3) weeks. Control of these cameras is available via computer to various managers on the property.

3. TCO2 Testing

- a. Number of races to be tested, and number of horses entered in each race to be tested.
See Exhibit B-3-a. Attached.
- b. Plan for enhanced surveillance for trainers with high-test results.
See 2-a above and Exhibit B-3-a. Attached.
- c. Plan for detention barns for repeat offenders.
See Exhibit B-3-a. Attached.
- d. Number of security personnel assigned to the TCO2 program.

Two security officers from Stable Security are assigned to pick-up the samples, which are secured in a locked container, after the final testing on each Sunday and secure the samples in a refrigerated and locked storage area. The following Monday, two security officers from Stable Security retrieve the samples and send them via Federal Express to the testing facility. The officers, on both days, log and sign in and out the samples as well as have Fed Ex sign for receipt of the samples. This procedure is used to protect the integrity of the chain of evidence. During the rest of the week, the vet and his/her personnel in the Receiving Barn handle this procedure.

C. Describe the electronic security system:

Electronic security system consists of video cameras with the ability to pan, tilt and zoom remotely. Camera monitors and control points are managed from secure locations. Video recordings are maintained on hard drives.

1. Location and number of video surveillance cameras for the detention barn and stable gate.

LATC operates a detention barn located at Barn 121, stalls 9, 10, 11, 12, 12A, 14, 20 and 21 with each having a camera installed offering a wide angle view of the entire stall. In addition, on the outside of stalls 4, 7, 12A and 14, cameras have been installed offering wide-angle views of the shed row from both directions. The stable gates are included with the cameras mentioned in question 2-C above, and all of these cameras are controlled by the same measures.

D. For night racing associations: Describe emergency lighting system: N/A



2006-2007 Testing Policy & Procedures
Stall Application Supplemental Form

Los Angeles Turf Club is entitled to perform physiological tests consisting of the taking of blood samples from owners' horses entered in races to be conducted at the 2006-2007 meet. It is the understanding of the parties that such samples will be tested for bicarbonate levels. Trainers of horses showing a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more shall be subject to the following actions:

1st Offense – For the first test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, subject to surveillance for a period of 45 days from the date of the infraction. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 30 days after notice to said trainer of the first incidence, may, by agreement of the TCO2 Committee, be subject to confinement in a Protection Barn beginning at noon on the day before said horse is scheduled to compete. The costs of such protection services/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, being born by the trainer or owner of such horse.

2nd Offense – For the second test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 60 days from the date of the infraction. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 45 days after notice to said trainer of the second incidence, may, by agreement of the TCO2 Committee, be subject to confinement in a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such protection services/surveillance, including but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, per day, being born by the trainer or owner of such horse.

3rd Offense – For the third test that results in a total carbon dioxide (TCO2) of 37 millimoles per liter of plasma or more, the registered trainer of such horse shall have his/her barn, and all owners' horses stabled therein, under surveillance for a period of 75 days from the date of the infraction. Such surveillance may include, but not be limited to, the placing of surveillance cameras with recording devices in any location within that barn that Track deems necessary and appropriate to ensure the integrity of racing. Additionally, owners' horses entered by said trainer anytime within a period of 60 days after notice to said trainer of the third incidence, may, by agreement of the TCO2 Committee, be subject to confinement in a Protection Barn beginning at noon the day before said horse is scheduled to compete. The costs of such protection services/surveillance including, but not limited to, \$150.00 for security and \$25.00 for stall renovation per horse/entrant, per day, being born by the trainer or owner of such horse.

My signature below indicates that I have read the above policy and understand the consequences if a horse under my care tests positive.

By: Trainer

Date:

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:

Huntington Ambulance Service, PO Box 145, Sunset Beach, CA 90742, (562) 904-1550

- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites:

Hollywood Park: Huntington Ambulance Service (same as above)

Fairplex: Cole-Shaefer Ambulance, 324 N. Towne Ave., Pomona, CA 91767 (909) 622-1273

San Luis Rey Downs: Emergency procedures plan on file with CHRB

- C. Attach a fire clearance from the fire authority having jurisdiction over the premises.

Attached.

- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):

Liberty International Mutual Group

Aon Reed Stenhouse Inc.

Policy #WC1-B71-071751-035

Expires: January 1, 2007

- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.

Certificate attached.

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

HANDICAPPERS

Bob's Card Incorporated (CHRB-25A and CHRB-87 on file with CHRB.)

**Tiffany Bohland
6288 Highland Meadows Drive
Medina, OH 44256**

Mr. Toby Turrell (Winners) (CHRB-25A and CHRB-87 on file with CHRB.)

**14112 Enfield Circle
Westminster, CA 92683**

Baedeker's Incorporated (CHRB-25A and CHRB-87 on file with CHRB.)

**Mr. Robert Baedeker
130 W. El Portal
San Clemente, CA 92672**

Duke Racing Selections (CHRB-25A and CHRB-87 on file with CHRB.)

c/o Harry Acquarelli



City of Arcadia

Fire Department

June 26, 2006

California Horse Racing Board
1010 Hurley Way, Suite 300
Sacramento, CA 95825

RE: Los Angeles Turf Club Fire Clearance (2006-2007 Racing Meet)

To Whom It May Concern:

The Arcadia Fire Department Bureau of Fire Prevention conducted a Fire and Life Safety Inspection of the facilities at Santa Anita Race Track to be used for 2006-2007.

David R. Lugo, Jr.
Fire Chief

It is requested that this letter be accepted as the report of that inspection. During this inspection, no serious fire or life safety code violations were noted.

In accordance with regulations as adopted by the California Horse Racing Board, this letter may be accepted as a fire clearance from this office for the 2006-2007 Thoroughbred Horse Racing Meet at Los Angeles Turf Club, Arcadia, California.

Sincerely,

David R. Lugo, Jr.
Fire Chief

cc: George Haines, General Manager, L.A.T.C.
Mary Saenz, Office Operations, L.A.T.C.
Stephen Guise, Director of Facilities & Grounds, L.A.T.C.
Doug Thorneberry, Asst. Facility Manager, L.A.T.C.
Jerry Gardner, Fire Safety Consultant, L.A.T.C.
Mike Miser, Fire Marshal, L.A.T.C.

Ref. No. 320005567527

CERTIFICATE OF INSURANCE

Aon Reed Stenhouse Inc.
20 Bay Street
Toronto ON M5J 2N9
tel 416-868-5500 fax 416-868-5580

Re: Evidence of Insurance

PAGE 5 – 26

California Horse Racing Board
Attention : Insurance Department
1010 Hurley way, Suite 300
Sacramento, CA 95825
USA

Insurance as described herein has been arranged on behalf of the Insured named herein under the following policy(ies) and as more fully described by the terms, conditions, exclusions and provisions contained in the said policy(ies) and any endorsements attached thereto.

Insured

Magna Entertainment Corp.; Los Angeles Turf Club,
Incorporated; MI Developments Inc.
285 West Huntington Drive
Arcadia, CA 91007
USA

Coverage

US Workers Comp/Employers Liability	Insurer	Liberty Mutual Insurance Company	
	Policy #	WC1-B71-072827-036	
	Effective	01-Jan-2006	Expiry 01-Jan-2007
	Limits of Liability	Workers Compensation As Per Applicable Law	

Cancellation / Termination

The Insurer will endeavour to provide THIRTY (30) days written notice of cancellation/termination to the addressee.

THIS CERTIFICATE CONSTITUTES A STATEMENT OF THE FACTS AS OF THE DATE OF ISSUANCE AND ARE SO REPRESENTED AND WARRANTED ONLY TO THE INSURED. OTHER PERSONS RELYING ON THIS CERTIFICATE DO SO AT THEIR OWN RISK.

Aon Reed Stenhouse Inc.

Dated : 08-September-2006
Issued By : Madigan,Laurie Ann
Tel : 416-868-5721



THE POLICY CONTAINS A CLAUSE THAT MAY LIMIT THE AMOUNT PAYABLE
OR, IN THE CASE OF AUTOMOBILE INSURANCE,
THE POLICY CONTAINS A PARTIAL PAYMENT OF LOSS CLAUSE



**6632 West 87th Street
Los Angeles, CA 90045**

**Today's Racing Digest, Inc.
Jason Karches
2080 Las Palmas Drive
Carlsbad, CA 92009**

(Exempt from CHRB-25A and CHRB-87)

**Triangle Turf Publications
William R. & Karen S. Archer
1 Scott Street
Gardnerville, NV 89410**

(CHRB-25A and CHRB-87 on file with CHRB.)

14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans.

**PROPOSED 2007 SANTA ANITA PARK MARKETING SCHEDULE
BUDGET**

Santa Anita Park is pleased to present the California Horse Racing Board with a preliminary marketing plan for the 2006-2007 race season.

Currently the Los Angeles Turf Club and MEC plans call for a gross 2007 marketing budget of **\$5,048,012**. This number includes anticipated sponsorship revenue of approximately \$500,000, which places the MEC budget contribution at \$4,580,000, a significant number by American racetrack standards today. It also includes salaries, benefits and ancillary expenses. The monies expected to be spent on marketing and advertising the Santa Anita meet during the course of the first four months of the year (and closing week of 2007) is approximately \$4 million, a slight increase over what was spent in 2006. At approximately \$1 million a month, this budget realistically reflects the high cost of doing business in the second largest media capital in the country.

This is, as you know, separate and apart from the budget provided by Santa Anita's tenant, the Oak Tree Racing Assn, in the fall.

ANALYSIS and RATIONALE

The undeniable truth about gambling is that there are only so many people on the planet who will ever gamble. Whether because of nature or nurture, gambling is an activity of varying interest to many consumers living in California, but not most.

When betting on live horseracing was the only legal gambling opportunity in the state, racetrack business thrived in Los Angeles and large daily crowds were the norm at Santa Anita and Hollywood Park. Horse racing was the gateway to gambling and betting on thoroughbreds was most often the maiden voyage for gaming novices. That's no longer the case. Now, at least one generation of Californians, who might have had their first taste of gambling at a California horse track, has been intercepted at the gate by easily accessible casino action, a myriad of lottery games and gaming venues on the Internet.

We've also done a pretty good job of utilizing technology to compete with ourselves, but at least we're keeping (a good deal of) that wagering in the family.

Convenience is an overwhelming factor in the success of most businesses, certainly ours. Customers we have developed on track can also bet by phone, online or at a nearby satellite. That's not so great for the live business,

but at least these fans are still in the game. We believe that convenience can work to the advantage of live racing, too and that is reflected in our 2007 marketing plans.

In addition to convenience, it is clear that visiting somewhere that appears to be “in” or “hot” definitely appeals to some Angelenos when they decide how to spend their free time and discretionary dollars. For 2007, we will continue our extremely successful marketing and advertising efforts to create awareness of Santa Anita. Our goal is to place it high in the consciousness of locals as a cool place to go and a hot spot to be, for established fans and newcomers, for young and old, for individuals and families.

PRINCIPLES AND PROCEDURES

~advertising and the convenience factor~

Much of Santa Anita’s advertising program is designed around the purchase of media rings which support a theory that (outside of our biggest stakes and promotional days), those people most eligible, and, therefore most likely, to attend racing at Santa Anita reside within a 15 to 20 mile ring encircling the city of Arcadia. They would be prime candidates to benefit from the convenience factor.

Our advertising partners, Winner and Associates and Target Enterprises, are buying cable companies (not cable stations) within these rings that provide us heavy ad rotations on major broadcast channels in the neighborhoods from which we expect to get most of our midweek and weekend players. If you reside within these rings, you will be inundated with spots—usually on Wednesdays, Thursdays and Fridays-- on high profile programming pumping Santa Anita. These targeted buys allow us to be a prominent television presence every week of the meet all the way through April. As with our 2006 advertising program, the long-range goal, including the incentives, is to bring back long-time fans, and establish a much larger, solid base of new racing fans for years to come.

When it comes to promoting our biggest days, our media buy grows exponentially to cover Los Angeles County and sometimes beyond. These major buys are planned for Opening Day, Sunshine Millions, Big “Cap Day, Santa Anita Derby Day and to a lesser extent Strub Day, St. Patrick’s Day, President’s Day and Martin Luther King, Jr. Day. For the major days, the spots run for an entire week.

In essence, there will be television advertising of Santa Anita Racetrack every week that live racing is held. This is an extraordinary effort to mainstream thoroughbred racing into much of the L.A. marketplace and make Santa Anita a cool place to go again.

Additionally, print advertising will reflect that Santa Anita is both convenient and “a happening place.” It will be purchased from the Los Angeles Newspaper Group, whose publications cover Arcadia and neighboring towns. Also, we will buy space in *La Opinion* and a number of Asian dailies and weeklies in our area (still to be determined) as well as the *L.A. Times*, the *Daily Racing Form* and several specialty publications. Radio partnerships most likely will be dedicated to promoting special events such as microbrews, carnivals and chili cook offs.

~preaching to the choir or how to get your best customers back for more~

Santa Anita is the proud developer of THOROUGHBREDS, a membership club that provides real value and rewards for players who come to the track frequently. It is not based on handle, it is based only on their willingness to leave the convenience of their home to visit Santa Anita Park. This is the model that is used by the rest of the industry when attempting to communicate with fans...no matter how much they wager.

The renewal of the popular Santa Anita Rewards Program is under consideration for the 2007 season. The program provides several layers of prizes that kick in based on the THOROUGHBREDS member’s attendance.

The wildly popular Day On Us will return in 2007. This is the day each month where we provide a mailing that offers free clubhouse admission, free parking, free program and a free Racing Form all on the same day with coupons provided through direct mail.

Over the course of the four month meet, SA will send out a myriad of offers and notices of events and upcoming races and promotions to fans whose names we have secured. These will include free passes, mystery mutuel vouchers, handicapping challenges and contest entries. Add to this a growing number of e-mail blasts featuring special offers and immediate pick six carryover notices. A major direct mail newsletter is sent to over 160,000 fans each month with exclusive offers specifically for them.

Additionally, the totally revamped, dramatically improved Santa Anita website offers everything a serious player AND a new visitor to the game needs to know to get started.

We plan to continue a program we began in 2006: Use a big day to get your next big day off on the right foot. This is a Pass Program that thanks you for coming on a big day (such as Sunshine Millions) by providing you a free clubhouse admission pass for the next big day on our stakes calendar (such as the Strub Stakes Day).

Santa Anita stays closely in touch with all the major promotional companies that create and provide high quality premium giveaway items. Our research told us that our fans will come to the track more often on days when they can take something home. Already purchased or on the drawing board for 2007 amongst the premium giveaway items are:

The opening day calendar, a southern CA tradition

- Sunshine Millions folding chair
- President's Day wall clock
- Big 'Cap Day jockey lamp
- Santa Anita Derby day t-shirt featuring the program page printed right on the shirt
- Others under consideration at this time are a beach towel, umbrella, ¾ sleeve baseball shirt; timepiece and set of glassware

~ what makes santa anita special~

To begin with, nature has provided Santa Anita with the most beautiful backdrop of any racetrack in the world. There's nothing like it in all of sports. More and more, we use the infield for special events to take advantage of our unique location.

Santa Anita is the home of Seabiscuit and every Saturday and Sunday two tram loads of tourists take the spectacular Seabiscuit guided tour through the backstretch, to his stall, into the jocks room and finally to a face-to-face meeting with Fighting Ferrari, the horse who played Seabiscuit in the film.

Santa Anita Park is unveiling a fun and informative Speakers Bureau featuring Hall of Fame jockeys Laffit Pincay, Jr., Eddie Delahoussaye, bugler Jay Cohen and a variety of others. They will be appearing at fraternal organizations, business meetings and fundraisers singing the praises of thoroughbred racing.

The Microbrew festivals offered at Santa Anita and partnered with KROQ-FM are the envy of the racing world. At the 2006 Santa Anita meet, between 8,000 and 9,000 prime young prospects came out to drink a brew, make a bet and have some fun in the sun. Three are planned this year during L.A.T. C.: Sunshine Millions Day, Big 'Cap Day and Santa Anita Derby Day. This has developed into one of the best media partnerships in all of sports. KROQ delivers for Santa Anita. We have also developed partnerships with KBIG-FM and KTLA CH.5 to be the

CHRB-17 (Rev. 07/05)

broadcast promoter of Carnival Days, a new infield event seeking a more family oriented audience. Carnival Days is a scaled down version of the L.A. County Fair all inside the Santa Anita infield.

Our Group Events business, under new leadership, is growing with leaps and bounds. The number of groups is up, the number of individuals in the groups is up and bookings for 2007 are on a rapid pace.

The Handicapping Education Programs are prevalent all weekend long near the Santa Anita walking ring highlighted by veteran handicapper Jim Quinn's special sessions.

SA is currently contemplating the return of Fantasy Five which allows fans to select their own six horse stable for the meet. Over 7,500 fans signed up in 2006 and post-polling showed most participants hoped Fantasy Five becomes a tradition.

Family Fun Days are an infield staple every Sunday and feature pony rides, face painters, a petting zoo and children's activities.

A hit with big players will return in 2007. It's the Battle of the Handicapping Stars, a buy in event that will bring in some of the nation's best handicappers and biggest players to town looking to win the tournament.

On the drawing board, too, is the officially sanctioned SA Chili Cook Off, plus a salute to St. Patrick's Day, which this year conveniently falls on a Saturday and becomes a highly attractive promotional day.

For those players who don't want to leave their box seat to get on line for food, we have begun to take orders and deliver food to box holders on weekends.

We hold our seniors in high regard and appreciate their loyalty. They receive free admission every Thursday. Thursday is Seniors Day.

B. Number of hosts and hostesses employed for meeting:

1. **Patron Service Representatives (through Group Sales) 1-4 per day, depending on total groups' bookings by day, that offers handicapping assistance for newcomers.**
2. **Patron Service Representatives (through Operations) 4-12 per day, depending on needs.**
3. **Mutuel Hosts & Hostesses, 15 weekdays, 18-20 weekends**

C. Describe facilities set aside for new fans:

1. **Newcomers' Seminar offers a daily handicapping seminar one hour before first post (locations vary).**
2. **Baldwin Terrace which over looks the Top O' the Stretch from the Mezzanine level hosts the Jim Quinn All-Day Seminar's.**
3. **Fans Forum located in the East Paddock Gardens hosts a handicapping seminar every Saturday and Sunday.**

D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

Exterior of Grandstand, Turf Club and Club House painted.

15. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (general)	\$ 5.00	
Admission (clubhouse)	\$ 8.50	
Admission (turf club)	\$ 20.00	
Reserved seating (clubhouse)	\$ 5.00	Reserved seating (general) Free (Sold on premium days only.)
	\$ 7.50	(Daily box seat, sold every day.)
Parking (general)	\$ 4.00	
Parking (preferred)	\$ 6.00	
Parking (valet)	\$ 10.00	
Programs (on-track)	\$ 2.25	
(off-track)	\$ 2.25	

C. Describe any "Season Boxes" and "Turf Club Membership" fees:

Turf Club Season admission: One Card - \$ 750
Two Cards -\$1,175

Season Box Seat: \$ 380 per seat

D. Describe any "package" plans such as combined parking, admission and program: N/A

16. JOCKEYS/DRIVERS' QUARTERS

A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input checked="" type="checkbox"/> Corners (lockers and cubicles)	How many	<input type="checkbox"/> 40+
<input checked="" type="checkbox"/> Showers	<input checked="" type="checkbox"/> Steam room, sauna or steam cabinets	<input checked="" type="checkbox"/> Lounge area
<input checked="" type="checkbox"/> Masseur	<input checked="" type="checkbox"/> Food/beverage service	<input checked="" type="checkbox"/> Certified platform scale

B. Describe the quarters to be used for female jockeys/drivers:
Same amenities as above including sofas, but in separate quarters. Four corners. They share food and beverage service area.

17. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing was completed by Investigator, Jim Hamilton on August 5, 2006.
- B. Number of rooms used for housing on the backstretch of the racetrack: **445+**
- C. Number of restrooms available on the backstretch of the racetrack:
29 Restrooms (116 toilets, 99 lavatories, 45 urinals, 64 showers)
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: **47**

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line:

5.280

 feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Metal gooseneck with sheet metal covering. Total rail height ranges from 38-42 inches.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474: **Steve Guise, Director of Facility & Grounds**
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing. **N/A**

19. DECLARATIONS

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): **No exceptions.**
- B. Attach each horseman's agreement pursuant to CHRB Rule 2044. **Pending approval by TOC.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). **N/A**
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state): **No exceptions.**
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): **No exceptions.**

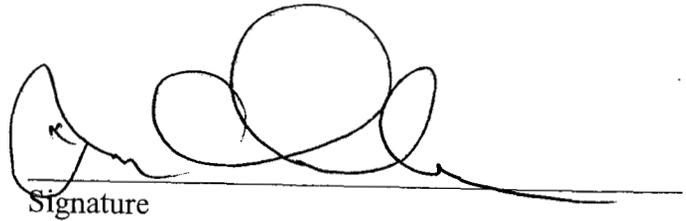
NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Ron Charles
Print Name

President
Print Title



Signature

September 25, 2006
Date

Issue: APPLICATION FOR LICENSE TO CONDUCT A HORSE RACING MEETING OF LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION AT LOS ALAMITOS DECEMBER 28, 2006 THROUGH DECEMBER 23, 2007.

Los Alamitos Quarter Horse Racing Association filed its application to conduct a quarter horse racing meeting at Los Alamitos.

- December 28, 2006 through December 16, 2007, or 204 days. The association proposes to race a total of 2,086 races. The (estimated) average daily purse for this meet is \$93,274. The 2006 meet has not been completed.
- The race dates proposed are the dates the Board allocated.

December - 2006						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24/31	25 H	26	27	28	29	30

January - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 H	2	3	4	5	6
7	8	9	10	11	12	13
14	15 H	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12 H	13	14	15	16	17
18	19	20 H	21	22	23	24
25	26	27	28			

March - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

April - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

May - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28 H	29	30	31		

June - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

July - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3	4 H	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

August - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

September - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 H	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24	25	26	27	28	29

October - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8 H	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

November - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22 H	23	24
25	26	27	28	29	30	

December - 2007						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23/30	24/31	25 H	26	27	28	29

- Racing 4 nights per week, Thursday through Sunday. Seven to 15 live races per night and 6 to 12 simulcast races.
 - Thursday and Friday programs begin with simulcast races and Saturday and Sunday programs the simulcast races will be blended into the live races.
- First live post 7:15 p.m. Thursday and Friday, 7:00 Saturday and 5:30 Sunday.
 - During Del Mar and Fairplex - Sunday post will be determined by the number of races run at those meets.
 - During Hollywood Park - Los Alamitos will conduct its races between HP races .
- Request that Michele Lauck is appointed horse identifier pursuant to CHRB Rule 1525.
- Track safety requirements have been fulfilled.
- Wagering program will use all CHRB rules.
 - Early wagering will start at 9:30 a.m. Thursday, Friday, Saturday and Sunday.
- The Advance Deposit Wagering (ADW) providers are TVG and Youbet.
- Simulcasting conducted with out-of-state racing jurisdictions pursuant to Business and Professions Code Section 19602; and with authorized locations throughout California.
- Inspection of backstretch worker housing completed.

Specific information **still needed** to complete this application:

1. Horsemen's agreement.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon receiving the additional information necessary to conduct the racing meeting.

Application is hereby made to the California Horse Racing Board (CHRB) for a license to conduct a horse racing meeting in accordance with the California Business and Professions (B&P) Code, Chapter 4, Division 8, Horse Racing Law, and the California Code of Regulations, Title 4, Division 4, CHRB Rules and Regulations.

1. APPLICANT ASSOCIATION

A. Name, mailing address, telephone and fax numbers of association:

LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION
4961 Katella Ave, Los Alamitos, CA 90720
714-820-2800 fax 714-820-2820

B. Breed of horse: TB QH H

C. Racetrack name: LOS ALAMITOS RACE COURSE

D. Attach a certified check payable to the Treasurer of the State of California in the amount of \$10,000 as deposit for license fees pursuant to B&P Code Section 19490.

NOTICE TO APPLICANT: Application must be filed not later than 90 days before the scheduled start date for the proposed meeting pursuant to CHRB Rule 1433.

2. DATES OF MEETING

A. Inclusive dates for the entire meeting: December 26, 2006 through December 16, 2007

B. Actual dates racing will be held:

December 28-30, 2006	(3)	July 1, 5-8, 12-15, 19-22, 26-29	(17)
January 4-7, 11-14, 18-21, 25-28	(16)	August 2-5, 9-12, 16-19, 23-26, 30-31	(18)
February 1-3, 8-11, 15-18, 22-25	(15)	September 1-2, 7-9, 13-16, 20-23, 27-30	(17)
March 1-4, 8-11, 15-18, 22-25, 29-31	(19)	October 4-7, 11-14, 18-21, 25-28	(16)
April 1, 5-8, 12-15, 19-22, 26-29	(17)	November 1-4, 8-11, 15-18, 23-25, 29-30	(17)
May 3-6, 10-13, 17-20, 24-27, 31	(17)	December 1-2, 6-9, 13-16, 20-23	(14)
June 1-3, 7-10, 14-17, 21-24, 28-30	(18)		

C. Total number of days or nights of racing: 204

D. Days or nights of the week races will be held:

Wed - Sun Tues - Sat Other (specify) Thursday through Sunday

E. Number of days or nights of racing per week: 4 nights, except December 31, February 4, September 6, and Thanksgiving, November 22, 2007.

CHRB CERTIFICATION

Application received: 9/28/06
Deposit received: \$10,000
Reviewed: AD

Hearing date: 11/27/06
Approved date:
License number:

3. RACING PROGRAM

- A. Total number of races: 2,086 live and 1,668 simulcast = 3,754
- B. Number of races for each day or night: 7-15 live, 6-12 incoming simulcast
- C. Total number of stakes races: 68
- D. Attach a listing of all stakes races and indicate the date to be run and the added money or guaranteed purse for each. Note the races that are designated for California-bred horses.
- E. Will provisions be made for owners and trainers to use their own registered colors?
 Yes No If no, what racing colors are to be used:
- F. List all post times for the daily racing program: All posts are Pacific time

Race	Thursday/Friday	Saturday	Sunday	Sunday-Del Mar/Fairplex
1	7:15	7:00	5:30	6:30
2	7:40	6:55	5:55	6:55
3	8:05	7:20	6:20	7:20
4	8:30	7:45	6:45	7:45
5	8:55	8:10	7:10	8:10
6	9:20	8:35	7:35	8:35
7	9:45	9:00	8:00	9:00
8	10:10	9:25	8:25	9:25
9	10:35	9:50	8:50	9:50
10	11:00	10:15	9:15	10:15
11	11:25	10:40	9:40	10:40
12		11:05	10:05	11:05
13		11:30	10:30	11:30
14			10:55	11:55
15			11:20	

First live race Thursday and Friday scheduled for 7:15pm, Saturday 7:00pm and Sunday 5:30pm.

EXCEPTIONS: During Del Mar and Fairplex meets our Sunday first live post will be determined by the number of races run at Del Mar or Fairplex. It is the intention of LAQHRA to conduct simulcast wagering on no more than six to twelve out of state races per racing program, and to adjust our post times to avoid "triple overlap" situations.

At present LAQHRA proposes to begin its Thursday and Friday programs with simulcast races, while the Saturday and Sunday programs would be a blend of live and simulcast racing dependent on thoroughbred association scheduling throughout the year.

