



TEXAS RACING COMMISSION
P. O. Box 12080
Austin, TX 78711-2080
(512) 833-6699
Fax (512) 833-6907

Texas Racing Commission
Wednesday, October 29, 2008
11:00 a.m.
Sam Houston Race Park
7575 N. Sam Houston Parkway W.
Houston, Texas

AGENDA

- I. CALL TO ORDER**
Roll Call

- II. PROCEEDINGS ON RACETRACKS**
Discussion, consideration and possible action on the following matters:
 - A. Tour of the Damage to Sam Houston Race Park caused by Hurricane Ike
 - B. Proposal to Amend § 303.41, Allocation of Race Dates
 - C. Request by Sam Houston Race Park to Modify its 2008/2009 Live Racing Schedules
 - D. Request by Lone Star Park to Modify its 2008/2009 Live Racing Schedules
 - E. Request by Retama Park to Modify its 2008/2009 Live Racing Schedules
 - F. Request by Manor Downs to Modify its 2008/2009 Live Racing Schedules

- III. ADJOURN**

B. Proposal to Amend § 303.41, Allocation of Race Dates

No change proposed.



VIA EMAIL

October 20, 2008

Mrs. Charla Ann King
Executive Director
Texas Racing Commission
P.O. Box 12080
Austin TX, 78711

Dear Charla Ann:

On behalf of Sam Houston Race Park, I would like to amend our 2008 and 2009 race date calendar.

As you are aware, the Park sustained significant damage as a result of last month's hurricane. Unfortunately, the lengthy timeline for repairs to the Park's roof and stable area will make holding this meet impossible. Therefore, we respectfully request that the Commission convene and cancel our 65-day thoroughbred meet scheduled to begin Friday, November 28.

We thank you for your time and consideration.

Sincerely,

Andrea B. Young
Chief Operating Officer

Cc: Tommy Azopardi, Texas Horsemen's Partnership

SAM HOUSTON RACE PARK LTD.

7575 North Sam Houston Parkway West, Houston, TX, 77064 • 281.807.8700 • shrp.com



October 28, 2008

Charla Ann King
Executive Director
Texas Racing Commission
P.O. Box 12080
Austin TX, 78711

Dear Ms. King:

Sam Houston Race Park supports the Texas Horsemen's Partnership and Retama Park's plan to relocate race dates originally scheduled to be run during Sam Houston Race Park's 2008-09 Thoroughbred meeting to Retama Park.

We understand that the plan is still subject to Texas Racing Commission approvals. Pending receipt of these approvals, Sam Houston Race Park has agreed to transfer to Retama Park's purse account, all Thoroughbred and Arabian purse funds currently held in accounts at Sam Houston Race Park as well as any future Thoroughbred and Arabian purse funds earned by import simulcast handle through April 4, 2009.

Finally, I would like to thank you and your staff for your assistance and support during this difficult period. The efforts of you and your team have been instrumental in helping secure a quick resolution to keep Texas racing this fall.

Sincerely,


Andrea B. Young
Chief Operating Officer

cc: Bryan Brown, Retama Park
Tommy Azopardi, Texas Horsemen's Partnership
David Hooper, Texas Thoroughbred Association
David Jackson, Sam Houston Race Park
Eric Johnston, Sam Houston Race Park
Mark Fenner, Texas Racing Commission
Sammy Jackson, Texas Racing Commission
John Ferrara, Texas Racing Commission

SAM HOUSTON RACE PARK LTD.

7575 North Sam Houston Parkway West, Houston, TX, 77064 • 281.807.8700 • shrp.com



RETAMA PARK™

October 24, 2008

Mr. John Ferrara
Director of Racing
Texas Racing Commission
8505 Cross Park Drive
Suite 110
Austin, Texas 78754

Dear John:

Retama Park respectfully requests fall and winter dates of November 20th, 2008 thru February 28th 2009 for a total of 43 racing days which will include a format of Thursday, Friday, and Saturday racing with two exceptions, no racing on Thanksgiving day and Christmas day.

