



TEXAS RACING COMMISSION

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Austin, TX 78711-2080
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Fax (512) 833-6907**

Texas Racing Commission
Tuesday, December 18, 2012
10:30 a.m.
John H. Reagan Building
105 W. 15th Street
Austin, Texas 78701

AGENDA

I. CALL TO ORDER
Roll Call

II. PUBLIC COMMENT

III. GENERAL BUSINESS

Discussion and consideration of the following matters:

Reports by the Executive Director and Staff regarding Administrative Matters

- A. Budget and Finance Update
- B. Report on Racetrack Inspections
- C. Report on Wagering Statistics
- D. Enforcement Report

Discussion, consideration, and possible action on the following matters:

- E. Legislative Proposals by the Texas Racing Commission to the 83rd Texas Legislature, Regular Session

IV. PROCEEDINGS ON RACETRACKS

Discussion, consideration, and possible action on the following matters:

- A. Request by Retama Partners, Ltd., for Approval of Two Changes of Ownership of Less than 1%
- B. Request by Retama Partners, Ltd., for Approval of Conversion of Business Organization, Majority Change of Ownership, and Appointment of New Management Committee
- C. Request by Sam Houston Race Park for Approval of an Amendment to its Totalisator Contract with Sportech, Inc.
- D. Request by Saddle Brook Park for Approval of a Totalisator Contract with AmTote International, Inc.
- E. Request by Saddle Brook Park for Redesignation of its Class 2 Horse Racing License as Active-Other

Horse Race Dates and Purse Allocations

- F. Allocation of purses as provided under Commission Rule 321.505(a).
- G. Distribution of funds in the Escrowed Purse Account among the various breeds of horses under Commission Rule 321.509. Greyhound Race Dates
- H. Allocation of Live Race Dates for Horse Racetracks under Commission Rule 303.41 for the Periods of January 1, 2013 through August 31, 2014, and October 1, 2014 through November 30, 2014.

Greyhound Race Dates and Purse Allocations

- I. Allocation of Live Race Dates for Greyhound Racetracks under Commission Rule 303.41 for the Periods of January 1, 2013 through August 31, 2014, and October 1, 2014 through November 30, 2014.
- J. Allocation by the Texas Greyhound Association of Interstate Cross-Species Purse Money

V. PROCEEDINGS ON RULEMAKING

Discussion and consideration of the following matter:

- A. Report by the Committee on Rules

Discussion, consideration, and possible action on the following matters:

Rule Proposals

- B. Proposal to Amend Rule 309.1, Racetrack Licenses

Rule Adoptions

Chapter 311 – Other Licenses

- C. Adoption of Amendment to Rule 311.1, Occupational Licenses
- D. Adoption of Amendment to Rule 311.2, Application Procedure
- E. Adoption of Amendment to Rule 311.3, Information for Background Investigation
- F. Adoption of Amendment to Rule 311.5, License Categories and Fees
- G. Adoption of Amendment to Rule 311.101, Horse Owners
- H. Adoption of Amendment to 311.102, Greyhound Owners

Chapter 321 – Pari-mutuel Wagering

- I. Adoption of Amendment to Rule 321.29, Mutuel Tickets
- J. Adoption of Amendment to Rule 321.31, Vouchers
- K. Adoption of Amendment to Rule 321.46, Payment on No Ticket Issue
- L. Adoption of Amendment to Rule 321.215, Multiple Wagers
- M. Adoption of Amendment to Rule 321.320, Super Hi-Five
- N. Adoption of Amendment to Rule 321.321, Fortune Pick (n)
- O. Adoption of Amendment to Repeal Chapter 321, Subchapter B, Totalisator Requirements and Operating Environment
- P. Adoption of Amendment for New Chapter 321, Subchapter B, Rule 321.101, Totalisator Requirements and Operating Environment
- Q. Adoption of Amendment to Rule 321.15, License to Provide Totalisator Services

VI. EXECUTIVE SESSION

The following items may be discussed and considered in executive session or open meeting and have action taken in the open meeting:

- A. Under Government Code Sec. 551.071(1), the Commission may open an executive session to seek the advice of its attorney regarding pending or contemplated litigation, or regarding a settlement offer. Cases that may be discussed include, but are not limited to:

Case No. 1:12-cv-00880-LY; Churchill Downs Inc., v. Chuck Trout, et al., in the United States District Court for the Western District of Texas, Austin Division

Cause No. D-1-GN-12-000580; Dallas City Limits Property Co., LP v. Robert Schmidt, M.D., et al., in the 353rd Judicial District Court of Travis County, Texas.

- B. Under Government Code Sec. 551.071(2), the Commission may open an executive session to discuss all matters identified in this agenda where the commission seeks the advice of their attorney as privileged communications under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas and to discuss the Open Meetings Act and the Administrative Procedures Act.

- C. Under Texas Racing Act, Tex. Rev. Civ. Stat. Ann. art. 179e, Sec. 6.03, the Commission may open an executive session to review security plans and management, concession, and totalisator contracts.

VII. OLD/NEW BUSINESS

Schedule next Commission Meeting

VIII. ADJOURN



**Fiscal Year 2013
Operational Budget**

Updated: November 28, 2012

Thru: October 31, 2012

Summary of Operating Revenue

By Revenue Type:	Budget	Collected	Suspended	Uncollected Balance	%
Account 597 - Racing Commission - GRD	\$ 10,063,650	\$ 3,459,113	\$ 75,000	\$ 4,257,077	42%
Account 1 - State of Texas - GR	\$ -	\$ -	\$ -	\$ -	
TOTAL - ALL REVENUES	\$ 10,063,650	\$ 3,459,113	\$ 75,000	\$ 4,257,077	42%

Summary of Appropriated Operating Expenses

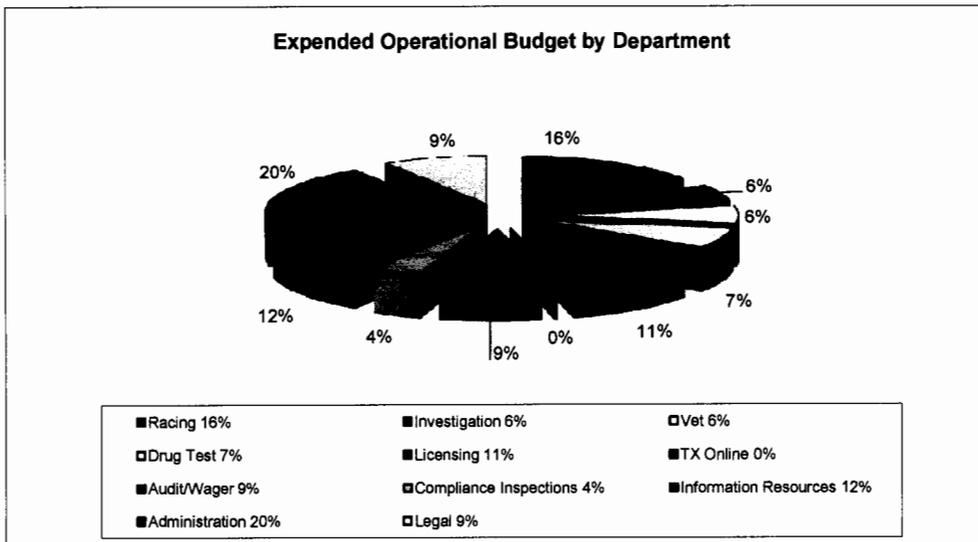
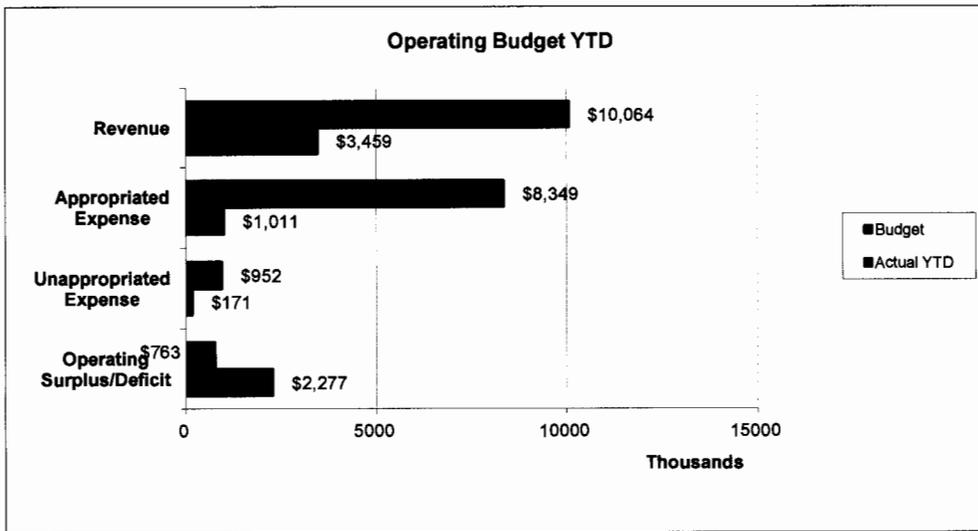
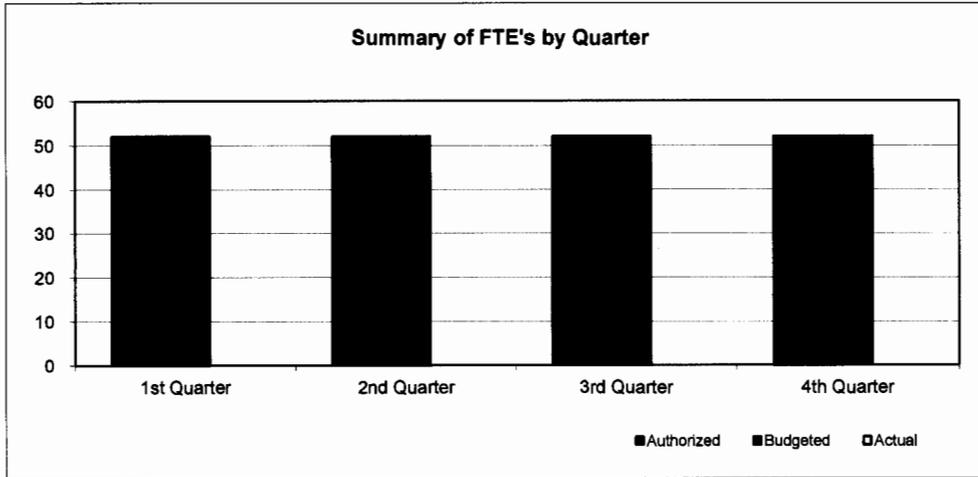
	Budget	Expended	Encumbered	Unexpended Balance	%
1001 - Salaries and Wages:	\$ 2,838,364	\$ 437,615	\$ -	\$ 2,400,748	85%
1002 - Other Personnel Cost:	\$ 190,829	\$ 16,723	\$ -	\$ 174,106	91%
2001 - Professional Fees and Services:	\$ 240,500	\$ 16,381	\$ -	\$ 224,119	93%
2003 - Consumable Supplies:	\$ 38,500	\$ 687	\$ -	\$ 37,813	98%
2004 - Utilities:	\$ 60,000	\$ 9,015	\$ -	\$ 50,985	85%
2005 - Travel:	\$ 177,789	\$ 8,707	\$ -	\$ 169,082	95%
2006 - Rent Building:	\$ 87,979	\$ 21,115	\$ -	\$ 66,865	76%
2007 - Rent Machine and Other:	\$ 14,500	\$ 2,471	\$ -	\$ 12,029	83%
2009 - Other Operating Expense:	\$ 575,098	\$ 39,453	\$ -	\$ 535,645	93%
4000 - Grants	\$ 4,125,000	\$ 459,250	\$ -	\$ 3,665,750	89%
5000 - Capital Expenditures:	\$ -	\$ -	\$ -	\$ -	n/a
TOTAL - ALL APPROPRIATED EXPENDITURES	\$ 8,348,559	\$ 1,011,418	\$ -	\$ 7,337,141	88%

Unappropriated Operating Expenses

Type:	Budget	Expended	Encumbered	Unexpended Balance	%
TOTAL - ALL UNAPPROPRIATED EXPENDITURES	\$ 952,248	\$ 171,006	\$ -	\$ 781,242	82%
TOTAL - ALL EXPENDITURES	\$ 9,300,807	\$ 1,182,425	\$ -	\$ 8,118,383	87%
OPERATING SURPLUS / (DEFICIT)	\$ 762,843	\$ 2,276,688			

Summary of FTE's

By Fiscal Quarter:	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Authorized FTE's	52.10	52.10	52.10	52.10
Budgeted FTE's	52.10	52.10	52.10	52.10
Actual FTE's	0.00	0.00	0.00	0.00
Actual FTE's Over / (Under) Budget				
Actual FTE's Over / (Under) Authorization				



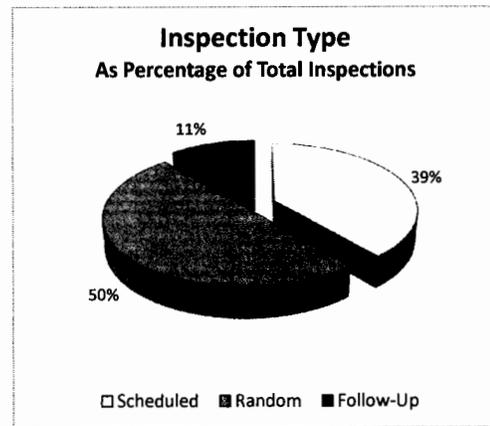
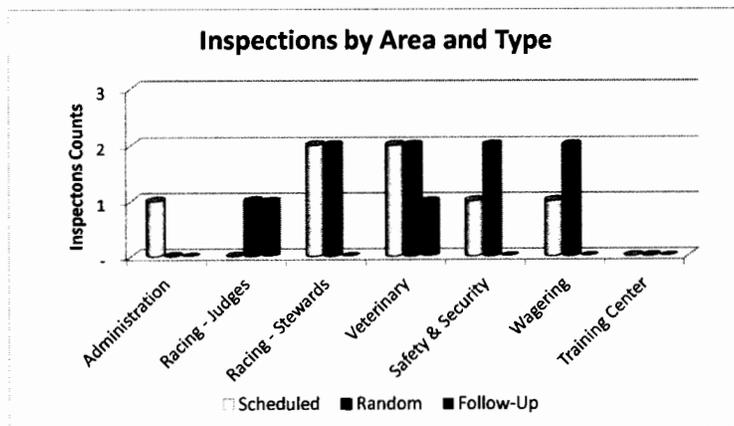
Texas Racing Commission
 Report on Racetrack Inspection Activities
 December 18, 2012

Summary of Inspections Performed For The Period of September 7, 2012 thru December 1, 2012					
Track	Area of Inspection	Date of Inspection	Number of Unsatisfactory Items	Track Remediation	Remaining Unsatisfactory Items
Gulf Greyhound Park	Racing - Judges	9/14/2012	4	0	4
	Racing - Judges	11/1/2012 - Follow-up	0	4	0
	Veterinary	9/16/2012	3	0	3
	Veterinary	10/17/2012 - Follow-up	0	3	0
	Wagering	10/18/2012	0		
Retama Park	Wagering	9/27/2012	0		
	Administration	9/27/2012	0		
	Safety & Security	9/28/2012	0		
	Veterinary	10/2/2012	0		
	Racing - Stewards	10/5/2012	0		
	Safety & Security	11/2/2012	0		
	Racing - Stewards	11/17/2012	0		
	Veterinary	11/30/2012	0		
Lone Star Park	Racing - Stewards	9/7/2012	0		
	Veterinary	10/26/2012	0		
	Racing - Stewards	11/1/2012	0		
	Safety & Security	11/3/2012	0		
Gulf Coast Racing	Wagering	10/19/2012	0		

Inspection Counts by Area and Type				
Area of Inspection	Scheduled	Random	Follow-Up	Totals
Administration	1	-	-	1
Racing - Judges	-	1	1	2
Racing - Stewards	2	2	-	4
Veterinary	2	2	1	5
Safety & Security	1	2	-	3
Wagering	1	2	-	3
Training Center	-	-	-	-
TOTAL INSPECTIONS	7	9	2	18

Important Notes Regarding Inspections at Racetracks:

- 1) Scheduled inspections typically occur before the beginning of each race meet. Random inspections typically are planned to occur during the middle of a meet, depending on the length of the meet.
- 2) Follow-up inspections are only performed when a scheduled or random inspection identifies an unsatisfactory item. The follow-up inspection is performed after the association has had an opportunity to remedy any unsatisfactory item initially reported.





**Texas Pari-Mutuel Racetracks Wagering Statistics
Comparison Report on Total Wagers Placed
in Texas & on Texas Races**

For the Period: 01/01/11 -12/09/11 to 01/01/12 -12/09/12

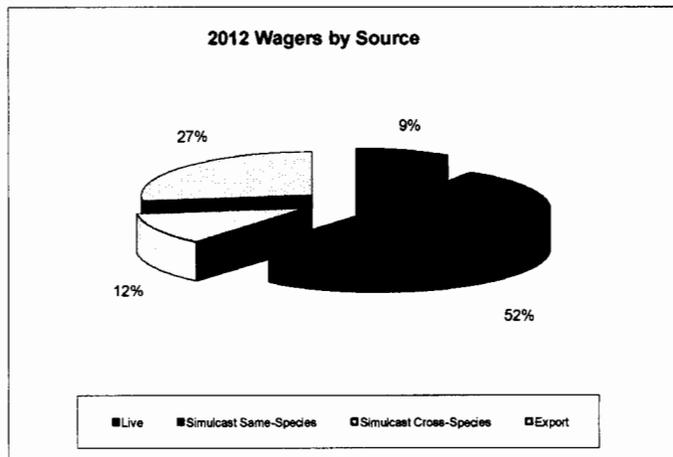
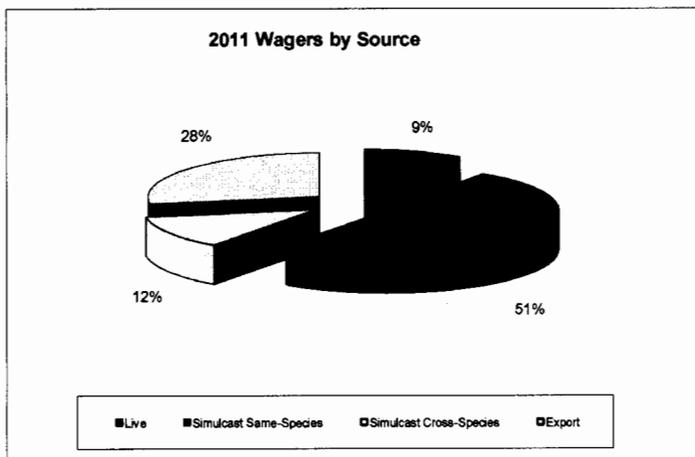
Sources of Wagers	Year 2011 01/01 - 12/09				Year 2012 01/01 -12/09			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers	
Greyhound Racetracks									
Live	250	\$ 9,960,999.7	\$ 39,844	240	\$ 8,513,925.6	\$ 35,475	-14.53%	-10.97%	
Simulcast Same-Species	877	\$ 25,553,781.7	\$ 29,138	883	\$ 24,981,704.9	\$ 28,292	-2.24%	-2.90%	
Simulcast Cross-Species	880	\$ 22,012,304.8	\$ 25,014	885	\$ 20,385,879.0	\$ 23,035	-7.39%	-7.91%	
Export	245	\$ 12,948,767.4	\$ 52,852	240	\$ 11,248,221.1	\$ 46,868	-13.13%	-11.32%	
Total Wagers		\$ 70,475,853.6	N/A		\$ 65,129,730.6	N/A	-7.59%	N/A	

Sources of Wagers									
Horse Racetracks									
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers	
Live	190	\$ 29,516,895.6	\$ 155,352	187	\$ 29,094,302.8	\$ 155,585	-1.43%	0.15%	
Simulcast Same-Species	1,226	\$ 186,441,694.2	\$ 152,073	1,229	\$ 192,976,341.7	\$ 157,019	3.50%	3.25%	
Simulcast Cross-Species	1,223	\$ 29,747,257.6	\$ 24,323	1,227	\$ 29,519,262.5	\$ 24,058	-0.77%	-1.09%	
Export	182	\$ 102,605,871.4	\$ 563,769	179	\$ 101,402,433.1	\$ 566,494	-1.17%	0.48%	
Total Wagers		\$ 348,311,718.8	N/A		\$ 352,992,340.1	N/A	1.34%	N/A	

Sources of Wagers									
All Texas Racetracks									
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wagers	
Live	440	\$ 39,477,895.3	\$ 89,722	427	\$ 37,608,228.4	\$ 88,075	-4.74%	-1.84%	
Simulcast Same-Species	2,103	\$ 211,995,475.9	\$ 100,806	2,112	\$ 217,958,046.6	\$ 103,200	2.81%	2.37%	
Simulcast Cross-Species	2,103	\$ 51,759,562.4	\$ 24,612	2,112	\$ 49,905,141.5	\$ 23,629	-3.58%	-3.99%	
Export	427	\$ 115,554,638.8	\$ 270,620	419	\$ 112,650,654.2	\$ 268,856	-2.51%	-0.65%	
Total Wagers		\$ 418,787,572.4	N/A		\$ 418,122,070.7	N/A	-0.16%	N/A	

Total Wagers Placed in Texas	\$ 303,232,933.6	N/A	\$ 305,471,416.5	N/A	0.74%	N/A
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Total Wagers Placed on Texas Races	\$ 155,032,534.1	N/A	\$ 150,258,882.6	N/A	-3.08%	N/A
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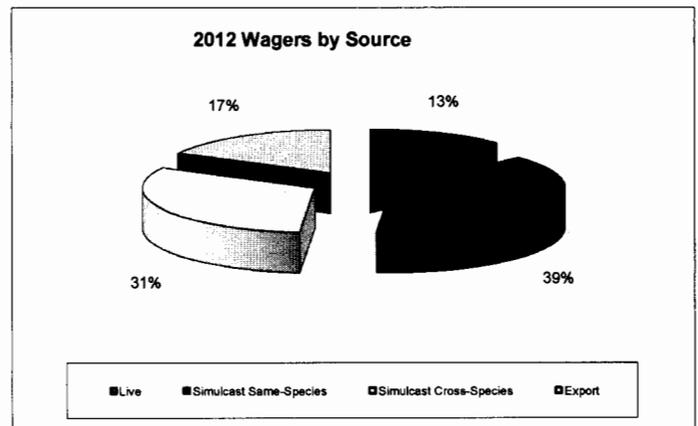
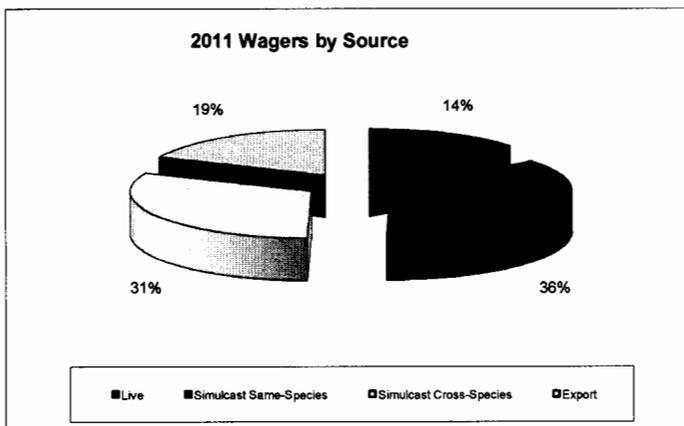