LAQHRA will attempt to schedule post times at least 10 minutes apart from any overlapping thoroughbred races conducted by California racing associations whenever possible.

Friday evenings when Hollywood Park is racing, LAQHRA will conduct its races between the Hollywood Park races until the conclusion of that program.

Incoming simulcast races will be scheduled before and during our live racing program.

**LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION
2007 STAKES SCHEDULE**

To Be Run		EVENT	Purse & Distance
FRIDAY DECEMBER 29, 2006	(1)	HOLIDAY HANDICAP TWO YEAR OLDS	\$25,000 Added 350 YARDS
SATURDAY DECEMBER 30, 2006	(2)	CYPRESS SOPHOMORE HANDICAP THREE YEAR OLDS	\$25,000 Added 350 YARDS
FRIDAY JANUARY 5, 2007	(3)	DENIM N DIAMONDS HANDICAP FILLIES, THREE YEARS OLD BRED IN CALIFORNIA	\$30,000 Added 350 YARDS
SATURDAY JANUARY 6, 2007	(4)	CHARGER BAR HANDICAP MARES, FOUR YEARS OLD AND UPWARD	\$100,000 Added 400 YARDS
SATURDAY JANUARY 20, 2007	(5)	SUPER BOWL HANDICAP THREE YEAR OLDS	\$20,000 Added 550 YARDS
SATURDAY JANUARY 27, 2007	(6)	MOONSHINER HANDICAP FOUR YEAR OLDS AND UPWARD	\$20,000 Added 870 YARDS
FRIDAY FEBRUARY 23, 2007	(7)	LOS ALAMITOS WINTER DERBY THREE YEAR OLDS TRIALS TO BE RUN, FRIDAY, FEBRUARY 2, 2007	\$100,000 Added 400 YARDS
SATURDAY FEBRUARY 24, 2007	(8)	LOS ALAMITOS WINTER CHAMPIONSHIP FOUR YEAR OLDS AND UPWARD TRIALS TO BE RUN, SATURDAY, FEBRUARY 3, 2007	\$150,000 Added 400 YARDS
SATURDAY MARCH 3, 2007	(9)	LOS ALAMITOS MAIDEN STAKES THREE YEAR OLDS TRIALS TO BE RUN, SATURDAY, FEBRUARY 10, 2007	\$30,000 Added 350 YARDS
SATURDAY MARCH 10, 2007	(10)	IVAN ASHMENT HANDICAP MARES, FOUR YEARS OLD AND UPWARD BRED IN CALIFORNIA	\$30,000 Added 400 YARDS
FRIDAY MARCH 16, 2007	(11)	LA PACIFICA HANDICAP FILLIES, THREE YEARS OLD	\$25,000 Added 350 YARDS
SATURDAY MARCH 17, 2007	(12)	DILLINGHAM HANDICAP THREE YEAR OLDS	\$25,000 Added 400 YARDS
SATURDAY MARCH 31, 2007	(13)	NEWPORT BEACH HANDICAP FOUR YEAR OLDS AND UPWARD	\$25,000 Added 870 YARDS
FRIDAY APRIL 6, 2007	(14)	MISS PRINCESS HANDICAP FILLIES AND MARES THREE YEARS OLD AND UPWARD	\$35,000 Added 350 YARDS
SATURDAY APRIL 7, 2007	(15)	KAWEAH BAR HANDICAP THREE YEAR OLDS AND UPWARD	\$25,000 Added 350 YARDS

To Be Run		EVENT	Purse & Distance
FRIDAY APRIL 13, 2007	(16)	EL PRIMERO DEL ANO DERBY COLTS AND GELDINGS, THREE YEARS OLD TRIALS TO BE RUN, FRIDAY, MARCH 23, 2007	\$25,000 Added 400 YARDS
SATURDAY APRIL 14, 2007	(17)	LA PRIMERA DEL ANO DERBY FILLIES, THREE YEARS OLD TRIALS TO BE RUN, SATURDAY, MARCH 24, 2007	\$25,000 Added 400 YARDS
FRIDAY MAY 11, 2007	(18)	JAMES S SMITH MEMORIAL HANDICAP THREE YEAR OLDS AND UPWARD	\$25,000 Added 870 YARDS
SATURDAY MAY 19, 2007	(19)	KINDERGARTEN FUTURITY TWO YEAR OLDS TRIALS TO BE RUN, SATURDAY, MAY 5, 2007	\$35,000 Added 300 YARDS
FRIDAY MAY 25, 2007	(20)	GOLD RUSH DERBY QUARTER HORSE, THOROUGHBRED, PAINT & APPALOOSA THREE YEAR OLDS TRIALS TO BE RUN, THURSDAY, MAY 3, 2007	\$25,000 Added 870 YARDS
SATURDAY MAY 26, 2007	(21)	TOWN POLICY HANDICAP THREE YEAR OLDS	\$25,000 Added 350 YARDS
FRIDAY JUNE 22, 2007	(22)	VESSELS MATURITY FOUR YEAR OLDS AND UPWARD TRIALS TO BE RUN, FRIDAY, JUNE 1, 2007	\$75,000 Added 400 YARDS
SATURDAY JUNE 23, 2007	(23)	ED BURKE MILLION FUTURITY TWO YEAR OLDS TRIALS TO BE RUN, SATURDAY, JUNE 9, 2007	\$250,000 Added 350 YARDS
SUNDAY JUNE 24, 2007	(24)	BAYER LEGEND CALIFORNIA REGION CHALLENGE THREE YEAR OLDS TRIALS TO BE RUN, FRIDAY, JUNE 8, 2007	\$7,500 Added 400 YARDS
SATURDAY JUNE 30, 2007	(25)	INDEPENDENCE DAY HANDICAP THREE YEAR OLDS AND UPWARD	\$30,000 Added 300 YARDS
SATURDAY JULY 7, 2007	(26)	VANDYS FLASH HANDICAP THREE YEAR OLDS	\$30,000 Added 400 YARDS
SATURDAY JULY 28, 2007	(27)	GOVERNOR'S CUP FUTURITY TWO YEAR OLDS BRED IN CALIFORNIA TRIALS TO BE RUN, FRIDAY, JULY 13, 2007	\$100,000 Added 350 YARDS
SATURDAY JULY 23, 2007	(28)	GOVERNOR'S CUP DERBY THREE YEAR OLDS BRED IN CALIFORNIA TRIALS TO BE RUN, SATURDAY, JULY 14, 2007	\$50,000 Added 400 YARDS
SATURDAY JULY 28, 2007	(29)	SPENCER L CHILDERS CALIFORNIA BREEDERS CHAMPIONSHIP HANDICAP THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA	\$150,000 Added 400 YARDS

To Be Run		EVENT	Purse & Distance
SATURDAY JULY 28, 2007	(30)	CALIFORNIA BREEDERS MATRON STAKES FILLIES AND MARES THREE YEARS OLD AND UPWARD BRED IN CALIFORNIA	\$50,000 Added 400 YARDS
SATURDAY JULY 28, 2007	(31)	CALIFORNIA BREEDERS MARATHON STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA	\$25,000 Added 870 YARDS
SATURDAY JULY 28, 2007	(32)	JENS L LIST JR MEMORIAL CALIFORNIA BREEDERS STAKES THREE YEAR OLDS BRED IN CALIFORNIA	\$25,000 Added 400 YARDS
SATURDAY JULY 28, 2007	(33)	CALIFORNIA BREEDERS 550 SOPHOMORE STAKES THREE YEAR OLDS BRED IN CALIFORNIA	\$25,000 Added 550 YARDS
SATURDAY JULY 28, 2007	(34)	CALIFORNIA BREEDERS FRESHMAN STAKES TWO YEAR OLDS BRED IN CALIFORNIA	\$25,000 Added 350 YARDS
SATURDAY JULY 28, 2007	(35)	CALIFORNIA BREEDERS SPRINT STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA	\$25,000 Added 350 YARDS
SATURDAY JULY 28, 2007	(36)	\$10,000 SENIOR CLAIMING STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA CLAIMING PRICE \$10,000	\$17,500 Added 400 YARDS
SATURDAY JULY 28, 2007	(37)	\$5,000 SENIOR CLAIMING STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA CLAIMING PRICE \$5,000	\$15,000 Added 400 YARDS
SATURDAY JULY 28, 2007	(38)	\$10,000 SENIOR DISTANCE CLAIMING STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA CLAIMING PRICE \$10,000	\$17,500 Added 870 YARDS
SATURDAY JULY 28, 2007	(39)	\$5,000 SENIOR DISTANCE CLAIMING STAKES THREE YEAR OLDS AND UPWARD BRED IN CALIFORNIA CLAIMING PRICE \$5,000	\$15,000 Added 870 YARDS
SATURDAY JULY 28, 2007	(40)	\$10,000 SOPHOMORE CLAIMING STAKES THREE YEAR OLDS BRED IN CALIFORNIA CLAIMING PRICE \$10,000	\$17,500 Added 350 YARDS
SATURDAY JULY 28, 2007	(41)	\$5,000 SOPHOMORE CLAIMING STAKES THREE YEAR OLDS BRED IN CALIFORNIA CLAIMING PRICE \$5,000	\$15,000 Added 350 YARDS

To Be Run		EVENT	Purse & Distance
FRIDAY AUGUST 24, 2007	(42)	JOHN DEERE CALIFORNIA REGION DISTAFF CHALLENGE FILLIES AND MARES THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN, THURSDAY, AUGUST 9, 2007	\$7,500 Added 400 YARDS
SATURDAY AUGUST 25, 2007	(43)	MBNA CALIFORNIA REGION CHALLENGE THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN, SATURDAY, AUGUST 11, 2007	\$15,000 Added 440 YARDS
SUNDAY AUGUST 26, 2007	(44)	RED CELL CALIFORNIA REGION CHALLENGE THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN, SUNDAY, AUGUST 12, 2007	\$5,000 Added 870 YARDS
FRIDAY AUGUST 31, 2007	(45)	PROFESSIONAL'S CHOICE CALIFORNIA REGION CHALLENGE THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN, THURSDAY, AUGUST 16, 2007	\$5,000 Added 350 YARDS
FRIDAY AUGUST 31, 2007	(46)	FORD JUVENILE CALIFORNIA REGION CHALLENGE TWO YEAR OLDS TRIALS TO BE RUN, FRIDAY, AUGUST 17, 2007	\$7,500 Added 350 YARDS
SATURDAY SEPTEMBER 1, 2007	(47)	GOLDEN STATE DERBY THREE YEAR OLDS TRIALS TO BE RUN, SATURDAY, AUGUST 18, 2007	\$35,000 Added 400 YARDS
FRIDAY SEPTEMBER 14, 2007	(48)	SGT PEPPER FEATURE HANDICAP THREE YEAR OLDS	\$30,000 Added 350 YARDS
SATURDAY SEPTEMBER 15, 2007	(49)	GO MAN GO HANDICAP THREE YEAR OLDS AND UPWARD	\$100,000 Added 400 YARDS
FRIDAY SEPTEMBER 21, 2007	(50)	MILDRED N VESSELS MEMORIAL HANDICAP FILLIES AND MARES THREE YEAR OLDS AND UPWARD	\$250,000 Guaranteed 400 YARDS
SUNDAY SEPTEMBER 23, 2007	(51)	BULL RASTUS HANDICAP THREE YEAR OLDS AND UPWARD	\$25,000 Added 870 YARDS
FRIDAY OCTOBER 5, 2007	(52)	PCQHRA BREEDERS DERBY THREE YEAR OLDS TRIALS TO BE RUN, FRIDAY, SEPTEMBER 21, 2007	\$50,000 Added 400 YARDS
SATURDAY OCTOBER 6, 2007	(53)	PCQHRA BREEDERS FUTURITY TWO YEAR OLDS TRIALS TO BE RUN, SATURDAY, SEPTEMBER 22, 2007	\$50,000 Added 350 YARDS
FRIDAY OCTOBER 12, 2007	(54)	AUTUMN HANDICAP TWO YEAR OLDS	\$25,000 Added 350 YARDS
SATURDAY OCTOBER 13, 2007	(55)	LOS ALAMITOS INVITATIONAL CHAMPIONSHIP THREE YEAR OLDS AND UPWARD	\$200,000 440 YARDS
SUNDAY OCTOBER 21, 2007	(56)	PAT HYLAND MEMORIAL HANDICAP THREE YEAR OLDS AND UPWARD	\$30,000 Added 870 YARDS

To Be Run		EVENT	Purse & Distance
FRIDAY OCTOBER 26, 2007	(57)	FIRST DOWN DASH HANDICAP THREE YEAR OLDS AND UPWARD	\$30,000 Added 400 YARDS
SATURDAY OCTOBER 27, 2007	(58)	LAS DAMAS HANDICAP FILLIES AND MARES THREE YEAR OLDS AND UPWARD	\$50,000 Added 400 YARDS
FRIDAY NOVEMBER 2, 2007	(59)	LOS ALAMITOS SUPER DERBY THREE YEAR OLDS TRIALS TO BE RUN, FRIDAY, OCTOBER 19, 2007	\$200,000 Added 400 YARDS
SATURDAY NOVEMBER 3, 2007	(60)	GOLDEN STATE MILLION FUTURITY TWO YEAR OLDS TRIALS TO BE RUN, SATURDAY, OCTOBER 20, 2007	\$100,000 Added 400 YARDS
SATURDAY NOVEMBER 10, 2007	(61)	CORONA CHICK HANDICAP TWO YEAR OLDS	\$30,000 Added 400 YARDS
SATURDAY NOVEMBER 17, 2007	(62)	Z WAYNE GRIFFIN DIRECTORS TRIALS THREE YEAR OLDS AND UPWARD TRIALS FOR THE CHAMPION OF CHAMPIONS	\$20,000 per trial 400 YARDS
FRIDAY DECEMBER 7, 2007	(63)	LOS ALAMITOS TWO MILLION FUTURITY TWO YEAR OLDS TRIALS TO BE RUN, FRIDAY, NOVEMBER 23, 2007	\$300,000 Added 400 YARDS
FRIDAY DECEMBER 7, 2007	(64)	LOS ALAMITOS JUVENILE INVITATIONAL TWO YEAR OLDS	\$35,000 400 YARDS
SATURDAY DECEMBER 8, 2007	(65)	CHAMPION OF CHAMPIONS THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN SATURDAY, NOVEMBER 17, 2007 (Z WAYNE GRIFFIN DIRECTORS TRIALS - 400 YARDS)	\$1,000,000 Guaranteed 440 YARDS
SUNDAY DECEMBER 9, 2007	(66)	SOUTHERN CALIFORNIA DERBY THREE YEAR OLDS TRIALS TO BE RUN, SATURDAY, NOVEMBER 24, 2007	\$30,000 Added 400 YARDS
SUNDAY DECEMBER 9, 2007	(67)	MARATHON NATIONAL THREE YEAR OLDS AND UPWARD TRIALS TO BE RUN, FRIDAY, NOVEMBER 16, 2007	\$100,000 Added 870 YARDS
SATURDAY DECEMBER 15, 2007	(68)	PAUL B FORD MEMORIAL HANDICAP THREE YEAR OLDS	\$25,000 Added 550 YARDS

NOTICE TO APPLICANT: Every licensee conducting a horse racing meeting shall each racing day provide for the running of at least one race limited to California-bred horses, to be known as the "California-bred race" pursuant to CHRB Rule 1813. For thoroughbred and quarter horse meetings, the total amount distributed for California-bred stakes races from the purse account, including overnight stakes, shall not be less than 10% of the total amount distributed for all stakes races pursuant to B&P Code Section 19568(b).

4. RACING ASSOCIATION

- A. Association is a: Corporation (complete subsection C)
 LLC (complete subsection D)
 Other (specify, and complete subsection E)

B. Complete the applicable subsection and attached Addendum, Background Information and Ownership. ON FILE

C. CORPORATION

1. Registered name of the corporation: Horsemen's Quarter Horse Racing Association

2. State where incorporated: California

3. Registry or file number for the corporation: 3019242

4. Names of all officers and directors, titles, and the number of shares of the corporation held by each:

Ed Allred	Chairman & Chief Executive Officer
John Seibly	Vice President
Robert Passero	Chief Financial Officer
G. Michael Lyon	Secretary

Spencer Childers	Chairman Emeritus
Bob Boniface	Director Emeritus
Virginia Hyland	Director Emeritus
Daniel Castronova	Director
Patrick Ford	Director
R. D. Hubbard	Director
Anthony Zidich	Director

5. Names (true names) of all persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
 QUARTER HORSE RACING, INC. 100%

6. Number of outstanding shares in the corporation: 0

7. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation: Wagner, Kirkman, and Blaine

9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
 QUARTER HORSE RACING, INC.
10. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission. The licensee may submit the audited consolidated annual financial statements of its parent owner if the parent owner is a publicly traded company and guarantees the obligations of the licensee. **On file.**

D. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
 If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent audited annual financial statement for the licensee, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.

E. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.

F. Management and Staff

1. Name and title of the managing officer and/or general manager of the association and the name and title of all department managers and staff, other than those listed in 10B, who will be listed in the official program:

Edward C Allred	Chairman
Robert Passero	Chief Financial Officer
Michael Monji	Assistant General Manager
Frank Sherren	Plant Superintendent
Rick Castaneda	Director of Security
Howard Knuchell	Director of Operations
Robert DiGiovanni	Director of Mutuels
Ed Burgart	Track Announcer
Melodie Knuchell	Director Simulcasting/Nominations
Sherry Ray	Paymaster of Purses
Ken Walker	Director of Labor Relations

2. Name and title of the person(s) authorized to receive notices on behalf of the association and the mailing address of such person(s) if other than the mailing address of the association:

EDWARD C. ALLRED

5. PURSE PROGRAM

A. Purse distribution:

1. All races other than stakes:
 - Current meet estimate: 13,780,000
 - Prior meet actual: 13,623,198
2. Overnight stakes: N/A
 - Current meet estimate:
 - Prior meet actual:
3. Non-overnight stakes:
 - Current meet estimate: 3,890,000
 - Prior meet actual: 3,959,658

B. Stakes races:

1. Purse distribution for all stakes races:
 - Current meet estimate: 3,890,000
 - Prior meet actual: 3,959,658
2. Percentage of the purse distribution for all stakes races that will be distributed for California-bred stakes races:
 - Current meet estimate: 18.0%
 - Prior meet actual: 17.8%

C. Funds to be generated for all California-bred incentive awards:

Current meet estimate: 798,000
 Prior meet actual: 794,749

D. Payment to each recognized horsemen’s organization contracting with the association and the name(s) of the organization(s):

Recognized Horsemen’s Organization : Pacific Coast Quarter Horse Racing Association			
Current meet estimate:	560,000	Prior meet actual:	563,208
Total	560,000	Total	563,208

E. Total amount from all sources to be distributed in the form of purses or other benefits to horsemen (5A+5C+5D):

Current meet estimate: 19,028,000
 Prior meet actual: 18,940,813

F. Purse funds to be generated from on-track handle and intrastate off-track handle:

Current meet estimate: 17,600,000
 Prior meet actual: 17,582,000

G. Purse funds to be generated from interstate handle:

Current meet estimate: 1,255,000
 Prior meet actual: 1,235,000

H. Bank and account number for the Paymaster of Purses' purse account:

Bank of the West Account #74800-7168

I. Name, address and telephone number of the pari-mutuel audit firm engaged for the meeting:

Ed Roland, 1755 N. Community Dr. #208, Anaheim, CA 92806 714-986-9183

NOTICE TO APPLICANT: All funds generated and retained from on-track pari-mutuel handle which are obligated by law for distribution in the form of purses, breeders' awards or other benefits to horsemen, **shall not** be deemed as income to the association; **shall not** be transferred to a parent corporation outside the State of California; and **shall**, within 3 calendar days following receipt, be deposited in a segregated and separate liability account in a depository approved by the CHRB and shall be at the disposition of the Paymaster of Purses, who shall pay or distribute such funds to the persons entitled thereto. All funds generated from off-track simulcast wagering, interstate wagering, and out-of-state wagering which are obligated by law for distribution in the form of purses and breeders' awards, shall also be deposited within 3 calendar days following receipt, into such liability account. In the event the association is obligated to the payment of purses prior to those obligated amounts being retained from pari-mutuel wagering for such purpose, or as a result of overpayment of earned purses at the conclusion of the meeting, the association shall transfer from its own funds such amounts as are necessary for the Paymaster of Purses to distribute to the horse owners statutorily or contractually entitled thereto. The association is entitled to recover such transferred funds from the Paymaster of Purses' account; and if insufficient funds remain in the account at the conclusion of the meeting, the association is entitled to carry forward the deficit to its next succeeding meeting as provided by B&P Code Section 19615(c) or (d). In the event of **underpayment** of purses which results in a balance remaining in the Paymaster of Purses' account at the conclusion of the meeting after distribution of amounts due to horsemen and breeders and horsemen's organizations, the association may carry forward the surplus amount to its next succeeding meeting; provided, however, that the amount so retained does not exceed an amount equivalent to the average daily distribution of purses and breeders' awards during the meeting. All amounts in excess shall be distributed retroactively and proportionally in the form of purses and breeders' awards to the horse owners and breeders having earned purses or awards during the conduct of the meeting.

6. STABLE ACCOMMODATIONS

A. Number of usable stalls available for racehorses at the track where the meeting is held: 1428

B. Minimum number of stalls believed necessary for the meeting: 1428

C. Total number of usable stalls to be made available off-site at approved auxiliary stabling areas or approved training centers: 0

D. Name and location of each off-site auxiliary stabling area and the number of stalls to be maintained at each site: N/A

E. Attach each contract or agreement between the association and the person(s) furnishing off-site stabling accommodations for eligible racehorses that cannot be provided stabling on-site. N/A

Complete subsections F through H if the association will request reimbursement for off-site stabling as provided by B&P Code Sections 19607, 19607.1, 19607.2, and 19607.3; otherwise, skip to Section 7.

F. Total number of usable stalls made available on-site for the **1986** meeting: N/A

G. Estimated cost to provide off-site stalls for this meeting. Show cost per day per stall: N/A

H. Estimated cost to provide vanning from off-site stalls for this meeting. Show fees to be paid for vanning per-horse: N/A

7. PARI-MUTUEL WAGERING PROGRAM

- A. Pursuant to B&P Code Section 19599, and with the approval of the CHRB, associations may elect to offer wagering programs using CHRB Pari-mutuel Rules, the Association of Racing Commissioners International (RCI) Uniform Rules of Racing, Chapter 9, Pari-mutuel Wagering, or a combination of both. Please complete the following schedule for the types of wagering other than WPS and the minimum wager amount for each:

Use DD for daily double, E for exacta (special quinella), PK3 for pick three, PK4 for select four, PNP for pick (n) pool, PPN for place pick (n), Q for quinella, SF for superfecta, TRI for trifecta, and US for unlimited sweepstakes (pick 9).

	TYPE OF WAGERS	APPLICABLE RULES
Example Race:	\$1 E; \$1 Double	CHRB #1959; RCI #VE
Race #1	\$1E, \$1DD, \$1PK4, \$1 TRI, \$1SF	CHRB 1959, 1957, 1978, 1979, 1979.1
Race #2	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #3	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #4	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #5	\$1E, \$1PK3, \$1TRI, \$1SF, \$2PNP6	CHRB 1959, 1977, 1979, 1979.1, 1976.9
Race #6	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #7	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #8	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #9	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #10	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #11	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #12	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #13	\$1E, \$1PK3, \$1TRI, \$1SF	CHRB 1959, 1977, 1979, 1979.1
Race #14	\$1E, \$1TRI, \$1SF, \$1DD	CHRB 1959, 1979, 1979.1, 1957
Race #15	\$1E, \$1TRI, \$1SF	CHRB 1959, 1979, 1979.1

1. Late daily double will always occur in the last two races of the race card.
2. If not enough horses carded in a race to offer a trifecta, we will offer a \$1 quinella, CHRB 1958.
3. Late pick four will always be offered on the last four races of the race card, CHRB 1978.
4. Rolling pick three begins in the second race of each card and continues through the 3rd to last race of the card.

B. Maximum carryover pool to be allowed to accumulate before its distribution **OR** the date(s) designated for distribution of the carryover pool: December 16, 2007

C. List any options requested with regard to exotic wagering: N/A

D. Will "advance" or "early bird" wagering be offered? Yes No
 If yes, when will such wagering begin:
 Thursday, Friday, Saturday, Sunday at 9:30am.

E. Type(s) of pari-mutuel or totalizator equipment to be used by the association and the simulcast organization, name of the person(s) supplying equipment, and expiration date of the service contract:
 Scientific Racing Games, contact person: Terry McWilliams, contract expires September 2007.

8. SIMULCAST WAGERING PROGRAM

- A. Simulcast organization engaged by the association to conduct simulcast wagering:
Southern California Off-Track Wagering, Inc.
- B. Attach the agreement between the association and simulcast organization permitting the organization to use the association's live audiovisual signal for wagering purposes and providing access to its totalizator for the purpose of combining on-track and off-track pari-mutuel pools. On file
- C. California simulcast facilities the association proposes to offer its live audiovisual signal:

<u>Northern California</u>	<u>Southern California</u>
Alameda County Fair, Pleasanton	Barona Casino, Lakeside
Big Fresno Fair, Fresno	Fantasy Springs Casino, (Cabazon), Indio
California State Fair \$ Expo, Sacramento	Del Mar Thoroughbred Club, Del Mar
Club One, Fresno	Hollywood Park, Inglewood
Golden Gate Fields, Albany	Desert Expo Centre, Indio
Kern County Fair, Bakersfield	The Farmers Fair, Perris
Monterey County Fair, Monterey	Antelope Valley Fair, Lancaster
San Joaquin County Fair, Stockton	Santa Barbara County Fair, Santa Maria
Santa Clara County Fair, San Jose	National Orange Show, San Bernardino
Solano County Fair, Vallejo	Fairplex Park, Pomona
Sonoma County Fair, Santa Rosa	Santa Anita, Arcadia
Stanislaus County Fair, Turlock	Viejas Casino & Turf Club, Alpine
Tulare County Fair, Tulare	Earl Warren Showgrounds, Santa Barbara
	Sycuan Gaming Center, El Cajon
	Ventura County Fair, Ventura
	San Bernardino County Fair, Victorville
- D. Out-of-state wagering systems the association proposes to offer its live audiovisual signal:
Included in E
- E. Out-of-state wagering systems that will combine their pari-mutuel pools with those of the association:
The Caribbean Basin (Las Caymanas Park and various books on St. Marten, Jamaica, Barbados, and Trinidad); Mexico (including Agua Caliente and related books, Juarez and related books, and Hipodromo de las Americas and related books); Panama (Hipodromo Presidente Remon); Dominican Republic (Hipodromo V. Centenario); Canada (Assiniboia Downs, Barrie Downs, Cloverdale Raceway, Dawartja Downs. Elmira Raceway, Flamboro Downs, Kawartha Dwons, Marquis Downs, Queensbury Downs, Rideau Carlton, Hippodromo l'Hippodrome de Montreal, Calgary Stampede, Hastings Park, Northland Park, Ontario Jockey Club, Stampede Park, Western Fair, Windsor Raceway, and others); Argentina (La Plata, San Ysidro, Pallermo, and related books); Brazil (Jockey Club and related books); Columbia, (LosComuneros); Panama (Codere-PresidenteRemon); Uruguay (Maronas Racetrack);Venezuela (La Rinconada and related books); U.S. Virgin Islands (books); Puerto Rico (El Commandante), and South Korea.