Week 1	November 20, 21, 22, 2008
Week 2	November 28, 29, 2008
Week 3	December 4, 5, 6, 2008
Week 4	December 11, 12, 13, 2008
Week 5	December 18, 19, 20, 2008
Week 6	December 26, 27, 2008
Week 7	January 1, 2, 3, 2009
Week 8	January 8, 9, 10, 2009
Week 9	January 15, 16, 17, 2009
Week 10	January 22, 23, 24, 2009
Week 11	January 29, 30, 31, 2009
Week 12	February 5, 6, 7, 2009
Week 13	February 12, 13, 14, 2009
Week 14	February 19, 20, 21, 2009
Week 15	February 26, 27, 28, 2009

Please let me know if you have any questions .

Yours truly,

Bryan P. Brown
C.E.O.

TEXAS RACING COMMISSION REQUEST FOR LIVE RACE DATES HORSE RACETRACKS - 2008

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Tuesday, July 2, 2007.

I. Schedule Requested

Name of Racetrack: Retama Park

First Meet (if applicable)

Opening Day: 11/20/2008

Closing Day: 12/27/2008

Thoroughbred - # of races per day 9

Quarter Horse - # of races per day _____

Mixed - # of races per day: T ____ QH ____ Minor **

Total number of days: 16

** Includes one Arabian race per week.

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2008 will be allocated among the various breeds:

Appaloosa	<u>00</u> %	Arabian	<u>04</u> %	Paint	<u>00</u> %
Quarter Horse	<u>00</u> %	Thoroughbred	<u>96</u> %		

Check all that apply:

Attached are letters from the affected breed registries that have agreed to this allocation.

The _____ breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

- / / Dave Hooper, Texas Thoroughbred Association
- / / Tommy Azopardi, Texas Horsemen's Partnership
- / / Andrea Young, Sam Houston Race Park
- / / Drew Shubeck, Lone Star Park

III. Dates Requested

Indicate on the attached calendar each live race date requested with a "T" (Thoroughbred), "QH" (Quarter Horse), or "M" (Mixed). Include standard post time in space provided on calendar. Any exceptions, such as holidays, should be noted.

IV. Charity Days

Indicate which days are designated as charity days:

DESIGNATED BY RULE

(1) A charity that directly benefits the persons who work on the backside:
for

(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:
for

(Name of Charity)

OPTIONAL

___/___/2008 for _____
(Name of Charity)

___/___/2008 for _____
(Name of Charity)

___/___/2008 for _____
(Name of Charity)

For each charity listed, attach the following information:

1. A brief description of the activities or purposes of the charity
2. The name and address of each individual who serves as an officer or director
3. A copy of an I.R.S. letter of determination that qualifies the charity as an exempt organization for federal income tax purposes

V. Certificate of Service

I hereby certify that on _____, 2007, a true and correct copy of this request was sent to the persons listed below by:

- Certified Mail R.R.R. Regular Mail Facsimile Hand Delivery

Signature

Title

Austin Jockey Club
c/o Bryan Brown, Vice President
P. O. Box 47535
San Antonio, TX 78265

Gillespie County Fair & Festivals Assn.
c/o Ronnie Ersch, General Manager
P. O. Box 526
Fredericksburg, Texas 78624

Saddle Brook Park, Inc.
c/o Drew Alexander, President
P. O. Box 50597
Amarillo, TX 79159

Manor Downs
c/o Howard Phillips, CEO
P. O. Box 141309
Austin, Texas 78714

Lone Star Park at Grand Prairie
c/o Drew Shubeck, General Manager
1000 Lone Star Parkway
Grand Prairie, TX 75050

Retama Park
c/o Bryan Brown, CEO
P. O. Box 47535
San Antonio, TX 78265

Sam Houston Race Park
c/o Andrea Young, COO
7575 N Sam Houston Parkway West
Houston, Texas 77064

Retama Park
Requested Live Race Dates for 2008

NOVEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2 Daylight Saving Time Ends	3	4	5	6	7	8
9	10	11 Veterans' Day	12	13	14	15
16	17	18	19	20 T - 6:45	21 T - 6:45	22 T - 6:45
23	24	25	26	27 Thanksgiving DARK	28 T - 6:45	29 T - 6:45
30						
DECEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 T - 6:45	5 T - 6:45	6 T - 6:45
7	8	9	10	11 T - 6:45	12 T - 6:45	13 T - 6:45
14	15	16	17	18 T - 6:45	19 T - 6:45	20 T - 6:45
21	22 Hanukkah	23	24	25 Christmas DARK	26 T - 6:45	27 T - 6:45
28	29	30	31 New Years Eve			

TEXAS RACING COMMISSION REQUEST FOR LIVE RACE DATES HORSE RACETRACKS - 2009

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The Commission will not consider an incomplete request. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Thursday, July 3, 2008.