**Greyhound Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed**

in Texas & on Texas Races

For the Period: 01/01/11 -12/09/11 to 01/01/12 -12/09/12

Sources of Wagers	Year 2011 01/01 - 12/09			Year 2012 01/01 -12/09			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
Gulf Coast Racing								
Live	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Simulcast Same-Species	245	\$ 7,179,916.5	\$ 29,306	246	\$ 7,229,278.6	\$ 29,387	0.69%	0.28%
Simulcast Cross-Species	245	\$ 3,683,491.1	\$ 15,035	246	\$ 3,806,629.6	\$ 15,474	3.34%	2.92%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 10,863,407.6	N/A		\$ 11,035,908.2	N/A	1.59%	N/A
Gulf Greyhound Park								
Live	245	\$ 9,770,365.5	\$ 39,879	240	\$ 8,513,925.6	\$ 35,475	-12.86%	-11.04%
Simulcast Same-Species	339	\$ 11,867,840.0	\$ 35,008	343	\$ 11,461,670.6	\$ 33,416	-3.42%	-4.55%
Simulcast Cross-Species	341	\$ 11,902,339.5	\$ 34,904	344	\$ 10,829,727.0	\$ 31,482	-9.01%	-9.81%
Export	245	\$ 12,948,767.4	\$ 52,852	240	\$ 11,248,221.1	\$ 46,868	-13.13%	-11.32%
Total Wagers		\$ 46,489,312.4	N/A		\$ 42,053,544.3	N/A	-9.54%	N/A
Valley Race Park								
Live	5	\$ 190,634.2	\$ 38,127	0	\$ -	\$ -	-100.00%	-100.00%
Simulcast Same-Species	293	\$ 6,506,025.2	\$ 22,205	294	\$ 6,290,755.7	\$ 21,397	-3.31%	-3.64%
Simulcast Cross-Species	294	\$ 6,426,474.2	\$ 21,859	295	\$ 5,749,522.4	\$ 19,490	-10.53%	-10.84%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 13,123,133.6	N/A		\$ 12,040,278.1	N/A	-8.25%	N/A
All Greyhound Racetracks								
Live	250	\$ 9,960,999.7	\$ 39,844	240	\$ 8,513,925.6	\$ 35,475	-14.53%	-10.97%
Simulcast Same-Species	877	\$ 25,553,781.7	\$ 29,138	883	\$ 24,981,704.9	\$ 28,292	-2.24%	-2.90%
Simulcast Cross-Species	880	\$ 22,012,304.8	\$ 25,014	885	\$ 20,385,879.0	\$ 23,035	-7.39%	-7.91%
Export	245	\$ 12,948,767.4	\$ 52,852	240	\$ 11,248,221.1	\$ 46,868	-13.13%	-11.32%
Total Wagers		\$ 70,475,853.6	N/A		\$ 65,129,730.6	N/A	-7.59%	N/A
Total Wagers Placed in Texas		\$ 57,527,086.2	N/A		\$ 53,881,509.5	N/A	-6.34%	N/A
Total Wagers Placed on Texas Races		\$ 22,909,767.1	N/A		\$ 19,762,146.7	N/A	-13.74%	N/A

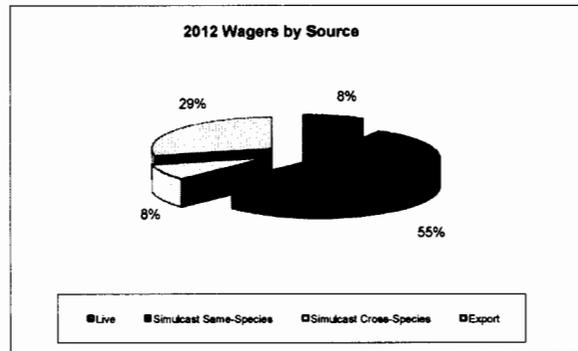
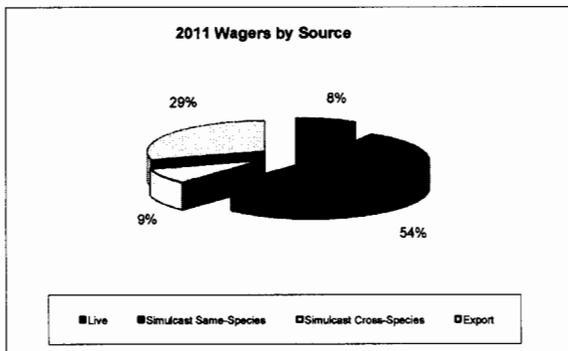




**Horse Racetrack Wagering Statistics
Comparison Report on Total Wagers Placed
in Texas & on Texas Races**

For the Period: 01/01/11 -12/09/11 to 01/01/12 -12/09/12

Sources of Wagers	Year 2011 01/01 - 12/09			Year 2012 01/01 -12/09			Percentage Change In	
	# Days	Total Wagers	Avg. Wager	# Days	Total Wagers	Avg. Wager	Total Wagers	Avg. Wager
Gillespie County Fair								
Live	8	\$ 1,246,006.0	\$ 155,751	8	\$ 1,292,129.0	\$ 161,516	3.70%	3.70%
Simulcast Same-Species	197	\$ 3,540,299.2	\$ 17,971	197	\$ 2,968,647.4	\$ 15,069	-16.15%	-16.15%
Simulcast Cross-Species	197	\$ 371,373.0	\$ 1,885	197	\$ 345,159.9	\$ 1,752	-7.06%	-7.06%
Export	0	\$ -	N/A	0	\$ -	N/A	N/A	N/A
Total Wagers		\$ 5,157,678.2	N/A		\$ 4,605,936.3	N/A	-10.70%	N/A
Lone Star Park								
Live	78	\$ 18,018,109.8	\$ 231,001	79	\$ 17,055,758.9	\$ 215,896	-5.34%	-6.54%
Simulcast Same-Species	343	\$ 85,929,607.6	\$ 250,524	344	\$ 90,145,548.2	\$ 262,051	4.91%	4.60%
Simulcast Cross-Species	341	\$ 4,549,362.0	\$ 13,341	343	\$ 5,041,191.4	\$ 14,697	10.81%	10.16%
Export	78	\$ 45,557,730.7	\$ 584,073	79	\$ 41,462,759.0	\$ 524,845	-8.99%	-10.14%
Total Wagers		\$ 154,054,810.1	N/A		\$ 153,705,257.5	N/A	-0.23%	N/A
Retama Park								
Live	47	\$ 4,881,761.7	\$ 103,867	42	\$ 4,489,158.0	\$ 106,885	-8.04%	2.91%
Simulcast Same-Species	343	\$ 33,872,263.5	\$ 98,753	344	\$ 36,687,824.2	\$ 106,651	8.31%	8.00%
Simulcast Cross-Species	342	\$ 6,302,764.7	\$ 18,429	343	\$ 6,469,988.1	\$ 18,863	2.65%	2.35%
Export	47	\$ 13,618,743.2	\$ 289,760	42	\$ 12,874,244.6	\$ 306,530	-5.47%	5.79%
Total Wagers		\$ 58,675,533.1	N/A		\$ 60,521,214.9	N/A	3.15%	N/A
Sam Houston Race Park								
Live	57	\$ 5,371,018.1	\$ 94,228	58	\$ 6,257,256.9	\$ 107,884	16.50%	14.49%
Simulcast Same-Species	343	\$ 63,099,523.9	\$ 183,964	344	\$ 63,174,321.9	\$ 183,646	0.12%	-0.17%
Simulcast Cross-Species	343	\$ 18,523,757.9	\$ 54,005	344	\$ 17,662,923.1	\$ 51,346	-4.65%	-4.92%
Export	57	\$ 38,081,072.6	\$ 668,089	58	\$ 47,065,429.5	\$ 811,473	23.59%	21.46%
Total Wagers		\$ 125,075,372.5	N/A		\$ 134,159,931.3	N/A	7.26%	N/A
All Horse Racetracks								
Live	190	\$ 29,516,895.6	\$ 155,352	187	\$ 29,094,302.8	\$ 155,585	-1.43%	0.15%
Simulcast Same-Species	1,226	\$ 186,441,694.2	\$ 152,073	1,229	\$ 192,976,341.7	\$ 157,019	3.50%	3.25%
Simulcast Cross-Species	1,223	\$ 29,747,257.6	\$ 24,323	1,227	\$ 29,519,262.5	\$ 24,058	-0.77%	-1.09%
Export	182	\$ 102,605,871.4	\$ 563,769	179	\$ 101,402,433.1	\$ 566,494	-1.17%	0.48%
Total Wagers		\$ 348,311,718.8	N/A		\$ 352,992,340.1	N/A	1.34%	N/A
Total Wagers Placed in Texas		\$ 245,705,847.4	N/A		\$ 251,589,907.0	N/A	2.39%	N/A
Total Wagers Placed on Texas Races		\$ 132,122,767.0	N/A		\$ 130,496,735.9	N/A	-1.23%	N/A



**Texas Racing Commission
Enforcement Report
Selected Regulatory Statistics
January 1, 2012 – November 30, 2012**

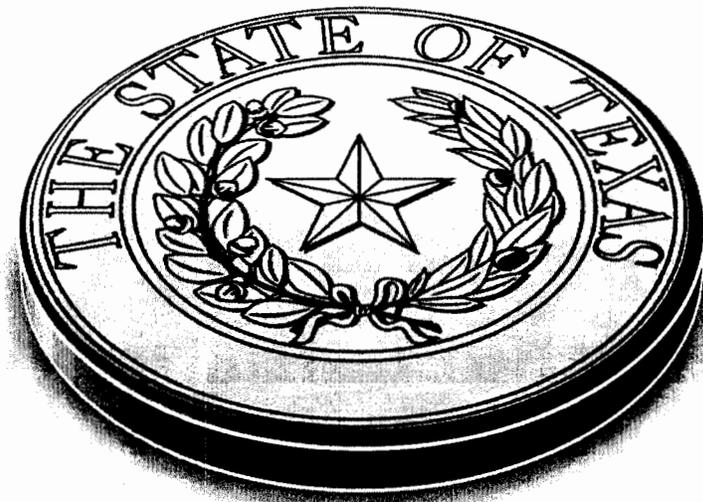
	GREYHOUND	HORSE	NOTES
# of Live Race Performances/Days	248	180	
# of Live Races	3,313	1,801	
# of Animals Inspected	26,039	15,377	
# of Samples	3,703	3,756	
# of Animal Drug Positives*	3	47	No notable drug positives since last Commission Meeting.
% of Samples Testing Positive	.08%	1.25%	
# of Simulcast Days	861	1,196	
# of Simulcast Races	266,709	392,057	
# of Import and Export Requests	276	1,163	
# of New Licenses Issued	2,194		
# of Licenses Renewed	4,649		
# of Gate, Barn, and Kennel Searches	66		
# of Administrative Investigations	143		
# of Rulings	19	259	
# of Suspensions	0	88	
# of Revocations	0	0	
# of Animals DQ'ed for Drug Positive – Purse Redistributed	1	18	
# of Rulings with Fines	18	191	
Total Fines Assessed	\$1,175.00	\$55,850.00	

CLASSIFICATION OF DRUG POSITIVES: Drugs are classified by their effect on the animals, with Class 1 being the most serious for greyhounds and horses and for greyhounds, Class 6 is the least serious, and for horses, Class 5 is the least serious.

Texas Racing Commission

Legislative Proposals

2012



Texas Racing Commission Legislative Proposals

Substantive Proposals

Definition of <i>Handicapper Tournament</i>	1
Texas Greyhound Kennel Residency Requirement	2
Brush Tracks	3
Criminal Penalties for Unlawful Wagering	4
Enhanced Penalty and Suspension Authority	5

Technical Changes

Financial Statement.....	6
APTRA to APA	7
Greyhound Breakage	8
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Definition of *Handicapper Tournament*

Proposal: This change would modify the Texas Racing Act to amend the existing definition for “Handicapper” and add a definition for “Handicapper Tournament.”

Explanation: Handicapping refers to the various methods by which spectators can predict and quantify the results of a horse race. Tournaments for handicappers have become popular, with the tournament winners typically advancing to national competitions. However, Texas racetracks are not able to offer these tournaments unless they waive all entry fees, which makes the tournament economically impractical.

In 2008, the RCI Model Rules Committee adopted a “Handicappers Tournament” model rule to facilitate the participating member jurisdictions in moving forward with the “Handicappers Tournament.”

Suggested Language:

Texas Racing Act, Article 179e, Vernon’s Texas Civil Statutes

1.03. Definitions.

(37) “Handicapper” means a person who predicts the winner of a horse or greyhound race.

(80) “Handicapper Tournament” means a contest conducted by an association and offered to handicappers on a series of live and/or simulcast greyhound or horse races, that have been approved by the Commission at the request of the association, to offer for pari-mutuel wagering at the racetrack. The association may charge a tournament fee to the participating handicappers.

Texas Greyhound Kennel Residency Requirement

Proposal: This change would remove the requirement that 50 percent of kennels on a greyhound association's grounds be wholly owned by Texas residents.

Explanation: Due to the decline in Texas racing, greyhound associations are finding it more difficult to ensure that 50 percent of the kennels on their racetracks are wholly owned by Texas residents. This change would provide more flexibility to the associations, while still ensuring that the Commission can conduct effective background checks on kennel owners by requiring that they be United States citizens.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 10.06. Texas Kennels.

[(a)] In contracting with kennel owners for a racetrack, an association shall ensure that [at least] 100 [50] percent of the kennels with which the association contracts are wholly owned by United States citizens [Texas residents].

[(b) In this section, "Texas resident" means an individual who has resided in Texas for the five-year period preceding the date the kennel contract is signed.]

Brush Tracks

Proposal: This change would make it a criminal act to conduct a public exhibition of racing unless the races are authorized and the facility licensed by the Commission.

Explanation: Unregulated racing has become an increasing problem in Texas, damaging the integrity of legitimate pari-mutuel racing and fostering an environment in which unlawful wagering and doping of horses is common. The Department of Public Safety has also identified these unregulated facilities, or “brush tracks,” as a problem. The Department observed that “using covert operations to identify individuals involved in illegal activities at these tracks is difficult due to the familiarity the participants have with each other. Moreover, the erratic scheduling of these operations and the undisclosed rural locations further hindered investigations by law enforcement officers.”

This change would provide law enforcement authorities the ability to arrest and refer for prosecution any person(s) who conduct racing for the public at an unlicensed racetrack.

Suggested Language:

Texas Racing Act, Article 179e, Vernon’s Texas Civil Statutes

Sec. 14.16. Racing Without License.

(a) A person commits an offense if the person[:(1)] conducts a greyhound or horse race without a racetrack license:[:] and

(1) [(2)] knows or reasonably should know that another person is betting on the final or partial outcome of the race; or [:]

(2) charges the public any type of fee to attend or view the race, including fees for admission, parking, programs, or concessions.

(b) An offense under this section is a felony of the third degree.

Criminal Penalties for Unlawful Wagering

Proposal: This change would make it a criminal act to engage in unlawful wagering on a horse or greyhound race in this state.

Explanation: While unlawful wagering on horse or greyhound racing is prohibited under the Act, the Act provides no criminal penalties for the violation. Instead, any prosecution for unlawful wagering would have to take place under the general prohibitions against wagering found in Chapter 47 of the Texas Penal Code.

This change would move the existing prohibition against unlawful wagering on racing from Article 11, Wagering, to Article 14, Criminal Offenses. It would also establish that placing an unlawful bet is a Class A misdemeanor, and that accepting an unlawful bet is a felony of the third degree.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 14.145. [11.05.] Unlawful Wagering.

(a) A person while in this state shall not wager on the result of a greyhound race or horse race conducted inside or outside this state ~~in this state~~ except as permitted by this Act.

(b) A person who is not an association under this Act may not accept from a Texas resident while the resident is in this state a wager on the result of a greyhound race or horse race conducted inside or outside this state.

(c) An offense under subsection (a) of this section is a Class A misdemeanor. An offense under subsection (b) of this section is a felony of the third degree.

Enhance Penalty and Suspension Authority

Proposal: This change would provide the Commission and its stewards with additional penalty and suspension authority.

Explanation: Section 3.07 of the Texas Racing Act (Act) establishes the authority of stewards to assess penalties against persons who commit unethical practices or violate racing rules, including violations for drug positives in race animals.

This change would allow the Commission to enforce stricter and stiffer penalties on individuals who chose to violate the Commission's drug enforcement policies. This change would also permit the Commission to administer the recommended penalties put forth in the model rules of the Association of Racing Commissioners International.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 3.07. Officials of Race Meetings

(a) (No change.)

(b) The commission shall make rules specifying the authority and the duties of each official, including the power of stewards or judges to impose penalties for unethical practices or violations of racing rules. A penalty imposed by the stewards or judges may include a fine of not more than \$25,000, [~~\$5,000~~,] a suspension for not more than five years, [~~one year~~,] or both a fine and suspension. Before imposing a penalty under this subsection, the stewards and judges shall conduct a hearing that is consistent with constitutional due process. A hearing conducted by a steward or judge under this subsection is not subject to Chapter 2001, Government Code. A decision of a steward or judge is subject to review by the executive director, who may modify the penalty. A penalty modified by the executive director under this section may include a fine not to exceed \$100,000, [~~\$10,000~~,] a suspension not to exceed five [~~two~~] years, or both a fine and a suspension. A decision of a steward or judge that is not reviewed or modified by the executive director is a final decision. Any decision of a steward or judge may be appealed under Section 3.08(a) of this Act regardless of whether the decision is modified by the executive director.

(c)-(g) (No change.)

Financial Statement

Proposal: This change would correct an outdated statutory provision by requiring that appointed commissioners and the executive secretary file financial reports with the Texas Ethics Commission instead of the Secretary of State.

Explanation: Section 2.06 of the Texas Racing Act requires each appointed commissioner and the executive secretary to file financial statements with the Secretary of State of the type required by the Banking Department of Texas and as per Article 6252-9b, Vernon's Texas Civil Statutes. However, since the Act was adopted, the reporting requirements have been codified into Chapter 572 of the Texas Government Code and the original Article 6252-9b has been repealed.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 2.06 Financial Statement.

Each appointed member of the commission and the executive secretary of the commission is an "appointed officer of a major state agency" within the meaning of Chapter 572, Government Code. [~~Chapter 421, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-9b, Vernon's Texas Civil Statutes).~~] An appointee shall also file a detailed financial statement with the Texas Ethics Commission in accordance with Subchapter B of Chapter 572, Government Code. [~~secretary of state of the type required by The Banking Department of Texas in the application for charter for state banks.~~] The financial statement is a public record under Chapter 552, Government Code. [~~Chapter 424, Acts of the 63rd Legislature, Regular Session, 1973 (Article 6252-17a, Vernon's Texas Civil Statutes).~~]

APTRA to APA

Proposal: This change would correct an outdated reference to the Administrative Procedure and Texas Register Act.

Explanation: Section 3.08 of the Texas Racing Act provides that appeals of the stewards or racing judges may be appealed to the Commission as a contested case under the Administrative Procedure and Texas Register Act (APTRA). However, APTRA was codified and replaced by the Administrative Procedure Act in 1993.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 3.08. Appeal from decision of stewards or judges

(a) Except as provided by Subsection (b) of this section, a final decision of the stewards or judges may be appealed to the commission in the manner provided for a contested case under the Administrative Procedure [~~and Texas Register~~] Act (Chapter 2001, Government Code). [~~(Article 6252-13a, Vernon's Texas Civil Statutes).~~]

(b) (No change.)

Greyhound Breakage

Proposal: Amend § 6.09(a) and (d) of the Racing Act to make those sections consistent with current rules, past legislative action and/or Attorney General Opinion and practice.

Explanation: The change to § 6.09(a) is a technical correction after the passage of House Bill 2701, 80th Legislative Session. House Bill 2701 deleted §11.08, which stated that tickets expired 60 days after the end of a meet. Instead, §11.07 now provides that tickets expire one year after issuance. The requested change removes obsolete language and directs the reader to the appropriate and current area of the Act.

The change to § 6.09(d) is a technical correction to add clarity to the Act. The change makes the Act consistent with the Commission's current practice, which developed after a 1993 Attorney General Opinion. The existing language is unclear, confusion resulting primarily from: *Fifty percent of the breakage is to be paid to the appropriate state greyhound breeding registry. Of that portion (emphasis added) of the breakage 25 percent of that breakage is to be used in stakes races and 25 percent of that total breakage from a live pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to the commission...* Some incorrectly interpret this language to mean 25 percent of the 50 percent the Commission collects. This mistaken assumption leads to mathematical errors (25 percent of 50 is 12.5 percent). However, **of that portion** actually was intended to mean the entirety (100 percent of the 50 percent) the Commission collects. In other words, 25 percent should be calculated against the whole the Commission collects, or 100 percent of the 50 percent. When calculated correctly, against the whole collected, 25 percent no longer becomes 12.5 percent. This recommendation simplifies the language and results in clearer guidance.

Suggested Language:

Texas Racing Act, Article 179e, Vernon's Texas Civil Statutes

Sec. 6.09. Disposition of Pari-mutuel Pools at Greyhound Races.

(a) Every association authorized under this Act to conduct pari-mutuel wagering at a greyhound race meeting on races run shall distribute all sums deposited in any pari-mutuel pool to the holders of the winning tickets if those tickets are presented for payment ~~within 60 days after the closing day of the race meeting at which the pool was formed in accordance with Section 11.07 of this Act,~~ less an amount paid as a commission of 18 percent of the total deposits in pools resulting from regular win, place, and show wagering, and an amount not to exceed 21 percent of the total deposits in pools resulting from multiple two wagering and an amount not to exceed 25 percent of the total deposits in pools resulting from multiple three wagering.

(b-c)(No changes.)

(d) Fifty percent of the breakage from a live pari-mutuel pool or a simulcast pari-mutuel pool is to be paid to the commission for use ~~is to be paid to the appropriate by the state greyhound breeding registry. Of that portion of the breakage these funds, 25 50 percent of that breakage is to be used in stakes races and 25 50 percent of that total breakage from a live pari-mutuel pool or a simuleast pari-mutuel pool is to be paid to the commission for the used~~ by the state greyhound breed registry, subject to rules promulgated by the commission.