Arapahoe Park, CO	Arlington Park, IL
Atlantic City Casinos, NJ	Atlantic City Race Course, NJ
Balmoral, IL	Batavia Downs, NY
Beulah Park, OH	Birmingham, AL
Blue Ribbon Downs, OK	
Calder, FL	Canterbury Park, MN
Connecticut OTB, CT	Capitol District OTB, NY
Catskill OTB, NY	Charles Town, WV

Churchill Downs, KY
 Colonial Downs, VA
 Corpus Christi Greyhound, TX
 Dairyland Greyhound Park, WI
 Delta Downs, LA
 Downs at Albuquerque, NM
 Emerald Racing, WA
 Evangeline Downs, LA
 Fairmount Park, IL
 Fire Lake Entertainment Center
 Foxwoods Casino, CT
 Great Lakes Downs, MI
 GreenTrack AL
 Gulf Greyhound, TX
 Hawthorne, IL
 Hinsdale Grehound Park, NH
 Keeneland, KY
 Lewiston OTB, ME
 Les Bois, ID
 Louisiana Downs, LA
 Maryland Jockey Club, MD
 Meskwaki Bingo and Casino, ID
 Montana Simulcast Partners, MT
 Mountaineer Park, WV
 Nassau/Suffolk OTB, NY
 New Mexico State Fair, NM
 Northfield Park, OH
 NYRA, NY
 Pocatello Downs, ID
 Prairie Meadows, IA
 Remington Park, OK
 Retama Park, TX
 River Downs, OH
 Rockingham Park, NH
 Ruidoso Downs, NM
 Sandy Downs, ID
 Saratoga Harness, NY
 Southland Greyhound, AK
 Suffolk Downs, MA
 SunRay Park, NM
 The Texas Hub, TX
 Tri-State Greyhound Park, WV
 Turfway Park, KY
 Valley Race Park, TX
 Western Region OTB, NY
 Wonderland Greyhound, MA
 Wyoming OTB, WY
 Youbet.com, CA
 Zia Park, NM
 Choctaw Racing, OK
 Columbus Races, NE
 Dakota Teletrack, SD
 Delaware Racing Assoc, DE
 Dover Downs, DE
 Ellis Park, KY
 Euro Offtrack, FL
 Fair Grounds, LA
 Finger Lakes, NY
 Fonner Park, NE
 Freehold Raceway, NJ
 Geneva Lakes Greyhound, WI
 Harrington Raceway, DE
 Hazel Park, MI
 Hoosier Park, IN
 Indiana Downs, IN
 Las Vegas Dissemination, NV
 Lebanon Raceway, OH
 Lone Star Race Park, TX
 Manor Downs, TX
 Maywood , IL
 Mobile Greyhound Park, AL
 Monticello Raceway, NY
 Multnomah Kennel Club, OR
 New Jersey Sports & Expo Authority, NJ
 Newport RI OTB, NJ
 Northville Downs, MI
 NY OTB, NY
 Plainridge, MA
 Portland Meadows, OR
 Raceway Park, OH
 Red Mile, KY
 Rillito Park, AZ
 Rosecroft Raceway, NY
 Sam Houston Park, TX
 Santa Fe Downs, NM
 Scioto Downs, OH
 Sports Media Network
 Sunland Park, NM
 The Stables, LVDC, KS
 Thistledowns, OH
 Turf Paradise, AZ
 TVG, OR
 Vernon Downs, NY
 Wichita Greyhound, KS
 Woodlands, KS
 Will Rogers Downs, OK
 Yavapai Downs, AZ

- F. For **THOROUGHBRED** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country thoroughbred races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

NOTICE TO APPLICANT: B&P Code Section 19596.2(a) stipulates that on days when live thoroughbred or fair racing is being conducted in the state, the number of thoroughbred races which may be imported by an association or fair during the calendar period the association or fair is conducting its racing meeting cannot exceed a combined daily total of 23 imported thoroughbred races statewide. The limitation of 23 imported thoroughbred races per day statewide does not apply to those races specified in B&P Code Section 19596.2(a)(1), (2), (3) and (4).

THOROUGHBRED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- G. For **QUARTER HORSE** racing associations, list the host track from which the association proposes to import out-of-state and/or out-of-country quarter horse races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

QUARTER HORSE SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
Delta Downs	April –July	Selected races
Sam Houston	April- November	Selected races
Prairie Meadows	July-August	Selected races
Remington Park	March-May	Selected races
Ruidoso Downs	May-September	Selected races
Fair Meadows/Tulsa	August	Selected races
Hoosier Park	September	Selected races
Red Mile	July	Selected races
Evangeline Downs	September-November	Selected races
Lone Star Park	TBA	Selected races
Canterbury Park	TBA	Selected races
Indiana Downs	TBA	Selected races
Portland Meadows	TBA	Selected races
Retama Park	TBA	Selected races
Evangeline Downs	TBA	Selected races
Zia Park	TBA	Selected races

- H. For **STANDARD BRED** racing associations, list the host tracks from which the association proposes to import out-of-state and/or out-of-country harness races. Include the dates imported races will be held, and whether or not a full card will be accepted. If the full card will not be imported, state “selected feature and/or stakes races”:

HARNESS SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Race Dates	Full Card or Selected Feature and/or Stakes Races
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- I. For **ALL** racing associations, list imported simulcast races the association plans to receive which use breeds other than the breed of the majority of horses racing at its live horse racing meeting. Include the name of the host track, the dates imported races will be held, and how many races will be imported:

OTHER BREED SIMULCAST RACES TO BE IMPORTED

Name of Host Track	Breed of Horse	Race Dates	Number of Races to be Imported
Balmoral	Standardbred	January-December	Selected races
Maywood	Standardbred	January-December	Selected races
Meadowlands	Standardbred	January - August; November - December	Selected races
Hawthorne	Standardbred	TBA	Selected races
Red Mile	Standardbred	September	Selected Stakes
Scioto Downs	Standardbred	August	Selected Stakes
Pompano Downs	Standardbred	October	Selected Stakes
Dover Downs	Standardbred	TBA	Selected races
The Meadows	Standardbred	TBA	Selected races
Northfield Park	Standardbred	TBA	Selected races
Windsor Raceway	Standardbred	TBA	Selected races
Penn National	Standardbred	TBA	Selected races
Remington Park	Paint	TBA	Selected races
Delta Downs	Tb, 4 ¼ furlong, \$5000 claimers or less	TBA	Selected races

- J. For ALL racing associations, if any out-of-state or out-of-country races will commence outside of the time constraints set forth in B&P Code Section 19596.2 and 19596.3, attach a copy showing the agreement by the appropriate racing association(s). Agreements forwarded as needed.

NOTICE TO APPLICANT: All interstate wagering to be conducted by an association is subject to the provisions of Title 15, United States Codes, which require specific **written** approval of the CHRB and of the racing commission having jurisdiction in the out-of-state venue. All international wagering to be conducted by an association is subject to the provision of B&P Code Sections 19596, 19596.1, 19596.2, 19601, 19602, and 19616.1, and will require specific written approval of the CHRB.

Every association shall pay over to the simulcast organization within 3 calendar days following the closing of wagering for any day or night racing program, or upon receipt of the proceeds, such amounts that are retained from off-track simulcast wagering, interstate and out-of-state wagering, and which are obligated by statute for guest commissions, simulcast operator's expenses and promotions, equine research, local government in-lieu taxes, and stabling and vaning deductions. Every association shall pay to its Paymaster of Purses' account within 3 calendar days following the closing of wagering for each day or night racing program, or upon receipt of the proceeds, such amounts that are retained or obligated from off-track simulcast wagering, interstate and out-of-state wagering for purses, breeders' awards or other benefits to horsemen. (See Notice to Applicant, Section 5.)

9. CHARITY RACING DAYS

- A. Name and address of the distributing agent (charity foundation) for the net proceeds from charity racing days held by the association:
Los Alamitos Quarter Horse Charity Foundation, 4961 Katella Ave., Los Alamitos, CA 90720
- B. Names and addresses of the trustees or directors of the distributing agent:
Robert Main 4961 Katella Ave., Los Alamitos, CA 90720
Althea Miller 4961 Katella Ave., Los Alamitos, CA 90720
Charles Brain 4961 Katella Ave., Los Alamitos, CA 90720
- C. Dates the association will conduct races as charity racing days OR:
September 20, September 27, October 4, October 11, October 18, 2007
- D. Will the association pay the distributing agent an amount equal to the maximum required under B&P Code Section 19550(b)? Yes

NOTICE TO APPLICANT: Net proceeds from charity racing days shall be paid to the designated and approved distributing agent within 180 days following the conclusion of the association's race meeting in accordance with the provisions of B&P Code Section 19555. Thereafter, the distributing agent shall distribute not less than 90% of the aggregate proceeds from such charity racing days within 12 calendar months after the last day of the meeting during which the charity racing days were conducted and shall distribute the remaining funds as soon thereafter as is practicable. At least 20% of the distribution shall be made to charities associated with the horse racing industry in accordance with the provisions of B&P Code Section 19556(b).

10. RACING OFFICIALS, OFFICIALS, AND OFFICIATING EQUIPMENT

A. Racing officials nominated:

Association Veterinarian(s)	Thomas A. Hackathorn, DVM
Clerk of Scales	Geoff Waxler
Clerk of the Course	Linda Sherren
Horse Identifier	Michelle Lauck
Horseshoe Inspector	James Stump
Paddock Judge	Glen Walker
Patrol Judges	Glen Walker
Placing Judges	Ed Reese, Brandi Boag
Starter	John Baker
Timer	Glen Walker
Film Specialist	Geoff Waxler
Stall Superintendent	Scott Craigmyle

B. Management officials in the racing department:

Director of Racing	Ron Church
Racing Secretary	Ron Church
Assistant Racing Secretary	Ed Reese
Paymaster of Purses	Sherry Ray
Others (identify by name and title)	

C. Name, address and telephone number of the reporter employed to record and prepare transcripts of hearings conducted by the stewards:

Barbara Weinstein, 9582 Hamilton Ave, STE 265, Huntington Beach, CA 92646 714 964-7102

D. Photographic device to be used for photographing the finish of all races, name of the person supplying the service, and expiration date of the service contract:

Plusmic Corporation USA – Bill O'Brien 12/31/06

E. Photo patrol video equipment to be used to record all races, name of the person supplying the service, and expiration date of the service contract. Specify the number and location of cameras for dirt and turf tracks.

Pegasus Communications - Jim Porep 12/31/06

F. Type of electronic timing device to be used for the timing of all races, name of the person supplying the service, and expiration date of the service contract:

Pegasus Communications - Jim Porep 12/31/06

11. SECURITY CONTROLS

A. Name and title of the person responsible for security controls on the premises. Include an organizational chart of the security department and a list of the names of security personnel and contact telephone numbers.

Rick Castaneda-Director of Security 714-713-7728 cell

Organizational Chart

Los Alamitos Race Course

Security Dept.

Captain of Security	Rick Castaneda	Office (714) 820-2663 Cell (714) 713-7728
Day Shift Sergeant	Keith Hicks	Office (714) 820-2664
Night Shift Sergeant	Charles Gonzalez	Office (714) 820-2661
Day Shift Security Officers	Bill Chavez Edgardo Castillo Gerardo Angel Johnny Sun Deril Montgomery Bunthoeun Sos	
Night Shift Officers	Louie Reid Jackie Dixon Jose Murillo Gabriel Castellanos Henry Chambers Faatoulaina Tiatia Robert Edison Robert Pettersen Armando Batarse	
Stable Area Officers	Alex Pacheco Jorge Avina Jose Alvarez Ruben Silva Fernando Gomez	
Off Hour Officers	Albert Cruz Sr. Luis Rivas Frank Wozniak	

There are twenty three security officers on staff during the racing season, and three supervisors.

Organizational Chart

Los Alamitos Race Course

Stable Gate

Stable Gate Supervisor

Rick Castaneda & Keith Hicks

Head Gate Attendant

Stable Gate Attendants

Robert Garcia

Mario Martinez

Ron White

April Dudone

Marcos Avina

Cheri Willett P/T 2 days a week

Dennis Christensen On-Call Person

There are seven gate attendants assigned to the stable gates during the racing season.

O R A N G E C O U N T Y F I R E A U T H O R I T Y

180 South Water St. • Orange, CA 92866-2175 • (714) 744-0400
Chip Prather, Fire Chief

March 16th, 2006

Los Alamitos Race Course

Attn: Frank Sherren
4961 Katella Avenue
Los Alamitos, Ca 90720

Dear Mr. Sherren,

This letter is in response to your request for a Fire & Life Safety inspection clearance for The Los Alamitos Race Course, located at 4961 Katella Av., in the city of Los Alamitos. An inspection was completed on March 16th, 2006. At that time, the OCFA found this facility to be providing a reasonable degree of Fire & Life Safety.

If you have any further questions please give me a call at (714) 527 - 9474

Sincerely,

Bill Hart, Senior Fire Inspector

Serving the Cities of: Buena Park • Cypress • Dana Point • Irvine • Laguna Hills • Laguna Niguel • Lake Forest • La Palma • Los Alamitos Mission Viejo • Placentia • San Clemente • San Juan Capistrano • Seal Beach • Stanton • Tustin • Villa Park • Westminster • Yorba Linda and Unincorporated Areas of Orange County

RESIDENTIAL SPRINKLERS AND SMOKE DETECTORS SAVE LIVES

- B. Estimated number of security guards, gatemen, patrolmen or others to be engaged in security tasks on a regular full-time basis: 23
1. Attach a written plan for enhanced security for graded/stakes races, and races of \$100,000 or more, to include the number of security guards in the restricted areas during a 24-hour period and a plan for detention barns. Not used at this time.
 2. Detention Barns: Not used at this time.
 - A. Attach a plan for use of graded stakes or overnight races.
 - B. Number of security guards in the detention barn area during a 24-hour period.
 - C. Describe number and location of surveillance cameras in detention barn area.
 3. TCO2 Testing: Not used at this time.
 - A. Number of races to be tested, and number of horses entered in each race to be tested.
 - B. Plan for enhanced surveillance for trainers with high-test results.
 - C. Plan for detention barns for repeat offenders.
 - D. Number of security personnel assigned to the TCO2 program.
- C. Describe the electronic security system: Not used at this time.
1. Location and number of video surveillance cameras for the detention barn and stable gate.
- D. For night racing associations: Describe emergency lighting system: See attached.

12. EMERGENCY SERVICES

- A. Name, address and emergency telephone number of the ambulance service to be used during workouts and the running of the races:
Huntington Ambulance, PO Box 145, Sunset Beach, CA 90742 562-904-1550
- B. Name, address and emergency telephone number of the ambulance service to be used during workouts at auxiliary sites: N/A
- C. Attach a fire clearance from the fire authority having jurisdiction over the premises.
- D. Name of the workers' compensation insurance carrier for the association and the number of the insurance policy (if self-insured, provide details):
Self Insured-Finish Line Self Insurance Group, certificate #4524
Administrator: Bickmore Risk Services
1831 K. Street
Sacramento, Ca 95814
- E. Attach a Certificate of Insurance for workers' compensation coverage. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of insurance that secures the liability of the association for payment of workers' compensation.

CERTIFICATE OF INSURANCE

08-Dec-2005

PRODUCER Driver Alliant Insurance Services 600 Montgomery Street 9th Floor San Francisco, CA 94111 (415) 403-1400	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
INSURED Los Alamitos Race Course 4961 Katella Avenue Los Alamitos, CA 90720 752	INSURERS AFFORDING COVERAGE Please refer to Coverages section below.

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CoverageType	Insurer	Policy	EffectiveDate	ExpirationDate	LimitType	Amount
Worker's Compensation (Coverage)						
Employer's Liability	Finish Line Self Insurance Group, Inc.	WC001	29-Nov-2005	01-Jan-2007	Statutory	
					E.L. Each Accident	\$1,000,000
					E.L. Disease - Ea Employee	\$1,000,000
					E.L. Disease - Policy Limit	\$1,000,000

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENTS/SPECIAL PROVISIONS

This certificate is issued as evidence of coverage only - Los Alamitos Race Course.

IMPORTANT If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s). If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER The Certificate of Insurance on this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder. nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

CERTIFICATE HOLDER

California Horse Racing Board
 c/o Los Alamitos Race Course
 4961 Katella Avenue
 Los Alamitos, CA 90720

13218 - 2068

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



State of California
California Horse Racing Board
Application for license to conduct a Horse Racing Meeting
CHRB-17 (Rev. 7/05)

Re: **Question 11 Security Controls**

D For night racing associations: Describe Emergency Lighting Systems

Los Alamitos Race Course's race track lighting was designed and installed by Hubbell Lighting, Inc. It consists of racks of 1000 watt stadium type lights. The Emergency Lighting System is 1000 watt Quartz light fixtures mounted under the stadium lights on each light pole. In the event of a power failure causing the stadium lights to fail the quartz back-up emergency lights instantly come on. They are on a U.P.S. back-up system and are controlled by contactors located in our light room. This system is totally automatic. It was tested in April of 2005. The Track will remain lighted for a period of up to 90 minutes.

13. CONCESSIONAIRES AND SERVICE CONTRACTORS

Names and addresses of all persons to whom a concession or service contract has been given, **other than those already identified**, and the goods and/or services to be provided by each:

Centaur Hot Walkers, Inc., 5761 Ridgeview Ave., Mira Loma, CA 91752

14. ON-TRACK ATTENDANCE/FAN DEVELOPMENT

A. Describe any promotional plans:

See attached

B. Number of hosts and hostesses employed for meeting:

Los Alamitos uses a track analyst to provide expert handicapping information, plus tips and hints on how to play the races at Los Alamitos. Handicappers are also available for private sessions with parties and group that want to learn more about the races. Two information windows are open day and night at Los Alamitos Race Course to answer any questions or inquiries about the track or horseracing in general. Fans can also pick up general information and pamphlets at the Racing Rewards Center and Vessels Club absolutely free.

C. Describe facilities set aside for new fans:

There are no specific areas designated for new fans at this time.

D. Describe any improvements to the physical facility in advance of the meeting that directly benefit:

1. Horsemen : rotational re-roofing of barns, filing of environmental impact report for possibility of expansion for Tb racing in 2009.
2. Fans: Renovating and updating concession stands, resurfacing parking patron parking areas, repainting grandstand
3. Facilities in the restricted areas: new vending machines in stable, racing office and employee areas.

15. SCHEDULE OF CHARGES

A. Proposed charges, note any changes from the previous year:

Admission (general)	3.00
Admission (clubhouse)	5.00/10.00 (Vessels club)
Reserved seating (general)	N/A
Reserved seating (clubhouse)	N/A
Parking (general)	free
Parking (preferred)	3.00/8.00 (premium)
Parking (valet)	N/A
Programs (on-track)	3.00
(off-track)	3.50

B. Describe any "Season Boxes" and "Turf Club Membership" fees:

See attached

C. Describe any "package" plans such as combined parking, admission and program: N/A

1. Los Alamitos guarantees pools in the early Pick Four every racing night. Currently, Pick Four pools are guaranteed at \$75,000 Friday through Saturday and \$50,000 on Sunday.

2. Los Alamitos is now the only track in California with a frequent player rewards program that awards cash vouchers to its members. Los Alamitos offers a one percent return on wagers made by its "Racing Rewards" member's on-track on the Los Alamitos racing program. Patrons earn one point for every dollar that they wager. After a patron has accumulated 1,000 he/she is eligible to redeem a \$10 voucher. To put this program in perspective, the now defunct daytime GSRN program awarded a \$50 voucher after a patron garnered 10,000 points - a return of 1/2 of one percent. The Racing Rewards program currently features over 4,200 card-holders.

Los Alamitos employs two part-time Racing Rewards operators to assist patrons with their accounts. Eight handicapping contests are scheduled for 2007, which are exclusive to Racing Rewards members. They will be held in conjunction with the Los Alamitos Winter Derby trials, the Kindergarten Futurity trials, the Ed Burke Million Futurity trials, the Governor's Cup Futurity trials, the PCQHRA Breeders Futurity trials, the Los Alamitos Super Derby trials, the Golden State Million Futurity trials and the Los Alamitos Two Million Futurity trials. Prizes include cash vouchers, official logo merchandise and Racing Rewards points.

3. Los Alamitos provides Ed Burgart's tipsheet free on its website at www.losalamitos.com.

4. Los Alamitos offers a free nighttime pocket program, which can be downloaded at www.losalamitos.com.

5. Los Alamitos provides free replays of its races through a partnership with www.racereplays.com. The replays can be easily accessed via www.losalamitos.com.

6. Los Alamitos is the only racetrack in the country that provides handicappers, race owners and race fans with workout videos of 2-year-olds in training on its website at www.losalamitos.com. The workout videos feature the horses being loaded in the gate, the workout and then the gallop out. This special section on the website received more than 20,000 hits in 2006.

7. Los Alamitos special morning seminars called Clocker's Corner, in which patrons can meet racing personalities as well as having an opportunity to talk about the races with handicappers Ed Burgart and Les Onaka. Five Clocker's Corner are scheduled for 2007. Free coffee, prize drawings, and free nighttime programs are available.

8. Los Alamitos markets its night program via the Jay Privman, Mike Willman and Sam Spears weekly radio shows.

9. Los Alamitos markets the night program on TVG with a 24-week advertising campaign conducted throughout the year. The Replay Show is also available on TVG mornings on a Friday through Monday basis.

10. Los Alamitos, in conjunction with the AQHA, will host an on-track handicapping featuring a total of \$3,100 in cash prizes. The 2006 edition of this contest attracted over 250 horseplayers with three lucky fans earning over \$725 each. Cash prizes and logo merchandise are also awarded.

11. Los Alamitos now offers free admission every Thursday night of the week. Los Alamitos has also reduced its senior citizen admission prices to \$2 every single day and night. More than 60% of the Los Alamitos parking lot is available at no charge as part of the free general parking area.

12. Los Alamitos has lowered concession prizes across the board. Lower prices include \$2.50 beers every day and night; \$2.50 hot dogs every day and night; \$1.25 sodas every day and night, etc.

13. Los Alamitos will conduct statewide mailers to promote the following race nights: California Breeders Champions Night, MBNA America Challenge Championship and Champion of Champions/Los Alamitos Million weekend. Mailers will include a free mystery mutuel voucher worth at least \$5 and up to \$10,000. The traditional calendar giveaway is set for Champions of Champions weekend in December.

14. Family days at Los Alamitos will be held on Saturday, July 9 with the running of the popular Wienerschnitzel Wiener National. 80 dachshunds compete for prize money and trophies. The annual event receives great pre and post event publicity on the television newscasts. The event annually attracts over 10,000 people, most of which get exposed to the excitement of horseracing for the first time. The 2006 Wiener Nationals had a full segment devoted to it on ESPN's Sportscenter.

15. Another family event is the Los Alamitos annual Halloween Carnival. This event benefits a local charity as well as the Los Alamitos division of the Race Track Chaplaincy of America. A costume contest for kids and adults as well as a ton of carnival games are held in a safe, fun, and family oriented environment. This event provided first-time exposure of horseracing to hundreds of families each year.

16. Latin Festival Day at Los Alamitos will be held in the spring. Live music, horseracing and great family atmosphere abound for this – the fourth annual Los Alamitos festival.

17. In addition, Los Alamitos will continue its DVD Scrapbook program designed to reward racehorse owners at Los Alamitos. Every time a horse wins a race at Los Alamitos, the owner will receive one DVD – completely free – featuring the horse's winning performance. The DVD includes the post parade, warm-ups, race analysis, actual race, and winner's circle. This has received rave reviews across the board from owners and Los Alamitos Race Course sees it a nice goodwill gesture.

Quarter Horse Membership Information (These Prices restricted to CHRB licensed horsemen)

- ***Vessels Exclusive - Quarter Horse \$3,000.00***

Membership includes one exclusive table for each night of the 2006 - 2007 Quarter Horse meet, four membership cards - each valid for one admission during the 2006 - 2007 Quarter Horse meet, and two *premier* parking stickers.

Certain Limitations & Restrictions apply to the above membership. Los Alamitos Race Course has the right to use your reserved table if you have not contacted the Maitre d' by the running of the 2nd race. It is the responsibility of the Vessels Club member to contact the Maitre d' @ 714-820-2681. LARC also reserves the right to utilize any tables for special events. LARC will provide you with written notice one week prior to the special event.

- ***Vessels Private Box - Quarter Horse \$1,500.00***

Membership includes one private four seat box, four membership cards - each valid for one admission during the 2006- 2007 Quarter Horse meet, and two *preferred* parking stickers.

- ***Vessels Annual – Quarter Horse \$300.00***

Membership includes one membership card valid for one admission daily or nightly during the 2006 - 2007 Quarter Horse Meet.

THE VESSELS CLUB at LOS ALAMITOS RACE COURSE

Membership Form

Live Racing: Quarterhorse -December 26, 2006 to December 16, 2007

Satellite Racing: Year Round

Membership in the Vessels Club includes all live and satellite racing conducted at Los Alamitos from January 1, 2007 through December 31, 2007, depending on the specific membership you choose. No outside food or beverages will be allowed in the Vessels Club. Rude, loud, unseemly behavior or profanity is not acceptable in the Vessels Club. Your signature below acknowledges that you have read, understood, and will abide by the rules of the Club including **dress rules**.

Date _____

Signature of Member _____

Please issue membership card(s) as follows: (PLEASE PRINT OR TYPE)

- | | | | |
|----|----------------------|-----------------------|-------|
| | | <u>relation to me</u> | |
| 1. | <u>My name</u> _____ | | _____ |
| 2. | _____ | | _____ |
| 3. | _____ | | _____ |
| 4. | _____ | | _____ |

THIS SPACE FOR OFFICE USE ONLY	
Parking Sticker Number	Membership Card Number
_____	_____
_____	_____
_____	_____
Box # _____	_____

Residence _____
Street
City
State, Zip

Business _____
Street
City
State, Zip

Residence telephone _____ Business telephone _____

Mail credentials to: Res. _____ Bus. _____

MEMBERSHIP FEES:

A.	Vessels Presidential - Corporate January 1, 2007 - December 31, 2007 INCLUDES: Four membership cards (each valid for one admission plus five guests), one private four seat box, four premium parking stickers and guaranteed six seat table in the dining room.	\$5,000.00
B.	Vessels Executive January 1, 2007 - December 31, 2007 Four membership cards - each valid for one admission, two preferred parking stickers and guaranteed four seat table in the dining room.	\$3,000.00
C.	Vessels Private January 1, 2007 - December 31, 2007 One membership card valid for one admission, one preferred parking sticker, guaranteed four-seat table in the dining room, and option to purchase one additional membership card for \$500.00.	\$1,500.00

Membership Selection (circle one): **A** **B** **C**
MAKE CHECK PAYABLE TO LOS ALAMITOS RACE COURSE
THIS SPACE FOR OFFICE USE ONLY

VESSELS PARKING	PAYMENT RECEIVED	CREDENTIALS ISSUED
Date _____	Date _____	Date _____
Amount _____	CHECK _____ CASH _____	MAIL _____
Card # _____	Amount _____ Rec. On _____	By _____

Private Membership Information

- ***Vessels Presidential \$5,000.00***

Membership includes four membership cards - each valid for one admission plus five guests, one private four-seat box, four premium parking stickers & guaranteed reservation for a six-seat table in the dining room. Valid January 1, 2007 to December 31, 2007. Pro-rated after January 1, 2007.