I. Schedule Requested

Name of Racetrack: Retama Park

First Meet (if applicable)

Opening Day: 01/01/2009

Closing Day: 02/28/2009

Thoroughbred - # of races per day 9

Quarter Horse - # of races per day _____

Mixed - # of races per day: T ___ QH ___ Minor **

Total number of days: 27

** Includes one Arabian race per week.

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2008 will be allocated among the various breeds:

Appaloosa	<u>00</u> %	Arabian	<u>04</u> %	Paint	<u>00</u> %
Quarter Horse	<u>00</u> %	Thoroughbred	<u>96</u> %		

Check all that apply:

Attached are letters from the affected breed registries that have agreed to this allocation.

The _____ breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

____/____/____

Dave Hooper, Texas Thoroughbred Association

____/____/____

Tommy Azopardi, Texas Horsemen's Partnership

____/____/____

Andrea Young, Sam Houston Race Park

____/____/____

Drew Shubeck, Lone Star Park

III. Dates Requested

Indicate on the attached calendar each live race date requested with a "T" (Thoroughbred), "QH" (Quarter Horse), or "M" (Mixed). Include standard post time in space provided on calendar. Any exceptions, such as holidays, should be noted.

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Indicate which days are designated as charity days:

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(1) A charity that directly benefits the persons who work on the backside:

for

(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:

for

(Name of Charity)

OPTIONAL

___/___/2009 for _____
(Name of Charity)

___/___/2009 for _____
(Name of Charity)

___/___/2009 for _____
(Name of Charity)

For each charity listed, attach the following information:

1. A brief description of the activities or purposes of the charity
2. The name and address of each individual who serves as an officer or director
3. A copy of an I.R.S. letter of determination that qualifies the charity as an exempt organization for federal income tax purposes

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I hereby certify that on _____, 2008, a true and correct copy of this request was sent to the persons listed below by:

- Certified Mail R.R.R. Regular Mail Facsimile Hand Delivery

Signature

Title

Austin Jockey Club
c/o Bryan Brown, Vice President
P. O. Box 47535
San Antonio, TX 78265

Gillespie County Fair & Festivals Assn.
c/o Ronnie Ersch, General Manager
P. O. Box 526
Fredericksburg, Texas 78624

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1000 Lone Star Parkway
Grand Prairie, TX 75050

Retama Park
c/o Bryan Brown, CEO
P. O. Box 47535
San Antonio, TX 78265

Sam Houston Race Park
c/o Andrea Young, COO
7575 N Sam Houston Parkway West
Houston, Texas 77064

Retama Park
Requested Live Race Dates for 2009

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 New Year's Day T - 6:45	2 T - 6:45	3 T - 6:45
4	5	6	7	8 T - 6:45	9 T - 6:45	10 T - 6:45
11	12	13	14	15 T - 6:45	16 T - 6:45	17 T - 6:45
18	19 Martin Luther King	20	21	22 T - 6:45	23 T - 6:45	24 T - 6:45
25	26	27	28	29 T - 6:45	30 T - 6:45	31 T - 6:45

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1 Super Bowl Sunday	2	3	4	5 T - 6:45	6 T - 6:45	7 T - 6:45
8	9	10	11	12 T - 6:45	13 T - 6:45	14 T - 6:45
15	16 Presidents' Day	17	18	19 T - 6:45	20 T - 6:45	21 T - 6:45
22	23	24	25	26 T - 6:45	27 T - 6:45	28 T - 6:45



PARTNERSHIP

October 28, 2008

Charla Ann King
Executive Director
Texas Racing Commission
P. O. Box 12080
Austin, TX 78711-2080

Dear Charla Ann:

On behalf of the Texas Thoroughbred HBPA, Inc., I would like to inform you that an agreement has been reached between the Texas Thoroughbred HBPA, Inc., Sam Houston Race Park and Retama Race Park to preserve some of the winter racing days that Sam Houston Race Park is forced to cancel due to the extensive damaged caused by Hurricane Ike.

While it has been a difficult issue to manage, the cooperation of Sam Houston Race Park, Retama Park and your staff made the process much more efficient and productive and allowed the industry to come to a resolution that will survive the thoroughbred industry in the wake of this crisis.

