

RACE DATES AGREEMENT  
FOR 2014 AND 2015 RACING YEARS

The parties signing this Agreement have agreed to the arrangements outlined below relating to the allocation of race dates and related matters for the 2014 and 2015 racing years. By signing this Agreement, each party agrees that it will carry out its obligations described herein, and will fully support the terms outlined herein before the California Horse Racing Board and in all other industry interactions.

A. Racing Calendar

1. The signatories agree to fully support and lobby for an amendment to the racing dates for 2014 and 2015 approved by the CHRB at the May, 2013 meeting of the CHRB which amendment will provide that Los Alamitos will run a three week thoroughbred meet at the start of December and a two week thoroughbred meet at the start of July.
2. As a condition of receiving these five weeks of live racing dates, Los Alamitos will expand its track to one mile and will build an additional 200 stalls for thoroughbred stabling (for a total of 700 stalls at Los Alamitos).
3. To make room for Los Alamitos live racing in July, Santa Anita will relinquish one week of live racing (first week of July) and one week of dark simulcasting (second week of July) previously approved by the CHRB.
4. To make room for Los Alamitos live racing in December, Del Mar will relinquish one week of live racing (first week of December) and two weeks of dark simulcasting (second and third weeks of December) previously approved by the CHRB. The signatories to this Agreement will support Los Alamitos in its application for the first two weeks in July and the first three weeks in December.
5. Los Alamitos will become a member racetrack of Monarch on terms to be discussed between Monarch and Los Alamitos. Los Alamitos will permit Monarch to set the California import calendar during Los Alamitos' five weeks of live racing.
6. Los Alamitos agrees that it will not sign a thoroughbred hub agreement with any ADW company to take wagers on thoroughbred races imported into California for wagering by California residents. Los Alamitos further agrees that it will not sign an agreement with any exchange wagering company to allow exchange wagers on daytime thoroughbred races by California residents unless Santa Anita and Del Mar agree to such arrangement.
7. Los Alamitos will make the television signal of its thoroughbred meet available to both TVG and HRTV.

8. The agreements made herein are made by the parties in response to the mandate the parties have received from the CHRB to work together to arrive at a solution to the various issues related to the allocation by the CHRB of 2014 and 2015 race dates.

B. Stabling

1. The signatories to this Agreement will support (both publically and through their influence over the Stabling and Vanning Fund) the following stabling plan. Without limiting the generality of the foregoing, the signatories agree that they will each vote their interest in the Stabling and Vanning Fund in support of the following stabling plan.

a. 1,900 at Santa Anita for year round stabling except during the Del Mar summer meet (\$17,200 per day for approximately 50 days per stabling guidelines)

b. 500 at Fairplex Park from February 1, 2014 through June 30, 2014 (\$13,000 per day for approximately 150 days per stabling guidelines)

c. 495 at San Luis Rey Downs for year round stabling commencing on February 1, 2014, with the understanding that San Luis Rey Downs will spend prior to opening no less than \$3,250,000 on repairs and improvements to the track surface, stables, housing and other amenities at the facility (\$6,100 per day for 334 days per stabling guidelines)

d. 500 at Los Alamitos for year round stabling commencing on February 1, 2014, together with an additional 200 at Los Alamitos for year round stabling commencing on June 30, 2014, with the understanding that Los Alamitos will spend no less than \$2,000,000 on the expansion of its track to one mile and the construction of the additional stables to allow for the allocation of the 700 stalls to Thoroughbred horses (\$4,750 per day for approximately 285 days per stabling guidelines)

\$1,500,000 for 1m

e. Stabling guidelines provide that stabling reimbursement is not paid during a track's live race meet, and for the 14 days prior to and 5 days after such meet; provided, however, that because the two Los Alamitos meets are so short the 14 day period prior to each Los Alamitos race meet shall be reduced to 7 days.

f. The reimbursement amounts specified above are based on cost estimates existing as of the date of this Agreement. The Stabling and Vanning Committee will perform a periodic review of such costs, and will make necessary adjustments to the actual reimbursement amounts in accordance with stabling guidelines. In the event the Stabling and Vanning Committee elects to reduce the reimbursement amount of any facility below the amount specified above, such facility shall have no obligation under this Agreement to remain open.