(e)-(f)(No changes.)

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Greyhound Breakage Distributions

Proposal: Amend § 10.05 to maintain consistency in the Act.

Explanation: This is a technical correction that makes language in § 6.09 and § 10.05 consistent. The requested change clarifies that associations pay the Commission the breakage due to the breed registry and that the Commission remits the funds to the breed registry.

Sec. 10.05. Breed Registry; Breakage Distributions.

The officially designated state greyhound breed registry for accredited Texas-bred greyhounds is the Texas Greyhound Association. The state breed registry shall adopt rules to provide for the use of breakage received by it under Section 6.09(d) of this Act. An association shall pay the breakage due the breed registry to the commission in accordance with rules promulgated by the commission. The commission shall remit these funds to the appropriate state greyhound breed registry at least every 30 days.

Retama Partners Ltd.
P. O. Box 47535
San Antonio, TX 78265-7535
210-651-7120 Fax 210-651-7097

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RECEIVED
TEXAS RACING
COMMISSION

July 24, 2012

Mr. Mark Fenner
Texas Racing Commission
PO Box 12080
Austin, TX 78711-2080

Dear Mark:

Enclosed are the documents required for transfer of the following ownership interests/units in Retama Partners Ltd.

- HEC Investments, LLC to:
 - 210 Muy Buena Suerte Ltd 10 interests/units (.2490% ownership)
 - Straus 2003 Irrevocable Trust 10 interests/units (.2490% ownership)

210 Muy Buena Suerte Ltd will own a 1.6185% interest in Retama Partners Ltd and the Straus 2003 Irrevocable Trust will have an 8.4243% interest. The effective date of these transfers is March 31, 2012. Two checks for \$75.00 each are enclosed to cover the transfer/investigation fees.

Also, enclosed are the required documents assigning the 15 interests owned by the Estate of Cora Keeler to The Window Ledge Foundation. The effective date of this transfer is June 1, 2012.

Please let me know if you need any further information for approval of this transfer by the Texas Racing Commission. Thanks for your help.

Sincerely,


Sharolyn Grammer

Enclosures



TEXAS RACING COMMISSION

8505 Cross Park Dr Ste 110

Austin, Texas 78754-4594

Phone (512) 833-6699

Fax (512) 833-6907

10/16/2012

To: Chuck Trout
Executive Director

From:  Jim Blodgett
Director of Investigations

RE: Ownership Changes Retama Partners Ltd.

On July 24, 2012, the Commission received a request from Retama Partners Ltd. to approve the transfers of the following ownership interest/units.

HEC Investments, LLC to:

- 210 Muy Buena Suerte Ltd 10 interest/units (.2490% ownership)
- Straus 2003 Irrevocable Trust 10 interest/units (.2490% ownership)

Estate of Cora Keeler to:

- Window Ledge Foundation 15 interest/units (.3735% ownership)

Background information forms for the applicants were forwarded to the Department of Public Safety for investigation.

On October 9, 2012, the Commission received a written report from DPS advising that there was no disqualifying information revealed by the investigation.

It is recommended that the applications for ownership transfer changes, as indicated above, be approved.



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

TO: Texas Racing Commissioners
FROM: Chuck Trout, Executive Director
DATE: December 11, 2012
SUBJECT: Staff Review of Proposed Majority Change of Ownership in Retama Park

On August 22, 2012, the Commission received a request from Retama Partners, Ltd. (RPL) for approval to convert to a limited liability company and to transfer 75.5% of its ownership interest in that company to PNK(SA), LLC, a subsidiary of Pinnacle Entertainment, Inc. PNK(SA) submitted its application for the change of ownership that same day. (Appendix A).

Commission staff has reviewed the application for the proposed change of ownership of Retama Park. Listed below is a summary of staff's findings.

STANDARDS FOR CHANGE OF OWNERSHIP IN A RACETRACK LICENSE

The Texas Racing Act ("Act") governs the issuance of racetrack licenses. Each transaction that involves an acquisition or transfer of pecuniary interest in an association must receive approval from the Commission. A transaction that changes the ownership of an association requires the submission of the following types of information:

identification of the proposed owners and ownership structure; the exact location at

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which a race meeting is to be conducted; whether the facility is leased or owned; identification of any other beneficial owner of shares that bear voting rights; a detailed statement of assets and liabilities of the applicant; the kind of racing to be conducted and the dates requested; proof of residency; copies of the tote, management, and concession contracts; and any other information required by the Commission.

OWNERSHIP REQUIREMENTS

Section 6.06(c) of the Texas Racing Act (TRA, or the "Act") provides that "[a] license for operation of a ...racetrack...may not be issued to a corporation unless the corporation is incorporated under the laws of this state and a majority of the stock, if any, of the corporation is owned at all times by individuals who meet the residency qualifications prescribed by this section for individual applicants." The residency requirements, set out in TRA Section 6.06(a)(12), provide that the Commission may refuse to issue a racetrack license or may revoke or suspend a license if, after notice and hearing, it has reasonable grounds to believe and finds that the applicant has not been a United States citizen residing in the state for the period of 10 consecutive years immediately preceding the filing of the application. However, this ownership requirement does not apply to this applicant because of TRA Section 6.06(i), which states these residency requirements do not apply to an applicant for or the holder of a racetrack license if the applicant, the license holder, or the license holder's parent company is a publicly traded company. Pinnacle Entertainment, Inc., is a publicly traded company.

Current Ownership and Management

The current ownership and management of Retama Park is described by the diagram shown in Appendix B, Chart 1. The license holder is Retama Partners, Ltd. (RPL), a Texas limited partnership with Retama Park Association, Inc., serving as the general partner. RPL holds the legal title to the horse racing license through a License and Agency Agreement with Retama Development Corporation (RDC), but it does not hold the beneficial interest in the horse racing aspects of the license. This separation of the license's legal title from the beneficial interests in horse racing arose out of Retama Park's bankruptcy in 1996. Although RPL holds no interests in the horse racing, it does

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own 50% of the interest in any additional rights, including gaming rights, granted to a Class 1 license holder. RPL also owns two pieces of real property that are adjacent to Retama Park, but are not part of the racetrack.

The beneficial interests in horse racing associated with the license are owned by RDC, a Texas local government corporation formed by the City of Selma. RDC also owns the racetrack's land and facilities. RDC has been assigned 50% of the interest in any additional rights, including gaming rights, granted the license holder until 2037. After 2037, those additional rights revert to RPL.

While RDC owns these rights and properties connected with the license, it also owes for the bonds and debts issued on behalf of Retama Park. These bonds and debts are as follows:

- Series A Bonds - \$6 million
- Series B Bonds - \$87 million
- Bridge Loans from PNK(SA) - \$2.85 million
- Various other loans and promissory notes - \$6.575 million

Retama Park is currently managed by Retama Entertainment Group (REG) through a management agreement with RPL and RDC. Similarly, Breckenridge Entertainment Corporation (BEC) provides alcoholic beverages at Retama Park through a concessions contract with RPL and RDC.

Upon approval by the Commission, RPL proposes to take the following actions:

- 1) RPL, a limited partnership, will convert into a Texas limited liability company named Pinnacle Retama Partners, LLC (PRLLC).
- 2) The members of RPL will create three new legal entities. These are:
 - a. RPL Holdings, Ltd. (RPL Holdings), a Texas limited partnership;
 - b. RPL Development, Ltd., a Texas limited partnership; and
 - c. RPL Development GP, Ltd., a Texas limited partnership.

- 3) RPL Development Ltd., managed by its general partner, RPL Development GP Ltd., will hold the ownership interest in RPL Holdings. The individual owners of RPL Development Ltd. and RPL Development GP Ltd. will be the same as the current owners of RPL, and they will hold their ownership interests in the same proportion as they hold in RPL.
- 4) During the conversion of RPL into PRLLC, RPL will contribute its assets related to Retama Park, including the Class 1 Horse Racing License, to PRLLC.
- 5) During the conversion of RPL into PRLLC, RPL will contribute 100% of its ownership in PRLLC to RPL Holdings.
- 6) As a result of these changes, RPL Holdings will control Retama Park's Class 1 Horse Racing License through its ownership of PRLLC.

At the conclusion of these actions, the ownership and management of Retama Park will look like the diagram shown in Appendix B, Chart 2.

- 7) During the conversion of RPL into PRLLC, RPL will contribute to RPL Development Ltd. the assets and liabilities that are not related to Retama Park. These assets include the two adjacent real properties.

At the conclusion of this action, the ownership and management of Retama Park will look like the diagram shown in Appendix B, Chart 3.

- 8) RPL Holdings will then transfer 75.5% of its ownership interest in PRLLC to PNK(SA), a Texas limited liability company whose sole member is Pinnacle Entertainment, Inc. (Pinnacle). RPL Holdings will retain 24.5% ownership interest in PRLLC.
- 9) RDC will convey to PRLLC the 50% interest it has in any additional rights, including gaming rights, granted the license holder until 2037..
- 10) PRLLC and RDC will cancel the management agreement with REG and will implement a new agreement with PNK(SAM), a separate Texas limited liability company whose sole member is Pinnacle.

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At the conclusion of these actions, the ownership and management of Retama Park will look like the diagram shown in Appendix B, Chart 4.

Pinnacle Entertainment, Inc.

PRLLC's proposed majority owner is Pinnacle Entertainment, Inc., (Pinnacle). Pinnacle is a publicly traded company that is incorporated in Delaware. Pinnacle owns, operates and develops casinos and related hospitality and entertainment facilities. It owns and operates casinos located in Lake Charles, New Orleans and Bossier City, Louisiana; St. Louis, Missouri; and Indiana. In addition, in January of 2011, it purchased and now operates River Downs, a horse racetrack facility in Cincinnati, Ohio. In August of 2011, it closed on an agreement to acquire a 26% equity interest in Asian Coast Development Ltd., a British Columbia corporation. Pinnacle also has a management agreement to manage a resort to be built in Vietnam.

Management Committee of PRLLC

The formation documents for PRLLC create a four member management committee, three to be designated by PNK(SA) and one to be designated by RPL Holdings.

PNK(SA) Member Representatives (3)	RPL Holdings Member Representative (1)
Anthony M. Sanfilippo, President, CFO, Board Director, Pinnacle Entertainment	To be submitted for Commission approval at a later time.
Carlos A. Ruisanchez, EVP & CFO; Sr. Manager Director, Pinnacle Entertainment	
Gino Iafrate, EVP of Regional Operations, Pinnacle Entertainment	

The management committee shall have the right to approve any actions by the company that, before alternative gaming is approved, incurs any annual capital expenditures equal to or greater than \$1 million or makes any material modifications to the existing racing facilities. If alternative gaming is approved, the management

committee will approve the scope of any additional gaming facilities and any annual additional capital expenditures that are greater than four percent of the approved project costs.

The management committee must also approve any changes to the management agreement, the lease of any real property, the granting of any liens, the sale or merger of any part of the company, or the incurrence of any debts. The committee must approve the company's annual financial statements and any material changes to the company's accounting policies. The committee must approve any dissolution of the company or any voluntary filing for bankruptcy.

All approvals must be by at least two thirds of the management committee's members.

Applicant's Assets and Liabilities

According to PNK's Securities and Exchange Commission (SEC) Form 10-K/A for calendar year 2011, the company had total assets of \$1.95 billion and total liabilities of \$1.43 billion. Below is a four year look at selected financial data included in PNG's SEC filings.

Year Ended December 31

\$ in millions

	2011	2010	2009	2008
Net cash provided by operating activities	\$131.8	\$88.7	\$120.2	\$129.4
Net cash from investing activities	\$(293.4)	\$(130.7)	\$(202.4)	\$(306.1)
Net cash from financing activities	\$46.5	\$108.2	\$96.6	\$101.9
Net change in cash	\$(115.1)	\$65.8	\$13.9	\$(75.4)

Selected Balance Sheet Data

Cash & cash equivalents	\$158.84	\$217.32	\$255.66	\$78.6
Total assets	\$1,950.6	\$1,883.8	\$1,843.9	\$1,919.2
Total liabilities	\$1,431.2	\$1,376.4	\$1,349.5	\$1,179.8
Shareholders' equity	\$519.4	\$507.4	\$494.4	\$739.4

Anticipated Funding of Transaction

Under the terms of the agreements between the parties, PNK(SA) will provide \$22.8 million to acquire the 75.5% stake in PRLLC. Of this amount, \$7.8 million will be applied towards the purchase of bonds and debts related to Retama Park, and \$15 million will be used to provide working capital for Retama Park and to refinance RDC's existing debts. PNK(SA) has also provided \$2.8 million in bridge loans to RDC in order to continue the operations of Retama Park while the parties negotiated the final terms of the sale and await the Commission's approval. The bridge loans will be repaid to PNK(SA) out of the cash consideration it contributes in the transaction.

PNK(SA) has also committed to providing additional capital advances to PRLLC in an amount of up to \$2 million each year for six years. This commitment is conditioned on Retama Park's maintenance of its license in good standing, including owning clear title to any additional gaming rights that could arise from the horse racing license. This commitment is also conditioned on Retama Park's maintaining an annual operating deficit of \$1.5 million or less.

Proposed Allocation of Profits, Loss and Distribution of Income

PRLLC's management committee will have sole discretion to determine the amount and timing of any distribution of profits. Distributions will be made to the two members, PNK(SA) and RPL Holdings, in the following order:

- a) first, to the members in an amount equal to any tax distributions;
- b) second, to PNK(SA) until any advances made to PRLLC are repaid;
- c) third, to PNK(SA) until the interest on those advances is paid; and
- d) thereafter to the members in accordance with their ownership interests.

In the event the company dissolves, all debts and liabilities of the company shall be satisfied first, and any remaining assets shall be distributed in accordance with the same schedule as described for the distribution of profits.

Department of Public Safety Investigation

The Department of Public Safety has conducted complete personal, financial, and business background checks of Pinnacle Entertainment Inc., a publicly traded company, and its key individuals. A subset of these individuals will serve as Member Representatives on the Board of PRLLC. Copies of these confidential reports have been provided to the Commissioners separately.

RETAMA PARK

Retama Park is an existing Class 1 racetrack located in Selma, Texas. The land and facilities are owned by Retama Development Corporation (RDC).

Property use within ½ mile of the racetrack site is mixed, consisting of residential development, including single family, apartments and town homes; commercial/retail; and a church.

Totalisator, Management and Concession Contracts

The change in ownership would not affect the currently approved totalisator contract with Amtote International, Inc. This contract is between Retama Development Corporation and Amtote, and the Commission has previously approved it.

Pinnacle has formed a new wholly-owned Texas limited liability company, PNK(SAM) LLC, to manage the racetrack. Pinnacle has provided a copy of the management agreement between RDC, PRLLC and PNK(SAM) for Commission approval. A copy of this agreement has been provided to the Commissioners separately. PNK(SAM)'s proposed managers of Retama Park are described below.

Pinnacle also intends to provide the alcoholic beverage concessions through a separate wholly-owned subsidiary. However, this concession contract has not been completed and will be presented to the Commission for approval at a future meeting. Until that time, the current contractor, BEC, will provide alcoholic beverage concessions.

Condition of Facility

Recent inspections and reviews by agency staff show that Retama Park has been well maintained and is in good repair. There are no outstanding facilities issues requiring attention.

According to the application, there are no plans for renovations or new construction at this time.

Exemptions

Retama Park was granted one exemption in 1994 to allow for the horse emergency facilities to be located outside the enclosure of the racetrack. However, the rule requiring these facilities was repealed in 2008, so there is no longer a need for the exemption. The applicant did not request any other exemptions.

Race Dates

The application forecasts that RPLLC will request and conduct the same types and numbers of live race days that Retama Park has conducted in recent years. The application notes the following two meets planned for 2013:

- a 20-day Quarter Horse meet beginning on June 7, 2013, closing on August 10, 2013, and
- a 26-day Thoroughbred meet opening on October 4, 2013, closing on December 28, 2013.

Simulcasting

Retama Park plans to continue full card simulcasting of horse and greyhound racing every day except Christmas. The applicant projects an annual simulcast handle of approximately \$43 million, with about \$3.1 million generated for purse money. Up to 40 horse signals will be available daily, with Texas signals receiving preferential treatment. The applicant states that Gulf Greyhound Park and other popular out-of-state greyhound tracks will also be available for wagering.

In addition to the Texas racetracks, more than 200 out-of-state sites, including racetracks and OTBs, are expected to take the Retama Park signal.

Management

According to the application, the current key individuals will continue to manage the day-to-day operations of Retama Park:

CEO – Bryan P. Brown

Chief Financial Officer – Lisa L. Medrano

Director of Human Resources – Angela C. Cooper

Director of Simulcasting – Steven M. Ross

Controller – Nina E. Sirak

Each of these individuals is currently licensed by the Commission as an Association Officer or as Association Management Staff and each is in good standing.

Financial and Pari-mutuel Analysis

Staff's review of the applicant's five-year financial and pari-mutuel projections found the following:

Admissions

Live Racing – The applicant forecasts 142,600 in attendance over 46 live race days during 2013, resulting in an average daily attendance of 3,100 patrons per live racing day. With racing days remaining constant, the applicant projects a 5% increase in attendance each year, growing to 3,768 per day in 2017.

Simulcasting – The applicant forecasts 136,402 in attendance over 364 simulcast race days during 2013, resulting in an average daily attendance of 375 patrons. The applicant projects a 5% increase in attendance during each of the following four years, growing to 455 patrons per day in 2017.

The estimates for both live race days and simulcast days appear to be reasonable when comparing the projected attendance to actual average

PAGE 30

attendance at Texas racetracks over the past five years. Staff further tested the estimates by analyzing the ratio of estimated average attendance to the population of the metropolitan geographical area. The analysis showed that the ratios resulting from the applicant's proposed attendance projections were consistent with those experienced by other horse racetracks in the state.

Per Capita Wagering

The pari-mutuel per capita wagering forecast estimates the average daily amount wagered by an onsite patron. According to the applicant's forecasted statement of income, more than 83% of the association's gross revenue will be dependent upon wagers placed through the mutuel windows. Because the revenue and expense can be so different among the various wagering options, the applicant provided per capita wagering forecasts for the various types of pari-mutuel wagers.

Live Per Capita Wagering – The applicant forecasts \$32.91 in live per capita wagers for the 46 live race days during 2013. The applicant projects no increase in the per capita rate during the five-year period. A comparison to the historical per capita at each operating horse racetrack in Texas for the past five years indicates that the forecasts appear reasonable.

Simulcast Same-Species Per Capita Wagering – The applicant forecasts \$140.19 in simulcast same-species per capita wagers over the 364 simulcast race days during 2013. As with the live per capita, the applicant forecasts no increase to this per capita during the years 2014-2017.

Simulcast Cross-Species Per Capita Wagering – The applicant forecasts \$24.98 in simulcast cross-species per capita wagers over 364 simulcast race days during 2013. Again, the applicant forecasts no increase in this per capita during the years 2014-2017.

Total On-Track Per Capita Wagering – Combining the applicant’s three per capita wagering projections establishes a total on-track per capita wagering amount of \$198.08 for each of the years 2013-2017.

The applicant’s estimates appear to be reasonable when comparing the projected per capita wagering amounts to actual average amounts wagered at Texas racetracks over the past five years. Staff further tested the estimates by analyzing the ratio of estimated average attendance to the population of the metropolitan geographical area. Using this ratio when making on-track wagering comparisons helps overcome the problems that arise when comparing data from vastly different population areas.

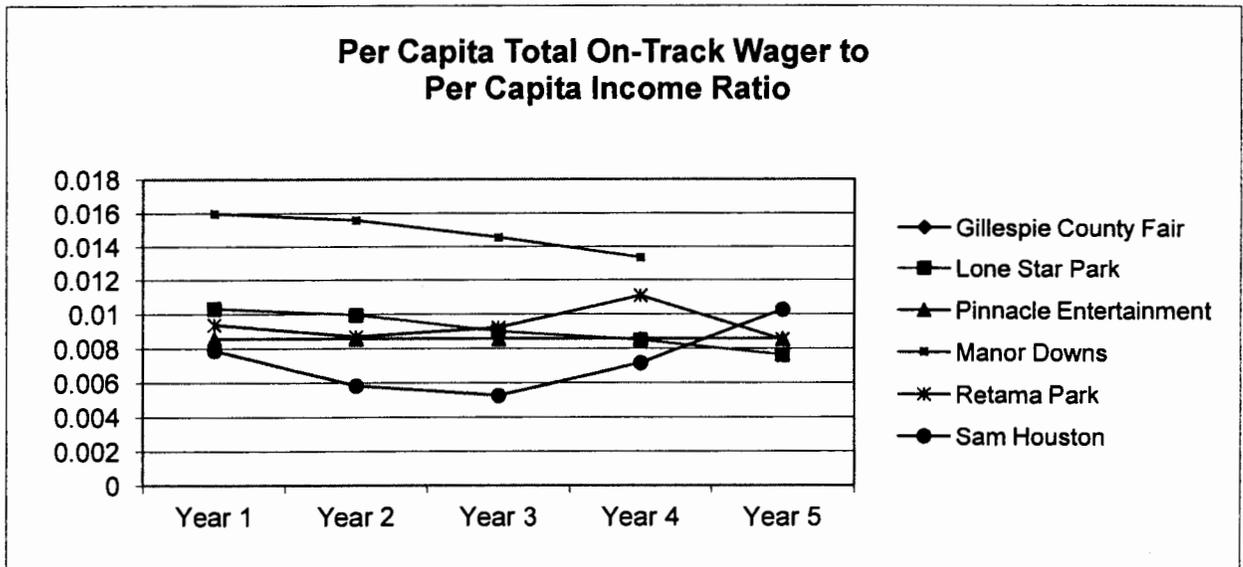


Table: Per Capita Wager to Per Capita Income Ratio (Actual data from 2007 through 2011 for active racetracks; applicant’s five year forecasts shown as comparison.)

The ratio of total on-track per capita wager to per capita income calculated from actual data at the Texas horse racetracks has remained relatively constant or slightly decreased over the past five years. The applicant’s total on-track per capita wager forecasts are similar to those of the active horse racetracks over the forecast. As such, the total on-track per capita wager to per capita income ratio analysis supports staff’s conclusions that the applicant’s per capita wagering projections are reasonable.

Pari-Mutuel Handle

The pari-mutuel handle forecast is a result of multiplying the admissions forecast by the per capita wagering forecast. It is important because the handle determines a majority of a racetrack's income and expenses.

Live On-Track Handle – The applicant estimates that its average daily live on-track handle will increase at a rate of 5% each year, from \$102,030 for the 46 days of live racing in 2013 to \$124,019 for the same number of days in 2017.

Live Export Handle – The applicant estimates that its average daily live export handle will also increase by 5% each year, from \$474,304 for the 46 days of live racing in 2013 to \$576,520 for the same number of days in 2017.