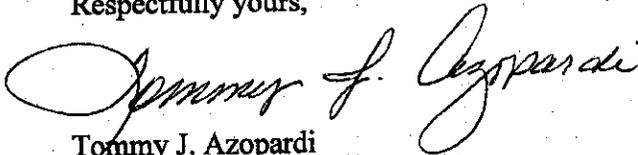
We also wish to thank Drew Shubeck and Lone Star Park for their willingness to make several proposals that made efficient use of thoroughbred purse funds. Unfortunately, while those proposals did add thoroughbred racing opportunities, none of them added days in months that were necessary to allow Texas horsemen to stay in our state and have opportunities to run their horses. The final agreement reached between TTHBPA, Sam Houston Race Park and Retama Park will facilitate 43 days of thoroughbred racing at Retama Park and extend the current thoroughbred meet at Retama Park through the month of February. This agreement uses 100% of the thoroughbred purse money that was projected to be available for the Sam Houston Race Park thoroughbred meet. If additional purse monies become available from alternative sources, the TTHBPA is eager to work with Lone Star Park to pick up additional opportunities for its members.

The agreement reached requires the transfer of purse money from the thoroughbred purse account at Sam Houston Race Park to the thoroughbred purse account at Retama Park and it also requires the expenditure of thoroughbred purse funds accrued by Retama Park to assist in the operation of those facilities during the months that the 43 days of racing will be conducted. The TTHBPA believes that it is imperative to do whatever is necessary to preserve winter racing in

Texas or risk a further exodus of thoroughbred horses and horsemen from the state and accelerate the decline in our industry.

Again, we appreciate the cooperation of your staff to facilitate discussions and provide data and we greatly appreciate the Commissioner's willingness to meet in emergency session on short notice to resolve this critical matter. If I can provide any further information prior to the Commission meeting please let me know. I will be in attendance at the Commission to present the Agreement and answer any questions that the Commissioners may have at that point.

Respectfully yours,

A handwritten signature in cursive script, reading "Tommy J. Azopardi". The signature is written in black ink and is positioned above the typed name.

Tommy J. Azopardi
Executive Director

RACE DATE AGREEMENT

THIS AGREEMENT, made and entered into this 28th day of October, by and between Retama Development Corporation whose address is 1 Retama Parkway, Selma, Texas 78154 (hereinafter referred to as "Retama"), and the Texas Thoroughbred HBPA, Inc., a Texas non-profit corporation, Post Office Box 142533, Austin, Texas 78714 (hereinafter referred to as the "Association").

WITNESSETH

WHEREAS, Retama is the operator of a certain horse racing facility known as Retama Park; and

WHEREAS, the Association has requested that Retama offer a total of 43 additional race dates pursuant to the terms and conditions of this Agreement (the "Race Dates"); and

WHEREAS, Retama is ready and willing to offer the Race Dates subject to the terms and conditions of this Agreement; and

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, acknowledged by the parties to be satisfactory and adequate, the parties agree as follows:

1. **ADDITIONAL RACE DATES** – Retama will offer the Race Dates during the period beginning November 20, 2008 and extending through March 8, 2009. Retama shall use its reasonable judgment in allocating the race dates throughout this time period. Retama shall commence racing no later than Friday, November 28, 2008 and shall conclude racing no later than Saturday, March 8, 2009.
2. **OBLIGATIONS OF RETAMA** -- In addition to any other obligations of Retama contained herein, Retama will:
 - a) use reasonable efforts to offer at least 387 races over the 43 race days; and
 - b) repay the Final Advance referred to in paragraph 3(b) below.
3. **OBLIGATIONS OF ASSOCIATION** -- In addition to any other obligations of Association contained herein, Association shall:
 - a) Advance to Retama a total of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$1,500,000) from purse funds. Of this amount, \$750,000 shall be advanced as funds become available starting on November 16, 2008. The remaining balance of \$750,000 shall be advanced as funds become available beginning on November 8, 2009. These advances may be made by Retama retaining purse funds that would otherwise be transferred to Association.