- ***Vessels Executive \$3,000.00***

Membership includes four membership cards - each valid for one admission, guaranteed reservation for a four seat table in the dining room, and two preferred parking stickers. Valid January 1, 2007 to December 31, 2007. Pro-rated after January 1, 2007.

- ***Vessels Private \$1,500.00***

Membership includes one membership card, valid for one admission, one preferred parking sticker, guaranteed reservation for a four seat table in the dining room, and option to purchase one additional membership card for \$500.00. Valid January 1, 2007 to December 31, 2007. Pro-rated after January 1, 2007.

- ***Vessels Club Single Admissions Offer***

- | | | |
|----|--|----------|
| A. | 10 Admissions - Save \$15.00
<i>(Regular Price \$100.00)</i> | \$85.00 |
| B. | 25 Admissions - Save \$50.00
<i>(Regular Price \$250.00)</i> | \$200.00 |
| C. | 50 Admissions - Save \$150.00
<i>(Regular Price \$500.00)</i> | \$350.00 |

Invitation and Acceptance to Membership

Live Racing: Quarter Horse – December 26th, 2006 - December 16th, 2007

Satellite Racing: Year Round

Membership in the Vessels Club includes all live and satellite racing conducted at Los Alamitos from December 26th, 2006 through December 16th, 2007, depending on the specific membership you choose. No outside food or beverages will be allowed in the Vessels Club. Rude, loud, unseemly behavior or profanity is not acceptable in the Vessels Club. Your signature below acknowledges that you have read, understood, and will abide by the rules of the Club including **dress code guidelines**.

Date _____

Signature of Member _____

Please issue membership card(s) as follows: (PLEASE PRINT OR TYPE)

Relationship to me

1. My name _____
2. _____
3. _____
4. _____

THIS SPACE FOR OFFICE USE ONLY

Parking Sticker Number	Membership Card Number
_____	_____
_____	_____
_____	_____
_____	_____
Box # _____	

Residence _____
Street
City
State, Zip

Business _____
Street
City
State, Zip

Residence telephone _____ Business telephone _____

Mail credentials to: Res. _____ Bus. _____

***MEMBERSHIP FEES:**

- A. Vessels Exclusive - Quarter Horse***** \$3,000.00**
 One exclusive four seat table, four membership cards - each valid for
 One admission during the 2006 - 2007 Quarter Horse meet, and two Premium
 Parking passes.
Certain Limitations & Restrictions apply to this membership.
**LARC has the right to use your reserved table if you have not contacted the
 Maitre d' by the running of the 2nd live race. It is the responsibility of the Vessels
 Club member to contact the Maitre d' @ 714-820-2681. LARC also reserves the
 right to utilize any tables for special events. LARC will provide you with written
 notice one week prior to the special event.**
- B. Vessels Private Box - Quarter Horse*****\$1,500.00**
 One private four seat box, four membership cards - each valid for
 one admission during the 2006 - 2007 Quarter Horse meet; and two preferred
 Parking stickers.
- C. Vessels Annual Horsemen***** \$300.00**
 One membership card valid for one admission to the Vessels Club during the
 2006 - 2007 Quarter Horse Meet.
- *Must have valid CHRB license for all memberships.**

Membership Selection (circle one): A B C MAKE CHECKS PAYABLE TO LOS ALAMITOS RACE COURSE

THIS SPACE FOR OFFICE USE ONLY

VESSELS PARKING	PAYMENT RECEIVED	CREDENTIALS ISSUED
Date _____	Date _____	Date _____
Amount _____	CHECK _____ CASH _____	MAIL _____
Card # _____	Amount _____ Rec. On _____	By _____

16. JOCKEYS/DRIVERS' QUARTERS

- A. Check the applicable amenities available in the jockeys/drivers' quarters:

<input type="checkbox"/>	Corners (lockers and cubicles)	How many	<input type="text" value="45/8"/>
<input type="checkbox"/>	Showers	<input type="checkbox"/>	Steam room, sauna or steam cabinets
<input type="checkbox"/>	Masseur	<input type="checkbox"/>	Food/beverage service
		<input type="checkbox"/>	Lounge area
		<input type="checkbox"/>	Certified platform scale

- B. Describe the quarters to be used for female jockeys/drivers:
Separate quarters with cubicles, showers, steam box.

17. BACKSTRETCH EMPLOYEE HOUSING

- A. Inspection of backstretch housing will be completed by Investigator, Mike Kilpack on 11/10/06.
- B. Number of rooms used for housing on the backstretch of the racetrack: 220 out of 344
- C. Number of restrooms available on the backstretch of the racetrack: 13
- D. Estimated ratio of restroom facilities to the number of backstretch personnel: 18/1

18. TRACK SAFETY

- A. Total distance of the racecourse - measured from the finish line counterclockwise (3' from the inner railing) back to the finish line: feet.
- B. Describe the type(s) of materials used for the inner and outer railings of the race course, the type of inner railing supports (i.e., metal gooseneck, wood 4" x 4" uprights, offset wood 4" x 4" supports, etc.), the coverings, if any, on the top of the inner railing, and the approximate height of the top of the inner railing from the level of the race course.
Inner rail is a metal slant rail with metal safety cover, 40" in height from track to top of rail.
Outer rail is a metal gooseneck with 6" X 4" metal tubing.
- C. Name of the person responsible for supervision of the maintenance of the racetrack safety standards pursuant to CHRB Rule 1474:
Rick Hughes/Dennis Moore
- D. Attach a Track Safety Maintenance Program pursuant to CHRB Rule 1474. **On file.**
- E. If the association is requesting approval to implement alternate methodologies to the provisions of Article 3.5, Track Safety Standards, pursuant to CHRB Rule 1471, attach a Certificate of Insurance for liability insurance which will be in force for the duration of the meeting specified in Section 2. The CHRB is to be named as a certificate holder and given not less than 10 days' notice of any cancellation or termination of liability insurance. Additionally, the CHRB must be listed as additionally insured on the liability policy at a minimum amount of \$3 million per incident. The liability insurance certificate must be on file in the CHRB headquarters office prior to the conduct of any racing.

- A. All labor and lease agreements and concession and service contracts necessary to conduct the entire meeting have been finalized except as follows (if no exceptions, so state): No exceptions
- B. Attach each horsemen's agreement pursuant to CHRB Rule 2044. **To be submitted.**
- C. Attach a lease agreement permitting the association to occupy the racing facility during the entire term of the meeting. (In the absence of either a lease agreement or a horsemen's agreement, a request for an extension pursuant to CHRB Rule 1407 shall be made). On file
- D. All service contractors and concessionaires have valid state, county or city licenses authorizing each to engage in the type of service to be provided and have valid labor agreements, when applicable, which remain in effect for the entire term of the meeting except as follows (if no exceptions, so state):
No exceptions
- E. Absent natural disasters or causes beyond the control of the association, its service contractors, concessionaires or horsemen participating at the meeting, no reasons are believed to exist that may result in a stoppage to racing at the meeting or the withholding of any vital service to the association except as follows (if no exceptions, so state): No exceptions

NOTICE TO APPLICANT: Pursuant to CHRB Rules 1870 and 1871, the CHRB shall be given 15 days' notice in writing of any intention to terminate a horse racing meeting or the engagements or services of any licensee, approved concessionaire, or approved service contractor.

20. CERTIFICATION BY APPLICANT

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized by the association to attest to this application on its behalf.

Edward C. Allred
Print Name

Edward C. Allred
Signature

Chairman
Print Title

09/27/06
Date

CALIFORNIA HORSE RACING BOARD

NOVEMBER 27, 2006
REGULAR BOARD MEETING

There is no board package material for item 7.

CALIFORNIA HORSE RACING BOARD

NOVEMBER 27, 2006
REGULAR BOARD MEETING

There is no board package material for item 8.

CALIFORNIA HORSE RACING BOARD

NOVEMBER 27, 2006
REGULAR BOARD MEETING

There is no board package material for item 9.

STAFF ANALYSIS
November 27, 2006

ISSUE: APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING FOR XPRESSBET, INC., JANUARY 1, 2007 THROUGH DECEMBER 31, 2007.

XpressBet filed its application as an out-of-state multi-jurisdictional wagering hub to provide Advance Deposit Wagering. They are currently licensed through December 31, 2006 as an out-of-state multi-jurisdictional wagering hub to provide Advance Deposit Wagering.

- January 1, 2007 through December 31, 2007, during all times races are run which could be up to twenty-four hours a day. They are applying for a one-year license, as the statutory authority for advance deposit wagering is set to sunset December 2007.
- XpressBet will provide advance deposit wagering services for the following:
 - Bay Meadows Racing Association at Bay Meadows Racecourse
 - California Authority of Racing Fairs
 - Sacramento Harness at Cal Expo
 - Los Angeles Turf Club Incorporated at Santa Anita Park
 - Pacific Racing Association at Golden Gate Fields
 - Del Mar Thoroughbred Club at Del Mar
 - Los Angeles County Fair Association at Fairplex Park

XpressBet's current track contracts and horsemen's approvals extend through December 31, 2006. They are in negotiation with the tracks and horsemen and expect to have the needed contracts and agreements executed before January 1, 2007.

Items still needed to complete this application:

1. Racetrack contracts for 2007.
2. Horsemen's agreement for Thoroughbred Owners of California.
3. Horsemen's agreement for California Harness Horsemen's Association.

RECOMMENDATION:

Staff recommends the Board approve the application conditioned upon the completion of the track contacts and the horsemen's agreements.

STATE OF CALIFORNIA
CALIFORNIA HORSE RACING BOARD (CHRB)
APPLICATION FOR LICENSE TO CONDUCT ADVANCE DEPOSIT WAGERING
CHRB-133 (New 9/01)

Application is made to the CHRB for a license to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and comply with the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct advance deposit wagering and must be accompanied by a bond or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

XpressBet, Inc.
200 Race Track Road
Washington, PA 15301
Telephone: (724) 229-6981
Facsimile: (724) 250-4884

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

Please note that under Oregon law, the following individuals are not required to hold a license issued by the Oregon Racing Commission, but each individual does hold a license issued by the CHRB.

<u>Name</u>	<u>Title</u>	<u>CHRB License No.</u>
Ronald W. Luniewski	President	275875
Blake S. Tohana	Executive Vice-President and Chief Financial Officer	278963
William G. Ford	Secretary	287893
Mary Lyn Seymour	Controller	281811

C. Name, title and mailing address of the California agent for receipt of service of process:

CT Corporation System
818 West Seventh Street
Los Angeles, CA 90017

CHRB CERTIFICATION

Application received: 10/10/06
Reviewed: *[Signature]*

Hearing date: 6/26/06
Approval date:

- D. Attach the contract with the California racing association or fair and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

Below is a list of the Race Track licensees with which XpressBet has contracted. Please find attached as Exhibit 1 a copy of each Race Track licensee agreement, along with a copy of XpressBet's agreement with the Thoroughbred Owners of California.

<u>Race Track</u>	<u>Licensee</u>
Santa Anita Park	Los Angeles Turf Club, Incorporated
Bay Meadows Racecourse	Bay Meadows Racing Association
Golden Gate Fields	Pacific Racing Association
California Expo	Sacramento Harness Association
Stockton	San Joaquin Fair
Fresno	Fresno County Fair
Pleasanton	Alameda County Fair
Vallejo	Solano County Fair
Santa Rosa	Sonoma County Fair
Bay Meadows Racecourse	San Mateo Fair
Del Mar	Del Mar Thoroughbred Club
Fairplex Park	Los Angeles County Fair Association
Humboldt	Humboldt County Fair
Sacramento Fairgrounds	California Exposition & Fair

2. DATES OF OPERATION

- A. Dates Advance Deposit Wagering will be conducted:
XpressBet, Inc. will conduct advance deposit wagering as of January 1, 2007 up to and including December 31, 2007.
- B. Hours Advance Deposit Wagering will be conducted:
While races are run, up to twenty-four (24) hours per day

3. BUSINESS STRUCTURE

- A. Corporation (complete subsection B)
 LLC (complete subsection C)
 Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

- Registered name of the corporation:
XpressBet, Inc.
- State where incorporated:
Delaware

- 3. Registry or file number for the corporation:
3373240
- 4. Name of all officers and directors, titles, and number of shares of the corporation held by each;

<u>Name</u>	<u>Title</u>	<u>Number of Shares Owned</u>
Ronald W. Luniewski	President	None
Blake S. Tohana	Executive Vice-President and Chief Financial Officer	None
William G. Ford	Secretary	None
Mary Lyn Seymour	Controller	None

- 5. Names (true names) of all entities and persons, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
Magna Entertainment Corp. – 100 Shares
- 6. Number of outstanding shares in the corporation:
100 common shares
- 7. Are the shares listed for public trading? Yes No **X**
If yes, on what exchange and how is the stock listed:
Note that Magna Entertainment Corp.’s Class A Subordinate Voting Stock is traded on the Nasdaq National Market under the symbol “MECA” and on the Toronto Stock Exchange under the symbol “MEC.A”.
- 8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
Not applicable
- 9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
Magna Entertainment Corp.
- 10. Attach the most recent annual audited financial statements for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.
Magna Entertainment Corp. reports its financial results on a consolidated basis and therefore separate financials of the Applicant are not available. Attached as Exhibit 2 for your review are the 2005 audited annual financial statements and the unaudited six-month financial statements for the period ending June 30, 2006 of the Applicant’s parent, Magna Entertainment Corp.

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

As per discussions with the CHRB, the XpressBet business plan for 2007 is being provided under separate cover and shall remain confidential at all times to the CHRB.

C. LLC - Not Applicable

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual audited financial statements for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

D. OTHER - Not Applicable

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2075.

- A. List the procedures to establish an Account:
Included in the attached Exhibit 3, Plan of Operation, is the Applicant's Account Opening Procedures.
- B. If an application form is used to establish an Account, attach a copy of the form.

Attached as Exhibit 4 is a copy of the application form. Similar forms are used for on-site or in-person applications.

- C. Name and address of the third party you will use to confirm identity, residence and age verification:

In respect of wagers placed through the Applicant's internet and telephone account wagering products, the Applicant will utilize the services of Equifax Information Services LLC to provide identity, residence and age verification services. The address of Equifax Information Services LLC is set forth below:

**Equifax Information Services LLC
1550 Peachtree N.W.
Atlanta, Georgia 30348**

Attached hereto as Exhibit 5 is information about Equifax and a copy of its most recent Form 10-K as filed with the United States Securities and Exchange Commission.

In respect of wagers placed through the Applicant's Horse Wizard™ simplified wagering machines (the "SWMs"), the Applicant will not conduct a third party verification of identification for users of the Applicant's SWMs located at Santa Anita and Golden Gate Fields. As previously stated in the Applicant's amendment to its 2004 ADW license, which the CHRB approved on September 15, 2004, the Applicant respectfully submits that no third party verification of user identification is necessary with respect to the SWMs because all wagers placed through the SWMs will be treated as wagers made by a resident of the jurisdiction where the track offering the SWMs is located.

5. **OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS** – must comply with Rule 2073.

- A. Submit a copy of your plan for operation.
Attached as Exhibit 3 is Applicant's *Plan of Operation*.

- B. List the type of deposits you will accept:
In respect of internet and telephone account wagering, the Applicant will accept the following types of deposits: cash deposits made directly, personal checks, cashier's checks, money orders made directly or mailed, debits to an Account Holder's credit card or debit card, and wire and other electronic transfers from a monetary account controlled by Account Holder.

In respect of accounts opened in connection with wagers placed through the Applicant's SWMs, the Applicant will accept cash, cashiers checks, money orders and any other certified forms of funds for deposit in person at Santa Anita or Golden Gate Fields. Personal checks, wire transfers and credit cards may not be used for deposits to SWM accounts.

- C. Identify any fees or transaction-related charges and the amount that will be assessed:

For purposes of internet and telephone account wagering, customers will not be charged a monthly membership or wagering fee or a per call or wager transaction fee. However, customers may be charged a value added transaction fee of \$0.25 per telephone call when dealing with a live teller. Processing fees may be charged in respect of deposits made pursuant to Item 5B above, via credit card cash advance or wire transfers.

To the extent credit cards are used/permitted to be used in connection with internet and telephone account wagering, processing fees for credit card cash advances will be no greater than 6%. High value customers may not be subject to credit card cash advance processing fees.

A wire transfer of less than \$250.00 is subject to a \$5 processing fee. A wire transfer of greater than \$250.00 is not subject to any charge.

Customers requesting special delivery (e.g. courier) may be charged the cost of those services.

None of the aforementioned fees and/or charges will be charged in respect of accounts opened in connection with wagers placed through the Applicant's SWMs because none of the services set forth above will be offered for funding an account opened in connection with wagering through the Applicant's SWMs.

As the distribution platforms evolve and future enhancements deliver increased functionality to customers, monthly fees or surcharges may be implemented for added value services.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:
Please refer to Exhibit 6 for Items 1 – 4.
1. Description of the technology to ensure identity, residence, and age verification when an Account is established.
 2. Description of the technology to ensure confidentiality of the Means of Personal Identification.
 3. Methods and locations available for Account Holders to withdraw funds from their Account.
 4. If the Account Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation.

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:
Bowen & McBeth
 10722 Arrow Route, Suite 110
 Rancho Cucamonga, California 91730
 Telephone: 909-944-6465

Facsimile: 909-980-4788

B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

- (i) Types of pari-mutuel or totalizator equipment to be used.
Totalizator equipment and services will be provided to Applicant by AmTote International, Inc.. In addition to standard totalizator equipment and services, Applicant will be utilizing (a) IVR – “interactive voice response technology” (an automated touch-tone betting system), provided by AmTote International, Inc. (b) on-line computer wagering technology (c) IVR – natural language voice recognition system provided by AmTote International, Inc. and (e) Horse Wizard™ self-service account wagering devices (provided by Magna Entertainment Corp.) described in Applicant’s letter to the CHRB dated August 25, 2004 and located at Santa Anita and Golden Gate Fields.

Applicant is currently operating under an agreement with AmTote International, Inc. which expires on March 2, 2008.

Applicant has executed an agreement with Magna Entertainment Corp. (“MEC”) for Horse Wizard™ for self-service account wagering devices with an expiration date of December 31, 2006. XpressBet plans to renew this agreement with MEC prior to the expiration date.

- (ii) Simulcast Organization
Roberts Communications Network, Inc., and AmTote International, Inc.
- (iii) Name of entity supplying equipment, and expiration date of the service contract.
Equipment to be supplied by:

AmTote International, Inc. expiration date 3/2/2008
11200 Pepper Road
Hunt Valley, MD 21031-1324

Magna Entertainment Corp. expiration date 12/31/2006
337 Magna Drive
Aurora, ON L4G 7K1
Canada

C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

Attached as Exhibit 7 is the list of racing venues from which the Applicant currently intends to accept Advance Deposit Wagering. We will update you as racing venues are confirmed or added.

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

California XpressBet Center representatives and SWM tellers are currently members of the Pari-Mutuel Employees Guild – SEIU Local 280.

XpressBet currently offers union shifts in three California locations. At each of these locations the function of these union positions is the same: they service XpressBet customer accounts by depositing and/or withdrawing funds while occasionally opening a new account.

At Santa Anita, XpressBet employs one 6.5 hour shift every simulcast day of the year. Additionally, on live dates, including the Oak Tree meet, we offer two simultaneous 6.5 hour shifts per day.

At Bay Meadows and Golden Gate Fields, XpressBet requests the union to provide either a 5.5 hour shift per day or a 6.5 hour shift per day that each of these tracks is open.

In essence, XpressBet employs 3.5 full time union workers in the state of California.

8. CONTRACTS AND AGREEMENTS

- A. List name and address of all organizations you contracted with to facilitate Advance Deposit Wagering:

**AmTote International, Inc.
11200 Pepper Road
Hunt Valley, MD 21031-1324**

**Magna Entertainment Corp. (supplier of SWMs)
337 Magna Drive
Aurora, ON L4G 7K1
Canada**

- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed: N/A

9. ADVERTISING

Name and address of the advertising agency you will use:

**Candelaria Advertising
1545 Idlewood Rd.
Glendale, California 91202**

NOTICE – Pursuant to Rule 2072 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

CHRB-133 (New 9/01)

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this application, that all of the foregoing statements in this application are true and correct, and that I am authorized to attest to this application.

Ron Luniewski
Print Name:


Signature:

President
Print Title:

10-6-06
Date:

STAFF ANALYSIS
November 27, 2006

ISSUE: APPLICATION FOR LICENSE TO CONDUCT ADVANCE DEPOSIT WAGERING (ADW) OF YOUBET.COM, INC. (Youbet) JANUARY 1, 2007 THROUGH DECEMBER 31, 2008 AS A CALIFORNIA MULTI-JURISDICTIONAL WAGERING HUB.

APPLICATION FOR APPROVAL TO CONDUCT ADW OF YOUBET JANUARY 1, 2007 THROUGH DECEMBER 31, 2008 AS AN OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB.

Youbet filed applications as a California multi-jurisdictional wagering hub and as an out-of-state multi-jurisdictional wagering hub to provide ADW:

- January 1, 2007 through December 31, 2008, 7 days a week, approximately 8:30 a.m. to 11:00 p.m. Pacific Time. They have applied for a two-year license. However, the statutory authority for advance deposit wagering is set to sunset December 31, 2007. If a two-year license were granted, the second year would need to be conditioned upon the Legislature's extension of the ADW authorization. It is appropriate for the Board to consider the application for a one-year term.
- Youbet will provide ADW services for the following:
 - Bay Meadows Racing Association (BMRA) at Bay Meadows Racecourse
 - California Authority of Racing Fairs (CARF)
 - Sacramento Harness Association (SHA) at Cal Expo Race Course
 - Hollywood Park Fall Racing Association LLC at Hollywood Park
 - Del Mar Thoroughbred Club at Del Mar
 - Los Alamitos Racing Association at Los Alamitos Race Course
 - Los Angeles County Fair at Fairplex
 - Los Angeles Turf Club Incorporated (LATC) at Santa Anita Park
 - Oak Tree Racing Association at Santa Anita Park
 - Pacific Racing Association (PRA) at Golden Gate Fields

Items **still needed** to complete this application:

1. Horsemen's agreement for Thoroughbred Owners of California.
2. Host agreements for BMRA, CARF, LATC, PRA

RECOMMENDATION:

Staff recommends the Board approve the application for a one-year approval to conduct ADW of an out-of-state multi-jurisdictional wagering hub upon receiving the information necessary to complete the application.

Staff recommends the Board approve the application for a one- year license to conduct ADW of a California multi-jurisdictional wagering hub conditioned upon receiving the information necessary to complete the application.

Application is made to the CHRB for a license to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

1. APPLICANT

- A. Racing Association (Licensee) Racing Fair (Licensee)
 Betting System CA Multi-jurisdictional Wagering Hub (CA Hub)
- B. Name, mailing address, telephone and fax numbers:

Youbet.com, Inc.
5901 De Soto Avenue
Woodland Hills, California 91367
(818) 668-2100 Telephone
(818) 668-2101 Fax

- C. Names and titles of all management personnel:

David Marshall, Vice Chairman & Co-Founder, CHRB 277543
Charles Champion, Chairman, President and Chief Executive Officer, CHRB 267111
Gary Sproule, Chief Financial Officer, CHRB 280946
Michael Stark, Vice President, Engineering, CHRB 280947
Arcelia Padilla, Vice President of Human Resources and Administration, CHRB 267113
Joe Barletta, Director, CHRB 284548
Robert Brierly, Director, CHRB 282875
James Edgar, Director, CHRB 284545
Douglas Donn, Director, CHRB 282874
Frederick Jack Liebau, Director, CHRB 222157
Steven C. Good, Director, To Be Licensed

NOTICE – All management personnel must be CHRB licensed.

CHRB CERTIFICATION		
Application received: 10/17/06	Reviewed: jpw	Approval date:
Hearing date: 10/26/06		License number:

- D. Racing Fairs are not required to complete Section 3, Business Structure.
- E. Betting Systems and CA Hubs - attach the contract with the Licensee and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the Licensee for access to the California market for wagering purposes.

In May 2001 Youbet.com entered in to an agreement with Television Games Network ("TVG") that gave Youbet.com a license to utilize TVG's patents. The agreement can be found under ATTACHMENT 1. The systems, software and processes are owned and operated by Youbet.com. In addition to the license for the patents, the agreement grants Youbet.com a license to the right to video stream and accept online pari-mutuel wagers on horse racing from virtually all of TVG's exclusive partner racetracks. The California race tracks included under this agreement are as follows: Del Mar, Hollywood Park, Los Alamitos, Oak Tree at Santa Anita and Fairplex. The market access fees are defined in the TVG contract with the California racetracks and signed consents can be found under ATTACHMENT 2.

Recent ADW Approvals from the TOC can be found under ATTACHMENT 3.

Letter of consent with PQRA can found under ATTACHMENT 4.

Simulcast Agreement with California non-TVG exclusive thoroughbred tracks can be found under ATTACHMENT 5.

Simulcast Agreements with Cal Expo and California Harness Horsemen's Association can be found under ATTACHMENT 6.

2. DATES OF OPERATION

- A. Dates Advance Deposit Wagering will be conducted:

January 1, 2007 - December 31, 2008

- B. Hours Advance Deposit Wagering will be conducted:

The Youbet service is normally available 14.5 hours a day 7 days a week with hours of operation being approximately 8:30 a.m. - 11:00 p.m. PT

3. BUSINESS STRUCTURE

- A. Corporation (complete subsection B)
 LLC (complete subsection C)
 Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:

Youbet.com, Inc.

2. State where incorporated:

Delaware

3. Registry or file number for the corporation:

95-4627253 – Federal ID Number

4. Name of all officers and directors, titles, and number of shares of the corporation held by each:

Name	Title	# of Shares Owned
David M. Marshall	Vice Chairman, Co-Founder	1,897,887
Charles F. Champion	Chairman, President and Chief Executive Officer	1,477,500
James Edgar	Director	65,000
Gary Adelson	Director	43,750
Guy Chipparoni	Director	71,250
Joseph Barletta	Director	47,500
Steven C. Good	Director	10,000
Douglas Donn	Director	10,000
F. Jack Liebau	Director	10,000
Gary Sproule	Chief Financial Officer	75,000

5. Names (true names) of all persons, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:

**JP Morgan Asset Management, Inc.
 UT Group LLC
 New World Opportunity Partners I LLC**

6. Number of outstanding shares in the corporation:

35,904,270

7. Are the shares listed for public trading?

Yes No

If yes, on what exchange and how is the stock listed:

NASDAQ

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:

American Stock Transfer and Trust Company

9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

N/A

10. Attach the most recent annual financial statement for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the California Corporations Commission.

ATTACHMENT 7

2005 Annual Report (SEC Form 10K)

ATTACHMENT 8

Quarterly Report Ending June 30, 2006 (SEC Form 10Q)

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

ATTACHMENT 9

Annual Operation Plan

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual financial statement for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the California Corporations Commission.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

D. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the license.

4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2074.

A. List the procedures to establish an Account:

An interested individual must complete several steps in order to become a Youbet.com subscriber and to open a wagering account. Youbet.com complies with the CHRB Rule 2075.