Simulcast Same-Species Handle – The applicant estimates that its average daily simulcast same-species handle will also increase by 5% each year, from \$107,457 for each of its 364 simulcast race days in 2013 to \$130,615 for the same number of days in 2017.

Simulcast Cross-Species Handle – The applicant also estimates that its average daily simulcast same-species handle will increase by 5% during its first five years, from \$19,145 for each of its 364 simulcast race days in 2013 to \$23,270 for the same number of days in 2017.

Staff compared each of the applicant's pari-mutuel handle projections to actual data from the state's other horse racetracks over the past five years and found that the projections appear reasonable.

Income

The income forecast provided by the applicant includes:

- Pari-Mutuel = 83.4%
- Concessions = 8.8%
- Admissions, Parking & Programs = 5.2%
- Other = 2.6%

The applicant provided reasonable projections of income during each of the five years of the forecast. For example, the applicant estimates that its annual income from live on-track wagering would increase from \$972,000 in 2013 to \$1,181,000 in 2017. These estimates are derived from the projected pari-mutuel handles previously described. Similarly, the applicant's combined projections of income from live export wagering, same-species wagering, and cross-species wagering total \$10,606,000 in 2013, and increases to a combined total of \$12,892,000 in 2017. Each of the applicant's projections except the Outstanding Ticket Income is either right at or under the estimates prepared by agency staff and appears to be reasonable.

Staff finds the applicant's forecast of Outstanding Ticket Income, those winning pari-mutuel tickets and vouchers not presented for payment within one year from date of purchase, are only marginally reasonable. However, this income stream represents a very small percentage of total income, some 1.5%. Staff finds the remaining 98.5% income streams of the forecasted income to be reasonably or very-reasonably forecasted.

The applicant's other income projections are based primarily on Food and Beverage Income, Parking and Admissions Income, and Other Income. Combined, these projections total \$2,380,000 in 2013 and increase to \$2,893,000 in 2017. Analysis of the projections reveals that the applicant projects that the average person attending a live or simulcast race will spend

approximately \$8.53 on food, beverage, parking, and/or admission. These appear to be reasonable projections.

Operating Expenses

The projected operating expenses provided by the applicant fell into three major categories: Statutory Expense, Operating Expense, and Other Operating Expense.

Statutory Expense – This includes the costs associated with a required set-aside of a portion of the pari-mutuel revenue retained from a wager placed at a racetrack. Typically, the costs are due to statutory requirements and, in some cases, contractual commitments. The applicant projected expenses for the State Pari-mutuel Tax, Admission Tax, Commission License Fees, Purses and Awards, Drug Testing, and Breakage. Combined, these projections of statutory expenses total \$5,577,000 in 2013 and increase to \$6,779,000 in 2017. These projections are slightly above staff's estimate of the statutory expenses by a range of 1.2% to 3.9%. Staff finds that the applicant has provided reasonable forecasts of statutory expenses for the five-year period.

Operating Expense – This includes the costs associated with the daily operation of the racetrack. The applicant projected expenses for 19 cost centers including Salaries; Management Fees; Simulcast Expense; Advertising, Publicity and Public Relations; Concession Expense; and other general operating expenses. In testing the applicant's projections, staff focused on the Simulcast Expense and the Concession Expense. These two components make up more than 19% of the total forecasted operating expenses. The applicant projected Simulcast Expense of \$1,676,000 in 2013, with an increase to \$1,850,000 in 2017. The applicant projected Concession Expense of \$363,000 in 2013, with an increase to \$401,000 in 2017. The applicant's Concession Expense is 28.8% of its projected Concession Revenue, which is very close to the industry standard of

30%. Staff finds that the applicant has provided reasonable forecasts of the projected Simulcast and Concessions Expenses.

Financial Statements

The financial statements provided by the applicant include:

- Statement of Operations
- Statement of Cash Flow
- Balance Sheet
- Breakeven Analysis

Statement of Operations – The Statement of Operations provides a summary of the revenues, costs, and expenses of a company during an accounting period. It is also referred to as the income statement, the statement of profit and loss, or the income and expense statement.

Pinnacle Entertainment "Retama Park" Forecasted Statements of Operations Years Ending 2013 through 2017 (\$ in Thousands)					
	2013	2014	2015	2016	2017
Revenue					
Pari-Mutuel Revenue	\$11,955.0	\$12,553.0	\$13,180.0	\$13,839.0	\$14,531.0
Other Revenue	<u>\$2,380.0</u>	<u>\$2,499.0</u>	<u>\$2,624.0</u>	<u>\$2,755.0</u>	<u>\$2,893.0</u>
Total Revenue	<u>\$14,335.0</u>	<u>\$15,052.0</u>	<u>\$15,804.0</u>	<u>\$16,595.0</u>	<u>\$17,424.0</u>
Expenses					
Statutory Expense	\$5,577.0	\$5,856.0	\$6,149.0	\$6,456.0	\$6,779.0
Operating Expense	\$10,508.0	\$10,780.0	\$11,036.0	\$11,298.0	\$11,567.0
Interest Expense	<u>\$24,189.0</u>	<u>\$26,058.0</u>	<u>\$28,079.0</u>	<u>\$30,266.0</u>	<u>\$32,632.0</u>
Total Expense	<u>\$40,274.0</u>	<u>\$42,694.0</u>	<u>\$45,264.0</u>	<u>\$48,020.0</u>	<u>\$50,978.0</u>
Gain /(Loss) from Operations	(\$25,939.0)	(\$27,642.0)	(\$29,460.0)	(\$31,425.0)	(\$33,554.0)
Provision For State Margin Tax	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>
Net Gain / (Loss)	<u>(\$25,939.0)</u>	<u>(\$27,642.0)</u>	<u>(\$29,460.0)</u>	<u>(\$31,425.0)</u>	<u>(\$33,554.0)</u>

Based on staff's review and analysis performed on the applicant's forecast in the previous sections of this report, staff finds the forecasted Statements of Operations fairly reflect the revenue, expenses, and the net gain/(loss) for the five-year period.

These forecasted Statements of Operations were prepared by an independent certified public accounting firm in compliance with generally accepted accounting principles. Additionally, the net gain from operations is accurately reflected in both the balance sheet under the equity section as retained earnings and the statements of cash flow under the operating activities section as net gain from operations.

The five year forecast by the applicant results in a \$148.0 million loss from operations. Of this amount, approximately 95%, or \$141.2 million, is associated with interest expense accrued on bonds issued to construct the facility when it initially opened. The interest accrued on these bonds is not required to be paid in any given year if there is no operational gain. However, the unpaid interest is carried forward to the next year and adds to the bond debt that accrues interest. The remaining loss from operations in each year is covered through the issuance of long term debt.

Statement of Cash Flow

The Statement of Cash Flow measures the cash inflows and outflows caused by core business operations. Generally, changes made in cash, accounts receivable, depreciation, inventory, and accounts payable are reflected in cash from operations.

Pinnacle Entertainment "Retama Park" Forecasted Statements of Cash Flows For the Years Ending December 31, 2013 through 2017 (\$ in Thousands)					
	2013	2014	2015	2016	2017
Operating Activities					
Net Loss from Operations	(\$25,939.0)	(\$27,642.0)	(\$29,460.0)	(\$31,425.0)	(\$33,554.0)
Depreciation and Amortization	\$279.0	\$301.0	\$301.0	\$301.0	\$301.0
Accrued Interest Bonds	\$22,961.0	\$25,958.0	\$28,076.0	\$30,345.0	\$32,777.0
Other	<u>\$35.0</u>	<u>\$37.0</u>	<u>\$37.0</u>	<u>\$37.0</u>	<u>\$39.0</u>
Net Cash Used In Operations	<u>(\$2,664.0)</u>	<u>(\$1,346.0)</u>	<u>(\$1,046.0)</u>	<u>(\$742.0)</u>	<u>(\$437.0)</u>
Investing Activities					
Additions to Fixed Assets	<u>(\$56.0)</u>	<u>(\$117.0)</u>	<u>(\$118.0)</u>	<u>(\$121.0)</u>	<u>(\$123.0)</u>
Net Cash Used in Investing	<u>(\$56.0)</u>	<u>(\$117.0)</u>	<u>(\$118.0)</u>	<u>(\$121.0)</u>	<u>(\$123.0)</u>
Financing Activities					
Contribution of Equity	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Long Term Debt Issuance	\$1,500.0	\$1,500.0	\$1,200.0	\$900.0	\$600.0
Principal Payment on Long Term Debt / Capital Lease	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>	<u>\$0.0</u>
Net Cash Via Financing	<u>\$1,500.0</u>	<u>\$1,500.0</u>	<u>\$1,200.0</u>	<u>\$900.0</u>	<u>\$600.0</u>
Increase/(Decrease) in Cash	(\$1,220.0)	\$37.0	\$36.0	\$37.0	\$40.0
Cash at Beginning of Year	<u>\$2,712.0</u>	<u>\$1,492.0</u>	<u>\$1,529.0</u>	<u>\$1,565.0</u>	<u>\$1,602.0</u>
Cash at End of Year	<u>\$1,492.0</u>	<u>\$1,529.0</u>	<u>\$1,565.0</u>	<u>\$1,602.0</u>	<u>\$1,642.0</u>

The applicant's five-year forecast results in a \$148.0 million loss from operations and requires \$5.7 million in long term debt issuance to finance the forecasted operations.

Balance Sheet

The Balance Sheet is a financial statement that summarizes a company's assets, liabilities and shareholders' equity at a specific point in time.

Pinnacle Entertainment "Retama Park" Forecasted Balance Sheets December 31, 2013 through 2017 (\$ in Thousands)					
	2013	2014	2015	2016	2017
Assets					
Total Current Assets	\$1,810.0	\$1,855.0	\$1,902.0	\$1,949.0	\$1,998.0
Total Property	\$3,960.0	\$3,777.0	\$3,595.0	\$3,416.0	\$3,238.0
Other Assets	<u>\$4.0</u>	<u>\$3.0</u>	<u>\$2.0</u>	<u>\$1.0</u>	<u>\$0.0</u>
Total Net Assets	<u>\$5,774.0</u>	<u>\$5,635.0</u>	<u>\$5,499.0</u>	<u>\$5,366.0</u>	<u>\$5,236.0</u>
Liabilities					
Current Liabilities	\$5,796.0	\$7,053.0	\$8,312.0	\$9,571.0	\$10,830.0
Long-Term Liabilities	<u>\$301,679.0</u>	<u>\$327,924.0</u>	<u>\$355,989.0</u>	<u>\$386,023.0</u>	<u>\$418,187.0</u>
Total Liabilities	<u>\$307,475.0</u>	<u>\$334,977.0</u>	<u>\$364,301.0</u>	<u>\$395,594.0</u>	<u>\$429,017.0</u>
Equity (Deficit)					
Contributed Capital	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Retained Earnings	<u>(\$301,701.0)</u>	<u>(\$329,343.0)</u>	<u>(\$358,802.0)</u>	<u>(\$390,227.0)</u>	<u>(\$423,781.0)</u>
Total Equity	<u>(\$301,701.0)</u>	<u>(\$329,343.0)</u>	<u>(\$358,802.0)</u>	<u>(\$390,227.0)</u>	<u>(\$423,781.0)</u>
Total Liabilities and Equity	<u>\$5,774.0</u>	<u>\$5,635.0</u>	<u>\$5,499.0</u>	<u>\$5,366.0</u>	<u>\$5,236.0</u>

Based on staff's review of the forecasted Statement of Operations and Statement of Cash Flow, the balance sheet fairly reflects Pinnacle Entertainment – Retama Park's assets, liabilities, and equity for the five-year period.

Break-even Analysis

The applicant's break-even analysis assumed that the number of live and simulcast racing dates would be static. Additionally, the applicant's analysis assumed the variable components of the break-even analysis to be the number of patrons attending a live or simulcast wagering day and the per capita wager placed by an attendee on a live or

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simulcast race. The applicant has forecasted in the initial year of operation an average break-even live attendance of 3,565 per day and an average simulcast attendance of 431 attendees per day. These break-even forecasts are approximately 15% higher than the actual projections used to prepare the financial statements. Additionally, the applicant has forecasted a break-even per capita wager per live or simulcast attendee that is also approximately 15% higher than the actual projections used to prepare the financial statements. The applicant was consistent in forecasting growth to the break-even forecast as was done in the annual forecast.

Impact on Horse Breeding

According to the applicant, "Retama Park will continue to promote a broad-based program to assist state and local breeders in conjunction with the Texas Quarter Horse Association and the Texas Thoroughbred Association." Further, the applicant states:

- Retama Park offers a significant number of races for Texas-bred horses. In 2011, Retama Park averaged 2.17 Texas-bred Quarter Horse races per day and 2.39 Texas-bred Thoroughbred races per day. In addition, many of Retama's open races are filled with Texas-breds. The number of Thoroughbred Texas-bred races in 2011 increased about 15% over 2010. The number of Quarter Horse Texas-bred races increased 20% over the last meet held in 2008.

GOAL: To increase the number of Texas-bred Quarter Horse races per day to 2.5 and the number of Thoroughbred races per day to 2.5 and to provide all Texas-bred horses with ample opportunities to race.

- Retama Park will work with breed organizations to increase owner/breeder awards.

GOAL: To increase the size of the breeding industry by increasing the number of Texas-bred races and Texas-bred horses racing. This could lead to increased owner/breeder awards. To create signature stakes days which could increase attention to the breeding industry.

- Retama Park will work with the Texas Quarter Horse Association (TQHA) to hold a sales futurity each year in conjunction with the TQHA sale held in San Antonio.
GOAL: To increase the number of futurity trial starters each year by 10%.
- Retama Park will continue to work with the Texas Thoroughbred Association with regard to the Stallion Stakes series and conduct races for two year old colts and fillies.
GOAL: To increase the number of Stallion Stakes entrants each year by 10%.
- Retama Park plans to continue to operate the training center which helps horsemen and positively impacts the state's breeding operations by giving horsemen an economical way to keep horses in training. The training center helps horsemen develop young horses and keep older horses fit. As part of the training center, Retama Park offers schooling races.
GOAL: To increase the number of horses in the training center by 5% each year.

Impact on the Local Economy

The applicant used a multiplier effect of seven times the direct input of dollars to calculate Retama Park's economic effect. Payroll and job creation was formulated using 2011 actual figures. According to the applicant, "conclusions and number of jobs created compares favorably to statistical numbers and percentages used in the August 2011 report by The Perryman Group regarding state economic impact."

According to the applicant the estimated economic impact of Retama Park is based on annual operational expenditures projected at \$10,508,000 of which \$4,398,000 is to be spent on direct employee payroll. Live racing purses are projected at \$4,346,000. This money also inputs into jobs for grooms, veterinarians, feed suppliers, farmers and other racetrack related jobs. Lodging, food and beverage, car rental and retail are all positively impacted by purses paid.

Estimated annual economic impact	\$103,978,000
Number of annual jobs created	1,372

Estimated annual tax revenue

State revenue from 1% tax on simulcast handle	\$478,000
Real estate taxes	0
State sales tax from goods and services sold	63,000
Admission tax	<u>17,000</u>
TOTAL ANNUAL TAX REVENUE ESTIMATE	<u>\$558,000</u>

Quoting from the applicant, "Investment resulting from the economic stimulus of Retama Park is difficult to quantify. However, we expect that the restructuring contemplated will provide a secure financial base that will allow Retama Park the opportunity to improve its operating position. It is reasonable to assume certain growth in related and supporting industries such as hotel and motel, restaurant, bars or hospitality. Rental car companies, office equipment, advertising and media, to name a few, will see increased investment and added local spending."

Letters of Support and Opposition

The Commission has not received any letters of support or opposition regarding this request for change in ownership. The applicant states they are not aware of any local organized opposition to Retama Park.

SUMMARY

Staff reviewed the applicant's proposal for reasonableness and compliance with state law and provides the following:

- The proposed change in ownership of the track is adequately described and is consistent with the Act.
- Pinnacle Entertainment Group is a publicly traded, multi-jurisdictional gaming and racing company with a net worth of \$519 million as of December, 2011.
- If approved by the Commission, Pinnacle, through its ownership of PNK(SA), will acquire 75.5% ownership interest in the Class 1 Horse Racing License at

Retama Park. The remaining 24.5% ownership interest will be held by the current owners of Retama Partners through their ownership of RPL Holdings.

- Retama Park is an existing racetrack approved for racing operations. The facilities are currently in good repair and require only routine maintenance.
- The current management team at Retama Park will continue; these individuals are qualified and are currently licensed to operate the horse racetrack.
- Retama Park's current totalisator company, Amtote International, will continue to provide totalisator services. Amtote has previously been approved by the Commission. Any future change is subject to the Commission's approval.
- The current management contract with REG will be canceled and replaced by a new management contract with PNK(SAM), but the individuals currently managing the racetrack will enter new employment with PNK(SAM) and continue to manage Retama Park.
- The current alcoholic beverage contract with BEC will continue until a new contract is submitted by PRLLC and it is approved by the Commission.
- The applicant's financial and pari-mutuel projections for Retama Park are reasonable when viewed as a whole.
- The applicant's projections indicate Retama Park will lose approximately \$148 million in the first five years, but that \$141.2 million of this amount will be due to interest expense. These interest expenses are carried forward without immediate repayment if the racetrack generates no positive income.
- The projections indicate that Retama Park will have an operating loss of approximately \$6.8 million over the first five years, or \$1.36 million per year. Pinnacle has committed to providing up to \$2 million in additional capital contributions per year for six years as long as the annual operating loss does not exceed \$1.5 million.
- The Department of Public Safety has conducted complete personal, financial, and business background checks. Copies of these confidential reports have been provided to the Commissioners.
- The continued operation of Retama Park would have a positive impact on the horse breeding industry, the state, and local economies.

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APPENDIX
Table of Contents

A. Requests for Approval..... A-1

B. Diagrams of Current Ownership and ManagementB-1 – B-4

Appendix A

Requests for Approval

2012 AUG 22 PM 3:04

RECEIVED
TEXAS RACING
COMMISSION

Retama Partners LTD
PO Box 47535
San Antonio, TX 78265-7535
210-651-7120

August 20, 2012

Mr. Chuck Trout
Texas Racing Commission
PO Box 12080
Austin, TX 78711

Dear Mr. Trout:

Retama Partners Ltd., the license holder of the Class 1 horse racing license at Retama Park, has entered into a contract for the transfer of pecuniary interests under Texas Racing Act § 6.13(b) and Commission Rule 309.11. This transfer will effect a change in the controlling interest of the license. Enclosed please find an Executive Summary of the proposed transaction that includes a formal request for approval. Also enclosed is a check for \$75,000 to cover the processing and investigation charges. Pinnacle Entertainment, Inc., through its subsidiaries, is the acquiring party and will provide the relevant application and background disclosure forms.

Please let me know if you need any additional information for approval of this transfer by the Texas Racing Commission. Thank you for your assistance.

Sincerely,



David J. Straus
Vice-President
Retama Park Association
General Partner of Retama Partners Ltd.

2012 AUG 22 PM 12: 44

RECEIVED
TEXAS RACING
COMMISSION

August 8, 2012

Mark Fenner
General Counsel
Texas Racing Commission
8505 Cross Park Drive # 110
Austin, Texas 78754

**RE: Request for Approval of Pecuniary Interest in a
Horse Association and Ancillary Transactions**

Dear Mr. Fenner:

PNK (SA), LLC and PNK (SAM), LLC, Texas limited liability companies and wholly owned subsidiaries of Pinnacle Entertainment, Inc., are pleased to submit an original and five (5) copies of the enclosed Request for Approval of Pecuniary Interest in a Horse Association and Ancillary Transactions related to Retama Park. The \$75,000 application fee will arrive under separate cover.

We look forward to working with the Texas Racing Commission on the licensing investigation. Please or call or write with any questions.

Sincerely,



John A. Godfrey
Executive Vice President, Secretary
and General Counsel

JAG/tp
Enclosures

cc: Anthony Sanfilippo
Carlos Ruisanchez
Bill Buffalo

◆◆◆◆◆
PINNACLE
ENTERTAINMENT

8918 Spanish Ridge Avenue, Las Vegas, Nevada 89148
T 702.541.7777 www.pnkinc.com

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Appendix B
Diagrams of Current and Proposed
Business Structures

Current Retama Park Structure

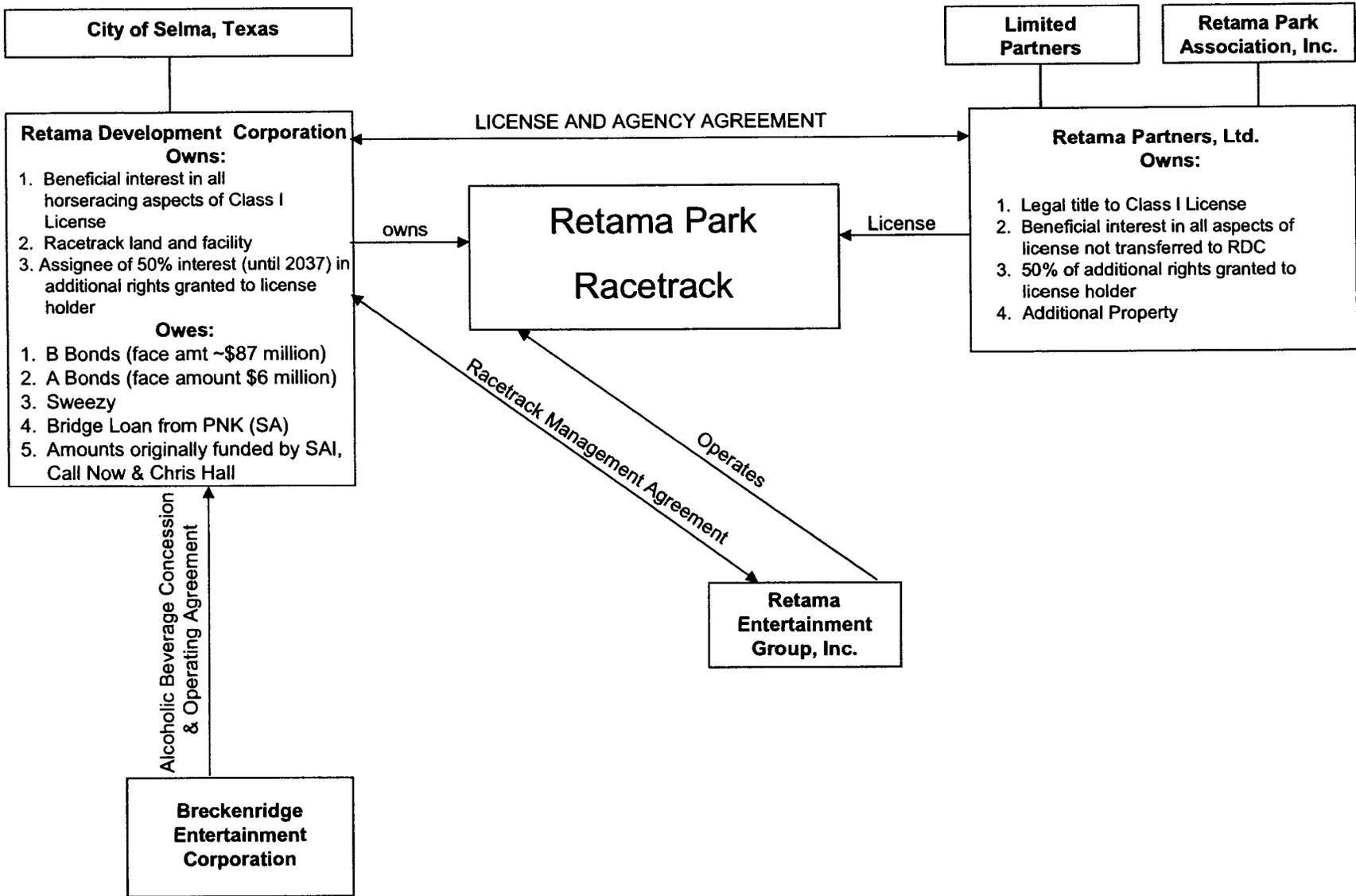


Chart 1

Provided by Pinnacle Entertainment, Inc.