b) Of the advanced amounts referenced in paragraph 3(a) above, the first \$750,000 (the "Initial Advance") shall be a transfer from the Association to Retama for defraying of expenses associated with the additional race dates. Retama shall not be obligated to repay any of the Initial Advance unless, within a period of five (5) years from the date of this Agreement, effective ownership or control of Retama's racing facility is transferred or assigned and Retama receives \$9,750,000 or more of net cash or stock proceeds ("Control Change"). In the event of a Control Change, the entire Initial Advance shall be due and payable on the effective date of change of ownership or control. The remaining \$750,000 advanced (the "Final Advance") shall be repaid by Retama over ten years in ten equal annual installments, with no interest charged. The first repayment installment of \$75,000 (or 10% of the actual amount of the Final Advance) shall be due and payable one year following the full accumulation of the Final Advance. In no event shall the first installment be due and payable later than May 1, 2011. Each successive installment of \$75,000 (or 10% of the actual amount of the Final Advance) shall be due and payable on each anniversary date of the first payment made. With respect to the Final Advance, should Retama exceed projections for on-track wagering or for outbound wagering by 30% or more, Retama will reasonably negotiate with the Association the amount of the Final Advance so that it more accurately reflects the actual loss from offering the Race Dates. The calculation of the loss will include any loss of revenue such as parking lot rental and training center revenues in addition to the actual operational loss and other cash payments necessary to offer the Race Dates. Upon agreement on the actual loss, Retama will reduce the amount of the Final Advance appropriately. Should Retama's actual on-track or outbound wageing fall 30% or more short of projections, Association will reasonably negotiate with Retama the amount of the Final Advance so that it more accurately reflects the actual loss from offering the Race Dates. If there are purse funds available from sources other than Retama simulcast accruals, live racing accruals, and cross-species accruals, Association will use reasonable efforts to use those funds to adjust the Final Advance appropriately.

c) Publicize the Race Dates on the Association's web site, in emails to Association members and in Association periodicals.

d) Allow the export of the Retama host signal to advance deposit wagering sites with a 6% host fee charged. This fee, or any amount in excess of this fee, shall be shared 50% to Retama and 50% to the Association (with such Association funds accruing to the benefit of the Retama purse account).

e) Facilitate the transfer of all thoroughbred purse funds accrued in Sam Houston Race Park's purse account through April 4, 2009 to the Retama purse account. The initial transfer shall take place within two days of approval of the transfer of dates by the Texas Racing Commission. The purse funds transferred shall include all funds accruing from on-track (guest) simulcasting, cross-species simulcasting and any other sources. Sam Houston Race Park shall not be responsible for any purse overpayment by Retama..

f) By October 30, 2008, issue export approval on: 1) all outlets currently approved to take the Retama signal; and 2) all outlets approved to take the Sam Houston Race Park signal during the 2007/08 race meeting; and 3) the advance deposit wagering sites referred to in 3(d) above. Any future export requests, if acceptable to the Association, shall be approved within three days of request by Retama.

4. **ASSIGNMENT OF AGREEMENT** -- This Agreement shall not be assigned by either party without the prior written consent of the other party. The Agreement shall be fully binding on any successors or assigns.

5. **BREACH OF TERMS** -- In the event that either party breaches any of the terms and conditions of this Agreement then the non-breaching party shall have the option of canceling this Agreement upon five (5) days written notice to the breaching party or may seek specific performance.

6. **ENTIRE AGREEMENT** -- This Agreement contains the entire understanding among the parties and supersedes any prior understanding and agreements, verbal or written, between them respecting the within subject matter. Any subsequent amendments to this Agreement must be in writing and signed by both parties.

7. **BINDING EFFECT/VALIDITY** -- This Agreement shall be binding upon and inure to the benefit of the parties. If any provision of this Agreement, or the application of such provisions, shall be held to be invalid, the remainder of this Agreement shall not be affected thereby.

8. **EXECUTION OF AGREEMENT AND OTHER DOCUMENTS** -- This Agreement may be executed in duplicate each of which shall constitute an original Agreement. The parties hereto agree to execute such documents as may be required to carry out the intent of this Agreement.

9. **PROVISIONS OF NOTICE** -- All notices required hereunder shall be effective and binding if sent by prepaid certified or registered mail, return receipt requested, telegram, cablegram, or delivered in person to the addresses of the parties as set forth hereinabove.

10. **GOVERNING LAW** -- This Agreement, and the application or construction thereof, and any dispute arising out of or related thereto shall be governed exclusively by the laws of the State of Texas. Venue for legal action shall be Bexar County, Texas.