Verifying the customer's qualifications to become a subscriber is an integral part of the Youbet.com sign-up process. Youbet.com is concerned with two major issues; state of residence and age. To become a Youbet.com Network subscriber, an applicant must be a resident in one of the 40 jurisdictions (ATTACHMENT 10) in which Youbet.com provides service and must be 21 years old or older. Accounts may be established by phone, mail or the Youbet.com website. Youbet.com reserves the right to close or to refuse to open an account.

The account holder must provide the following information:

- Full legal name
- Principal place of residence
- Telephone number
- Social Security Number
- Proper identification or certification the account holder is at least 21 years of age

Youbet.com, using the verification services of Equifax Credit Reporting, validates the information provided by the account holder. This information will be subject to electronic verification through Equifax, and should a discrepancy be found during verification, the account holder will be contacted to provide satisfactory supporting documentation to establish identity and residence. After the validation process is complete a wager account is established and the customer is now permitted to fund the account. At that point, the applicant is considered a "subscriber" to Youbet.

For more operational details see our Operation Plan as ATTACHMENT 11.

B. If an application form is used to establish an Account attach a copy of the form.

ATTACHMENT 12

- C. Name and address of the third party you will use to verify identity, residence and age verification:

**Equifax Credit Information Systems, Inc.
P.O. Box 740006
Atlanta, GA 3037**

5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.

- A. Submit a copy of your plan for operation.

See ATTACHMENT 11

- B. List the type of deposits you will accept:

Credit card, electronic check, check, money order, wire transfer. See Operation Plan for detail of velocity limits and overall policies for depositing funds into a wagering account (ATTACHMENT 11).

- C. Identify any fees or transaction-related charges and the amount that will be assessed:

Certain customers are charged \$10.95 per month for up to ten hours of live video per month or \$17.95 for unlimited video per month. Monthly subscription fees are waived for customers wagering a monthly average of at least \$350.00.

Also, customers will be charged a service fee of \$2.50 for an account withdrawal in an amount equal to or less than \$25.00. The service fee will be automatically withdrawn from the subscriber's wagering account. If the subscriber's withdrawal is equal to or less than \$2.50, the amount of the withdrawal will be applied to the service fee.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:

1. Description of the technology to ensure identity, residence, and age verification when an Account is established:

Youbet.com uses the services from Equifax Credit Information Services, Inc.

The customer's Social Security number is used to search Equifax's consumer credit database. As a secondary search, the customer's driver's license number is used to search against a nationwide database. Together these searches provide Youbet with a match or no match indication. If a match is returned, Youbet verifies the customer is of a legal age and in a legal state. In addition, if a customer submits a post office box as an address, the customer is contacted for a residential address that is used to verify the customer's residential address. If the customer submits a second address but requests to use the post office box as the mailing address, Youbet stores the residential address as the address of record and the post office box as the mailing address. Further, both addresses must be in the same state.

Customers must supply the following information:

- **First Name**
- **Last Name**
- **Residence Address**
- **Date of Birth**
- **Social Security Number**

2. Description of the technology to ensure confidentiality of the Means of Personal Identification:

All sensitive data is stored in an encrypted state in Youbet's database. The data is only decrypted when used by internal secure applications. The customer's Social Security Number, Driver's License Number and password/PIN are encrypted and cannot be viewed by non-authorized Youbet personnel.

The following data is encrypted:

- **Password**
- **Social Security Number**
- **Credit Card Numbers**
- **Checking Account Number**

In addition these other steps are taken to insure security of the PIN:

- **The customer's PIN must differ from their Handle or User ID**
- **The customer's PIN must be four (4) digits in length**
- **The customer's account is locked on the consecutive third unsuccessful attempt to log in. The customer must contact Youbet customer support and provide appropriate identification to have the account unlocked.**
- **If the customer forgets their password, they must supply their Handle/User ID, date of birth and registered email address to obtain the password.**

The password memory feature of Microsoft's operating system and browser are disabled for all Youbet products and web sites.

3. Methods and locations available for Account Holders to withdraw funds from their Account:

Youbet customers can request a withdrawal on-line or mail or fax a signed withdrawal slip to Youbet's office. A check in the amount of the withdrawal is mailed to the mailing address listed on file for the customer.

4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:

All records are maintained at Youbet.com. The following entities also store certain information:

Youbet.com, Inc. – 5901 De Soto Avenue, Woodland Hills, CA 91367

Amtote International, Inc. – 11200 Pepper Road, Huntvalley, MD 21031, Telephone: (410) 771-8700, Fax: (410) 785-5273

Autotote – 750 Lexington Avenue, 25th Floor, New York, NY 10022, Telephone: (212) 754-2233, Fax: (212) 754-2372

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:

**Piercy Bowler Taylor & Kern
Certified Public Accountants & Business Advisors
6100 Elton Avenue, Suite 1000
Las Vegas, Nevada 89107
Phone: (702)384-1120
Fax: (702) 870-2474**

- B. Type(s) of pari-mutuel or totalizer equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

Totalizer equipment: Amtote Spectrum System, term through June 30, 2009

Autotote Systems, Inc. d/b/a Scientific Games Racing (“SGR”), 5 year term from date Youbet initiates commercial processing of wagers through SGR System

Simulcast organization: Youbet Inter-Tote Systems Protocol (“ITSP”) is provided by Robertson Communication, term is currently month to month until new terms are finalized.

- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

See ATTACHMENT 13

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

8. CONTRACTS AND AGREEMENTS

A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:

Robertson Communications Network, Inc., 4175 Cameron Street, Suite B-10, Las Vegas, NV 89103

B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

N/A

NOTICE – Pursuant to B&P Section 19604 (c) (1) you must contract with the bona fide labor organization that has historically represented the same or similar classifications of employees at the nearest horse racing meeting.

9. ADVERTISING

Name and address of the advertising agency you will use:

Youbet.com has an internal advertising group and employs The Ad Barn for advertising campaigns.

**The Ad Barn
3147 Glenmanor Place
Los Angeles, CA 90039
Phone 310-694-4977
Fax 323-665-7305**

NOTICE – Pursuant to Rule 2071 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this Application, that all of the foregoing statements in this Application are true and correct, and that I am authorized to attest to this Application.

Michael A. Robertson

Print Name

Michael A. Robertson

Signature

Manager of Regulatory Affairs

Print Title

10/6/06

Date

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

Youbet.com, Inc.
5901 De Soto Avenue
Woodland Hills, California 91367
(818) 668-2100 Telephone
(818) 668-2101 Fax

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

David Marshall, Vice Chairman & Co-Founder, CHRB 277543
Charles Champion, Chairman, President and Chief Executive Officer, CHRB 267111
Gary Sproule, Chief Financial Officer, CHRB 280946
Michael Stark, Vice President, Engineering, CHRB 280947
Arcelia Padilla, Vice President of Human Resources and Administration, CHRB 267113
Joe Barletta, Director, CHRB 284548
Robert Brierly, Director, CHRB 282875
James Edgar, Director, CHRB 284545
Douglas Donn, Director, CHRB 282874
Frederick Jack Liebau, Director, CHRB 222157
Steven C. Good, Director, To Be Licensed

CHRB CERTIFICATION

Application received: 11/17/06
Reviewed: 

Hearing date: 10/20/06
Approval date:

- C. Name, title and mailing address of the California agent for receipt of service of process:

**General Counsel
Legal Department
Youbet.com, Inc.
5193 De Soto Avenue
Woodland Hills, California 91367**

- D. Attach the contract with the California racing association or fair and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

In May 2001 Youbet.com entered in to an agreement with Television Games Network ("TVG") that gave Youbet.com a license to utilize TVG's patents. The agreement can be found under ATTACHMENT 1. The systems, software and processes are owned and operated by Youbet.com. In addition to the license for the patents, the agreement grants Youbet.com a license to the right to video stream and accept online pari-mutuel wagers on horse racing from virtually all of TVG's exclusive partner racetracks. The California race tracks included under this agreement are as follows: Del Mar, Hollywood Park, Los Alamitos, Oak Tree at Santa Anita and Fairplex. The market access fees are defined in the TVG contract with the California racetracks and signed consents can be found under ATTACHMENT 2.

Recent ADW Approvals from the TOC can be found under ATTACHMENT 3.

Letter of consent with PQRA can found under ATTACHMENT 4.

Simulcast Agreement with California non-TVG exclusive thoroughbred tracks can be found under ATTACHMENT 5.

Simulcast Agreements with Cal Expo and California Harness Horsemen's Association can be found under ATTACHMENT 6.

2. DATES OF OPERATION

- A. Dates Advance Deposit Wagering will be conducted:

January 1, 2007 – December 31, 2008

- B. Hours Advance Deposit Wagering will be conducted:

The Youbet service is normally available 14.5 hours a day 7 days a week with hours of operation being approximately 8:30 a.m. – 11:00 p.m. PT

3. BUSINESS STRUCTURE

- A. Corporation (complete subsection B)
- LLC (complete subsection C)
- Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

- 1. Registered name of the corporation:

Youbet.com, Inc.

- 2. State where incorporated:

Delaware

- 3. Registry or file number for the corporation:

95-4627253 – Federal ID Number

- 4. Name of all officers and directors, titles, and number of shares of the corporation held by each:

Name	Title	# of Shares Owned
David M. Marshall	Vice Chairman, Co-Founder	1,897,887
Charles F. Champion	Chairman, President and Chief Executive Officer	1,477,500
James Edgar	Director	65,000
Gary Adelson	Director	43,750
Guy Chipparoni	Director	71,250
Joseph Barletta	Director	47,500
Steven C. Good	Director	10,000
Douglas Donn	Director	10,000
F. Jack Liebau	Director	10,000
Gary Sproule	Chief Financial Officer	75,000

- 5. Names (true names) of all persons, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:

JP Morgan Asset Management, Inc.
UT Group LLC
New World Opportunity Partners I LLC

6. Number of outstanding shares in the corporation:

35,904,270

7. Are the shares listed for public trading?

Yes

No

If yes, on what exchange and how is the stock listed:

NASDAQ

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:

American Stock Transfer and Trust Company

9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

N/A

10. Attach the most recent annual financial statement for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.

ATTACHMENT 7

2005 Annual Report (SEC Form 10K)

ATTACHMENT 8

Quarterly Report Ending June 30, 2006 (SEC Form 10Q)

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

ATTACHMENT 9

Annual Operation Plan

C. LLC

1. Registered name of the LLC:

2. State where articles of organization are filed:

3. Registry or file number for the LLC:

4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:

5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:

6. Are the shares listed for public trading?

Yes

No

If yes, on what exchange and how is the stock listed:

7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual financial statement for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

D. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

4. **ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS** – must comply with Rule 2074.

A. List the procedures to establish an Account:

An interested individual must complete several steps in order to become a Youbet.com subscriber and to open a wagering account. Youbet.com complies with the CHRB Rule 2075.

Verifying the customer's qualifications to become a subscriber is an integral part of the Youbet.com sign-up process. Youbet.com is concerned with two major issues; state of residence and age. To become a Youbet.com Network subscriber, an applicant must be a resident in one of the 40 jurisdictions (ATTACHMENT 10) in which Youbet.com provides service and must be 21 years old or older. Accounts may be established by phone, mail or the Youbet.com website. Youbet.com reserves the right to close or to refuse to open an account.

The account holder must provide the following information:

- Full legal name
- Principal place of residence
- Telephone number
- Social Security Number
- Proper identification or certification the account holder is at least 21 years of age

Youbet.com, using the verification services of Equifax Credit Reporting, validates the information provided by the account holder. This information will be subject to electronic verification through Equifax, and should a discrepancy be found during verification, the account holder will be contacted to provide satisfactory supporting documentation to establish identity and residence. After the validation process is complete a wager account is established and the customer is now permitted to fund the account. At that point, the applicant is considered a "subscriber" to Youbet.

For more operational details see our Operation Plan as ATTACHMENT 11.

- B. If an application form is used to establish an Account attach a copy of the form.

ATTACHMENT 12

- C. Name and address of the third party you will use to verify identity, residence and age verification:

Equifax Credit Information Systems, Inc.
P.O. Box 740006
Atlanta, GA 30374

5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.

- A. Submit a copy of your plan for operation.

See ATTACHMENT 11

- B. List the type of deposits you will accept:

Credit card, electronic check, check, money order, wire transfer. See Operation Plan for detail of velocity limits and overall policies for depositing funds into a wagering account (ATTACHMENT 11).

- C. Identify any fees or transaction-related charges and the amount that will be assessed:

Certain customers are charged \$10.95 per month for up to ten hours of live video per month or \$17.95 for unlimited video per month. Monthly subscription fees are waived for customers wagering a monthly average of at least \$350.00.

Also, customers will be charged a service fee of \$2.50 for an account withdrawal in an amount equal to or less than \$25.00. The service fee will be automatically withdrawn from the subscriber's wagering account. If the subscriber's withdrawal is equal to or less than \$2.50, the amount of the withdrawal will be applied to the service fee.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:

1. Description of the technology to ensure identity, residence, and age verification when an Account is established:

Youbet.com uses the services from Equifax Credit Information Services, Inc.

The customer's Social Security number is used to search Equifax's consumer credit

database. As a secondary search, the customer's driver's license number is used to search against a nationwide database. Together these searches provide Youbet with a match or no match indication. If a match is returned, Youbet verifies the customer is of a legal age and in a legal state. In addition, if a customer submits a post office box as an address, the customer is contacted for a residential address that is used to verify the customer's residential address. If the customer submits a second address but requests to use the post office box as the mailing address, Youbet stores the residential address as the address of record and the post office box as the mailing address. Further, both addresses must be in the same state.

Customers must supply the following information:

- **First Name**
- **Last Name**
- **Residence Address**
- **Date of Birth**
- **Social Security Number**

2. **Description of the technology to ensure confidentiality of the Means of Personal Identification:**

All sensitive data is stored in an encrypted state in Youbet's database. The data is only decrypted when used by internal secure applications. The customer's Social Security Number, Driver's License Number and password/PIN are encrypted and cannot be viewed by non-authorized Youbet personnel.

The following data is encrypted:

- **Password**
- **Social Security Number**
- **Credit Card Numbers**
- **Checking Account Number**

In addition these other steps are taken to insure security of the PIN:

- **The customer's PIN must differ from their Handle or User ID**
- **The customer's PIN must be four (4) digits in length**
- **The customer's account is locked on the consecutive third unsuccessful attempt to log in. The customer must contact Youbet customer support and provide appropriate identification to have the account unlocked.**
- **If the customer forgets their password, they must supply their Handle/User ID, date of birth and registered email address to obtain the password.**

The password memory feature of Microsoft's operating system and browser are disabled for all Youbet products and web sites.

3. **Methods and locations available for Account Holders to withdraw funds from their Account:**

Youbet customers can request a withdrawal on-line or mail or fax a signed withdrawal slip to Youbet's office. A check in the amount of the withdrawal is mailed to the mailing

address listed on file for the customer.

PAGE 11 – 19

4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:

All records are maintained at Youbet.com. The following entities also store certain information:

Youbet.com, Inc. – 5901 De Soto Avenue, Woodland Hills, CA 91367

Amtote International, Inc. – 11200 Pepper Road, Huntvalley, MD 21031, Telephone: (410) 771-8700, Fax: (410) 785-5273

Autotote – 750 Lexington Avenue, 25th Floor, New York, NY 10022, Telephone: (212) 754-2233, Fax: (212) 754-2372

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:

**Piercy Bowler Taylor & Kern
Certified Public Accountants & Business Advisors
6100 Elton Avenue, Suite 1000
Las Vegas, Nevada 89107
Phone: (702)384-1120
Fax: (702) 870-2474**

- B. Type(s) of pari-mutuel or totalizer equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

Totalizer equipment: Amtote Spectrum System, term through June 30, 2009

Autotote Systems, Inc. d/b/a Scientific Games Racing (“SGR”), 5 year term from date Youbet initiates commercial processing of wagers through SGR System

Simulcast organization: Youbet Inter-Tote Systems Protocol (“ITSP”) is provided by Robertson Communication, term is currently month to month until new terms are finalized.

- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

See ATTACHMENT 13

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

STAFF ANALYSIS
November 27, 2006

ISSUE: APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING OF ODS TECHNOLOGIES, L.P. D/B/A/ TVG JANUARY 1, 2007 THROUGH DECEMBER 31, 2007.

TVG filed its application as an out-of-state multi-jurisdictional wagering hub to provide Advance Deposit Wagering.

- The proposed dates for approval are for the entire term approved by the Board. CHRB Rule 2072(b) provides that the term of approval is "two years from the date the approval is issued." TVG is aware that the statutory authority for ADW is scheduled to sunset December 31, 2007 and is therefore unsure as to what period of time the CHRB intends to consider for ADW approvals. TVG has proposed that they be given a two-year approval, as is provided in CHRB Rule 2072(b), but that the second year be conditioned upon the Legislature's extension of the ADW authorization.
- They will operate 365 days a year, 24 hours a day.
- TVG will provide advance deposit wagering services for the following:
 - Hollywood Park Fall Racing Association at Hollywood Park
 - Del Mar Thoroughbred Club at Del Mar
 - Los Alamitos Racing Association at Los Alamitos Race Course
 - Los Angeles County Fair at Fairplex
 - Oak Tree Racing Association at Santa Anita Park

Items **still needed** to complete this application:

1. Horsemen's agreement for Thoroughbred Owners of California.

RECOMMENDATION:

Staff recommends the Board approve the application for a one-year approval conditioned upon receiving the Horsemen's agreement.

STATE OF CALIFORNIA
 CALIFORNIA HORSE RACING BOARD (CHRB)
 APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGERING
 CHRB-133

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

ODS Technologies, L.P. d/b/a TVG
 19545 N.W. Von Neumann Drive, Suite 210
 Beaverton, OR 97006
 Tel: (503) 748-3800
 Fax: (503) 748-3838

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

BJ Cosson, Vice President, Operations & Customer Relations, Oregon license # 200820040
 Dean Kokko, Manager, Wager Operations, Oregon license # 200820039
 Amy Jensen, Supervisor, Financial Services, Oregon License # 200820032
 Grace Kenworthy, Manager, Customer Relations, Oregon License # 1460510019

C. Name, title and mailing address of the California agent for receipt of service of process:

John Hindman
 General Counsel
 TVG
 6701 Center Drive West, Suite 160
 Los Angeles, CA 90045

D. Attach the contract with the California racing association or fair and the required horsemen's approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

APPENDIX 1 to this document contains an abstract of valid and binding contracts with the following licensed California racing associations or fairs: Del Mar Thoroughbred Club, Fairplex (Los Angeles County Fair Association), Hollywood Park, Los Alamitos and Oak Tree Racing Association that identifies the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

CHRB CERTIFICATION

Application received: 2/2/06
 Reviewed: JW

Hearing date: 10/26/06
 Approval date:

Pursuant to California Horse Racing Board Rule 1497 and the California Public Records Act, **APPENDIX 1** to this document contains personal financial data used to establish TVG's qualifications for licensure/approval and is not subject to public disclosure.

2. DATES OF OPERATION

- A. Dates Advance Deposit Wagering will be conducted: 365 days/year
- B. Hours Advance Deposit Wagering will be conducted: 24 hours/day

3. BUSINESS STRUCTURE

- A. Corporation (complete subsection B)
- LLC (complete subsection C)
- Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:
2. State where incorporated:
3. Registry or file number for the corporation:
4. Name of all officers and directors, titles, and number of shares of the corporation held by each:
5. Names (true names) of all persons, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:
6. Number of outstanding shares in the corporation:
7. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:
9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
10. Attach the most recent annual financial statement for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.

CHRB-133

3

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, other than the officers and directors listed above, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
7. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
8. Attach the most recent annual financial statement for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
9. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

D. OTHER

1. Name(s) of partners/sole proprietor:

TV Guide, Inc., General Partner
6922 Hollywood Blvd., 12th Floor
Hollywood, CA 90028

Limited Partners: TV Guide Interactive, Inc., Churchill Downs Incorporated, Pinnacle Entertainment, Inc.

The management of the business and affairs of TVG are the sole and complete responsibility of the general partner, TV Guide, Inc. The limited partners have no right to take part in, or interfere in any manner with, the management or conduct of the business and affairs of TVG, nor may any limited partner act or bind TVG.

2. If a partnership, attach partnership agreement.

APPENDIX 2 to this document is a copy of the Limited Partnership Agreement for ODS Technologies, L.P.

Pursuant to California Horse Racing Board Rule 1497 and the California Public Records Act, APPENDIX 2 to this document contains personal financial data used to establish TVG's qualifications for licensure/approval and is not subject to public disclosure.

3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

APPENDIX 3 contains the most recent SEC Form 10-Q for Gemstar - TV Guide International, Inc. demonstrating TVG's financial fitness to conduct advance deposit wagering.

4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS - must comply with Rule 2074.

A. List the procedures to establish an Account:

1. Customers must be at least 21 years of age to establish an advance deposit wagering account.
2. Customers can establish an account by telephone by calling 1-888-PLAY TVG, on the Internet at www.tvg.com, by mail, or in person at a TVG retail outlet or racetrack partner by providing the following information:
 - Name
 - Social Security Number
 - Date of Birth
 - Principal Residence Address Including Postal ZIP Code
 - Telephone Number
3. Each application submitted to TVG is subject to electronic verification by a nationally recognized third party information services provider with respect to name, principal residence address including postal zip code, date of birth and Social Security Number. If there is a discrepancy between the application information submitted to TVG and the information provided by the electronic verification described above, or if no information on the applicant is available from such electronic verification, the applicant will be required to provide identification issued by a recognized government agency (driver's license or government ID) showing his or her date of birth and residence address to complete the application process.
3. Provided that the account applicant's information has been positively identified, each applicant is assigned his or her TVG Personal Wagering Account Number and is asked to establish a Personal Identification Number consisting of four (4) numeric characters.
4. To activate the account for wagering purposes, a minimum initial deposit of \$50.00 is required.
5. TVG provides each new wagering accountholder with a "Guide to Interactive Wagering" containing standard terms and conditions, deposit and withdrawal information (including customized deposit and withdrawal slips and a direct deposit/withdrawal authorization form) as well as comprehensive information about accessing account information, placing wagers and maintaining the account. APPENDIX 4 contains a TVG "Guide to Interactive Wagering."

B. If an application form is used to establish an Account attach a copy of the form.

A copy of the application form available on www.tvg.com is provided as APPENDIX 5 to this

CHRB-133

5

document.

- C. Name and address of the third party you will use to verify identity, residence and age verification:

Equifax Credit Information Services
P.O. Box 4472
Atlanta, GA 30302

5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.

- A. Submit a copy of your plan for operation.

The Plan of Operation is contained in APPENDIX 6 to this document.

- B. List the type of deposits you will accept:

Deposits will be accepted in the form of:

1. Check, money order or negotiable order of withdrawal;
2. Cash (at designated financial/retail outlets);
3. Charges made to an account holder's credit card or debit card upon the direct and personal instruction of the account holder, which may be given by telephone or other secure electronic means; and
4. Transfer by means of an electronic funds or ACH (Automated Clearing House) transfer from a monetary account controlled by an account holder to his/her account, said account holder may be liable for any charges imposed by the transmitting or receiving entity with such charges to be deducted from the account.

California account holders shall be permitted access to one credit or debit card deposit each day for wagering purposes. Additional credit or debit card deposits to an account shall be made available for use the next day. California account holders must designate if they want to use a credit card to make deposits to their Account. Changes to the designation require 24 hours' notice to TVG.

- C. Identify any fees or transaction-related charges and the amount that will be assessed:

TVG account holders have the choice of two fee plans.

1. A transaction fee of \$0.25 per wagering transaction (capped at \$19.95 a month) or
2. A monthly subscription fee of \$19.95.

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:

1. Description of the technology to ensure identity, residence, and age verification when an Account is established:

All of the necessary information is contained in the Plan of Operation (APPENDIX 6)

2. Description of the technology to ensure confidentiality of the Means of Personal Identification:

All of the necessary information is contained in the Plan of Operation (APPENDIX 6)

3. Methods and locations available for Account Holders to withdraw funds from their Account:

All of the necessary information is contained in the Plan of Operation (APPENDIX 6)

4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:

All of the necessary information is contained in the Plan of Operation (APPENDIX 6)

7. PARI-MUTUEL

A. Name, address and telephone number of the pari-mutuel audit firm:

Oregon Racing Commission
Suite 310
800 N.E. Oregon Street, #11
Portland, OR 97232
(503) 731-4052

B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

Totalizator services are provided by contract with AmTote International, Inc. The contract expires December 31, 2006 with provision for an automatic extension of one year. Should our totalizator provider change, TVG will notify the CHRB. Please refer to the Plan of Operation in APPENDIX 6 for more details.

C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

Aqueduct Racetrack, Floral Park, NY
Arlington Park, Arlington Heights, IL
Balmoral, Crete, IL
Bay Meadows, San Mateo, CA
Belmont Park, Elmont NY
Beulah Park, Grove City, OH
Calder Race Course, Miami, FL
California Authority of Racing Fairs (CARF)
Canterbury Park, Shakopee, MN
Churchill Downs, Louisville, KY
Colonial Downs, New Kent, VA
Del Mar, Del Mar, CA
Delta Downs, Vinton, LA
Dover Downs, Dover, DE
Dubai Racing, Dubai, UAE
Ellis Park, Henderson, KY
Emerald Downs, Auburn, WA

Evangeline Downs, Lafayette, LA
Fair Grounds, New Orleans, LA
Fair Meadows, Tulsa, OK
Fairmount Park, East St. Louis, IL
Fairplex Park, Pomona, CA
Harrington Raceway, Harrington, DE
Hollywood Park, Inglewood, CA
Hoosier Park, Anderson, IN
Indiana Downs, Shelbyville, IN
Japan Racing, Japan
Keeneland, Lexington, KY
Kentucky Downs, Franklin, KY
Los Alamitos, Los Alamitos, CA
Louisiana Downs, Shreveport, LA
Maywood Park, Maywood, IL
Monticello Raceway, Monticello, NY
Mountaineer Park, Chester, WV
Northfield Park, Northfield, OH

CHRB-133

7

Philadelphia Park, Bensalem, PA
 Pompano Park, Pompano Beach, FL
 Prairie Meadows, Altoona, IA
 Retama Park, San Antonio, TX
 River Downs, Cincinnati, OH
 Ruidoso Downs, Ruidoso, NM
 Sam Houston Race Park, Houston, TX
 Saratoga Equine Sports Center, Saratoga
 Springs, NY
 Saratoga Race Course, Saratoga Springs,
 NY

Scioto Downs, Columbus, OH
 South Africa Racing, South Africa
 Suffolk Downs, East Boston, MA
 Sunland Park, Sunland Park, NM
 Sacramento Harness, Sacramento, CA
 Turf Paradise, Phoenix, AZ
 Turfway Park, Florence, KY
 The Woodlands, Kansas City, KS
 UK Racing, UK
 Yavapai Downs, Prescott, AZ
 Zia Park, Hobbs, NM

NOTICE - The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

8. CONTRACTS AND AGREEMENTS

- A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:

Amtote International, Inc.
 11200 Pepper Road
 Hunt Valley, MD 21031-1324
 (410) 771-8700

Equibase Company LLC
 821 Corporate Drive
 Lexington KY 40503-2794
 (859) 296-3079

Trackmaster, an Equibase Company
 851 Fremont Ave. #109
 Los Altos, CA 94024
 (650) 947-9020

- B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

9. ADVERTISING

Name and address of the advertising agency you will use:

The Ballpark
 1630 Stewart Street
 Suite 110
 Santa Monica, CA 90404

CHRB-133

8

NOTICE - Pursuant to Rule 2072 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this Application, that all of the foregoing statements in this Application are true and correct, and that I am authorized to attest to this Application.