Revised Retama Park Structure (simultaneously with Charts 3 and 4)

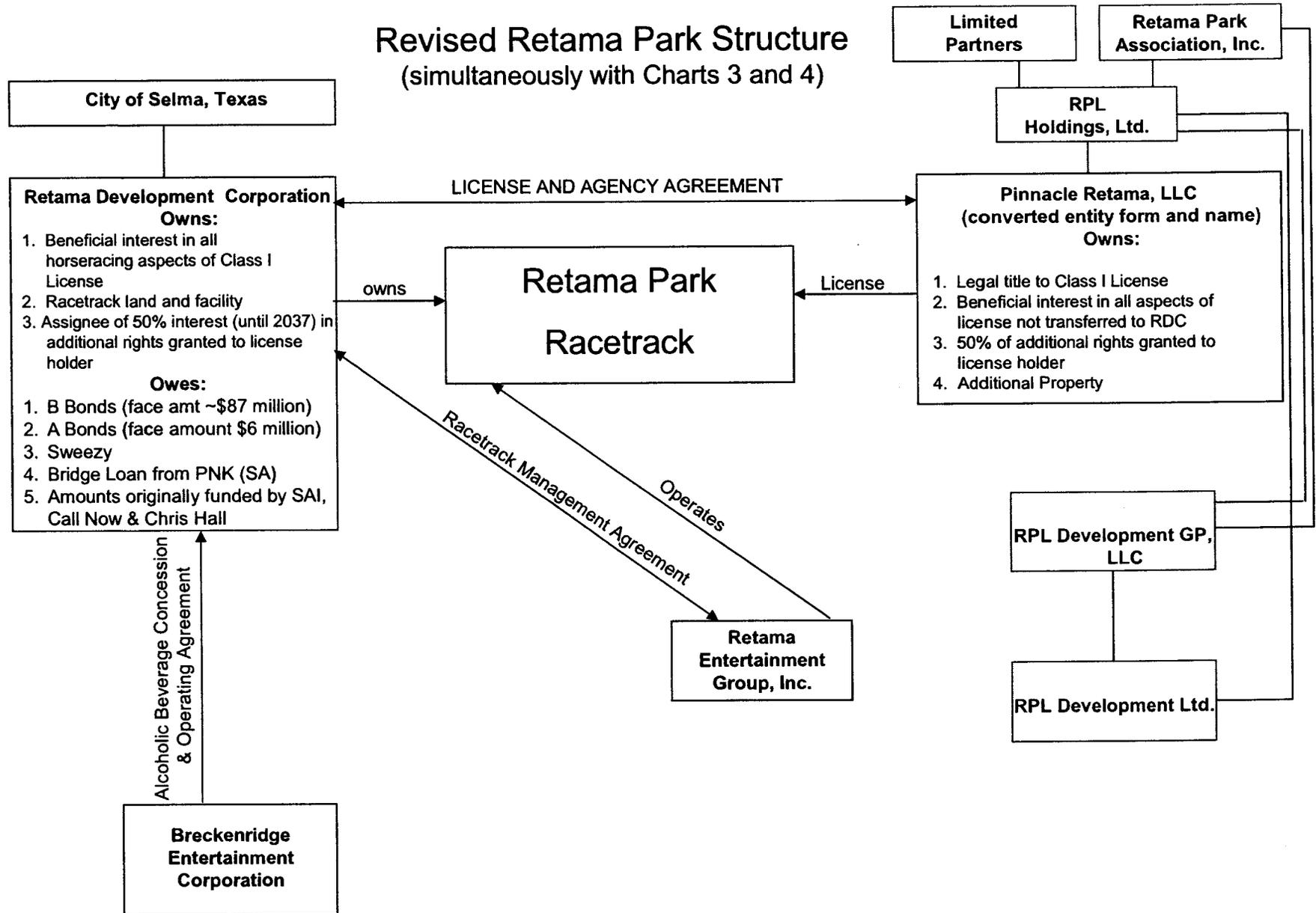


Chart 2

Provided by Pinnacle Entertainment, Inc.

Revised Retama Park Structure (simultaneously with Charts 2 and 4)

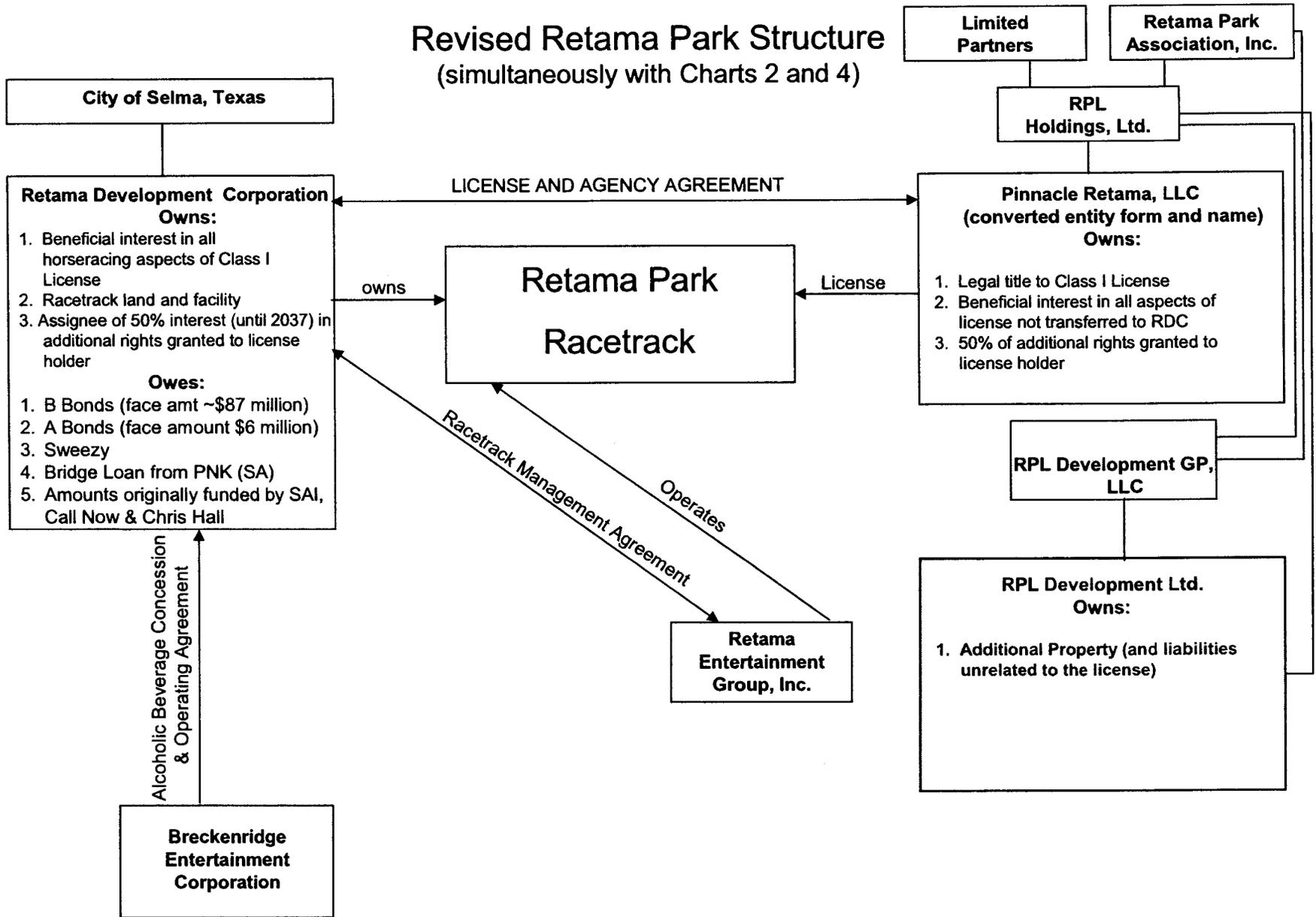


Chart 3

Provided by Pinnacle Entertainment, Inc.

Revised Retama Park Structure (simultaneously with Charts 2 and 3)

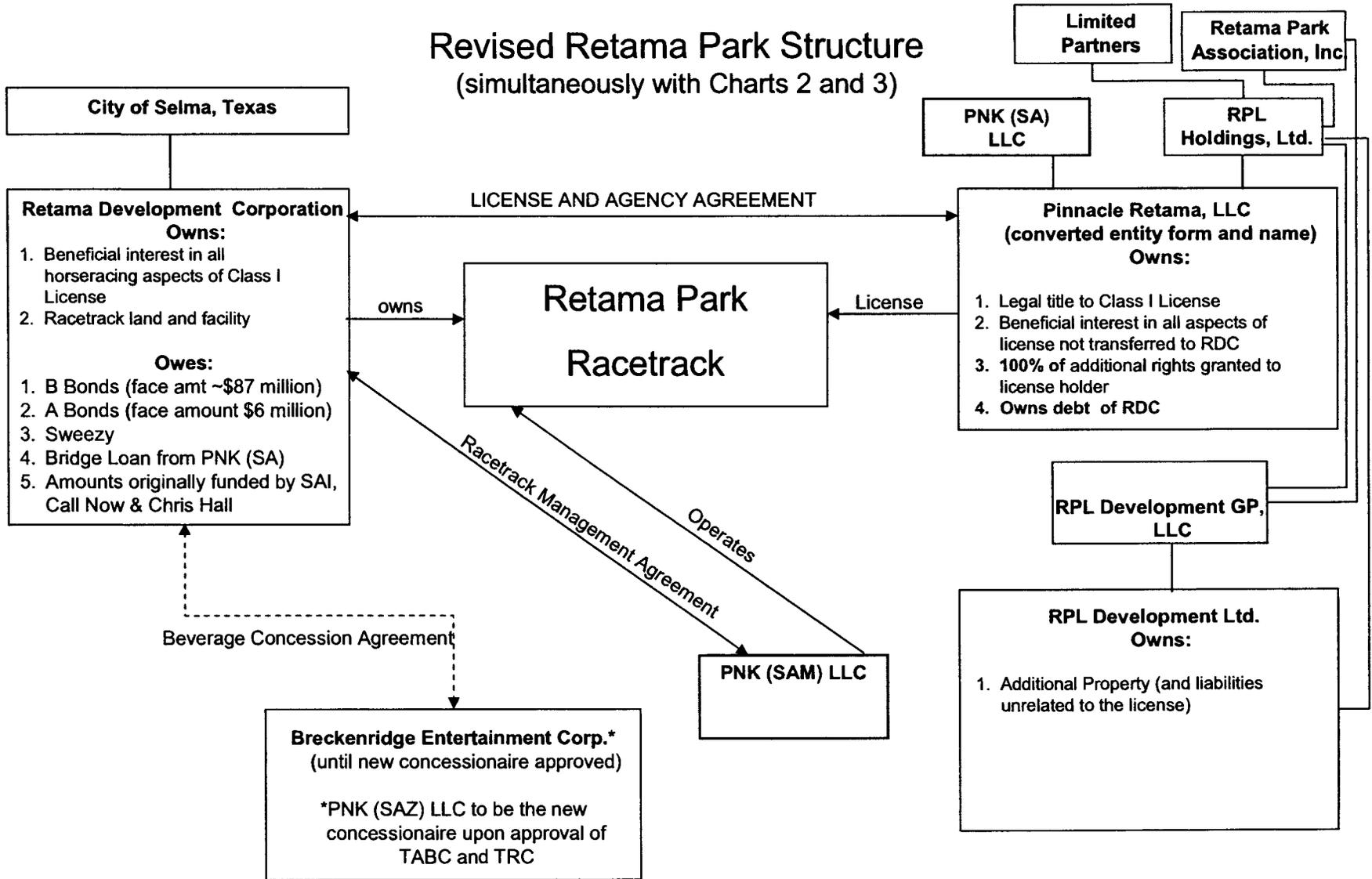


Chart 4

Provided by Pinnacle Entertainment, Inc.



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Finance and Wagering

Date: December 11, 2012

Subject: Amendment to Totalisator Contract between Sam Houston Race Park and Sportstech

Attached to this memorandum is an amendment to the tote contract between Sam Houston Race Park (SHRP) and Sportstech that has been requested by SHRP to be placed on the December 18, 2012, Commission Meeting Agenda for consideration. This amendment, if approved, would assist in facilitating SHRP to offer on-track mobile wagering to their customers. Staff has completed a review of the amendment and finds it to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

If you have any questions, please feel free to contact Curley Trahan or me.

Cc: Chuck Trout, Executive Director
Curley Trahan, Compliance Auditor



November 28, 2012

Mr. Sammy Jackson
Deputy Director
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711-2080

Dear Mr. Jackson:

Enclosed please find a letter agreement between Sam Houston Race Park and Sportech, Inc. This letter agreement amends our current tote contract. This tote contract amendment is a necessary step for Sam Houston Race Park to, in due process, offer on-track mobile wagering to its customers.

Sam Houston Race Park respectfully submits the attached tote contract amendment for the Commission's consideration and approval.

If you have any questions or should require any further information please feel free to contact me.

Sincerely,

Andrea B. Young
President

Enclosures

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Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

From: *SJ* Sammy Jackson, Deputy Director for Finance and Wagering

Date: December 11, 2012

Subject: Totalisator Contract between Saddle Brook Park and AmTote International

Attached to this memorandum is a tote contract between Saddle Brook Park (SBP) and AmTote International that has been requested by SBP to be placed on the December 18, 2012, Commission Meeting Agenda for consideration. This contract is the basic totalisator service agreement that provides the terms of service, as well as defines what equipment will be installed at SBP. Staff has completed a review of the contract and finds it to be in compliance with the Texas Racing Act and the Texas Rules of Racing.

If you have any questions, please feel free to contact Curley Trahan or me.

Cc: Chuck Trout, Executive Director
Curley Trahan, Compliance Auditor



December 11, 2012

**Att: Mr. Mark Fenner
General Counsel
Texas Racing Commission
8505 Cross Park Drive, #110
Austin, TX 78754-4598**

Dear Mr. Fenner,

Please accept this letter as an official request to have Saddle Brook Park, LLC placed on the December 18th Texas Racing Commission meeting agenda for the purpose of requesting that the status of Saddle Brook Park, LLC be changed from "Inactive" to "Active Other".

Per the requirements of such status, Saddle Brook Park now owns the property intended for the future race track, has acquired race dates for 2014, will have begun simulcasting at its approved temporary location by the date of the meeting, and is clearly showing of good faith effort in its attempt conduct live racing in Amarillo, Randall County, Texas.

Mark, should you have any comments or questions regarding this matter, please do not hesitate to contact me.

Respectfully,

A handwritten signature in black ink, appearing to read "Lynn Alexander", is written over a horizontal line.

Lynn Alexander

IV. PROCEEDINGS ON RACETRACKS

**F. Allocation of purses as provided
under Commission Rule 321.505(a)**



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Finance and Wagering

Date: December 11, 2012

Subject: Summary of Simulcast Purse Allocations and Escrow Purse Distributions

Attached to this memorandum is summary report that documents the progression of the negotiations on the total of both simulcast purse allocations and escrow purse distribution among the various breeds of horses as provided for under Commission Rule 321.505 and Commission Rule 321.509.

If you have any questions, please feel free to contact me.

Cc: Chuck Trout, Executive Director

Total of Simulcast Purse Allocations and Escrow Purse Allocations

	Breed	Current 2012	Racetrack Recommended 10/9/2012	Racetrack Recommended 12/18/2012
State Totals	AR	\$ 204,373	\$ 210,173	\$ 234,310
	PA	\$ 110,764	\$ 104,964	\$ 95,667
	QH	\$ 3,711,584	\$ 3,881,986	\$ 4,235,850
	TB	\$ 12,158,142	\$ 12,729,739	\$ 12,361,035
	Total	\$ 16,184,863	\$ 16,926,862	\$ 16,926,862
State % Allocation Results	AR	1.2627%	1.2417%	1.3842%
	PA	0.6844%	0.6201%	0.5652%
	QH	22.9324%	22.9339%	25.0244%
	TB	<u>75.1205%</u>	<u>75.2044%</u>	<u>73.0261%</u>
	Total	100.0000%	100.0000%	100.0000%



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MEMORANDUM

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Finance and Wagering

Date: December 11, 2012

Subject: Simulcast Purse Allocations under Commission Rule 321.505

Attached to this memorandum is a report that documents the progression of the negotiations on simulcast purse allocations among the various breeds of horses as provided for under Commission Rule 321.505.

If you have any questions, please feel free to contact me.

Cc: Chuck Trout, Executive Director

§321.505 Simulcast Purse Allocations

Racetrack	Breed	Current 2012	Racetrack Recommended 10/9/2012	Racetrack Recommended 12/18/2012
Lone Star Park	AR	0.8125%	0.8125%	1.0000%
	PA	0.4375%	0.4375%	0.2500%
	QH	16.7875%	16.7875%	18.2875%
	TB	<u>81.9625%</u>	<u>81.9625%</u>	<u>80.4625%</u>
	Total	100.0000%	100.0000%	100.0000%
Retama Park	AR	1.5000%	1.5000%	1.5000%
	PA	0.5000%	0.5000%	0.5000%
	QH	21.5600%	23.5200%	23.5200%
	TB	<u>76.4400%</u>	<u>74.4800%</u>	<u>74.4800%</u>
	Total	100.0000%	100.0000%	100.0000%
Sam Houston Race Park	AR	1.4000%	1.4000%	1.4000%
	PA	0.6000%	0.6000%	0.6000%
	QH	21.5600%	16.6600%	21.5600%
	TB	<u>76.4400%</u>	<u>81.3400%</u>	<u>76.4400%</u>
	Total	100.0000%	100.0000%	100.0000%
Saddle Brook Park	AR	0.0000%	0.0000%	1.5000%
	PA	0.0000%	0.0000%	0.5000%
	QH	0.0000%	50.0000%	49.0000%
	TB	<u>0.0000%</u>	<u>50.0000%</u>	<u>49.0000%</u>
	Total	0.0000%	100.0000%	100.0000%
Gillespie County Fair	AR	0.0000%	0.0000%	0.0000%
	PA	1.5000%	1.5000%	1.5000%
	QH	68.9500%	68.9500%	68.9500%
	TB	<u>29.5500%</u>	<u>29.5500%</u>	<u>29.5500%</u>
	Total	100.0000%	100.0000%	100.0000%
State Totals	AR	\$ 173,091	\$ 173,091	\$ 197,228
	PA	\$ 79,482	\$ 79,482	\$ 70,185
	QH	\$ 3,067,393	\$ 3,237,795	\$ 3,591,659
	TB	<u>\$ 11,971,119</u>	<u>\$ 12,542,716</u>	<u>\$ 12,174,012</u>
	Total	\$ 15,291,085	\$ 16,033,084	\$ 16,033,084
State % Allocation Results	AR	1.1320%	1.0796%	1.2301%
	PA	0.5198%	0.4957%	0.4378%
	QH	20.0600%	20.1945%	22.4015%
	TB	<u>78.2882%</u>	<u>78.2302%</u>	<u>75.9306%</u>
	Total	100.0000%	100.0000%	100.0000%

December 10, 2012

Mr. Charles Trout
Executive Director
P. O. Box 12080
Austin, TX 78711-2080

Dear Mr. Trout:

At this time, the three Class I Tracks - Lone Star Park, Sam Houston Race Park and Retama Park - as well as Saddle Brook Park- would like to make the following joint recommendations to the Texas Racing Commission as stated in rule 321.505 (a) (1) for allocation of 2013 simulcast purses and the escrowed purse funds. This request represents considerable movement since the Commission's October meeting. These are difficult time in the Texas racing industry and this movement, while not justified by the economics, is an attempt to balance the needs and desires of both breeds while still maintaining our business lines.

Class I + SBP Recommended Allocation of 2013 Simulcast Purse Funds

	Arabian	Paint	Quarter	Thoroughbred
LSP*	1.00%	0.25%	18.2875%	80.4625%
SHRP	1.40%	0.60%	21.56%	76.44%
Retama	1.50%	0.50%	23.52%	74.48%
SBP	1.50%	0.50%	49.00%	49.00%

- Note: At LSP, these percentages are agreeable only if the Texas Horsemen's Partnership is willing to pledge the first \$100,000 of Thoroughbred purse money generated from simulcasting at the Saddle Brook Park be transferred to Lone Star Park to be used for thoroughbred purses

Below we have provided a summary of changes made to each of the proposals since the last meeting of the Commission.

Lone Star Park - These numbers represent a 1.5% increase in purse revenue for the Quarter Horse purse fund and an equal decrease in the Thoroughbred fund when compared to the requests made at the October meeting of the Commission. While at the same time the Arabian purse fund would increase by 0.1875% and the Paint Horse fund would decrease the same amount.

Sam Houston Race Park – These numbers represent a 4.8% increase in purse revenue for the Quarter Horse purse fund and an equal decrease in the Thoroughbred fund when compared to the requests made at the October meeting of the Commission.

Retama Park – These numbers are unchanged when compared to the requests made at the October meeting of the Commission.

Class I + SBP Recommended Allocation of 2013 Escrowed Purse Funds

	Arabian	Palnt	Quarter	Thoroughbred
LSP*	3.5%	3.5%	72.075%	20.925%
SHRP	3.5%	3.5%	72.075%	20.925%
Retama	5.5%	1.5%	72.075%	20.925%
SBP	3.5%	3.5%	72.075%	20.925%

- Note: These percentages are agreeable only if Lone Star Park continues to receive 24.65% of the fund on a monthly basis which is consistent with what it currently receives. Thus, the distribution between the breeds remains unchanged from LSP's previous contract.