g. In the event any of the stabling facilities is below 50% occupancy for an extended period of time (as reasonably determined by the Stabling and Vanning Committee), the Stabling and Vanning Committee shall have the ability

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f. The reimbursement amounts specified above are based on cost estimates existing as of the date of this Agreement. The Stabling and Vanning Committee will perform a periodic review of such costs, and will make necessary adjustments to the actual reimbursement amounts in accordance with stabling guidelines. In the event the Stabling and Vanning Committee elects to reduce the reimbursement amount of any facility below the amount specified above, such facility shall have no obligation under this Agreement to remain open.

g. In the event any of the stabling facilities is below 50% occupancy for an extended period of time (as reasonably determined by the Stabling and Vanning Committee), the Stabling and Vanning Committee shall have the ability

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## B. Stabling

1. The signatories to this Agreement will support (both publically and through their influence over the Stabling and Vanning Fund) the following stabling plan. Without limiting the generality of the foregoing, the signatories agree that they will each vote their interest in the Stabling and Vanning Fund in support of the following stabling plan.

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f. The reimbursement amounts specified above are based on cost estimates existing as of the date of this Agreement. The Stabling and Vanning Committee will perform a periodic review of such costs, and will make necessary adjustments to the actual reimbursement amounts in accordance with stabling guidelines. In the event the Stabling and Vanning Committee elects to reduce the reimbursement amount of any facility below the amount specified above, such facility shall have no obligation under this Agreement to remain open.

g. In the event any of the stabling facilities is below 50% occupancy for an extended period of time (as reasonably determined by the Stabling and Vanning Committee), the Stabling and Vanning Committee shall have the ability

to reduce or cease entirely the stabling reimbursement payments to such facility, in which event such stabling facility shall have no obligation under this Agreement to remain open. For purposes of determining occupancy, only “incremental” Thoroughbred horses shall be counted, with horses being deemed “incremental” if they are not already at the facility for other purposes (such as nighttime racing in the case of Los Alamitos, or the fair in the case of Fairplex).

2. The reimbursement amounts for the stalls described in Paragraph B(1) will be paid for as follows:

a. Del Mar will pay 100% of the net profits from its 2014 fall meet towards the Fairplex stabling in lieu of its 2014 Industry Fund contribution. This is estimated to be approximately \$1 million.

b. All other amounts shall be reimbursed from the Stabling and Vanning Fund. The signatories recognize that the Stabling and Vanning Fund will most likely have to operate at a deficit in order to make the payments outlined in Paragraph B(1), even after taking into account the contribution of Del Mar described above. The signatories will work in good faith during 2014 to make such reasonable changes to the statutory contributions to the Stabling and Vanning Fund as may be beneficial in eliminating any fund deficit.

3. If requested at the general consensus of the industry, 300 additional stalls will be made available at San Luis Rey Downs commencing some time during 2014, subject only to obtaining the necessary CAFO approval. All costs related to the construction of these 300 additional stalls (including CAFO-related costs) will be paid by The Stronach Group; provided, however, that The Stronach Group shall have the right not to proceed with the construction if it will cost more than \$3,000,000 in order to construct the additional stalls and satisfy the CAFO requirements and other regulatory requirements. These 300 additional stalls will not result in an increase in the Stabling and Vanning Funds received by SLRD during 2014 or 2015.

### C. Industry Fund

1. The signatories to this Agreement will create an industry fund (the “Industry Fund”) to address long term industry stabling issues.

2. The goals of the Industry Fund will be: (a) to plan for and fund a replacement for the Los Alamitos stabling facility in the event the Los Alamitos facility is no longer available for thoroughbred stabling; (b) to plan for and fund a replacement for a portion of the Santa Anita stabling facility in the event a redevelopment of the Santa Anita facility results in fewer than 1,900 stalls; and (c) to plan for and fund a potential industry acquisition of the San Luis Rey Downs stabling facility.

3. The money in the Industry Fund will be used as follows: (a) if the proposed use of funds is not consistent with the goals described in Paragraph C(2), the use must be unanimously agreed to by the signatories to this Agreement; (b) if the proposed use of

funds is to develop or improve stabling at a facility that plans to request racing dates in a future year inconsistent with the dates granted by the CHRB for 2014 and 2015 (as modified in connection with Los Alamitos running five weeks as described above), the use must be unanimously agreed to by the signatories to this Agreement; and (c) any use that complies with the goals described in Paragraph C(2) and will not result in a future allocation of racing dates inconsistent with the dates allocated by the CHRB for 2014 and 2015 (as modified in connection with Los Alamitos running five weeks as described above) must be approved by a majority of the signatories to this Agreement.