John Hudman

Print Name

[Signature]

Signature

General Counsel

Print Title

October 2, 2006

Date

STAFF ANALYSIS
November 27, 2006

ISSUE: APPLICATION FOR APPROVAL TO CONDUCT ADVANCE DEPOSIT WAGING (ADW) FOR DAY AT THE TRACK, JANUARY 1, 2007 THROUGH DECEMBER 31, 2008 AS AN OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB.

Day at the Track, an Internet pari-mutual wagering service, filed its application as an out-of-state multi-jurisdictional wagering hub to provide ADW:

- January 1, 2007 through December 31, 2008, 7 days a week, approximately twenty-four hours a day when domestic and international racetracks are available to place wagers. They have applied for a two-year license. However, the statutory authority for advance deposit wagering is set to sunset December 31, 2007. If a two-year license were granted, the second year would need to be conditioned upon the Legislature's extension of the ADW authorization. It is appropriate for the Board to consider the application for a one-year term.

Items **still needed** to complete this application:

1. Racing association contracts for 2007.
2. Horsemen's agreement for Thoroughbred Owners of California.
3. Horsemen's agreement for California Harness Horsemen's Association.
4. \$500,000 surety bond.
5. CHRB license for director and partners of Day at the Track.

RECOMMENDATION:

Staff recommends the Board defer taking action on this application until the necessary documents are provided.

Application is made to the CHRB for approval to conduct Advance Deposit Wagering in accordance with the California Business and Professions (B&P) Code and CHRB Rules and Regulations (Rule) and the provisions of the Interstate Horseracing Act, 15 U.S.C. 3001 to 3007.

NOTICE – By submitting the Application the out-of-state Applicant consents to the jurisdiction of California courts and the application of California law as to all California wagers and operations.

Application must be filed not later than 90 days in advance of the date scheduled to conduct Advance Deposit Wagering and must be accompanied by a bond from a surety company admitted in the state of California or other form of financial security in the amount of \$500,000.

1. OUT-OF-STATE MULTI-JURISDICTIONAL WAGERING HUB (out-of-state Hub)

A. Name, mailing address, telephone and fax numbers:

*Day At The Track, Inc.
210 Red Hawk Road.
Novato, CA 94949
(415) 382-1141-Phone
(415) 382-1151-Fax
segide@dayatthetrack.com
www.dayatthetrack.com*

B. Name, title, license number and racing jurisdiction where licensed for all management personnel:

*Shawn R. Egide: Co-Founder & CEO (CHRB License in process)
Mike Goerner: Co-Founder & CTO (CHRB License in process)*

C. Name, title and mailing address of the California agent for receipt of service of process:

*Shawn R. Egide
Chief Executive Officer
210 Red Hawk Road
Novato, CA 94949*

CHRB CERTIFICATION

Application received: 11/06/06
Reviewed: *[Signature]*

Hearing date: 11/30/06
Approval date:

D. Attach the contract with the California racing association or fair and the required horsemen’s approval under the Interstate Horseracing Act that permits you to provide Advance Deposit Wagering services and identify the amount of the market access fee to be paid to the California racing association or fair for access to the California market for wagering purposes.

- o *Harness Horseman’s Letter (Addendum #2)-Provided to us from Sacramento Harness Association.*
- o *TOC Approval has not been finalized as of 11/13/06.*
- o *California Race Track simulcast agreement for Sacramento Harness Association attached (See Addendum #3)*

2. DATES OF OPERATION

A. Dates Advance Deposit Wagering will be conducted:

- o *Every Day of the year with the exception of Christmas Day.*

B. Hours Advance Deposit Wagering will be conducted:

- o *All hours when domestic and international racetracks are available to place wagers for which Day At The Track has a simulcast agreement and that the Tote System is open and operational to accept said wagers.*

Hours of Operation for Customer Service: (All times Pacific)

- o *Monday through Friday (8:00am to 10:00pm)*
- o *Saturday (7:00am to 10:00pm)*
- o *Sunday (8:00am to 9:00pm)*

3. BUSINESS STRUCTURE

A. Corporation (complete subsection B)

LLC (complete subsection C)

Other (specify, and complete subsection D)

Complete the applicable subsection

B. CORPORATION

1. Registered name of the corporation:

Day At The Track, Inc.

2. State where incorporated:

Nevada

3. Registry or file number for the corporation:

C26444-04

4. Name of all officers and directors, titles, and number of shares of the corporation held by each:

Shawn Egide

CEO

4.250,000 shares

Mike Goerner

CTO

4.250,000 shares

5. Names (true names) of all persons, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the corporation and the number of shares held by each:

o *Regis J. Malloy, Jr.: 1,000, 000 shares (10%)*

o *Peter Malonoski: 500,000 shares (5%)*

6. Number of outstanding shares in the corporation:

10,000,000 shares

7. Are the shares listed for public trading?
If yes, on what exchange and how is the stock listed:

Yes

X - No

8. Name of the custodian of the list of shareholders and/or the transfer agent for the share holdings of the corporation:

National Registered Agents, Inc. of Nev.

100 East William Street, Suite 204

Carson City, NV 89701

9. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:

Not Applicable

10. Attach the most recent annual financial statement for the corporation, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the corporation and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.

o *2005 Full Calendar Year P & L (Addendum #4)*

o *2005 Full Calendar Balance Sheet as of 12/31/05 (Addendum #4)*

o *2006 First 10 months of Calendar Year P & L (Addendum #4)*

o *2006 First 10 months of Calendar Year Balance Sheet as of 10/31/06 (Addendum #4)*

11. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

- *Business Plan (Executive Summary).* (See Addendum #5).
- *Financial Projections for the 2 Year Term (2007 & 2008):* (See Addendum #6).

C. LLC

1. Registered name of the LLC:
2. State where articles of organization are filed:
3. Registry or file number for the LLC:
4. Names of all officers and directors, titles, and the number of shares of the LLC held by each:
5. Names (true names) of all members, **other than the officers and directors listed above**, that hold 5% or more of the outstanding shares in the LLC and the number of shares held by each:
6. Are the shares listed for public trading? Yes No
If yes, on what exchange and how is the stock listed:
6. If more than 50% of the shares are held by a parent corporation or are paired with any other corporation or entity, give the name of the parent and/or paired corporation or entity:
7. Attach the most recent annual financial statement for the LLC, including balance sheet and profit and loss statement, and a copy of a report made during the preceding 12 months to shareholders in the LLC and/or the Securities and Exchange Commission and/or the corresponding state where you registered your corporation.
8. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

D. OTHER

1. Name(s) of partners/sole proprietor:
2. If a partnership, attach partnership agreement.
3. Attach a business plan to include a detailed budget that shows anticipated revenue, expenditures and cash flow by month projected for the term of the approval.

4. ESTABLISHING ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2074.**A. List the procedures to establish an Account:**

The basic steps to establish an account are as follows:

- i. Go to www.dayatthetrack.com and click on the “Sign-Up > Create New Account” menu item.
- ii. Fill in information on sign up process to create an account.
 1. Information is electronically verified by our 3rd party company ID Response.
 2. If player does not wish to submit information electronically they can download the form provided on the site, submit it to Day At The Track with the appropriate verification: Drivers’ License or Passport.
 3. International players are required to fill out the form and submit with a copy of their Passport. No electronic verification available for international players.
- iii. Once account information has been verified an “Activation Email” is forwarded to the player to establish their unique password. The “Activation Email” contains a temporary unique password which then provides a space for the player to assign their unique password.
- iv. After new player password has been established the player can then log in to the system.
 1. Once logged in the player can choose from a variety of deposit methods to place funds into a tote account.

Our policies regarding the opening and maintenance of an account can be found under the following addendums:

- ***Addendum #7 (Account Wagering Policy)***
- ***Addendum #8 (Terms and Conditions)***
- ***Addendum #9 (Privacy Policy)***
- ***Addendum #10 (Banking)***

B. If an application form is used to establish an Account attach a copy of the form.

There are two distinct ways to register to become a player on Day At The Track.

- ***(Online) Registration is done directly on the www.dayatthetrack.com web site utilizing our online electronic verification process.***
- ***(Fax/Mail) Registration is done by sending in the attached Wagering Application (Addendum #11) along with photo ID (Driver’s License or Passport).***

- C. Name and address of the third party you will use to verify identity, residence and age verification:

(Additional information on ID Response can be viewed from Addendum #12).

ID Response
125 North Union Street
Olean, NY 14760
(716) 372-1800-Phone
(716) 372-3300-Fax
www.idresponse.com
Patty Dillon.

5. OPERATION OF ADVANCE DEPOSIT WAGERING ACCOUNTS – must comply with Rule 2073.

- A. Submit a copy of your plan for operation.

Our policies to open an account can be found under the following Addendums:

- **Addendum #7 (Account Wagering Policy)**
- **Addendum #8 (Terms and Conditions)**

- B. List the type of deposits you will accept:

- i. ACH/EFT: (Electronic Debit from Checking Account)
Processed by:
 First American Payment Processing
 9633 South 48th Street
 Suite 230
 Phoenix, AZ 85044
 (480) 785-2262
 (480) 2275023 – Fax
- ii. Money Order/Cashier's Check
- iii. Personal Check
- iv. Bank Wire
- v. Wells Fargo Direct Deposit (Direct Account to Account Transfer)

Our policies can also be found with the attached addendum:

- **Addendum #10 (Banking)**

- C. Identify any fees or transaction-related charges and the amount that will be assessed:

Day At The Track charges no fees for any of its deposit methods. The only fee charged is a \$20 bank wire fee for outgoing bank wires to players.

Our policies can also be found with the attached addendum:

- **Addendum #10 (Banking)**

6. SECURITY ACCESS

- A. Attach your security access policy and safeguards pursuant to B&P Section 19604 (c) (2). Policy must include the following:

1. Description of the technology to ensure identity, residence, and age verification when an Account is established:

Name, age and address verification services will be contracted through ID Response and are directly integrated into the account creation process. Accounts not passing verification, or those created in states where online wagering is prohibited by law, will be rejected. Additional Information can be found under Addendum #12 (Content Providers).

2. Description of the technology to ensure confidentiality of the Means of Personal Identification:

All personally identifiable information about a user will be stored in a secured database not directly accessible to the servers the users will interface with. This also includes any banking information stored on file for the user. All databases, including those storing non-personally identifiable data, and totalisator interfaces will be physically separated from the public-accessible web server via means of hardware firewalls. Additional information can be found under Addendum #9 (Privacy Policy).

3. Methods and locations available for Account Holders to withdraw funds from their Account:

Day At The Track provides several methods to withdrawal funds from an account:

- *Check Request. Players can request a check from Day At The Track. Checks are processed everyday and arrive at players address within 5 business days.*
- *Bank Wires. Players can request a bank wire which are processed within 2 hours of request. Players information is secured within Wells Fargo's CEO Treasury Management System.*
- *NeTeller. Players with NeTeller accounts can directly request funds to be placed into their NeTeller account utilizing the withdrawal interface in the banking section of the Day At The Track web site.*

The only location to request a withdrawal is on our web site at www.dayatthetrack.com.

4. If the Advance Deposit Wagering records will be maintained at a site other than the out-of-state Hub provide the name, address, telephone and fax numbers and the hours of operation:

Day At The Track, Inc. will be maintaining all of its clients Advance Deposit Wagering Records in conjunction with Amtote as needed. Additional account information will be on our secure server network at our collocation facility in Colorado:

*Collocation Company:
ViaWest Communications
12500 E. Arapahoe
Centennial, CO 80111
(720) 891-1074
(720) 891-1024-Fax*

Hours of Operation are 24 hours a day/7 days a week. Access is limited to those assigned as having access to the secure "cage" location of Day At The Tracks servers.

7. PARI-MUTUEL

- A. Name, address and telephone number of the pari-mutuel audit firm:

Our totalisator services are being handled by Amtote (11200 Pepper Road, Hunt Valley, MD 21031; (410-771-8700); which has pari-mutuel regulations and audits with the State of Maryland and other jurisdictions.

- B. Type(s) of pari-mutuel or totalizator equipment to be used and the simulcast organization, name of the entity supplying equipment, and expiration date of the service contract:

Day At The Track, Inc. is a "Internet-only" operation (utilizing Amtote's API) and as such will be communicating over secure communication networks with totalisator equipment provided by third-party contracts (5-year contract <3/21/04 to 3/21/09> with automatic 1 year renewals with AmTote). Our hardware will be hosted in Denver, CO with a Tier 1 hosting provider named Via West. Attached in Addendum #12 (Content Providers) you will find additional information about their security services and specifics. Their URL is www.viawest.net.

- C. List the locations of the racing venues on which Advance Deposit Wagering will be accepted:

Advance Deposit Wagering will be accepted on our business to consumer website: www.dayatthetrack.com.

NOTICE – The pari-mutuel system used must use a device or combination of devices authorized and operated exclusively for placing, receiving, or otherwise making a wager and by which a person must subscribe to in order to place, receive or otherwise make a wager; an effective customer and age verification system and the appropriate data security standards to prevent unauthorized access by any person who has not subscribed or who is under the age of 18.

8. CONTRACTS AND AGREEMENTS

- A. List name and address of all organizations you will contract with to facilitate Advance Deposit Wagering that are not provided in other sections of this application:

Tote Services:

Amtote, Inc.
11200 Pepper Road
Hunt Valley, MD 21031
(410) 771-8700
(410) 785-5273-Fax

This is our Hub – Hunt Valley, MD**Data Providers:***

Equibase (Thoroughbred)
821 Corporate Drive
Lexington, KY 40503-2794
(859) 224-2860
(859) 224-2811-Fax

Rosnet2000, Int'l (Greyhound)
871 Thunder Road
Spindale, NC 28160
(561) 963-8780
(561) 701-2040-Fax

TrackMaster, Inc. (Harness)
2584 Wyandotte Street
Mountain View, CA 94043
(650) 316-1020
(650) 316-1021-Fax

Track Data Systems (Greyhound)
21684 Granada Ave.
Cupertino, CA 95014
(408) 446-5595

Video Streaming & Frame Relay

Roberts Communication Network
339 Main Street
Plymouth, NH 03264
(603) 536-6080
(603) 677-2333-Fax

All additional Partner information can be found in Addendum #13 (Partners).

B. List each contract or agreement to facilitate Advance Deposit Wagering that is not finalized and signed:

None.

9. ADVERTISING

Name and address of the advertising agency you will use:

Advertising will be done in-house.

NOTICE – Pursuant to Rule 2072 (h) all advertisements shall contain a statement that persons under 18 are not allowed to open or have access to Accounts. All advertisements shall contain contact information for a recognized problem-gambling support organization. Additionally, pursuant to B&P Section 19604 (D) (3) advertisements shall not be deceptive to the public.

10. CERTIFICATION

I hereby certify under penalty of perjury that I have examined this Application, that all of the foregoing statements in this Application are true and correct, and that I am authorized to attest to this Application.

Shawn EGIDE
Print Name


Signature

CEO
Print Title

11/11/06
Date

STAFF ANALYSIS
PROPOSED AMENDMENT OF
RULE 1536. STEWARDS' MINUTES

Regular Board Meeting
November 27, 2006

BACKGROUND

Business and Professions (B&P) Code Section 19420 provides that jurisdiction and supervision over meetings in this State where horse races with wagering on their results are held or conducted, and over all persons or things having to do with the operation of such meetings, is vested in the California Horse Racing Board. B&P Code Section 19440 states the Board shall have all powers necessary and proper to enable it carry out fully and effectually the purposes of this chapter. Responsibilities of the Board shall include administration and enforcement of all laws, rules, and regulations affecting horse racing and pari-mutuel wagering. B&P Code Section 19432 provides that the executive director shall keep a full and true record of all proceedings of the Board, and preserve at the Board's general office all books, documents, and papers of the Board. Assembly Bill (AB) 1180, Statutes of 2005, added B&P Code Section 19481.3(e), which provides that the stewards shall investigate and prepare a report with respect to all on-track accidents involving jockeys that occur during the performance of their duties. Rule 1536, Stewards' Minutes, provides that the stewards shall maintain minutes and records of all proceedings before the stewards.

ANALYSIS

The proposed amendment to Rule 1536 will bring the Board into compliance with the provisions of B&P Code Section 19481.3(e), which was added by AB 1180. The proposed amendment provides that a report of all on-track accidents involving jockeys shall be forwarded to the Board as an attachment to the stewards' minutes. The accident report shall be made on form Jockey Accident Report CHRB-201 (New 07/06), which is incorporated into the regulation by reference. The Jockey Accident Report requires the names of the jockey; the horse; the owner and the trainer. In addition, the date, time and location of the accident, and a description of the accident are required. The stewards must provide the circumstances of the accident, the likely causes and the extent of injury to the jockey, if any. Besides attaching the Jockey Accident Report to the stewards' minutes, the report is also distributed to the jockey or his representative, the Jockey Guild, the horse owner and the trainer of the horse the jockey was riding at the time of the accident, as required by law.

RECOMMENDATION

No comments were received during the 45-day public comment period. Staff recommends the Board adopt the amendment as presented.

CALIFORNIA HORSE RACING BOARD
TITLE 4. CALIFORNIA CODE OF REGULATIONS
ARTICLE 5. RACING OFFICIALS
PROPOSED AMENDMENT OF
RULE 1536. STEWARDS' MINUTES

Regular Board Meeting
November 27, 2006

1536. Stewards' Minutes.

(a) The stewards shall maintain minutes and records of all proceedings before the stewards ~~which~~ that shall contain:

- (1) the record of votes,
- (2) a record of all actions taken, and
- (3) the penalties imposed along with the reasons for the actions.

A majority vote of the stewards shall govern and, in the event of a split vote, each steward shall file a separate report on the matter. The stewards shall submit their original minutes to the Executive Director weekly, and shall deliver a copy of their minutes to each member of the Board.

(b) A report of all on-track accidents involving jockeys or drivers on form Jockey/Driver Accident Report CHRB-201 (New 07/06), which is hereby incorporated by reference, shall be attached to the stewards' minutes.

Authority: Sections 19420, and 19440 and 19481.3(e),
Business and Professions Code.

Reference: Sections 19432, and 19440 and 19481.3(e),
Business and Professions Code.

State of California
Jockey/Driver Accident Report
CHRB-201 (NEW 07/06)

CALIFORNIA HORSE RACING BOARD

JOCKEY/DRIVER ACCIDENT REPORT

Business and Professions Code Section 19481.3(e) provides that the stewards shall investigate and prepare a report regarding all on-track accidents involving jockeys that occur during the performance of their duties. The investigation shall commence no later than the next live racing day and shall be completed expeditiously. Board Rule 1536, Stewards' Minutes, includes drivers in this requirement. Upon completion of the report it shall immediately be sent by facsimile or electronic mail to the Jockey's Guild or California Harness Horsemen's Association; the jockey/driver or his representative; the racing association; the owner; and the trainer of the horse the jockey/driver was riding/driving at the time of the accident.

Name of jockey/driver & CHRB License No.: _____

Name of horse owner & CHRB License No.: _____

Name of trainer & CHRB License No.: _____

Name of horse & Tattoo No.: _____

Date/time/location of accident: _____

DESCRIPTION OF ACCIDENT

Include circumstances of accident, likely causes and the extent of injury to jockey/driver, if any. Complete one Jockey/Driver Accident Report for each jockey/driver involved in an accident. In addition to the distribution described above, a copy of each report shall be attached to the stewards' minutes in accordance with Rule 1536, Stewards' Minutes.

Signature of Steward

Date report completed

CALIFORNIA HORSE RACING BOARD

NOVEMBER 27, 2006
REGULAR BOARD MEETING

There is no board package material for item 15.

END-OF-MEET OUTLINE SUMMARY

For the California Horse Racing Board meeting, November 27, 2006. This report includes a summary for the following racing meetings: SONOMA COUNTY FAIR, SAN MATEO COUNTY FAIR, HUMBOLDT COUNTY FAIR, DEL MAR THOROUBRED CLUB, LOS ANGELES COUNTY FAIR, SACRAMENTO HARNESS ASSOCIATION, OAK TREE RACING, AND FRESNO DISTRICT FAIR.

Sonoma County Fair at Santa Rosa

July 26 – August 7, 2006

Race days: 12

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	-3.56%
Ave. On-Track	-9.01%
Ave. Off-Track	-9.81%
Ave. Interstate-Exported	-9.31%
Ave. ADW	-2.44%
Ave. Daily Attendance-Calif.	-3.46%
Ave. On-Track	-1.36%
Ave. Off-Track	-6.27%

San Mateo County Fair at San Mateo

August 9 – August 23, 2006

Race days: 12

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	-5.97%
Ave. On-Track	-7.70%
Ave. Off-Track	-14.07%
Ave. Interstate-Exported	5.79%
Ave. ADW	-1.49%
Ave. Daily Attendance-Calif.	-3.34%
Ave. On-Track	7.40%
Ave. Off-Track	-10.28%

Humboldt County Fair at Ferndale
August 10 - August 20, 2006
Race days: 10

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. daily handle	-3.94%
Ave. On-track	-6.17%
Ave. Off-track	-15.39%
Ave. Interstate-exported	56.62%
Ave. ADW	0.84%
Ave. daily attendance-Calif.	-4.30%
Ave. On-track	-3.66%
Ave. Off-track	-4.78%

Del Mar Meet
July 19 - September 6, 2006
Race Days: 43

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	-6.54%
Ave. On-Track	-7.55%
Ave. Off-Track	-7.12%
Ave. Interstate-Exported	-6.44%
Ave. ADW	-3.79%
Ave. Daily Attendance-Calif.	-5.60%
Ave. On-Track	-4.25%
Ave. Off-Track	-7.78%

Los Angeles County Fair at Fairplex
September 8 - September 25, 2006
Race Days: 16

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	0.40%
Ave. On-Track	-4.42%
Ave. Off-Track	0.90%
Ave. Interstate-Exported	0.005%
Ave. ADW	3.76%
Ave. Daily Attendance-Calif.	-0.44%
Ave. On-Track	0.93%
Ave. Off-Track	-1.57%

Sacramento Harness Association
January 4, 2006 – July 29, 2007
Race Days: 118

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	10.15%
Ave. On-Track	11.76%
Ave. Off-Track	9.74%
Ave. Interstate-Exported	19.26%
Ave. ADW	1.08%
Ave. Daily Attendance-Calif.	-0.19%
Ave. On-Track	12.60%
Ave. Off-Track	-1.40%

Oak Tree Racing
September 27, 2006 – October 29, 2006
Race Days: 26

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	-2.25%
Ave. On-Track	-1.53%
Ave. Off-Track	-9.91%
Ave. Interstate-Exported	2.84%
Ave. ADW	-1.83%
Ave. Daily Attendance-Calif.	-1.88%
Ave. On-Track	5.99%
Ave. Off-Track	-9.78%

Fresno District Fair
October 4, 2006 – October 15, 2006
Race Days: 11

AVERAGE DAILY STATISTICS

	PERCENTAGE CHANGE
Ave. Daily Handle	15.54%
Ave. On-Track	0.99%
Ave. Off-Track	3.88%
Ave. Interstate-Exported	38.77%
Ave. ADW	53.64%
Ave. Daily Attendance-Calif.	7.38%
Ave. On-Track	9.30%
Ave. Off-Track	2.47%

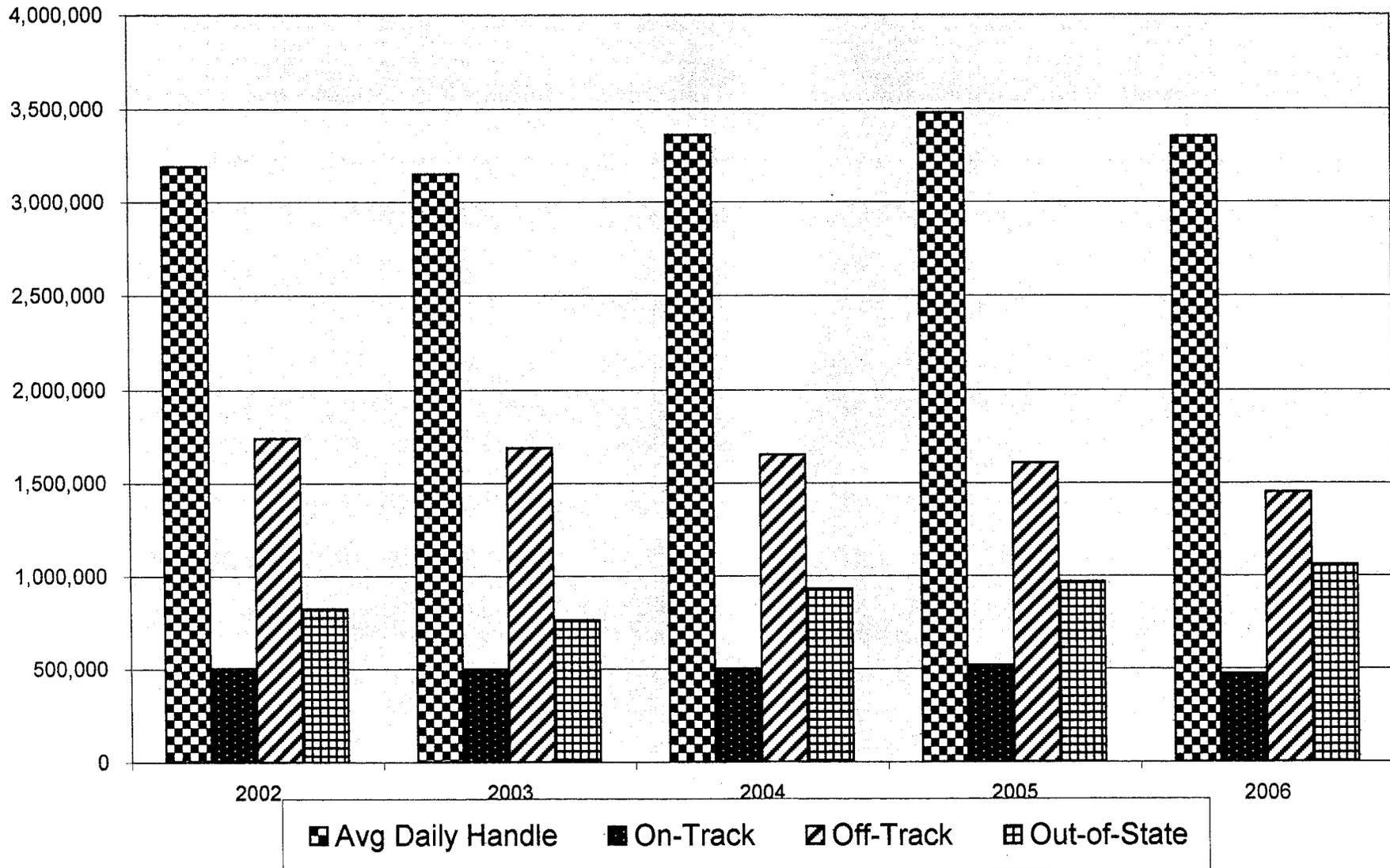
SONOMA COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
TOTAL RACE DAYS	12	12	12	12	12
TOTAL HANDLE	38,294,049	37,806,166	40,331,217	41,717,374	40,232,745
ON-TRACK	6,059,343	5,970,978	5,998,847	6,203,650	5,644,607
OFF-TRACK	20,833,153	20,213,526	19,812,632	19,275,994	17,384,702
OUT-OF-STATE	9,858,839	9,119,985	11,141,527	11,587,839	12,667,115
ADW	1,542,714	2,501,677	3,378,211	4,649,891	4,536,321
LIVE	22,203,325	22,131,376	25,068,211	26,398,349	26,424,537
INTRASTATE IMPORTED	9,265,874	8,817,248	8,111,305	7,776,470	6,732,494
INTERSTATE IMPORTED	6,788,169	6,699,668	7,151,701	5,835,800	5,578,526
INTERNATIONAL IMPORTED	36,681	157,874	0	1,706,755	1,497,187
AVERAGE DAILY HANDLE	3,191,171	3,150,514	3,360,935	3,476,448	3,352,729
ON-TRACK	504,945	497,581	499,904	516,971	470,384
OFF-TRACK	1,736,096	1,684,461	1,651,053	1,606,333	1,448,725
INTERSTATE	821,570	759,999	928,461	965,653	1,055,593
AVERAGE ADW	128,560	208,473	281,518	387,491	378,027
AVERAGE LIVE	1,850,277	1,844,281	2,089,018	2,199,862	2,202,045
INTRASTATE IMPORTED	772,156	734,771	675,942	648,039	561,041
INTERSTATE IMPORTED	565,681	558,306	595,975	486,317	464,877
INTERNATIONAL IMPORTED	3,057	13,156	0	142,230	124,766
TOTAL TAKEOUT	7,531,718	7,536,530	8,210,741	8,481,298	8,211,343
EFFECTIVE TAKEOUT	19.67%	19.93%	20.36%	20.33%	20.41%
STATE LICENSE FEES	402,535	390,410	394,331	390,007	357,734
STATE %	1.05%	1.03%	0.98%	0.93%	0.89%
TRACK COMMISSIONS	1,409,442	1,339,087	1,359,991	1,361,244	1,256,335
ADW COMMISSIONS	72,712	106,871	153,714	206,909	226,833
TOTAL COMMISSIONS	1,482,154	1,445,958	1,513,705	1,568,152	1,483,168
TRACK %	3.87%	3.82%	3.75%	3.76%	3.69%
HORSEMEN'S PURSES	1,425,172	1,355,566	1,376,209	1,378,609	1,272,383
ADW PURSES	69,620	108,145	155,546	209,489	229,921
TOTAL PURSES	1,494,792	1,463,711	1,531,755	1,588,098	1,502,303
HORSEMEN'S %	3.90%	3.87%	3.80%	3.81%	3.73%