The current allocation of escrowed purse funds clearly favors the Quarter Horse breed and is unchanged from previous requests. We support maintaining the allocation at its current levels in order to offset any challenges created by our requested changes to simulcast breed splits.

Thank you in advance for your consideration.

Sincerely,



Drew M. Shubeck
Lone Star Park



Bryan Brown
Retama Park



Andrea B. Young
Sam Houston Race Park



Corey Johnsen
Saddle Brook Park



LONE STAR PARK
*at Grand Prairie**

**Lone Star Park Wagering Statistics
Live & Export**

	Days	Live	Export	Attendance
2011 QT Meet	26	2,304,379.30	5,899,785.13	76,085
2012 TH Meet	53	14,900,907.00	35,527,498.91	388,401

**Lone Star Park Wagering Statistics
Simulcast-In Handle By Breed**

	Handle	Percentage
Thoroughbreds	\$ 79,386,278.85	82.87%
Quarter Horses	\$ 6,833,321.75	7.13%
Harness	\$ 4,686,416.30	4.89%
Greyhounds	\$ 4,892,232.40	5.11%
TOTAL	\$ 95,798,249.30	100.00%



RULE §321.505

Allocation of Purses and Funds for Texas Bred Incentive Programs

(4) The Commission may consider the following criteria in evaluating whether to approve the association's proposed division of purse revenue:

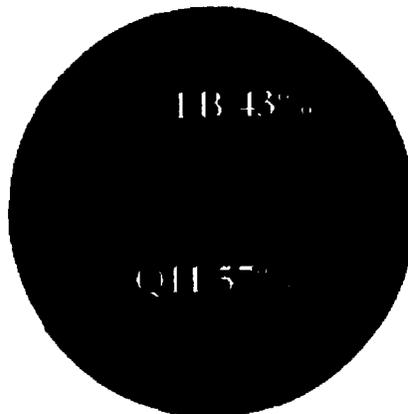
All Comparisons are 2011 Thoroughbred Meet vs. the 2012 Quarter Horse Meet

(A) local public interest in each breed as demonstrated by, but not limited to, the following factors:

- (i) live handle by breed;***

AVERAGE LIVE HANDLE BY BREED		AVERAGE	%
Thoroughbred 2011 Live On Track	23	89,645	43%
Quarter Horse 2012 Live On Track	22	122,264	57%
Total	45		100%

Average Live Handle By Breed

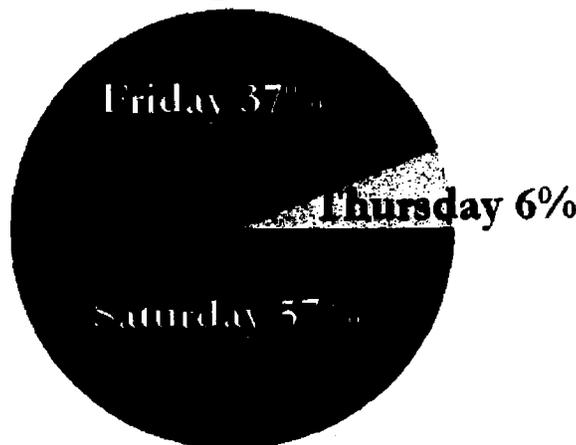


The average live handle on the 2012 Quarter Horse Meet is about \$30,000 higher than on the 2011 Thoroughbred Meet. However, because the two meets are at different times of the year and conducted under different circumstances, one should not conclude the quarter horses are the more popular breed. Consider the following.

1. Prior to the June 8 opening of the Quarter Horse meet, Retama Park had not conducted a live race card for about seven months. The 2011 Thoroughbred Meet immediately followed 24-day Quarter Horse/Mixed Meet.
2. The summer is a much better time to attract live fans, as kids are out of school and people are on vacation. In the fall, kids are back to school, high-school and college football are in full swing, professional football has peoples' interest, and the San Antonio Spurs start their season. .
3. The 2011 summer in San Antonio was brutally hot and dry, with a record 53 100-degree days. This impacted our turf course, and we conducted a very limited number of turf races during the meet. Turf racing is very popular, and this impacts attendance and handle negatively. .
4. The overall numbers for the 2011 Thoroughbred Meet included three Thursdays, which brought the averages down. As you can see from the table below, average handle on Thursdays was well below that on Fridays and Saturdays. There was no Thursday racing during the 2012 Quarter Horse Meet

2011 TB		2011 TB		2011 TB	
Thu	# Days	Fri	# Days	Sat	# Days
\$41,820	3	\$75,769	10	\$117,869	10

Handle By Day Week 2011 Thoroughbred Meet

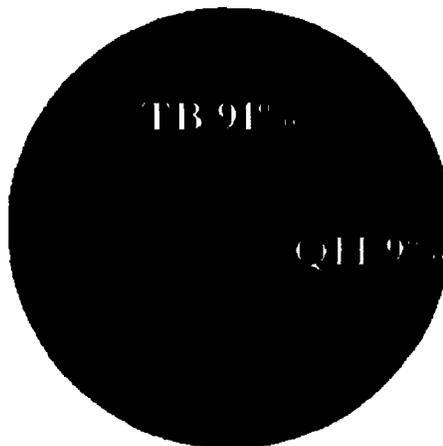


(ii) *simulcast import handle by breed;*

Beginning January 1, 2011 and continuing through September 26, 2012, a period of 634 days, total simulcast import handle by breed is as follows:

SIMULCAST IMPORT HANDLE QH VS TB			
1/1/11 through 9/26/12 (634 days)	DAYS	HANDLE	%
Thoroughbred		56,525,010	91%
Quarter Horse		5,411,581	9%
Total	634	61,936,591	100%

Simulcast Import Handle By Breed

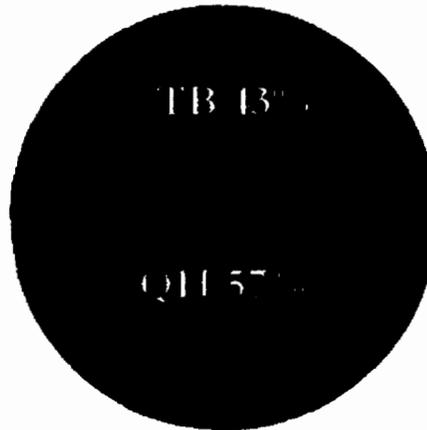


(iii) *live attendance at the racetracks;*

See (i) live handle by breed for a discussion on things that impact live handle. Same things apply to live attendance.

AVERAGE LIVE ATTENDANCE	Days	PEOPLE	%
Thoroughbred 2011 Live On Track	23	2,378	43%
Quarter Horse 2012 Live On Track	22	3,235	57%
Total	45	5,613	100%

Average Live Daily Attendance



2011 Thoroughbred Meet Average Impacted by Thursdays

2011 TB		2011 TB		2011 TB	
Thu	# Days	Fri	# Days	Sat	# Days
895	3	1,664	10	3,537	10

(iv) *sales and market survey information.*

Not applicable.

(B) earnings generated by the association from each breed;

Quarter Horse Meet – \$ 1,066,918
 Thoroughbred Meet - \$ 5,120,685

EARNINGS CATEGORY	QH 2012 & Import Simulcast	TB 2011 & Import Simulcast	TB LESS QH
Live Handle By Breed	\$ 295,878	\$ 226,802	\$ (69,076)
Live Export By Breed	\$ 74,461	\$ 176,189	\$ 101,728
Simulcast Import Handle By Breed	\$ 432,926	\$ 4,522,001	\$ 4,089,074
Admission	\$ 29,844	\$ 18,190	\$ (11,654)
Food And Beverage	\$ 123,230	\$ 89,401	\$ (33,829)
Group Sales	\$ 6,423	\$ 21,181	\$ 14,758
Programs, Tip Sheets, Pencils	\$ 20,380	\$ 11,698	\$ (8,683)
Daily Racing Form	\$ 707	\$ 780	\$ 73
Box Seats	\$ 28,246	\$ 17,749	\$ (10,497)
Parking	\$ 54,103	\$ 36,331	\$ (17,771)
Other	\$ 721	\$ 364	\$ (357)
Totals	\$ 1,066,918	\$ 5,120,685	\$ 4,053,767

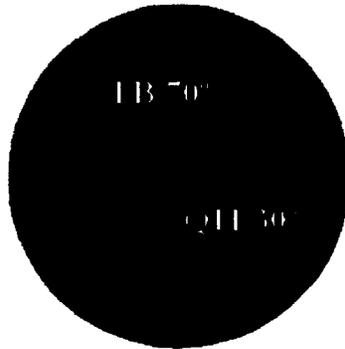
Earnings By Breed



(C) national public interest in each breed as determined by the live simulcast export handle of each Texas meet;

LIVE EXPORT (NATIONAL PUBLIC INTEREST)	DAYS	AVG. HANDLE	%
Thoroughbred 2011 Live Export	23	\$383,020	70%
Quarter Horse 2012 Live Export	22	\$169,229	30%
Total	45	\$552,249	100%

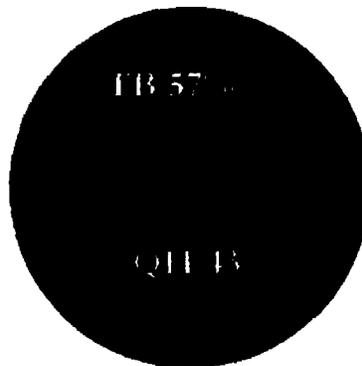
Export Handle By Breed



(D) racetrack race date request and opportunities given to each breed; and

2013 Quarter Horse	2013 Thoroughbred
20 Days	26 days

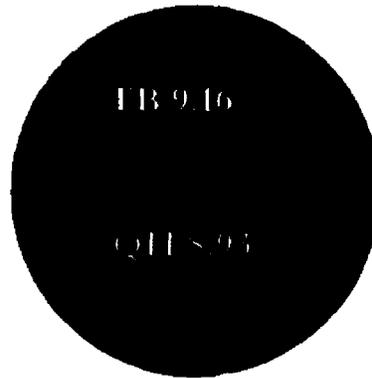
2013 Race Days By Breed



(E) availability of and ability to attract competitive horses.

RUNNERS PER RACE	# Days	Avg. Runners	%
Thoroughbred 2011	23	9.16	51%
Quarter Horse 2012	22	8.93	49%
Total	45		100%

Average Runners Per Race





Retama Park
Analysis of Section 321.505 and 321.509 Breed Split Criteria
October 1, 2012

			<u>Relative Percentages</u>		<u>Assigned</u>	<u>Implied Breed Split</u>	
	<u>QH</u>	<u>TB</u>	<u>QH</u>	<u>TB</u>	<u>Factor</u>	<u>QH</u>	<u>TB</u>
Live Handle	122,264	89,645	58%	42%	5.00%	3%	2%
Simulcast Import	5,411,581	56,525,010	9%	91%	5.00%	0%	5%
Attendance	3,235	2,378	58%	42%	5.00%	3%	2%
Earnings	1,066,918	5,120,685	17%	83%	50.00%	9%	41%
Export	169,229	383,020	31%	69%	5.00%	2%	3%
Race Date Request	20	26	43%	57%	15.00%	7%	8%
Availability of Horses	8.93	9.16	49%	51%	<u>15.00%</u>	<u>7%</u>	<u>8%</u>
					100%	30%	70%

	<u>Total</u>	<u>QH%</u>	<u>TB%</u>	<u>QH Accrual</u>	<u>TB Accrual</u>	
Projected Purse Distribution Based on Requested Splits:						
Simulcast Accruals (1)	2,500,000	24%	76%	600,000	1,900,000	
Cross-Species Accrual (2)	267,187	77.5%	22.5%	<u>207,070</u>	<u>60,117</u>	
				807,070	1,960,117	2,767,187
Overall Projected Breed Split				29.17%	70.83%	

- (1) After payment of 2% to minor breeds
(2) After payment of 7% to minor breeds



October 3, 2012

Mr. Sammy Jackson
Deputy Director
Texas Racing Commission
8505 Cross Park Drive
Austin, TX 78754

Dear Mr. Jackson:

Please find attached Sam Houston Race Park's analysis of Rules 321.505 and 321.509 regarding allocation of purses and the escrowed purse account distribution. Our request for 2013 comes after months of internal analysis and discussions with both breeds. Sam Houston Race Park is sympathetic to the relentless pressure placed on Texas horse tracks and horsemen of both breeds by our neighboring states, all of whom offer additional forms of gaming at their racetracks and subsequently better purses and breeder incentives. The position we find ourselves in is a difficult one and represents the dire straits the industry finds itself in. Both breeds have repeatedly asked for more and we believe our analysis supports a compromise as outlined in the attached proposal.

Furthermore, when reviewing this data please consider that purses directly impact how Sam Houston Race Park runs its business. The ability to run profitable race dates directly impacts our ability to create and maintain jobs and spur additional economic development through things like capital purchases, marketing and other day-to-day operating expenses. Live Thoroughbred racing not only drives more handle and commissions, it also represents our only real growth opportunity given the current state of play in our region. Over the past two years, Sam Houston Race Park has experienced a 58% increase in daily average live handle during our Thoroughbred meet. This amazing growth is in light of the industry's well documented woes and overall handle declines and clearly deserves more investment.

Sam Houston Race Park appreciates the opportunity to present its recommendation to the Commission. Please feel free to contact me should you have any questions or concerns.

Sincerely,

Andrea B. Young
President

Enclosures

PAGE 73

SAM HOUSTON RACE PARK LTD.

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

Allocation of Purses

SHRP has reviewed its operational data and statistics from the Thoroughbred (TB) and Quarter Horse (QH) meets of 2012. Simulcast handle for 2012 year-to-date has been reviewed and analyzed. Based on its review, SHRP is recommending the following splits:

Breed	2013 Proposed	2012 Actual
- TB	81.34%	76.44%
- QH	16.66%	21.56%
- Arabian	01.40%	01.40%
- Paint	00.60%	00.60%

This proposed split mirrors that of Lone Star Park which has enjoyed these current splits for the past several years and is more in line with actual business lines generated by both breeds.

Please note this recommendation is based on the data listed below with particular emphasis placed on the percentage of simulcast handle by breed as well as the earnings derived by each breed. SHRP believes that simulcast purse splits should be more closely aligned with simulcast handle by breed. Purse earnings from live and export handle are not divided but simply go directly to the breed earning that handle. Thus, simulcast handle by breed is an important factor in determining which breed should be awarded those purse earnings derived.

FACTORS FOR CONSIDERATION AS DEFINED BY COMMISSION RULE 321.505 and 321.509

1. Local Interest

Local interest at SHRP is demonstrated by live handle, simulcast handle and live attendance. The following chart lists these 2012 totals by percentages.

	TB	QH	Arabian	Paint
Local Interest				
Live Handle	57.9%	39.2%	2.5%	0.4%
Simulcast Handle	95.0%	4.9%	0.1%	0.0%
Live Attendance	52.4%	47.6%	n/a	n/a

Management's Discussion on Local Interest

Average daily live handle on the 2012 Thoroughbred meet was approximately \$120,000 per day compared to \$94,000 for the Quarter Horse meet, a difference of about 28%. However, due to the Quarter Horses only running three days per week, a comparison on similar days is more appropriate. In 2012, Thoroughbreds ran a four day per week schedule (Friday, Saturday, Sunday and Monday) and Quarter Horses ran a three day per week schedule (Thursday, Friday and Saturday).

The average live handle on an "apples to apples basis" for Fridays and Saturdays during the 2012 Thoroughbred meet was approximately \$172,000 per day compared to only \$112,000 for the Quarter Horse meet, a difference of about 35%. Daily attendance and live handle per cap were also significantly higher during the Thoroughbred meet than the Quarter Horse meet.

This disparity between the meets is in spite of similar marketing budgets and strong simulcast attendance. The Quarter Horse meet enjoyed unique advantages such as a post-race concert series, premium simulcast days like the Kentucky Derby and Preakness as well as the Triple Crown prep season.

The Thoroughbred meet not only derives more handle and commissions, it also represents SHRP's largest growth opportunity. Over the past two seasons, SHRP has seen a 58% increase in daily average live handle for Thoroughbreds compared to only a modest 13% increase for Quarter Horse daily live handle. This amazing growth is in light of the industry's well documented woes and overall handle declines and clearly deserves more investment.

As demonstrated above, Thoroughbreds drive the overwhelming majority of simulcast handle. Please note that simulcast dog handle and handle on harness racing both significantly outpace Quarter Horse simulcast handle by 6.1x and 1.5x, respectively. Thoroughbred simulcast handle is more than 20x greater than Quarter Horse simulcast handle. This multiple would imply a 95/5 split in favor of Thoroughbreds.

1. Earnings

Net commissions represent SHRP's earnings from wagering after mandatory deductions and other track fees. The table below summarizes the combined net commissions earned from live, simulcast and export handle by breed in 2012 year-to-date.

	TB	QH	Arabian	Paint
Earnings				
Net Commissions	87.1%	11.8%	1.0%	0.1%

Management's Discussion on Earnings

Net commissions from Thoroughbred handle are a significant source of revenue for SHRP. The significant premium in earnings is driven in part by higher per caps and overall attendance statistics. In addition, the ability to run one additional day per week during the Thoroughbred meet (more supply) drives a significant difference in operating income between the two meets for SHRP.

For the months of January, February and March 2012 when running primarily Thoroughbreds, SHRP generated more than \$545,000 in positive EBITDA. However, during April and May when running Quarter Horses, SHRP suffered approximately \$120,000 in EBITDA losses despite premium simulcast dates like the Kentucky Derby and Preakness.

2. National Public Interest

	TB	QH	Arabian	Paint
National Public Interest				
Export Handle	81.2%	15.7%	3.0%	0.1%

National public interest is best demonstrated by export handle. The table below lists 2012 export handle totals by breed listed as percentages.

Management's Discussion on National Public Interest

SHRP's daily average export handle for the Thoroughbred meet averaged \$1.27 million, 3.5x greater than the daily export average of \$284,000 for the Quarter Horses.

3. Racetrack Race Date Request

SHRP has requested 34 Thoroughbred race days and 21 Quarter Horse race days for 2013. These dates translate into the following percentages.

	TB	QH	Arabian	Paint
Race Date Request	61.8%	38.2%	n/a	n/a

4. Availability and Ability to Attract Competitive Horses

Thoroughbred participation in SHRP's meet is very significant to the ability of SHRP to conduct profitable operations. The Thoroughbred population has successfully supported a four day race week at SHRP for the past several years despite struggles to do the same at the other two Class I Texas racetracks. A four day race week allows SHRP to maximize its assets and turn a profit during the Thoroughbred meet. The Quarter Horse population cannot provide this support. In recent years, the Quarter Horses have struggled to support a three day race week. Thus, SHRP is forced to lose money during the Quarter Horse meet.

Average Field Size	TB	QH
	8.71	7.92
	4x/week	

3x/week

In 2012, almost 28% of all Quarter Horse race dates attracted 5 or 6 runners or less. These races, on average, handle 25% less than those with larger, full fields. This trend, simply put, is not sustainable.

Escrowed Purse Account

Sam Houston Race Park, at this time, does not recommend changing the splits for the Escrowed Purse Account and has recommended to the Commission that they remain at current levels.

Breed	2013 Proposed	2012 Actual
- TB	20.925%	20.925%
- QH	72.075%	72.075%
- Arabian	03.50%	03.50%
- Paint	03.50%	03.50%

The current allocation of monies clearly favors the Quarter Horse breed. Although the criteria listed in rule 321.509 are similar to those in rule 321.505 and would clearly favor a majority split to Thoroughbred purses. SHRP supports maintaining the allocation at its current levels in order to offset any challenges created by our requested changes to simulcast breed splits.

Association Recommended Allocation of 2013 Simulcast Purse Funds

Association Name: GILLESPIE COUNTY FAIR & FESTIVALS ASSOC.

Rule §321.505 (a) (1) stipulates that an association shall recommend the percentages by which it will divide the purse revenue generated from simulcasting among the various breeds of horses. The recommended percentages are subject to the approval of the Commission.

Recognized Breeds of Horses	Recommended Allocation Percentages
Arabian	0
Paint Horse	1.5
Quarter Horse	68.95
Thoroughbred	29.55

Rule §321.505 (a) (2) stipulates that at least 30 days before recommending the percentages, the association shall begin negotiations with the organizations recognized by the Commission or in the ACT as representatives of horse owners, trainers, and/or breeders. Indicate in the box below, what recognized organizations the association negotiated with prior to filing the recommended allocation percentages above.

Negotiations Conducted	
<input type="checkbox"/> Texas Arabian Breeders' Association	<input type="checkbox"/> Texas Paint Horse Breeders Association
<input type="checkbox"/> Texas Thoroughbred Association	<input type="checkbox"/> Texas Quarter Horse Association
<input type="checkbox"/> Texas Horsemen's Partnership	

Prepared by: _____

Sally B. Briggs

Date: _____

09/20/2012

MOLTZ | MORTON

2012 SEP 18 PM 2:03
GLENNED
TEXAS RACING
COMMISSION

William J. Moltz
(512) 439-2171
wmoltz@MMandG.com

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5113 Southwest Parkway, Suite 120
Austin, TX 78735
(512) 439-2170
Facsimile (512) 439-2165

September 18, 2012

Mr. Sammy Jackson
Deputy Director for Wagering & Racing Review
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, Texas 78754

Via Fax

RE: Laredo Downs and Valle de los Tesoros Race Park

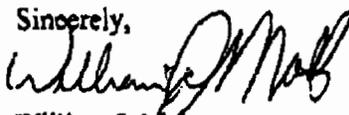
Dear Mr. Jackson:

The purpose of this letter is to respond on behalf of Laredo Downs and Valle de los Tesoros Race Park to your September 14, 2012 letter and email regarding the allocation of 2013 simulcast purse funds and escrowed purse account.

As you are aware, Laredo Downs currently has no race dates approved for 2013 although various mechanisms are being explored which could lead to live races in Webb County. Unless and until any such possibility is finalized and approved by the Commission, it would be inappropriate for Laredo Downs address allocation of purse funds.

With respect to Valle de los Tesoros Race Park, the Commission previously denied the track's request to open a temporary simulcast facility and, therefore, no simulcast operations are currently taking place. Furthermore, Valle de los Tesoros Race Park is currently evaluating its plans in light of the most recent Commission meeting. Due to the above, Valle de los Tesoros Race Park believes it would be inappropriate for it to address the allocation of purse funds at this time.

Thanks you for your consideration.