11. **TERMS** -- The parties and the signatories on their behalf are duly authorized to execute and deliver this agreement and to be bound by its terms.

12. **HEADING AND SYNTAX** -- All references made and pronouns used herein shall be construed in the singular or plural, and in such gender, as the sense and circumstances require. The headings set forth in this Agreement are for convenience and reference only and are not intended to modify, limit, describe or affect in any way the contents, scope or intent of this Agreement.

13. **APPROVAL BY TEXAS RACING COMMISSION** -- This Agreement is contingent upon approval by the Texas Racing Commission.

IN WITNESS THEREOF, the parties hereto, intending to be legally bound, have executed this agreement as of the date hereinabove set forth.

Retama:

Association:

By:

Gary P. Baber

By:

Name:

GARY P. BABER

Name:

Title:

CHAIRMAN

Title:

Date:

10/28/08

Date:

IN WITNESS THEREOF, the parties hereto, intending to be legally bound, have executed this agreement as of the date hereinabove set forth.

Retama: _____
By: _____
Name: _____
Title: _____
Date: _____

Association:
By: *Thomas J. Asprandi*
Name: *Thomas J. Asprandi*
Title: *Executive Director, THP*
Date: *10-28-08*



October 28, 2008

Bryan Brown
Chief Executive Officer
Retama Park
P.O. Box 47535
San Antonio, TX 78154

Dear Mr. Brown:

Sam Houston Race Park supports the Texas Horsemen's Partnership's plan to relocate race dates originally scheduled to be run during Sam Houston Race Park's 2008-09 Thoroughbred meeting to Retama Park.

We understand that the plan is still subject to Texas Racing Commission approvals. Pending receipt of these approvals, Sam Houston Race Park agrees to transfer to Retama Park's purse account, all Thoroughbred and Arabian purse funds currently held in accounts at Sam Houston Race Park as well as any future Thoroughbred and Arabian purse funds earned by import simulcast handle through April 4, 2009.

Thank you for your assistance during this challenging time.

Sincerely,

Andrea B. Young
Chief Operating Officer

cc: Tommy Azopardi, Texas Horsemen's Partnership
David Hooper, Texas Thoroughbred Association
David Jackson, Sam Houston Race Park
Eric Johnston, Sam Houston Race Park
Charla Ann King, Texas Racing Commission
Mark Fenner, Texas Racing Commission
Sammy Jackson, Texas Racing Commission
John Ferrara, Texas Racing Commission

SAM HOUSTON RACE PARK LTD.

7575 North Sam Houston Parkway West, Houston, TX, 77064 • 281.807.8700 • shrp.com



LONE STAR PARK

at Grand Prairie®

A MAGNA ENTERTAINMENT VENUE

Our Mission:

Create Winning Experiences.

TEXAS RACING
COMMISSION

October 17, 2008

2008 OCT 27 PM 2: 54

Mr. Tom Azopardi
Texas Horsemen's Partnership
1812 Centre Creek Drive
Suite 250
Austin, Texas 78754

Dear Tommy,

It was unfortunate to learn Sam Houston suffered major damage to its grandstand and backside during the recent hurricane. I am sure Shawn Hurwitz and Andrea Young made every effort to get things in order for their race meet but ultimately the damage was too great to be completed before their November opening.

I also understand that Retama Park has stepped up and agreed to hold a 43-day winter meeting that will be well received by our south Texas horsemen.

Lone Star Park is also eager to offer Texas horsemen additional racing opportunities during the 2009 racing season. We propose adding seven (7) Wednesdays to our previously scheduled race meet. These extra race days will come at no additional cost to Texas horsemen for operational expenses and 100% of the purse money earned will be paid during our meet that ends on July 26, 2009. An average race in our condition book pays \$17,000, so seven (7) race days with nine (9) races per card would cost \$1,071,000 out of Sam Houston's purse account. We calculate a minimum of \$250,000 in earnings from running those races at Lone Star, further increasing horsemen's purse potential for the 2009 Lone Star meet.

The only consideration we would like to receive is your support of ADW agreements that have been negotiated by TrackNet. We also would continue to allow THG to negotiate on your behalf so if a better deal were struck it would automatically be adjusted to the national ADW model.

I'm sure you can understand that it is Lone Star's position that a portion of Sam Houston's purse money should be spent to benefit horsemen that participate at Lone Star Park. We are not asking for operational assistance, only a chance to use some of Sam Houston's purse money in our market.