4. During 2014 and 2015, the Industry Fund contributions of Los Alamitos and Santa Anita will be deemed fully satisfied by the investments those entities are making in the stabling facilities described above; provided, however, that if The Stronach Group does not build the 300 additional stalls at San Luis Rey Downs as referenced in Paragraph B(4), then Santa Anita shall make an Industry Fund contribution of \$750,000 per year for each of 2014 and 2015.

5. During 2014, the Industry Fund contribution of Del Mar will be equal to its net profits from the 2014 fall meet but will be deemed fully satisfied if Del Mar pays such amount in connection with 2014 stabling at Fairplex as described above. During 2015, Del Mar will contribute to the Industry Fund 100% of the net profits from the Del Mar fall meet unless another arrangement is made between Del Mar and the TOC.

6. For years 2016 and beyond, Industry Fund contributions will be worked out among the signatories to this Agreement based on the facts and circumstances existing at that time.

#### D. Television

1. As part of the overall arrangement described in this Agreement, The Stronach Group is willing to extend the current "experiment" through the end of 2013 – even though HRTV was not given the right to televise the recent Del Mar meet. Under the extended "experiment", TVG would have the right to televise the Golden Gate Fields fall meet and the Santa Anita autumn meet, and in exchange HRTV would have the right to televise the Fairplex meet and the Hollywood Park fall meet. The wagering economics would be modified as in the prior experiment by capping television fees paid by account wagering companies at 105% of the amount paid for the corresponding meet during 2012.

2. In exchange for The Stronach Group extending the "experiment" as described above, the TOC unconditionally agrees that the "experiment" will not be extended past December 25, 2013. From and after that date TVG will have the right to televise Santa Anita and Golden Gate Fields only if TVG agrees to pay the historic wagering economics without any caps. The TOC will support Santa Anita, Golden Gate Fields and The Stronach Group before the CHRB on this issue. Unless otherwise agreed by HRTV and The Stronach Group, the TOC will not recommend or support any television solution that requires Santa Anita, Golden Gate Fields or The Stronach Group to vary from the agreed-upon arrangement.

and Los Alamitos are not parties *BJT JPM*

3. Del Mar is not a party to the provisions of this Paragraph D relating to television.

The signatories below agree to the foregoing terms and conditions.

THOROUGHBRED OWNERS OF CALIFORNIA

By: *J.P.M.*  
Name: Joseph P. Morris  
Title: President  
Date: 9/18/13

LOS ANGELES TURF CLUB, INC. and  
LOS ANGELES TURF CLUB II, INC

By: *George Haines*  
Name: GEORGE HAINES  
Title: PRESIDENT  
Date: 9/18/13

LOS ALAMITOS RACECOURSE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

DEL MAR THOROUGHBRED CLUB, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

and Los Alamitos are not parties YCM

3. Del Mar is not a party to the provisions of this Paragraph D relating to television.

The signatories below agree to the foregoing terms and conditions.

THOROUGHBRED OWNERS OF CALIFORNIA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

LOS ANGELES TURF CLUB, INC. and  
LOS ANGELES TURF CLUB II, INC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

LOS ALAMITOS RACECOURSE

By: Edward C. Allred  
Name: Edward C. Allred  
Title: OWNER  
Date: 9-18-2013

DEL MAR THOROUGHBRED CLUB, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

and Los Alamitos are not parties (P)

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The signatories below agree to the foregoing terms and conditions.

THOROUGHBRED OWNERS OF CALIFORNIA

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

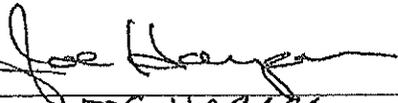
LOS ANGELES TURF CLUB, INC. and  
LOS ANGELES TURF CLUB II, INC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

LOS ALAMITOS RACECOURSE

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

DEL MAR THOROUGHBRED CLUB

By:   
Name: JOE HARPER  
Title: PRES. / CEO  
Date: 9-18-13