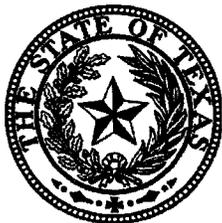
Sincerely,

William J. Moltz

WJM/pjp

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IV. PROCEEDINGS ON RACETRACKS

G. Distribution of funds in the Escrowed Purse Account among the various breeds of horses under Commission Rule 321.509.



Texas Racing Commission

MAILING ADDRESS: P.O. BOX 12080 - AUSTIN, TX 78711-2080

PHONE: (512) 833-6699 FAX: (512) 833-6907

www.txrc.state.tx.us

MEMORANDUM

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Finance and Wagering

Date: December 11, 2012

Subject: Escrow Purse Distribution under Commission Rule 321.509

Attached to this memorandum is a report that documents the progression of the negotiations on escrow purse distribution and allocations among the various breeds of horses as provided for under Commission Rule 321.509.

If you have any questions, please feel free to contact me.

Cc: Chuck Trout, Executive Director

§321.509 Escrow Purse Allocations

Racetrack	Breed	Current 2012	Racetrack Recommended 10/9/2012	Racetrack Recommended 12/18/2012
Lone Star Park = 24.65%	AR	3.5000%	3.5000%	3.5000%
	PA	3.5000%	3.5000%	3.5000%
	QH	72.0750%	72.0750%	72.0750%
	TB	<u>20.9250%</u>	<u>20.9250%</u>	<u>20.9250%</u>
	Total	100.0000%	100.0000%	100.0000%
Retama Park = 32.45%	AR	3.5000%	5.5000%	5.5000%
	PA	3.5000%	1.5000%	1.5000%
	QH	72.0750%	72.0750%	72.0750%
	TB	<u>20.9250%</u>	<u>20.9250%</u>	<u>20.9250%</u>
	Total	100.0000%	100.0000%	100.0000%
Sam Houston Race Park = 41.3%	AR	3.5000%	3.5000%	3.5000%
	PA	3.5000%	3.5000%	3.5000%
	QH	72.0750%	72.0750%	72.0750%
	TB	<u>20.9250%</u>	<u>20.9250%</u>	<u>20.9250%</u>
	Total	100.0000%	100.0000%	100.0000%
Saddle Brook Park = 0.0%	AR	0.0000%	0.0000%	0.0000%
	PA	0.0000%	0.0000%	0.0000%
	QH	0.0000%	0.0000%	0.0000%
	TB	<u>0.0000%</u>	<u>0.0000%</u>	<u>0.0000%</u>
	Total	0.0000%	0.0000%	0.0000%
Gillespie County Fair = 1.6%	AR	3.5000%	3.5000%	3.5000%
	PA	3.5000%	3.5000%	3.5000%
	QH	72.0750%	72.0750%	72.0750%
	TB	<u>20.9250%</u>	<u>20.9250%</u>	<u>20.9250%</u>
	Total	100.0000%	100.0000%	100.0000%
State Totals	AR	\$ 31,282	\$ 37,082	\$ 37,082
	PA	\$ 31,282	\$ 25,482	\$ 25,482
	QH	\$ 644,191	\$ 644,191	\$ 644,191
	TB	<u>\$ 187,023</u>	<u>\$ 187,023</u>	<u>\$ 187,023</u>
	Total	\$ 893,778	\$ 893,778	\$ 893,778
State % Allocation Results	AR	3.500%	4.149%	4.149%
	PA	3.500%	2.851%	2.851%
	QH	72.075%	72.075%	72.075%
	TB	<u>20.925%</u>	<u>20.925%</u>	<u>20.925%</u>
	Total	100.000%	100.000%	100.000%

December 10, 2012

Mr. Charles Trout
Executive Director
P. O. Box 12080
Austin, TX 78711-2080

Dear Mr. Trout:

At this time, the three Class I Tracks - Lone Star Park, Sam Houston Race Park and Retama Park - as well as Saddle Brook Park- would like to make the following joint recommendations to the Texas Racing Commission as stated in rule 321.505 (a) (1) for allocation of 2013 simulcast purses and the escrowed purse funds. This request represents considerable movement since the Commission's October meeting. These are difficult time in the Texas racing industry and this movement, while not justified by the economics, is an attempt to balance the needs and desires of both breeds while still maintaining our business lines.

Class I + SBP Recommended Allocation of 2013 Simulcast Purse Funds

	Arabian	Paint	Quarter	Thoroughbred
LSP*	1.00%	0.25%	18.2875%	80.4625%
SHRP	1.40%	0.60%	21.56%	76.44%
Retama	1.50%	0.50%	23.52%	74.48%
SBP	1.50%	0.50%	49.00%	49.00%

- Note: At LSP, these percentages are agreeable only if the Texas Horsemen's Partnership is willing to pledge the first \$100,000 of Thoroughbred purse money generated from simulcasting at the Saddle Brook Park be transferred to Lone Star Park to be used for thoroughbred purses

Below we have provided a summary of changes made to each of the proposals since the last meeting of the Commission.

Lone Star Park - These numbers represent a 1.5% increase in purse revenue for the Quarter Horse purse fund and an equal decrease in the Thoroughbred fund when compared to the requests made at the October meeting of the Commission. While at the same time the Arabian purse fund would increase by 0.1875% and the Paint Horse fund would decrease the same amount.

Sam Houston Race Park – These numbers represent a 4.8% increase in purse revenue for the Quarter Horse purse fund and an equal decrease in the Thoroughbred fund when compared to the requests made at the October meeting of the Commission.

Retama Park – These numbers are unchanged when compared to the requests made at the October meeting of the Commission.

Class I + SBP Recommended Allocation of 2013 Escrowed Purse Funds

	Arabian	Paint	Quarter	Thoroughbred
LSP*	3.5%	3.5%	72.075%	20.925%
SHRP	3.5%	3.5%	72.075%	20.925%
Retama	5.5%	1.5%	72.075%	20.925%
SBP	3.5%	3.5%	72.075%	20.925%

- **Note:** These percentages are agreeable only if Lone Star Park continues to receive 24.65% of the fund on a monthly basis which is consistent with what it currently receives. Thus, the distribution between the breeds remains unchanged from LSP's previous contract.

The current allocation of escrowed purse funds clearly favors the Quarter Horse breed and is unchanged from previous requests. We support maintaining the allocation at its current levels in order to offset any challenges created by our requested changes to simulcast breed splits.

Thank you in advance for your consideration.

Sincerely,



Drew M. Shubeck
Lone Star Park



Bryan Brown
Retama Park



Andrea B. Young
Sam Houston Race Park



Corey Johnsen
Saddle Brook Park

Association Request for 2013 Escrowed Purse Account

Association Name: GILLESPIE COUNTY FAIR & FESTIVAL ASSOC

Rule §321.509 (a) stipulates at least once a year, the Commission shall distribute all funds accrued in the escrowed purse account created by the Act, §6.091(e). An association shall request to the Commission for a distribution from the escrowed purse account.

Type of Distribution Requested <small>(select one)</small>	Percentage Requested
<input checked="" type="checkbox"/> Monthly	1.6
<input type="checkbox"/> Annual	

Rule §321.509 (o) stipulates that an association when requesting for distribution from the escrowed purse account shall also recommend the percentages by which it will divide the escrowed purse account revenue among the various breeds of horses.

Rule §321.509 (c) stipulates that the recommended percentages are subject to the approval of the Commission.

Recognized Breeds of Horses	Recommended Allocation Percentages
Arabian	3.5
Paint Horse	3.5
Quarter Horse	72.075
Thoroughbred	20.925

Prepared by: Sally B Briggs

Date: 09/20/2012

IV. PROCEEDINGS ON RACETRACKS

H. Allocation of Live Race for Horse Racetracks under Commission Rule 303.41

- 1) For the period of 1/1/2013 – 12/31/2013



Memorandum

P.O. Box 12080
 Austin, Texas 78711-2080
 (512) 833-6699
 Fax (512) 833-6907

Date: December 11, 2012
To: Chuck Trout, Executive Director
From:  Sammy Jackson, Deputy Director for Finance and Wagering
RE: Horse Race Date Applications Submitted for 2013 and 2014

The following applications were submitted for 2013 Horse Race Dates:

Track	Meet Type	2013 Actual Days Requested by Application	Total Days
Sam Houston *	TB	January 18, 19, 20, 21, 25, 26, 27, 28	8
	TB	February 1, 2, 4, 8, 9, 10, 11, 15, 16, 17, 18, 22, 23, 24, 25	15
	TB	March 1, 2, 3, 4, 8, 9, 10, 15, 16, 17	10
		Total	33
Sam Houston	QH	March 28, 29, 30	3
		April 4, 5, 6, 11, 12, 13, 18, 19, 20, 25, 26, 27	12
		May 2, 3, 4, 10, 11, 12	6
		Total	21
Lone Star Park *	TB	April 11, 12, 13, 14, 18, 19, 20, 21, 25, 26, 27, 28	12
	TB	May 2, 3, 4, 5, 9, 10, 11, 12, 16, 17, 18, 19, 23, 24, 25, 26, 27, 31	18
	TB	June 1, 2, 6, 7, 8, 9, 13, 14, 15, 16, 20, 21, 22, 27, 28, 29	16
	TB	July 3, 4, 5, 6	4
		Total	50
Lone Star Park	QH	September 13, 14, 19, 20, 21, 26, 27, 28	8
	QH	October 3, 4, 5, 10, 11, 12, 17, 18, 19, 24, 25, 26, 31	13
	QH	November 1, 2, 7, 8, 9	5
		Total	26
Retama Park	QH	June 7, 8, 14, 15, 21, 22, 28, 29	8
	QH	July 5, 6, 12, 13, 19, 20, 26, 27	8
	QH	August 2, 3, 9, 10	4
		Total	20
Retama Park	TB	October 4, 5, 11, 12, 18, 19, 25, 26	8
	TB	November 1, 2, 8, 9, 15, 16, 22, 23, 29, 30	10
	TB	December 6, 7, 13, 14, 20, 21, 27, 28	8
		Total	26

* - indicates the dates request is an amendment to previously granted race dates.

Sam Houston's request, if approved, would extend the thoroughbred meet by one week by adding three additional race days. These additional days would be on March 15th, 16th, and 17th.

Lone Star Park's request, if approved, would reduce the total number of thoroughbred race days by three. This is accomplished by eliminating Sunday racing on June 23rd, June 30th, and July 7th.

The following are 2013 race dates previously granted by the Commission:

Track	Meet Type	2013 Actual Days Previously Granted	Total Days
Valle de los Tesoros	QH	August 16, 17, 18, 23, 24, 25	6
		Total	6
Gillespie County Fair	Mixed	July 6,7, 20, 21	4
	Mixed	August 10, 11, 24, 25	4
		Total	8

The following applications were submitted for Horse Race Dates in the first eight months of 2014 and October and November of 2014:

Track	Meet Type	2014 Actual Days Requested by Application	Total Days
Sam Houston	TB	January 17, 18, 19, 20, 24, 25, 26, 27, 31	9
	TB	February 1, 3, 7, 8, 9, 10, 14, 15, 16, 17, 21, 22, 23, 24, 28	15
	TB	March 1, 2, 3, 7, 8, 9	6
		Total	30
Lone Star Park	TB	April 10, 11, 12, 13, 17, 18, 19, 20, 24, 25, 26, 27	12
	TB	May 1, 2, 3, 4, 8, 9, 10, 11, 15, 16, 17, 18, 22, 23, 24, 25, 26, 30, 31	19
	TB	June 5, 6, 7, 8, 12, 13, 14, 15, 19, 20, 21, 22, 26, 27, 28, 29	16
	TB	July 3, 4, 5	3
		Total	50
Retama Park	TB	October 3, 4, 10, 11, 17, 18, 24, 25, 31	9
	TB	November 1, 7, 8, 14, 15, 21, 22, 28, 29	9
		Total	18
Laredo Downs	QH	August 22, 23, 24, 29, 30, 31	6
		Total	6
Saddle Brook Park **	Mixed	October 24, 25	2
		Total	2
Valle de los Tesoros	QH	November 21, 22, 23, 28, 29, 30	6
		Total	6
Gillespie County Fair	Mixed	July 4,5, 19, 20	4
	Mixed	August 9, 10, 23, 24	4
		Total	8

** - indicates these dates were granted at the October 9, 2012, Commission Meeting

If the Commission approves the 2013 dates request and amended 2013 dates request, the 2013 calendar will have 109 Thoroughbred race days, 73 Quarter Horse race days, and 8 Mixed race days. The net result is a race calendar with 190 total race days in 2013. If the Commission approves the 2014 dates request, the 2014 calendar will have 98 Thoroughbred race days, 12 Quarter Horse race days, and 10 Mixed race days. The net result is a race calendar with 120 total race days in 2014.

Memorandum To: Chuck Trout, Executive Director
RE: Horse Race Date Applications 2013 & 2014
3 | Page

I have attached the 2013 previously granted and newly requested horse race date calendar, as well as, the 2014 previously granted and newly requested horse race date calendar. If you have any questions or if I may be of further assistance, please let me know.

Enclosures: 2013 Previously Granted and Newly Requested Horse Race Date Calendar
2014 Previously Granted and Newly Requested Horse Race Date Calendar



ONE STAR PARK
at Grand Prairie

Our Mission:
Create Winning Experiences.

October 25, 2012

Mr. Charles Trout
Executive Director
P. O. Box 12080
Austin, TX 78711-2080

2012 OCT 26 PM 2: 29
RECEIVED
TEXAS RACING
COMMISSION

Dear Mr. Trout,

At this time, Lone Star Park respectfully requests to amend our request for quarter horse racing dates for 2013. We would like to add the following dates below and bring our total requested dates to twenty-six for the calendar year.

Sep 13 Sep 14 Sep 19

Because we have an understanding with Texas horsemen's groups on breed splits we do not anticipate any negative change to our overnight or stakes program by adding these dates.

Thank you in advance for your consideration and please contact me at your earliest convenience if you have any questions or require addition details of our dates request for 2013.

Sincerely,

Drew M. Shubeck
President and General Manager

DMS:sa



LONE STAR PARK
at Grand Prairie

Our Mission:
Create Winning Experiences.

July 19, 2012

2012 JUL 23 PM 1:45

RECEIVED
TEXAS RACING
COMMISSION
via Email and Regular Mail

Mr. Sammy Jackson
Deputy Director
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754

Dear Sammy:

Enclosed you will find Lone Star Park's completed 2013 race date application for the Commission's review and consideration. In summary, we respectfully request the following dates:

Thoroughbred Meet - April 11 through July 6 (Thursday-Sunday) - post times tentative

- 6:35 pm post time on Thursday and Friday
- 1:35 pm post time on Saturday and Sunday through June 16
- 6:35 pm post time on Saturday, June 22; Saturday, June 29; Saturday, July 6
- 1:35 pm post time on Memorial Day, May 27
- 5:00 pm post time on July 3 and July 4
- No live racing on Thursday, May 30; Sunday, June 23; Sunday, June 30
- 50 total days

Quarter Horse Meet - September 20 through November 9 (Thursday-Saturday)

- 6:35 pm post time
- 23 total days

Additionally, we submit the following dates for consideration for the period of January through August, 2014:

Thoroughbred Meet - April 10 through July 5 (Thursday-Sunday) - post times tentative

- 6:35 pm post time on Thursday and Friday
- 1:35 pm post time on Saturday and Sunday
- 1:35 pm post time on Memorial Day, May 26
- 5:00 pm post time on July 3 and July 4
- No live racing on Thursday, May 29
- 50 total days

Please feel free to contact me if you have any questions or need additional information.

Sincerely,

Drew M. Shubeck
President and General Manager

DMS/sa

Enclosures

T E X A S R A C I N G C O M M I S S I O N
R E Q U E S T F O R L I V E R A C E D A T E S
H O R S E R A C E T R A C K S - 2 0 1 3

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 Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Lone Star Park at Grand Prairie

First Meet

	Opening Day: <u>04/11/13</u>	Closing Day: <u>07/06/13</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>9-11</u>	Projected Purse Per Day \$ <u>130,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input checked="" type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX	Total Number of Race Days 50

Second Meet

	Opening Day: <u>09/20/13</u>	Closing Day: <u>11/09/13</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day <u>9-11</u>	Projected Purse Per Day \$ <u>56,000</u>
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input checked="" type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days 23

Third Meet

	Opening Day: ___/___/___	Closing Day: ___/___/___
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days _____

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2013 will be allocated among the various breeds:

Appaloosa _____% Arabian _____% Paint _____%
Quarter Horse 32% Thoroughbred 68%

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

_____/_____/_____

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:
10/03/2013 for Race Track Chaplaincy of Texas
(Name of Charity)
- (2) A charity that primarily benefits research into the health or safety of race animals:
10/10/2013 for Texas A & M Equine Research Center
(Name of Charity)

OPTIONAL

- 10/17/2013 for Grand Prairie ISD Education Foundation
(Name of Charity)
- _____/_____/2013 for _____
(Name of Charity)
- _____/_____/2013 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; and
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 July 19, 2012, 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

President & General Manager
Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2013

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1 New Year's Day	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21 ML King Day	22	23	24	25	26
27	28	29	30	31		

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10	11	12	13	14 Valentine's Day	15	16
17	18 President's Day	19	20	21	22	23
24	25	26	27	28		

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10 Daylight Savings	11	12	13	14	15	16
17 St. Patrick's Day	18	19	20	21	22	23
24	25	26 Passover	27	28	29 Good Friday	30
31 Easter						

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2013

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10	11	12	13
				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
14	15	16	17	18	19	20
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
21	22	23	24	25	26	27
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
28	29	30				
T – 1:35 p.m.						

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
				T – 6:35 p.m.	T – 6:35 p.m.	Ky. Derby
5	6	7	8	9	10	11
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
12	13	14	15	16	17	18
Mother's Day				T – 6:35 p.m.	T – 6:35 p.m.	Preakness
T – 1:35 p.m.						T – 1:35 p.m.
19	20	21	22	23	24	25
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
26	27	28	29	30	31	
T – 1:35 p.m.	Memorial Day				T – 6:35 p.m.	
	T – 1:35 p.m.					

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
						T – 1:35 p.m.
2	3	4	5	6	7	8
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	Belmont
9	10	11	12	13	14	15
T – 1:35 p.m.				T – 6:35 p.m.	T – 6:35 p.m.	T – 1:35 p.m.
16	17	18	19	20	21	22
Father's Day				T – 6:35 p.m.	T – 6:35 p.m.	T – 6:35 p.m.
T – 1:35 p.m.						
23	24	25	26	27	28	29
				T – 6:35 p.m.	T – 6:35 p.m.	T – 6:35 p.m.
30						

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2013

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 Independen Day	5	6
			T – 5:00 p.m.	T – 5:00 p.m.	T – 6:35 p.m.	T – 6:35 p.m.
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						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				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						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 Labor Day	3	4	5 Rosh Hashanah	6	7
8	9	10	11	12	13	14 Yon Kippur
15	16	17	18	19	20 Q – 6:35 p.m.	21 Q – 6:35 p.m.
22	23	24	25	26 Q – 6:35 p.m.	27 Q – 6:35 p.m.	28 Q – 6:35 p.m.
29	30					

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2013

OCTOBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
				Q – 6:35 p.m.	Q – 6:35 p.m.	Q – 6:35 p.m.
6	7	8	9	10	11	12
				Q – 6:35 p.m.	Q – 6:35 p.m.	Q – 6:35 p.m.
13	14	15	16	17	18	19
	Columbus Day			Q – 6:35 p.m.	Q – 6:35 p.m.	Q – 6:35 p.m.
20	21	22	23	24	25	26
				Q – 6:35 p.m.	Q – 6:35 p.m.	Q – 6:35 p.m.
27	28	29	30	31 Halloween		
				Q – 6:35 p.m.		

NOVEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
					Q – 6:35 p.m.	Q – 6:35 p.m.
3 Daylight Savings	4	5	6	7	8	9
				Q – 6:35 p.m.	Q – 6:35 p.m.	Q – 6:35 p.m.
10	11	12	13	14	15	16
	Veterans Day					
17	18	19	20	21	22	23
24	25	26	27	28	29	30
				Thanksgiving Chanukkah		

DECEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
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
		Christmas Eve	Christmas	Kwanzaa Begins		
29	30	31				
		New Year's Eve				



July 18, 2012

Mr. Sammy Jackson
Deputy Director of Finance & Regulatory Control
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754

Dear Mr. Jackson:

Retama Park respectfully requests a 46-date race meet for 2013, Friday, June 7, 2013 through Saturday, December 28, 2013. Post time will be 6:45 p.m.

Quarter Horse Meet

Week 1	June 7, 8
Week 2	June 14, 15
Week 3	June 21, 22
Week 4	June 28, 29
Week 5	July 5, 6
Week 6	July 12, 13
Week 7	July 19, 20
Week 8	July 26, 27
Week 9	August 2, 3
Week 10	August 9, 10

Thoroughbred Meet

Week 11	October 4, 5
Week 12	October 11, 12
Week 13	October 18, 19
Week 14	October 25, 26
Week 15	November 1, 2
Week 16	November 8, 9
Week 17	November 15, 16
Week 18	November 22, 23
Week 19	November 29, 30
Week 20	December 6, 7
Week 21	December 13, 14
Week 22	December 20, 21
Week 23	December 27, 28

Please let me know if you have any questions.

Yours truly,

Bryan P. Brown, CEO

cc: Drew Alexander, Terry Blanton, Jan Haynes, Dr. Tommy Hays, Dave Hooper, Tooter Jordan, Greg LaMantia, Howard Philips, Brian Roeder, Marsha Rountree, Drew Shubeck, Karen Utecht, Pancho Villarreal, Rob Werstler, Ed Wilson, Andrea Young.

T E X A S R A C I N G C O M M I S S I O N
REQUEST FOR LIVE RACE DATES
HORSE RACETRACKS - 2013

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 Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Retama Park

<u>First Meet</u>	Opening Day: <u>6/7/2013</u>	Closing Day: <u>8/10/2013</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day <u>10</u>	Projected Purse Per Day <u>\$50,000</u>
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____

Meet Type: TB QH MX Total Number of Race Days - 20

* Minor - Two Paint races during the meet.