SONOMA COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
CAIIFORNIA ATTENDANCE	118,201	122,676	115,269	112,548	108,653
ON-TRACK	63,961	67,846	63,556	64,400	63,525
OFF-TRACK	54,240	54,830	51,713	48,148	45,128
DAILY ATTENDANCE	9,850	10,223	9,606	9,379	9,054
AVERAGE DAILY ON - TRACK	5,330	5,654	5,296	5,367	5,294
AVERAGE DAILY OFF - TRACK	4,520	4,569	4,309	4,012	3,761
TOTAL RACE EVENTS	133	134	134	133	132
STARTS	986	1,049	1,011	1,003	979
AVERAGE STARTS PER EVENT	7.4	7.8	7.5	7.5	7.4
AVERAGE HANDLE PER START	22,519	21,098	24,795	26,319	26,991

SONOMA COUNTY FAIR



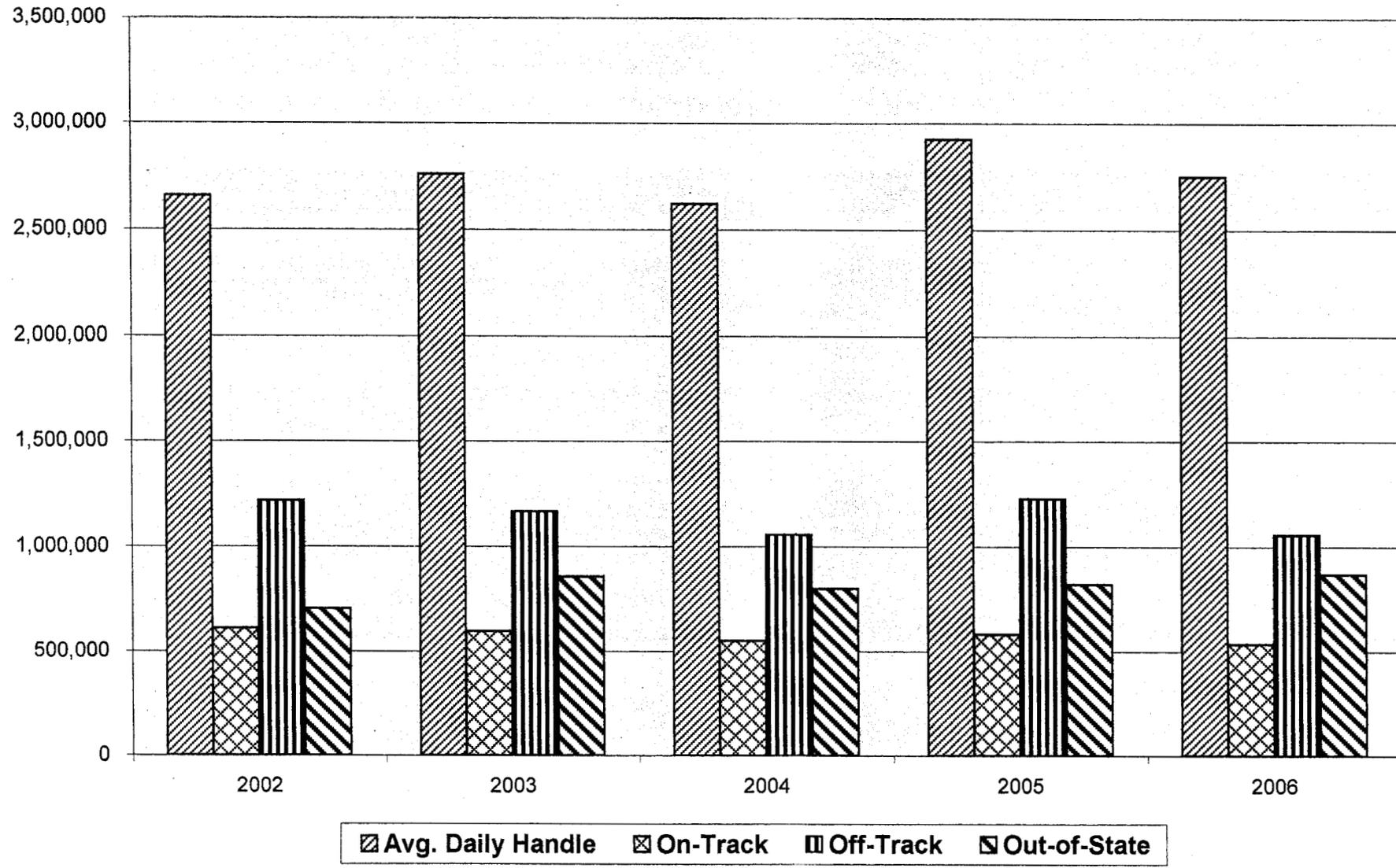
SAN MATEO COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
TOTAL RACE DAYS	12	12	12	12	12
TOTAL HANDLE	31,862,794	33,095,531	31,429,897	35,073,812	32,980,437
ON-TRACK	7,330,295	7,160,665	6,616,631	6,973,546	6,436,307
OFF-TRACK	14,634,282	13,989,697	12,662,765	14,743,259	12,668,775
OUT-OF-STATE	8,456,901	10,296,174	9,602,634	9,851,395	10,421,845
ADW	1,441,316	1,648,996	2,547,867	3,505,612	3,453,511
LIVE	16,657,659	18,984,046	17,822,238	19,233,174	19,057,608
INTRASTATE IMPORTED	8,295,408	7,555,523	6,909,926	7,952,233	6,922,768
INTERSTATE IMPORTED	6,909,727	6,555,963	6,697,733	6,485,633	5,614,615
INTERNATIONAL IMPORTED	0	0	0	1,402,772	1,385,446
AVERAGE DAILY HANDLE	2,655,233	2,757,961	2,619,158	2,922,818	2,748,370
ON-TRACK	610,858	596,722	551,386	581,129	536,359
OFF-TRACK	1,219,524	1,165,808	1,055,230	1,228,605	1,055,731
OUT-OF-STATE	704,742	858,015	800,220	820,950	868,487
AVERAGE ADW	120,110	137,416	212,322	292,134	287,793
AVERAGE LIVE	1,388,138	1,582,004	1,485,186	1,602,764	1,588,134
INTRASTATE IMPORTED	691,284	629,627	575,827	662,686	576,897
INTERSTATE IMPORTED	575,811	546,330	558,144	540,469	467,885
INTERNATIONAL IMPORTED	0	0	0	116,898	115,454
TOTAL TAKEOUT	6,140,693	6,355,874	6,409,255	7,168,798	6,758,863
EFFECTIVE TAKEOUT	19.27%	19.20%	20.39%	20.44%	20.49%
STATE LICENSE FEES	229,371	233,949	204,161	230,433	203,190
STATE %	0.72%	0.71%	0.65%	0.66%	0.62%
TRACK COMMISSIONS	1,182,474	1,155,665	1,054,551	1,158,909	1,054,130
ADW COMMISSIONS	71,778	82,106	113,891	164,036	174,010
TOTAL COMMISSIONS	1,254,252	1,237,771	1,168,442	1,322,944	1,228,140
TRACK %	3.71%	3.49%	3.36%	3.30%	3.20%
HORSEMEN'S PURSES	1,189,927	1,165,836	1,061,645	1,164,261	1,059,757
ADW PURSES	72,210	82,684	114,906	165,216	174,825
TOTAL PURSES	1,262,137	1,248,519	1,176,551	1,329,477	1,234,582
HORSEMEN'S %	3.73%	3.52%	3.38%	3.32%	3.21%

SAN MATEO COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
CALIFORNIA ATTENDANCE	71,538	71,453	61,286	64,845	62,676
ON-TRACK	29,480	30,836	25,818	25,428	27,310
OFF-TRACK	42,058	40,617	35,468	39,417	35,366
DAILY ATTENDANCE	5,962	5,954	5,107	5,404	5,223
AVERAGE DAILY ON - TRACK	2,457	2,570	2,152	2,119	2,276
AVERAGE DAILY OFF - TRACK	3,505	3,385	2,956	3,285	2,947
TOTAL RACE EVENTS	113	112	101	113	111
STARTS	714	760	670	800	761
AVERAGE STARTS PER EVENT	6.3	6.8	6.6	7.1	6.9
AVERAGE HANDLE PER START	23,330	24,979	26,600	24,041	25,043

SAN MATEO COUNTY FAIR



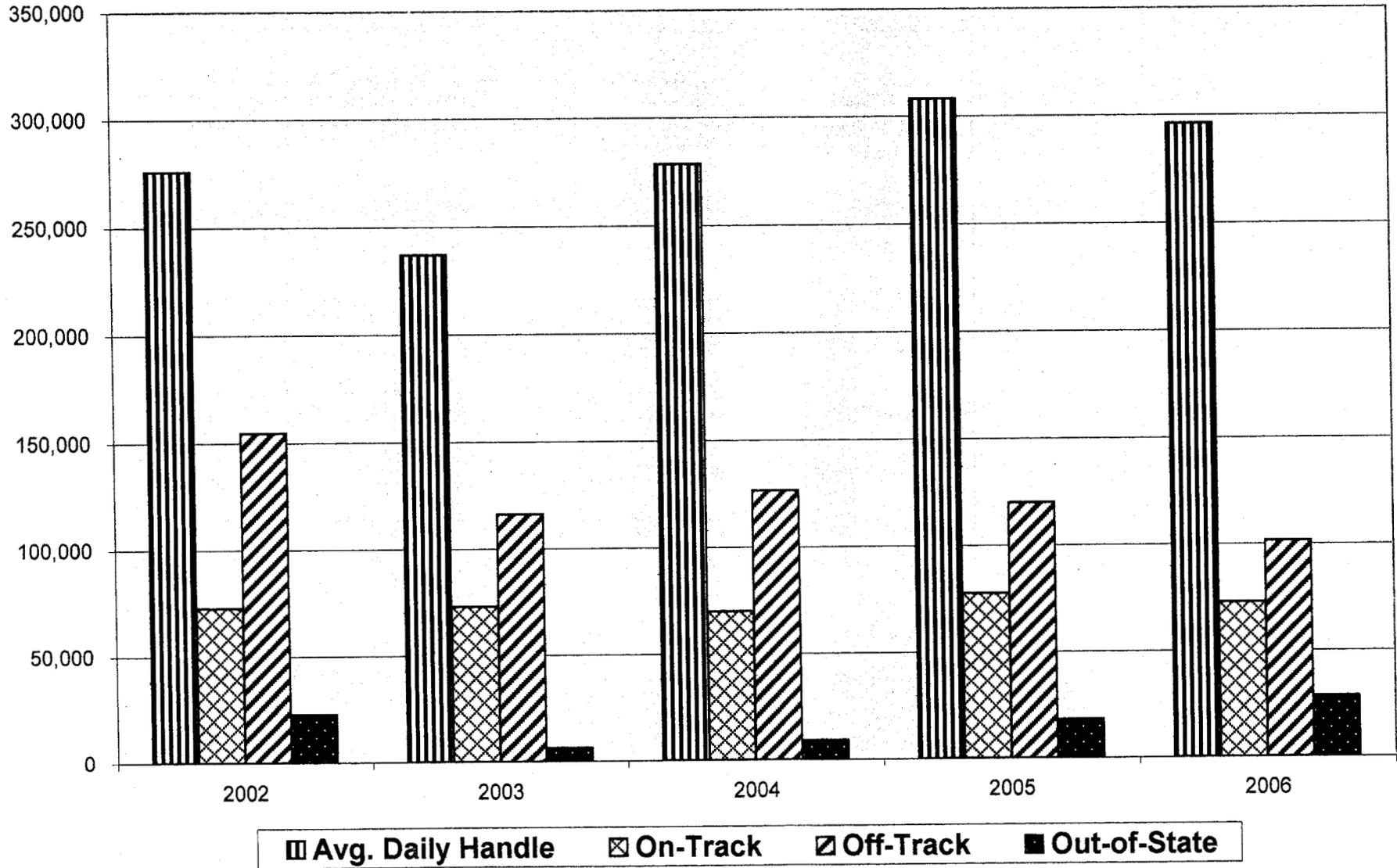
HUMBOLDT COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
TOTAL RACE DAYS	10	10	10	10	10
TOTAL HANDLE	2,760,071	2,369,492	2,787,149	3,080,934	2,959,549
ON-TRACK	728,705	731,046	699,081	775,170	727,308
OFF-TRACK	1,545,617	1,163,479	1,264,637	1,200,644	1,015,848
OUT-OF-STATE	228,581	65,262	91,763	182,915	286,480
ADW	257,168	409,705	731,669	922,205	929,913
LIVE	2,760,071	2,369,492	2,787,149	3,080,934	2,959,549
INTRASTATE IMPORTED	0	0	0	0	0
INTERSTATE IMPORTED	0	0	0	0	0
INTERNATIONAL IMPORTED	0	0	0	0	0
AVERAGE DAILY HANDLE	276,007	236,949	278,715	308,093	295,955
ON-TRACK	72,871	73,105	69,908	77,517	72,731
OFF-TRACK	154,562	116,348	126,464	120,064	101,585
OUT-OF-STATE	22,858	6,526	9,176	18,292	28,648
AVERAGE ADW	25,717	40,971	73,167	92,220	92,991
AVERAGE LIVE	276,007	236,949	278,715	308,093	295,955
INTRASTATE IMPORTED	0	0	0	0	0
INTERSTATE IMPORTED	0	0	0	0	0
INTERNATIONAL IMPORTED	0	0	0	0	0
TOTAL TAKEOUT	528,364	479,314	566,834	626,069	599,750
EFFECTIVE TAKEOUT	19.14%	20.23%	20.34%	20.32%	20.26%
STATE LICENSE FEES	32,663	26,769	28,050	28,682	25,764
STATE %	1.18%	1.13%	1.01%	0.93%	0.87%
TRACK COMMISSIONS	138,186	115,380	118,212	122,852	112,792
ADW COMMISSIONS	12,859	20,179	34,561	43,675	48,837
TOTAL COMMISSIONS	151,045	135,559	152,773	166,527	161,629
TRACK %	5.47%	5.72%	5.48%	5.41%	5.46%
HORSEMEN'S PURSES	142,076	119,605	122,188	127,540	117,310
ADW PURSES	13,234	21,083	35,780	45,104	50,668
TOTAL PURSES	155,309	140,688	157,968	172,644	167,977
HORSEMEN'S %	5.15%	5.94%	5.67%	5.60%	5.68%

HUMBOLDT COUNTY FAIR

YEAR	2002	2003	2004	2005	2006
CAIIFORNIA ATTENDANCE	59,320	58,433	52,587	53,112	50,829
ON-TRACK	22,919	22,442	21,759	22,811	21,975
OFF-TRACK	36,401	35,991	30,828	30,301	28,854
DAILY ATTENDANCE	5,932	5,843	5,259	5,311	5,083
AVERAGE DAILY ON - TRACK	2,292	2,244	2,176	2,281	2,198
AVERAGE DAILY OFF - TRACK	3,640	3,599	3,083	3,030	2,885
TOTAL RACE EVENTS	74	71	73	75	77
STARTS	482	416	421	483	484
AVERAGE STARTS PER EVENT	6.5	5.9	5.8	6.4	6.3
AVERAGE HANDLE PER START	5,726	5,696	6,620	6,379	6,115

HUMBOLT COUNTY FAIR



DEL MAR THOROUGHBRED CLUB

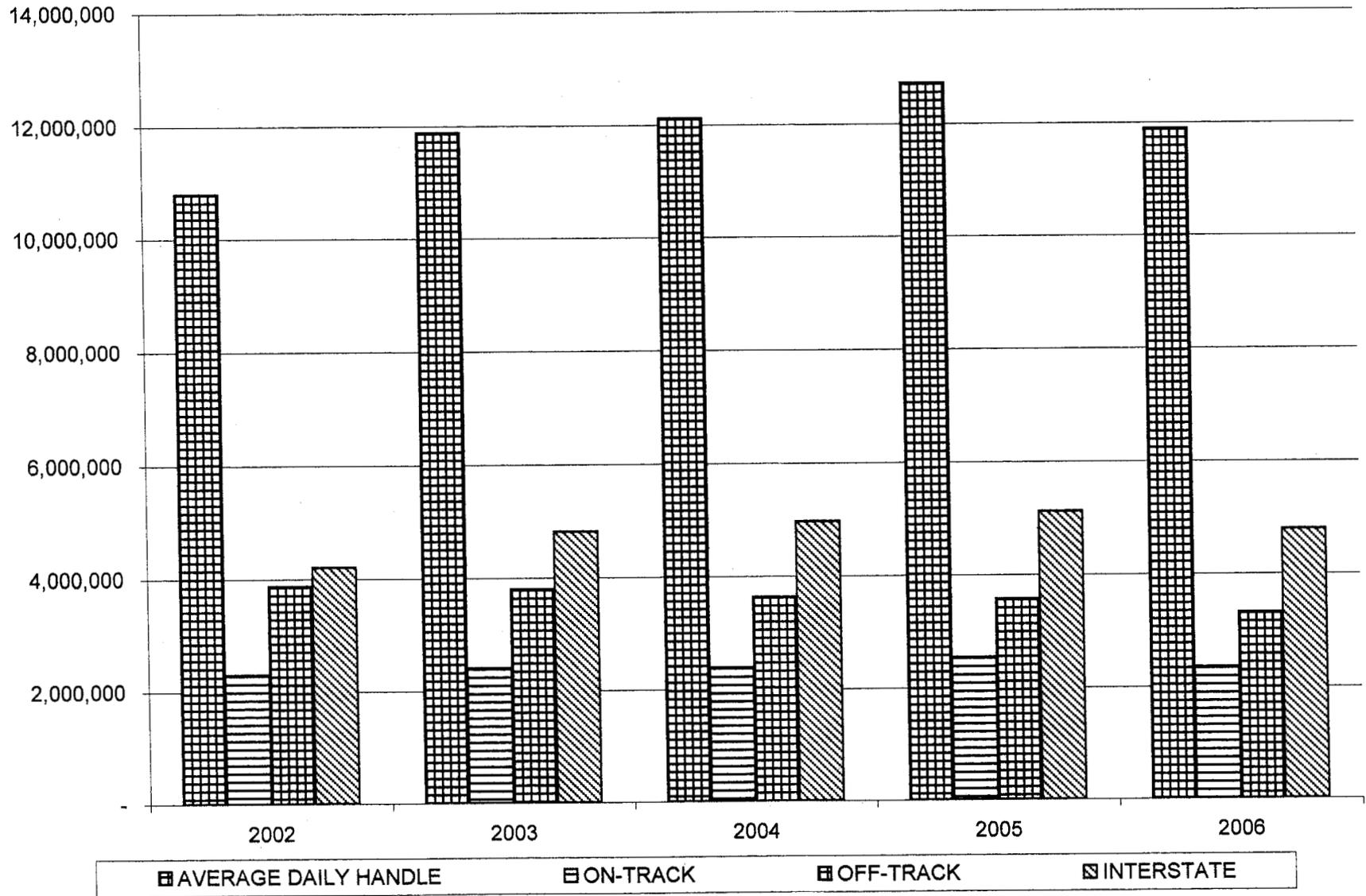
YEAR	2002	2003	2004	2005	2006
TOTAL RACE DAYS	43	43	43	43	43
TOTAL HANDLE	464,707,784.40	510,968,914.60	521,113,745.33	546,971,288.85	511,215,852.60
ON-TRACK	98,830,070	102,961,640	102,242,996	108,907,840	100,685,048
OFF-TRACK	166,274,621	163,303,386	156,275,504	153,435,395	142,506,515
OUT-OF-STATE	180,417,144	206,549,861	213,128,960	219,543,395	205,406,734
ADW	19,185,950	38,154,028	49,466,286	65,084,660	62,617,556
LIVE	379,324,724	425,274,411	439,615,212	464,253,682	431,523,299
INTRASTATE IMPORTED	36,844,860	37,152,703	34,190,989	31,488,617	30,933,530
INTERSTATE IMPORTED	48,245,564	48,223,773	47,307,544	43,587,871	41,153,304
INTERNATIONAL IMPORTED	292,636	318,027	0	7,641,119	7,605,719
AVERAGE DAILY HANDLE	10,807,158	11,882,998	12,118,924	12,720,263	11,888,741
ON-TRACK	2,298,374	2,394,457	2,377,744	2,532,740	2,341,513
OFF-TRACK	3,866,852	3,797,753	3,634,314	3,568,265	3,314,105
INTERSTATE	4,195,748	4,803,485	4,956,487	5,105,660	4,776,901
AVE. ADW	446,185	887,303	1,150,379	1,513,597	1,456,222
AVERAGE LIVE	8,828,311	9,897,499	10,223,610	10,974,298	10,212,303
INTRASTATE IMPORTED	856,857	864,016	795,139	732,293	719,384
INTERSTATE IMPORTED	1,121,990	1,121,483	1,100,175	1,013,671	957,054
INTERNATIONAL IMPORTED	6,805	7,396	0	177,700	176,877
TOTAL TAKEOUT	89,937,452	96,899,391	102,211,988	107,017,562	100,196,471
EFFECTIVE TAKEOUT	19.35%	18.96%	19.61%	19.57%	19.60%
STATE LICENSE FEES	6,139,301	6,284,789	6,230,514	6,170,609	5,736,023
STATE %	1.32%	1.23%	1.20%	1.13%	1.12%
TRACK COMMISSIONS	19,074,174	19,395,550	19,483,346	19,919,590	17,291,141
ADW COMMISSIONS	1,082,820	1,639,819	2,118,562	2,787,835	2,822,669
TOTAL COMMISSIONS	20,156,994	21,035,369	21,601,908	22,707,426	20,113,810
TRACK %	4.34%	4.12%	4.15%	4.15%	3.93%
HORSEMEN'S PURSES	18,743,217	19,099,761	19,219,732	19,648,143	18,221,899
ADW PURSES	1,061,175	1,609,388	2,083,484	2,745,893	2,780,261
TOTAL PURSES	19,804,392	20,709,150	21,303,216	22,394,036	21,002,160
HORSEMEN'S %	4.26%	4.05%	4.09%	4.09%	4.11%

DEL MAR THOROUGHBRED CLUB

YEAR	2002	2003	2004	2005	2006
CAIIFORNIA ATTENDANCE	1,227,464	1,268,228	1,232,763	1,185,297	1,118,896
ON-TRACK	667,280	725,922	733,237	731,287	700,192
OFF-TRACK	560,184	542,306	499,526	454,010	418,704
DAILY ATTENDANCE	28,546	29,494	28,669	27,565	26,021
AVERAGE DAILY ON - TRACK	15,518	16,882	17,052	17,007	16,284
AVERAGE DAILY OFF - TRACK	13,028	12,612	11,617	10,558	9,737
TOTAL RACE EVENTS	371	372	371	372	371
STARTS	3,034	3,048	3,064	3,128	3,139
AVERAGE STARTS PER EVENT	8.2	8.2	8.3	8.4	8.5
AVERAGE HANDLE PER START	125,025	139,526	143,478	148,419	137,472