If you have any questions or need further explanation of our proposal please contact me at your earliest convenience.

Sincerely,

Drew M. Shubeck
President and General Manager

cc: Ms. Charla Ann King, Texas Racing Commission ✓
Mr. Dave Hooper, Texas Thoroughbred Association

HOST SITE OF THE
2004 BREEDERS' CUP
WORLD THOROUGHBRED CHAMPIONSHIPS

1000 Lone Star Parkway
Grand Prairie, Texas 75050
(972) 263-7223
lonestarpark.com



October 28, 2008

Charla Ann King
Executive Director
Texas Racing Commission
P. O. Box 12080
Austin, TX 78711-2080

Dear Charla Ann:

Please be advised that the Executive Committee of the Texas Thoroughbred Association met late Monday afternoon via conference call after receiving the latest draft of the proposed Race Date Agreement at approximately 3pm the same day.

The Executive Committee, which is empowered under the organization's bylaws to act on behalf of the TTA Board of Directors, discussed the terms of the Agreement to transfer Thoroughbred purse revenue from the Sam Houston Race Park Thoroughbred purse account to Retama Park in order to sustain 43 days of racing beginning November 20 and ending February 28, 2009, but determined that it could not approve the Agreement until such time as:

- 1) The Texas Racing Commission was satisfied that the damage to Sam Houston Race Park caused by Hurricane Ike was sufficient to cancel the 65-day Thoroughbred meet scheduled from November 28, 2008 through April 4, 2009;
- 2) There is a proposed resolution brought forth that will allow horsemen to have a reasonable opportunity to be able to continue to train their horses within the State of Texas, including if possible, at Sam Houston Race Park since both of the racing surfaces are reported to be unaffected by Hurricane Ike;
- 3) There is a satisfactory explanation why Sam Houston Race Park can continue with business as usual, i.e. daily simulcasting, hosting band competitions and concerts, promote the 2-day Breeders' Cup weekend, but officials cannot find a way to conduct a live race meet even under temporary facilities;
- 4) There are assurances that Sam Houston Race Park will be ready to conduct the 2009 Quarter Horse meet scheduled to open on Kentucky Derby weekend;
- 5) There is assurance that the payback provisions in the proposed Agreement will be included as a part of any bankruptcy filing if that action were to occur within the 10-year timeframe;
- 6) There can be some consideration given to adding racing days at Lone Star Park within its regularly scheduled 2009 Thoroughbred meet if additional purse revenue becomes available through whatever sources.

The TTA Executive Committee will reconvene via conference call on Thursday, October 29, at 2:30pm to discuss decisions made at tomorrow's special TRC meeting, to consider responses of Sam Houston Race Park officials to the issues raised above and to act on the Agreement if the 2008-9 Sam Houston Thoroughbred meet has been cancelled.

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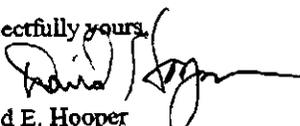
Also, during a conference call meeting of the TTA Executive Committee on October 16, 2008, the following resolution was passed:

"Resolved, that the Texas Thoroughbred Association commends Lone Star Park and Retama Park for being proactive in considering the best interests of the horsemen of Texas while working to resolve the issue of live race dates that Sam Houston Race Park may be unable to conduct;

"Further resolved, that these entities are urged in good faith to continue to seek solutions that will maximize racing opportunities and purses for Quarter Horses and Thoroughbreds, attendance and live and simulcast wagering, in order to maintain a quality racing experience for the horsemen and citizens of Texas."

In addition, on behalf of Texas Thoroughbred Association, I want to thank all Commissioners and TRC staff for their help in facilitating a meeting of track officials, breed and horsemen's organization representatives and key TRC staff members that took place immediately after the most recent TRC meeting. Thanks to the convening of that meeting, serious discussions began in an effort to seek alternative solutions for the running of Thoroughbred dates through the fall, winter and spring. Thank you again.

Respectfully yours,


David E. Hooper
Executive Director

CC: TTA Executive Committee

Keith Asmussen

Bill Heiligbrodt

Bryan Brown, Retama Park

Drew Shubeck, Lone Star Park

Andrea Young, Sam Houston Race Park

Tommy Azopardi, Texas Horsemen's Partnership

Rob Werstler, Texas Quarter Horse Association