Chart1

DEL MAR THOROUGHBRED CLUB



AVERAGE DAILY HANDLE

LOS ANGELES COUNTY FAIR

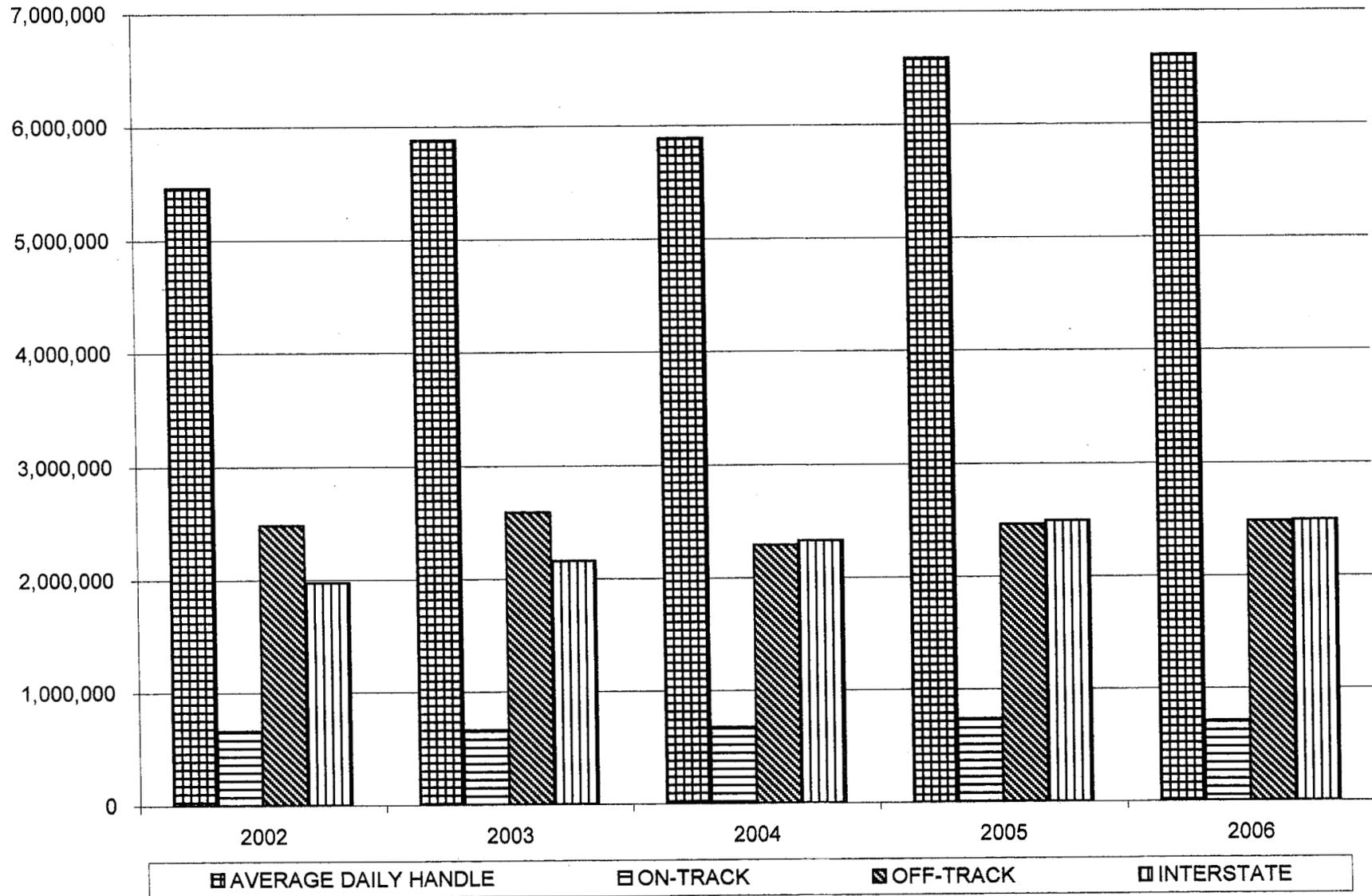
<u>YEAR</u>	2002	2003	2004	2005	2006
TOTAL RACE DAYS	17	17	17	16	16
TOTAL HANDLE	\$92,828,630	\$99,915,178	\$100,085,726	\$105,308,618	\$105,729,325
ON-TRACK	11,239,788	11,253,410	11,435,087	11,814,889	11,339,530
OFF-TRACK	42,161,572	43,861,731	38,915,821	39,296,731	39,650,079
OUT-OF-STATE	33,527,741	36,634,196	39,512,164	39,810,968	39,812,708
ADW	5,899,529	8,165,841	10,222,655	14,386,030	14,927,009
LIVE	68,908,826	75,287,217	77,217,016	82,471,596	83,960,568
INTRASTATE IMPORTED	8,994,784	9,219,108	8,119,819	7,248,591	7,337,850
INTERSTATE IMPORTED	14,697,399	15,408,853	13,930,515	12,628,164	11,030,022
INTERNATIONAL IMPORTED	227,620	0	818,376	2,960,267	3,400,885
AVERAGE DAILY HANDLE	5,460,508	5,877,363	5,887,396	6,581,789	6,608,083
ON-TRACK	661,164	661,965	672,652	738,431	708,721
OFF-TRACK	2,480,092	2,580,102	2,289,166	2,456,046	2,478,130
INTERSTATE	1,972,220	2,154,953	2,324,245	2,488,186	2,488,294
AVE. ADW	347,031	480,344	601,333	899,127	932,938
AVERAGE CALIFORNIA HANDLE	3,141,256	3,242,087	2,961,818	3,194,476	3,186,851
AVERAGE LIVE	4,066,850	4,428,660	4,590,317	5,339,491	5,460,091
INTRASTATE IMPORTED	529,105	542,300	477,636	453,037	458,616
INTERSTATE IMPORTED	864,553	906,403	819,442	789,260	689,376
INTERNATIONAL IMPORTED	13,389	0	48,140	185,017	212,555
TOTAL TAKEOUT	17,675,454	18,504,823	20,624,141	21,701,650	21,986,890
EFFECTIVE TAKEOUT	19.04%	18.52%	20.61%	20.61%	20.80%
STATE LICENSE FEES	948,852	991,746	927,161	935,056	952,140
STATE %	1.02%	0.99%	0.93%	0.89%	0.90%
TRACK COMMISSIONS	2,918,445	2,903,231	2,877,898	2,906,569	2,959,734
ADW COMMISSIONS	271,456	369,531	468,057	680,593	733,876
TOTAL COMMISSIONS	3,189,901	3,272,762	3,345,955	3,587,162	3,693,610
TRACK %	3.44%	3.28%	3.34%	3.41%	3.49%
HORSEMEN'S PURSES	2,954,357	2,938,180	2,915,205	2,946,658	3,000,009
ADW PURSES	275,711	374,640	474,538	691,124	745,379
TOTAL PURSES	3,230,068	3,312,820	3,389,742	3,637,782	3,745,388
HORSEMEN'S %	3.48%	3.32%	3.39%	3.45%	3.54%

LOS ANGELES COUNTY FAIR

<u>YEAR</u>	2002	2003	2004	2005	2006
CAIIFORNIA ATTENDANCE	265,963	258,527	233,095	206,852	205,940
ON-TRACK	118,199	114,648	102,255	88,494	89,446
OFF-TRACK	147,764	143,879	130,840	118,358	116,494
DAILY ATTENDANCE	15,645	15,207	13,711	12,928	12,871
AVERAGE DAILY ON - TRACK	6,953	6,744	6,015	5,531	5,590
AVERAGE DAILY OFF - TRACK	8,692	8,463	7,696	7,397	7,281
TOTAL RACE EVENTS	194	197	196	195	195
STARTS	1,416	1,549	1,513	1,524	1,579
AVERAGE STARTS PER EVENT	7.3	7.9	7.7	7.8	8.1
AVERAGE HANDLE PER START	48,664	48,604	51,036	54,115	53,173

Chart1

LOS ANGELES COUNTY FAIR



AVERAGE DAILY HANDLE

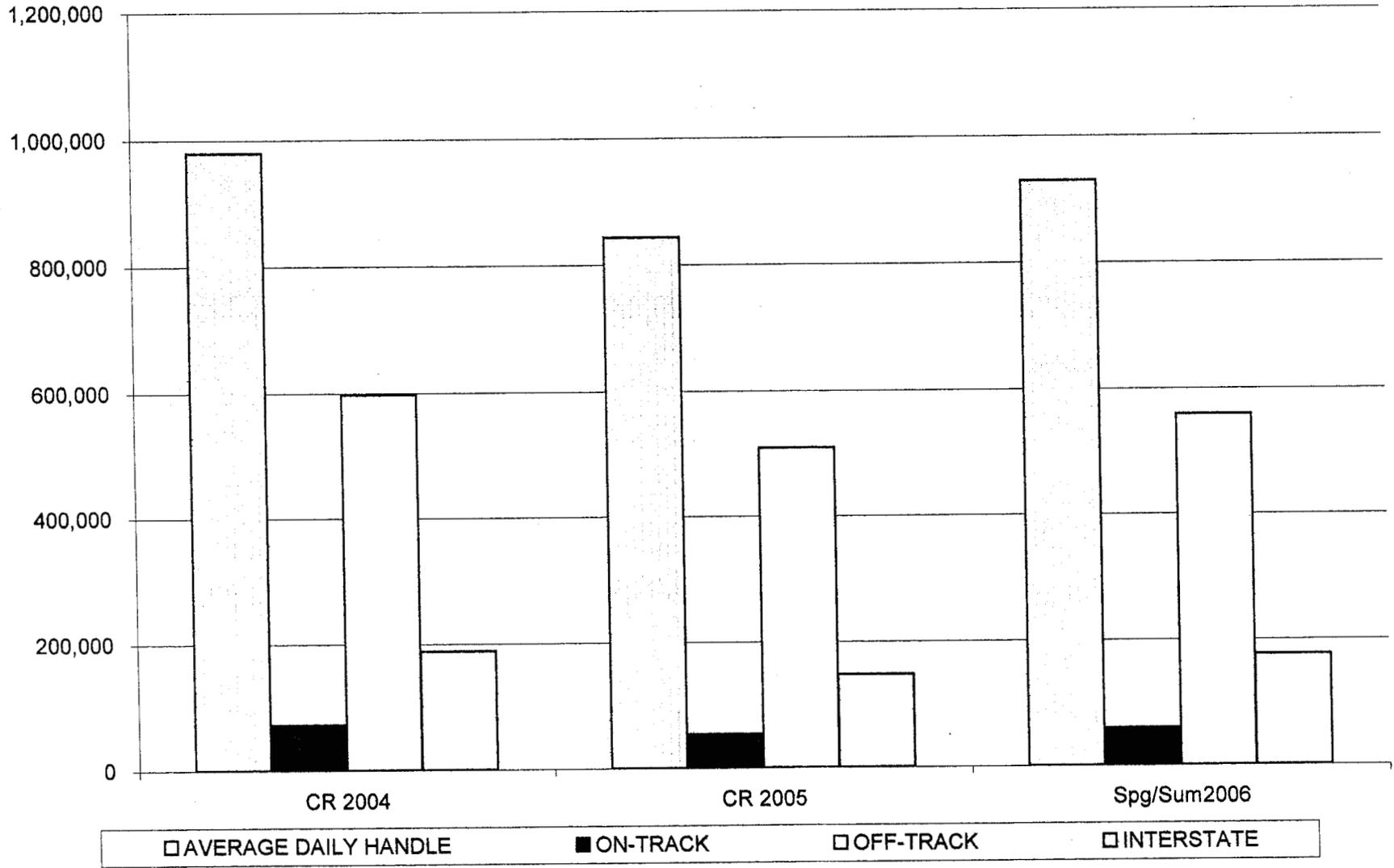
SACRAMENTO HARNESS ASSOCIATION

YEAR	CR 2004	CR 2005	Spg/Sum2006
TOTAL RACE DAYS	82	122	118
TOTAL HANDLE	80,305,332	102,927,271	109,658,870
ON-TRACK	5,817,301	6,453,028	6,975,716
OFF-TRACK	48,983,954	62,079,307	65,890,402
OUT-OF-STATE	15,455,697	18,007,900	20,772,084
ADW	10,048,381	16,387,037	16,020,667
LIVE	62,894,102	78,537,912	86,275,376
INTERSTATE IMPORTED	17,073,034	23,805,726	23,013,552
INTERNATIONAL IMPORTED	338,196	583,634	369,943
AVERAGE DAILY HANDLE	979,333	843,666	929,312
ON-TRACK	70,943	52,894	59,116
OFF-TRACK	597,365	508,847	558,393
INTERSTATE	188,484	147,606	176,035
AVG. ADW	122,541	134,320	135,768
AVG. CALIFORNIA	668,308	561,740	617,509
AVG. LIVE	767,001	643,753	731,147
INTERSTATE IMPORTED	208,208	195,129	195,030
INTERNATIONAL IMPORTED	4,124	4,784	3,135
TOTAL TAKEOUT	17,711,409	23,191,675	24,623,533
EFFECTIVE TAKEOUT	22.06%	22.53%	22.45%
STATE LICENSE FEES	330,670	413,893	343,424
STATE %	0.41%	0.40%	0.31%
TRACK COMMISSIONS	3,686,781	4,458,212	4,662,165
ADW COMMISSIONS	532,686	865,149	745,275
TOTAL COMMISSIONS	4,219,467	5,323,361	5,407,440
TRACK %	4.59%	4.33%	4.25%
HORSEMEN'S PURSES	3,436,527	4,458,347	4,662,233
ADW PURSES	497,459	807,095	745,417
TOTAL ADW	3,933,986	5,265,442	5,407,651
HORSEMEN'S %	4.28%	4.33%	4.25%

SACRAMENTO HARNESS ASSOCIATION

YEAR	CR 2004	CR 2005	Spg/Sum2006
CAIIFORNIA ATTENDANCE	350,126	462,802	446,800
ON-TRACK	35,866	40,253	43,837
OFF-TRACK	314,260	422,549	402,963
DAILY ATTENDANCE	4,270	3,793	3,786
AVERAGE DAILY ON - TRACK	437	330	372
AVERAGE DAILY OFF - TRACK	3,832	3,464	3,415
TOTAL RACE EVENTS	1,082	1,387	1,451
STARTS	7,585	10,215	11,375
AVERAGE STARTS PER EVENT	7.0	7.4	7.8
AVERAGE HANDLE PER START	8,292	7,688	7,585

SACRAMENTO HARNESS ASSOCIATION



OAK TREE RACING ASSOCIATION

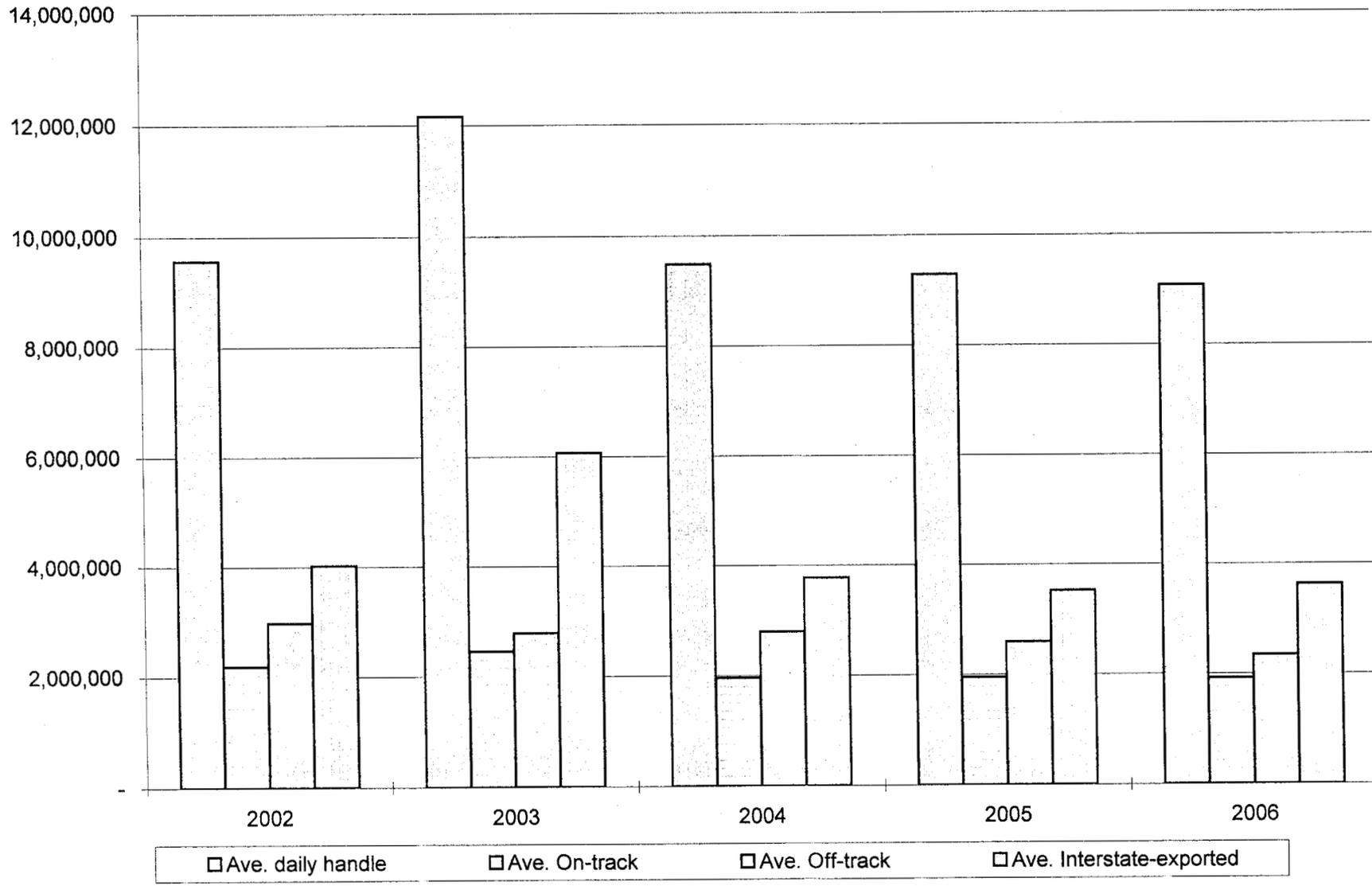
YEAR	2002	2003	2004	2005	2006
Total race days	26	32	26	31	26
Total Handle	248,731,416	388,933,438	246,837,146	288,012,944	236,119,118
On-track	56,896,643	78,607,430	50,959,066	60,456,834	49,929,703
Off-track	77,441,144	89,182,330	72,622,974	80,369,686	60,728,029
Out-Of-State	104,610,909	194,272,322	98,060,549	109,197,709	94,182,744
ADW	9,782,719	26,871,357	25,194,558	37,988,715	31,278,642
Live	190,114,300	329,324,409	192,141,789	219,968,512	207,232,364
Intrastate-imported	24,663,260	28,473,464	21,866,655	25,100,964	24,321,602
Interstate-imported	33,686,153	31,135,565	32,828,702	42,943,468	4,565,152
International imported	267,703	0	0	0	0
Ave. daily handle	9,566,593	12,154,170	9,493,736	9,290,740	9,081,505
Ave. On-track	2,188,332	2,456,482	1,959,964	1,950,220	1,920,373
Ave. Off-track	2,978,506	2,786,948	2,793,191	2,592,571	2,335,693
Ave. Interstate-exported	4,023,497	6,071,010	3,771,560	3,522,507	3,622,413
Ave. ADW	376,258	839,730	969,021	1,225,442	1,203,025
Ave. California daily handle	5,166,838	5,243,430	4,753,155	4,542,791	4,256,067
Ave. Live	6,132,719	10,623,368	6,198,122	7,095,758	6,684,915
Ave. Intrastate-imported	795,589	918,499	705,376	809,709	784,568
Ave. Interstate-imported	1,295,621	972,986	1,262,642	1,385,273	175,583
Ave. International imported	10,296	0	0	0	0
Total takeout	46,246,337	69,030,731	48,641,699	56,387,014	46,144,269
Effective takeout	18.59%	17.75%	19.71%	19.58%	19.54%
State license fees	3,019,155	3,722,452	2,812,348	3,204,637	2,566,135
State %	1.21%	0.96%	1.14%	1.11%	1.09%
Track Commissions	9,644,550	15,075,838	8,849,531	9,907,793	8,207,097
ADW Commissions	659,799	1,169,939	1,095,348	1,690,024	1,462,386
Total Commissions	10,304,349	16,245,776	9,944,880	11,597,817	9,669,483
Track %	4.14%	4.18%	4.03%	4.03%	4.10%
Horsemen purses	9,409,416	14,773,536	8,638,639	9,652,068	7,981,768
ADW Purses	642,122	1,138,438	1,065,433	1,644,221	1,420,252
Total Purses	10,051,538	15,911,974	9,704,072	11,296,289	9,402,021
Horsemen %	4.04%	4.09%	3.93%	3.92%	3.98%

OAK TREE RACING ASSOCIATION

YEAR	2002	2003	2004	2005	2006
Total California attendance	524,038	642,953	476,145	525,961	432,814
On-track	259,073	327,959	241,016	263,317	234,076
Off-track	264,965	314,994	235,129	262,644	198,738
Ave. daily attendance	20,155	20,092	18,313	16,966	16,647
Ave. daily on-track	9,964	10,249	9,270	8,494	9,003
Ave. daily off-track	10,191	9,844	9,043	8,472	7,644
Total race events	222	270	222	267	226
Starts	1,866	2,122	1,776	2,099	1,845
Ave. per event	8.4	7.9	8.0	7.9	8.2
Ave. handle per start	101,883	155,195	108,188	104,797	112,321

Chart1

OAK TREE RACING ASSOCIATION



Average Daily Handle

FRESNO FAIR

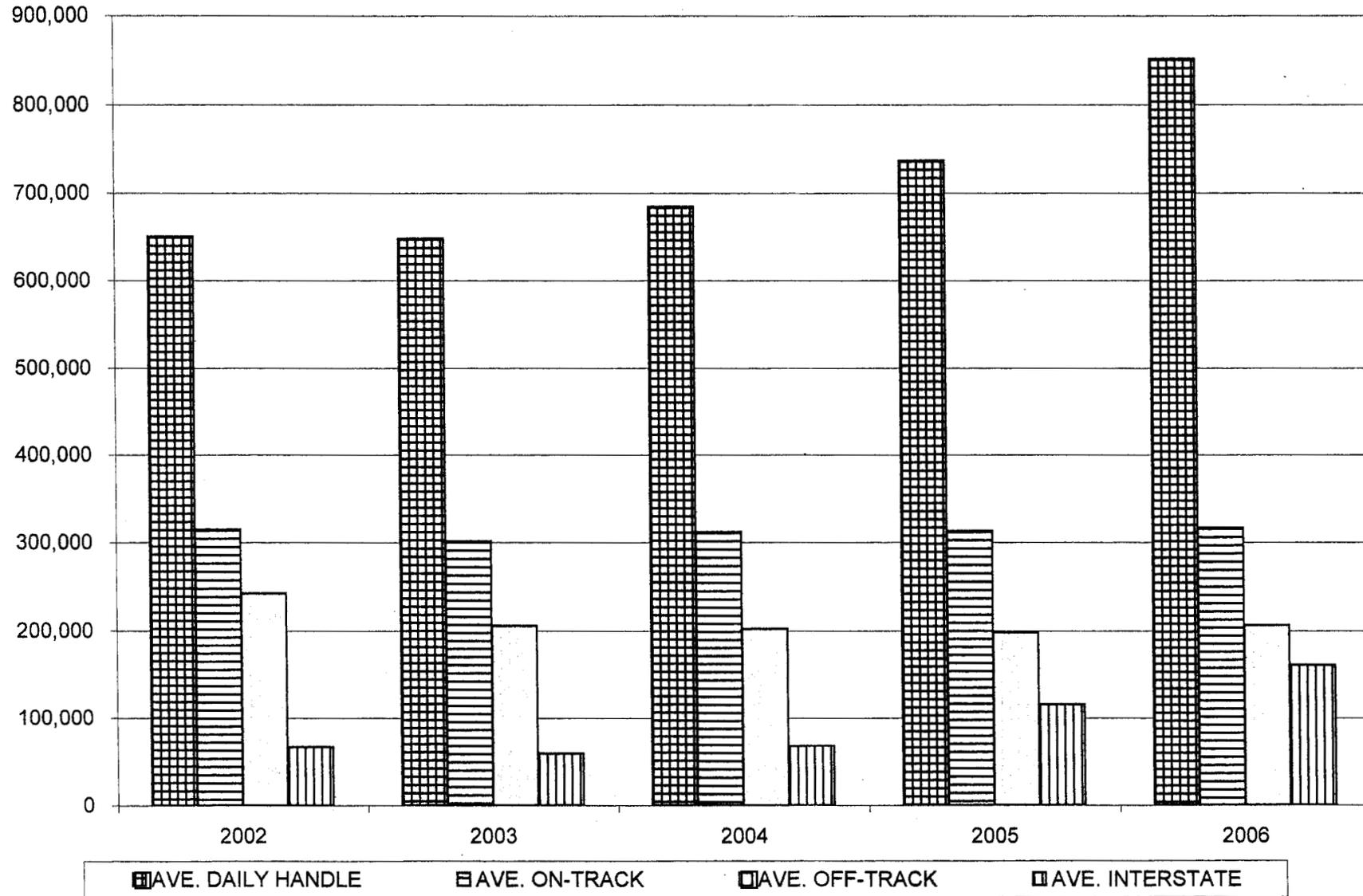
YEAR	2002	2003	2004	2005	2006
TOTAL RACE DAYS	10	11	10	11	11
TOTAL HANDLE	6,501,327	7,122,973	6,840,268	8,104,725	9,364,097
ON-TRACK	3,147,300	3,313,016	3,117,712	3,442,261	3,476,203
OFF-TRACK	2,427,820	2,266,360	2,023,142	2,183,595	2,268,316
OUT-OF-STATE	660,670	645,210	675,873	1,270,851	1,763,598
ADW	265,538	898,388	1,023,541	1,208,018	1,855,981
LIVE	6,501,327	7,122,973	6,840,268	8,104,725	9,364,097
INTRASTATE IMPORTED	0	0	0	0	0
INTERSTATE IMPORTED	0	0	0	0	0
AVE. DAILY HANDLE	650,133	647,543	684,027	736,793	851,282
AVE. ON-TRACK	314,730	301,183	311,771	312,933	316,018
AVE. OFF-TRACK	242,782	206,033	202,314	198,509	206,211
AVE. INTERSTATE	66,067	58,655	67,587	115,532	160,327
AVE. ADW	26,554	89,839	102,354	120,802	185,598
AVE. CALIFORNIA DAILY HANDLE	557,512	507,216	514,085	511,441	522,229
AVE. LIVE	650,133	647,543	684,027	736,793	851,282
INTRASTATE IMPORTED	0	0	0	0	0
INTERSTATE IMPORTED	0	0	0	0	0
TOTAL TAKEOUT	1,267,290	1,261,192	1,429,489	1,656,646	1,898,916
EFFECTIVE TAKEOUT	19.49%	17.71%	20.90%	20.44%	20.28%
STATE LICENSE FEES	80,258	80,181	74,770	83,664	86,967
STATE %	1.23%	1.13%	1.09%	1.03%	0.93%
TRACK COMMISSIONS	389,192	391,003	365,845	409,846	421,450
ADW COMMISSIONS	6,362	40,546	54,051	56,441	92,318
TOTAL COMMISSIONS	395,554	431,549	419,896	466,287	513,767
TRACK %	6.08%	6.41%	6.50%	6.09%	5.80%
HORSEMEN'S PURSES	410,913	414,005	387,669	433,732	445,680
ADW PURSES	6,136	42,755	57,023	59,610	97,722
TOTAL PURSES	417,049	456,760	444,692	493,342	543,403
HORSEMEN'S %	6.41%	6.41%	6.50%	6.09%	5.80%

FRESNO FAIR

YEAR	2002	2003	2004	2005	2006
CALIFORNIA ATTENDANCE	102,024	110,934	98,984	113,914	122,317
ON-TRACK	67,143	73,301	69,412	81,823	89,434
OFF-TRACK	34,881	37,633	29,572	32,091	32,883
DAILY ATTENDANCE	10,202	10,085	9,898	10,356	11,120
AVERAGE DAILY ON - TRACK	6,714	6,664	6,941	7,438	8,130
AVERAGE DAILY OFF - TRACK	3,488	3,421	2,957	2,917	2,989
TOTAL RACE EVENTS	98	101	91	99	100
STARTS	755	762	747	702	798
AVERAGE STARTS PER EVENT	7.7	7.5	8.2	7.1	8.0
AVERAGE HANDLE PER START	8,611	9,348	9,157	11,545	11,734

Chart1

FRESNO FAIR



AVERAGE DAILY HANDLE