<u>Second Meet</u>	Opening Day: <u>10/4/2013</u>	Closing Day: <u>12/28/2013</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>9</u>	Projected Purse Per Day <u>\$100,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____

Meet Type: TB QH MX N/A Total Number of Race Days - 26

** Minor - Two races per week.

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2013 will be allocated among the various breeds:

Appaloosa	<u>0.0</u> %	Arabian	<u>6.0</u> %	Paint	<u>0.5</u> %
Quarter Horse	<u>45.6</u> %	Thoroughbred	<u>47.9</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

Various Dates

Dave Hooper, Texas Thoroughbred Association

Marsha Rountree, Texas Horsemen's Partnership

Terry Blanton, Texas Thoroughbred HBPA

Jan Haynes, Texas Thoroughbred HBPA

Dr. Tommy Hays, Texas HBPA

Tooter Jordan, Texas HBPA

Rob Werstler, Texas Quarter Horse Association

Ed Wilson, Texas Arabian Breeders Association

Bruce Greider, Texas Paint Association

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:

11/8/2013 for RTCA – South Texas Chapter

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

11/15/2013 for Texas A&M University Equine Research

(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 July 18, 2012, 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



Bryan P. Brown, CEO

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Valle de los Tesoros Race
Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Gillespie County Fair &
Festival
Brian Roeder, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Lone Star Park At Grand
Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Retama Park

Requested Live Race Dates for 2013

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7 QH – 6:45	8 QH – 6:45 The Belmont
9	10	11	12	13	14 QH – 6:45 Flag Day	15 QH – 6:45
16 Father's Day	17	18	19	20	21 QH – 6:45	22 QH – 6:45
23	24	25	26	27	28 QH – 6:45	29 QH – 6:45
30						

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 Independence Day	5 QH – 6:45	6 QH – 6:45
7	8	9	10	11	12 QH – 6:45	13 QH – 6:45
14	15	16	17	18	19 QH – 6:45	20 QH – 6:45
21	22	23	24	25	26 QH – 6:45	27 QH – 6:45
28	29	30	31			

AUGUST						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2 QH – 6:45	3 QH – 6:45
4	5	6	7	8	9 QH – 6:45	10 QH – 6:45
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Retama Park

Requested Live Race Dates for 2013

OCTOBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 T - 6:45	5 T - 6:45
6	7	8	9	10	11 T - 6:45	12 T - 6:45
13	14 Columbus Day	15	16	17	18 T - 6:45	19 T - 6:45
20	21	22	23	24	25 T - 6:45	26 T - 6:45
27	28	29	30	31 Halloween		

NOVEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1 T - 6:45	2 T - 6:45
3 Daylight Savings	4	5	6	7	8 T - 6:45	9 T - 6:45
10	11 Veterans Day	12	13	14	15 T - 6:45	16 T - 6:45
17	18	19	20	21	22 T - 6:45	23 T - 6:45
24	25	26	27	28 Thanksgiving Chanukkah	29 T - 6:45	30 T - 6:45

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



2012 JUL 23 PM 1: 47

RECEIVED
TEXAS RACING
COMMISSION

July 17, 2012

Mr. Sammy Jackson
Deputy Director
Texas Racing Commission
P.O. Box 12080
Austin, TX 78711-2080

Dear Mr. Jackson:

Enclosed please find Sam Houston Race Park's 2013 and 2014 race date application for the Commission's consideration. In summary, we are pleased to request the following dates at this time:

- 2013 Thoroughbred Meet: March 15-17 (Addition of three days to SHRP's already granted 2013 dates)
- 2013 American Quarter Horse Meet: March 28 – May 12 (21 days)
- 2014 Thoroughbred Meet: January 17 – March 9 (30 days)

If you have any questions or should require any further information, please feel free to contact me.

Sincerely,



Andrea B. Young
President

Enclosures

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SAM HOUSTON RACE PARK LTD.

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

**TEXAS RACING COMMISSION
REQUEST FOR LIVE RACE DATES
HORSE RACETRACKS - 2013**

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 Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Sam Houston Race Park, (includes additional Thoroughbred dates)

First Meet

Opening Day: 3/11/2013

Closing Day: 3/17/2013

<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>10</u>	Projected Purse Per Day \$ <u>165,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____

Meet Type: TB QH MX Total Number of Race Days 3

Second Meet

Opening Day: 3/28/2013

Closing Day: 5/12/2013

<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day <u>9.67</u>	Projected Purse Per Day \$ <u>70,000</u>
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Paint Horse	# of Races Per Day <u>.33</u>	Projected Purse Per Day \$ <u>1,500</u>
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____

Meet Type: TB QH MX N/A Total Number of Race Days 21

Third Meet

Opening Day: / /

Closing Day: / /

<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____

Meet Type: TB QH MX N/A Total Number of Race Days _____

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2013 will be allocated among the various breeds:

Appaloosa	_____ %	Arabian	_____ %	Paint	<u>3</u> %
Quarter Horse	<u>97</u> %	Thoroughbred	<u>*</u> %		

Check all that apply:

(*See 2012 Application)

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

The Thoroughbred, Quarter Horse and Arabian breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

6/19/2012 David Hooper, TTA, Rob Werstler, TQHA, Ed Wilson, TTBA, Jan Haynes, THP, Dr. Tommy Hays, TQHA, Lewis "Tooter" Jordan, THP, Terry Blanton, THP

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:
2/11/2013 for Race Track Chaplaincy of Sam Houston Race Park

(2) A charity that primarily benefits research into the health or safety of race animals:
2/25/2013 for LOPE, TX

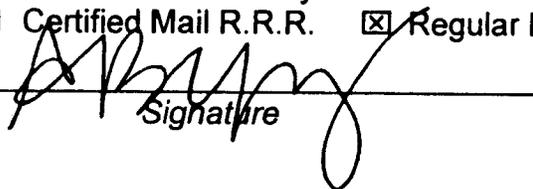
For each charity listed, attach the following information:

- 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; and**
- 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 July 17, 2012, 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

President
Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Sam Houston Race Park
Requested Live Race Dates for 2013

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10 Daylight Savings	11	12	13	14	15 TB 7PM	16 TB 6PM
17 TB 1PM St. Patrick's Day	18	19	20	21	22	23
24	25	26 Passover	27	28 QH 7PM	29 QH 7PM Good Friday	30 QH 6PM
31 Easter						

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4 QH 7PM	5 QH 7PM	6 QH 6PM
7	8	9	10	11 QH 7PM	12 QH 7PM	13 QH 6PM
14	15	16	17	18 QH 7PM	19 QH 7PM	20 QH 6PM
21	22	23	24	25 QH 7PM	26 QH 7PM	27 QH 6PM
28	29	30				

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2 QH 7PM	3 QH 7PM	4 QH 1PM Kentucky Derby
5	6	7	8	9	10 QH 7PM	11 QH 6PM
12 QH 1PM Mother's Day	13	14	15	16	17	18 The Preakness
19	20	21	22	23	24	25
26	27 Memorial Day	28	29	30	31	

IV. PROCEEDINGS ON RACETRACKS

H. Allocation of Live Race for Horse Racetracks under Commission Rule 303.41

2) For the period of 1/1/2014 – 8/31/2014

TEXAS RACING COMMISSION

REQUEST FOR LIVE RACE DATES HORSE RACETRACKS - 2014

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 Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Lone Star Park at Grand Prairie

First Meet		Opening Day: <u>04/10/2014</u>	Closing Day: <u>07/05/2014</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>9-11</u>		Projected Purse Per Day \$ <u>130,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____		Projected Purse Per Day \$ _____
Meet Type: <input checked="" type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX	Total Number of Race Days <u>50</u>	

Second Meet		Opening Day: ___/___/___	Closing Day: ___/___/___
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____		Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days _____	

Third Meet		Opening Day: ___/___/___	Closing Day: ___/___/___
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____		Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____		Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____		Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days _____	

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2014 will be allocated among the various breeds:

Appaloosa _____% Arabian _____% Paint _____%
Quarter Horse _____% Thoroughbred 100%

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

_____/_____/_____

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:
_____/_____/2014 for _____
(Name of Charity)

(2) A charity that primarily benefits research into the health or safety of race animals:
_____/_____/2014 for _____
(Name of Charity)

OPTIONAL

_____/_____/2014 for _____
(Name of Charity)

_____/_____/2014 for _____
(Name of Charity)

_____/_____/2014 for _____
(Name of Charity)

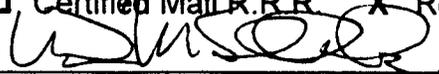
For each charity listed, attach the following information:

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; and
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 July 19, 2012, 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

President & General Manager
Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
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3822 Business Park Drive
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Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Lone Star Park at Grand Prairie
 (Name of Racetrack)
 Requested Live Race Dates for 2014

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 New Year's Day	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 M.L. King Day	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10	11	12	13	14 Valentine's Day	15
16	17 President's Day	18	19	20	21	22
23	24	25	26	27	28	

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9 Daylight Savings	10	11	12	13	14	15
16	17 St. Patricks Day	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2014

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10 T – 6:35 p.m.	11 T – 6:35 p.m.	12 T – 1:35 p.m.
13 T – 1:35 p.m.	14	15 Passover	16	17 T – 6:35 p.m.	18 Good Friday T – 6:35 p.m.	19 T – 1:35 p.m.
20 Easter T – 1:35 p.m.	21	22	23	24 T – 6:35 p.m.	25 T – 6:35 p.m.	26 T – 1:35 p.m.
27 T – 1:35 p.m.	28	29	30			

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 T – 6:35 p.m.	2 T – 6:35 p.m.	3 Ky. Derby T – 1:35 p.m.
4 T – 1:35 p.m.	5	6	7	8 T – 6:35 p.m.	9 T – 6:35 p.m.	10 T – 1:35 p.m.
11 Mother's Day T – 1:35 p.m.	12	13	14	15 T – 6:35 p.m.	16 T – 6:35 p.m.	17 Preakness T – 1:35 p.m.
18 T – 1:35 p.m.	19	20	21	22 T – 6:35 p.m.	23 T – 6:35 p.m.	24 T – 1:35 p.m.
25 T – 1:35 p.m.	26 Memorial Day T – 1:35 p.m.	27	28	29	30 T – 6:35 p.m.	31 T – 1:35 p.m.

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5 T – 6:35 p.m.	6 T – 6:35 p.m.	7 Belmont T – 1:35 p.m.
8 T – 1:35 p.m.	9	10	11	12 T – 6:35 p.m.	13 T – 6:35 p.m.	14 Flag Day T – 1:35 p.m.
15 Father's Day T – 1:35 p.m.	16	17	18	19 T – 6:35 p.m.	20 T – 6:35 p.m.	21 T – 1:35 p.m.
22 T – 1:35 p.m.	23	24	25	26 T – 6:35 p.m.	27 T – 6:35 p.m.	28 T – 1:35 p.m.
29 T – 1:35 p.m.	30					

Lone Star Park at Grand Prairie

(Name of Racetrack)

Requested Live Race Dates for 2014

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 Indepen Day	5
				T – 5:00 p.m.	T – 5:00 p.m.	T – 1:35 p.m.
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						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					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						

TEXAS RACING COMMISSION

REQUEST FOR LIVE RACE DATES HORSE

RACETRACKS - 2014

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 Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Sam Houston Race Park

First Meet	Opening Day: <u>1/17/2014</u>	Closing Day: <u>3/9/2014</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>9.5</u>	Projected Purse Per Day <u>\$165,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day <u>.5</u>	Projected Purse Per Day <u>\$5,000</u>
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input checked="" type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX	Total Number of Race Days <u>30</u>

Second Meet	Opening Day: ___/___/___	Closing Day: ___/___/___
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days _____

Third Meet	Opening Day: ___/___/___	Closing Day: ___/___/___
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A	Total Number of Race Days _____

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2014 will be allocated among the various breeds:

Appaloosa	_____ %	Arabian	_____ %	Paint	_____ %
Quarter Horse	_____ %	Thoroughbred	_____ %		

Check all that apply:

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

The Thoroughbred, Quarter Horse and Arabian breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

Jun/19/2012 David Hooper, TTA, Rob Werstler, TQHA, Ed Wilson, TTBA, Jan Haynes, THP, Dr. Tommy Hays, TQHA, Lewis "Tooter" Jordan, THP, Terry Blanton, THP

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:
___/___/2014 for TO BE ANNOUNCED.
- (2) A charity that primarily benefits research into the health or safety of race animals:
___/___/2014 for TO BE ANNOUNCED

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; and
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 July 17, 2012, 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

President
Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race
Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Sam Houston Race Park
Requested Live Race Dates for 2014

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 New Year's Day	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17 TB 7pm	18 TB 6 pm
19 TB 1 pm	20 TB 1 pm M.L. King Day	21	22	23	24 TB 7pm	25 TB 6 pm
26 TB 1 pm	27 TB 1 pm	28	29	30	31 TB 7pm	

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 TB 6 pm
2	3 TB 1 pm	4	5	6	7 TB 7pm	8 TB 6 pm
9 TB 1 pm	10 TB 1 pm	11	12	13	14 TB 7pm Valentine's Day	15 TB 6 pm
16 TB 1 pm	17 TB 1 pm President's Day	18	19	20	21 TB 7pm	22 TB 6 pm
23 TB 1 pm	24 TB 1 pm	25	26	27	28 TB 7pm	

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 TB 6 pm
2 TB 1 pm	3 TB 1 pm	4	5	6	7 TB 7pm	8 TB 6 pm
9 TB 1 pm Daylight Savings	10	11	12	13	14	15
16	17 St. Patricks Day	18	19	20	21	22
23	24	25	26	27	28	29



JUL 20 AM 11: 59
RECEIVED
TEXAS RACING
COMMISSION

July 18, 2012

Mr. Sammy Jackson
Deputy Director for Wagering and Racing Review
Texas Racing Commission
PO Box 12080
Austin, TX 78711-2080

Dear Mr. Jackson,

Enclosed you will find the Request For Live Race dates for the 2014 meet.

Please let us now if you have any questions.

Sincerely,

Wallace Britton
President
Gillespie County Fair & Festivals Association, Inc.

Enclosures

cc: Bryan Brown, Vice President, Austin Jockey Club; CEO of Retama Park
Steve LaMantia, President, Laredo Downs
Andrea Young, President, Laredo Race Park, LLP; President, Sam Houston Race Park
Drew Shubeck, President, Lone Star Park, Grand Prairie
Howard Phillips, CEO, Manor Downs
Drew Alexander, President, Saddle Brook Park
Greg LaMantia, President, Valle de los Tesoros Race Park

PAGE 122

530 Fair Drive
State Highway 16 South
PO Box 526
Fredericksburg, TX 78624

(830) 997-2359
fax (830) 997-4923
gcffa@ctesc.net
www.gillespiefair.com

TEXAS RACING COMMISSION

REQUEST FOR LIVE RACE DATES

HORSE RACETRACKS - 2014

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: Gillespie County Fairgrounds

<u>First Meet</u>	Opening Day: <u>7 / 4 / 2014</u>	Closing Day: <u>8 / 24 / 2014</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH	<input checked="" type="checkbox"/> MX
	Total Number of Race Days <u>8</u>	

<u>Second Meet</u>	Opening Day: <u>___ / ___ / ___</u>	Closing Day: <u>___ / ___ / ___</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH	<input type="checkbox"/> MX <input type="checkbox"/> N/A
	Total Number of Race Days _____	

<u>Third Meet</u>	Opening Day: <u>___ / ___ / ___</u>	Closing Day: <u>___ / ___ / ___</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB	<input type="checkbox"/> QH	<input type="checkbox"/> MX <input type="checkbox"/> N/A
	Total Number of Race Days _____	

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2011 will be allocated among the various breeds:

Appaloosa _____% Arabian _____% Paint _____%
Quarter Horse 60% Thoroughbred 40%

Check all that apply:

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

The Texas Thoroughbred Association and the Texas Quarter Horse Association breed registry(ies) has not agreed to this allocation, but negotiations with the breed registry(ies) occurred as described below:

Participants in Negotiations

06 / 22 / 12 David Stephens, President, Texas Thoroughbred Assn. (letter attached)

06 / 22 / 12 Barbara Linke, President, Texas Quarter Horse Assn. (letter attached)

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:

___ / ___ / 2014 for _____
(Name of Charity)

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

___ / ___ / 2014 for _____
(Name of Charity)

OPTIONAL

___ / ___ / 2014 for _____
(Name of Charity)

___ / ___ / 2014 for _____
(Name of Charity)

___ / ___ / 2014 for _____
(Name of Charity)

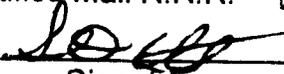
For each charity listed, attach the following information:

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 July 11, 2012, 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

, Steve Wetz General Manager, Racing
Signature Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Gillespie County Fairgrounds
 (Name of Racetrack)
Requested Live Race Dates for 2014

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 - Ind. Day Mixed 1:00 post	5 Mixed 1:00 post
6	7	8	9	10	11	12
13	14	15	16	17	18	19 Mixed 1:00 post
20 Mixed 1:00 post	21	22	23	24	25	26
27	28	29	30	31		

AUGUST						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9 Mixed 1:00 post
10 Mixed 1:00 post	11	12	13	14	15	16
17	18	19	20	21	22	23 Mixed 1:00 post
24 Mixed 1:00 post	25	26	27	28	29	30
31						



June 21, 2012

Via: Certified Mail

David E. Hooper
Executive Director
Texas Thoroughbred Association
PO Box 14967
Austin, Texas 78761

Dear Mr. Hooper:

The Gillespie County Fair & Festival Association would like to thank you and the breed association for all of the support shown to our association this year and in past years. We are in the process of filing our application for race dates for 2014 and would appreciate your approval of our participation in Texas pari-mutuel racing for the upcoming season. We again will prepare a condition book with a mixed meet consisting of approximately forty percent Thoroughbreds.

Our application requests the following 2014 dates: Friday and Saturday - July 4 & 5, Saturday and Sunday July 19 & 20, August 9 & 10, and August 23 & 24.

We thank you in advance and would appreciate your favorable participation in our application. If you have any questions, please call the Association at (830) 997-2359.

Sincerely,

A handwritten signature in black ink, appearing to read 'Steve Wetz', is written over a horizontal line.

Steve Wetz
General Manager, Racing

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530 Fair Drive
State Highway 16 South
PO Box 526
Fredericksburg, TX 78624

(830) 997-2359
fax (830) 997-4923
gcffa@ctesc.net
www.gillespiefair.com



July 11, 2012

Steve Wetz
Gillespie County Fair
P.O. Box 526
Fredericksburg, TX 78624

Dear Mr. Wetz:

I am in receipt of your letter of June 21 requesting TQHA approval of Gillespie County Fair proposed Texas pari-mutuel race dates for 2013 and 2014.

We are pleased to give approval of your application for participation for the suggested race dates for 2013 and 2014.

TQHA greatly appreciates the support of the Gillespie County Fair pari-mutuel racing and the Texas horse industry. If we might ever be of assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, which appears to read 'Barbara Linke', is written over the typed name.

Barbara Linke
Executive Director

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MOLTZ | MORTON | GLENN
LLP

Janessa C. Glenn
(512) 439-2174
jglenn@MMandG.com

Travis Oaks Building
5113 Southwest Parkway, Suite 120
Austin, TX 78735
(512) 439-2170
Facsimile (512) 439-2165

July 20, 2012

Mr. Sammy Jackson
Deputy Director for Wagering & Racing Review
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, Texas 78754

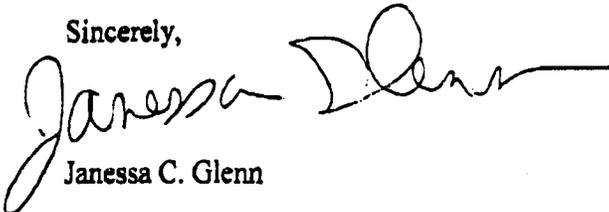
Via Facsimile

RE: Laredo Downs – Request for Live Race Dates

Dear Mr. Jackson:

Enclosed is LRP Group, Ltd.'s ("LRP") Request for Live Race Dates for 2014 as requested by the Texas Racing Commission ("Commission").

Sincerely,


Janessa C. Glenn

JCG/ktg
Enclosure

2012 JUL 20 PM 4
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TEXAS RACING
COMMISSION

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TEXAS RACING COMMISSION

REQUEST FOR LIVE RACE DATES

HORSE RACETRACKS - 2014

INSTRUCTIONS: Print or type the information requested in each section and attach all required documents and additional sheets if necessary. The request must be filed at the Commission's Austin office no later than 5:00 p.m. on Friday, July 20, 2012.

I. Schedule Requested

Name of Racetrack: LRP Group, Ltd.

First Meet		Opening Day: <u>08/22/2014</u>	Closing Day: <u>08/24/2014</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day	<u>10</u>	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day	_____	Projected Purse Per Day \$ _____
Totals		# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB <input type="checkbox"/> QH <input type="checkbox"/> MX		Total Number of Race Days <u>3</u>	

Second Meet		Opening Day: <u>08/29/2014</u>	Closing Day: <u>08/31/2014</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input checked="" type="checkbox"/> Quarter Horse	# of Races Per Day	<u>10</u>	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day	_____	Projected Purse Per Day \$ _____
Totals		# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB <input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A		Total Number of Race Days <u>3</u>	

Third Meet		Opening Day: <u>___/___/___</u>	Closing Day: <u>___/___/___</u>
<input type="checkbox"/> Thoroughbred	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Quarter Horse	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day	_____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day	_____	Projected Purse Per Day \$ _____
Totals		# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input type="checkbox"/> TB <input type="checkbox"/> QH <input type="checkbox"/> MX <input type="checkbox"/> N/A		Total Number of Race Days _____	

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2014 will be allocated among the various breeds:

Appaloosa _____% Arabian _____% Paint _____%
Quarter Horse 100 % Thoroughbred _____%

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

 / / No negotiations have take place

 / / _____

 / / _____

 / / _____

 / / _____

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:
08/22/2014 for Race Track Chaplaincy of Texas
(Name of Charity)
- (2) A charity that primarily benefits research into the health or safety of race animals:
08/29/2014 for Texas A&M Equine Research Fund
(Name of Charity)

OPTIONAL

 / / /2014 for _____
(Name of Charity)

 / / /2014 for _____
(Name of Charity)

 / / /2014 for _____
(Name of Charity)

For each charity listed, attach the following information:

- 1. A brief description of the activities or purposes of the charity

The Race Track Chaplaincy of Texas's mission is to enhance the lives of all racing personnel through spiritually based guidance.

The Equine Research Account Advisory Committee helps address the informational needs of the equine breeding and racing industries by recommending grants from funding from the Texas A&M Equine Research Fund for equine research at Texas universities.

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

See attached information. Additional information available upon request.

V. Certificate of Service

I hereby certify that on July 20, 2012, 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

Legal Counsel

Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78285-7535

Gillespie County Fair & Festival
Brian Roeder, General Manager
P.O. Box 526
Fredericksburg, TX 78824

Valle de los Tesoros Race Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77084-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77084-3417

Laredo Downs
(Name of Racetrack)

Requested Live Race Dates for 2014

JANUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1 New Year's Day	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 Martin Luther King, Jr.	21	22	23	24	25
26	27	28	29	30	31	

FEBRUARY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10	11	12	13	14 Valentine's Day	15
16	17 Presidents' Day	18	19	20	21	22
23	24	25	26	27	28	

MARCH						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4 Mardi Gras	5	6	7	8
9 Daylight Savings Begins	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Laredo Downs
(Name of Racetrack)
Requested Live Race Dates for 2014

APRIL						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20 Easter	21	22	23	24	25	26
27	28	29 1	30			

MAY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3 Kentucky Derby
4	5	6	7	8	9	10
11 Mother's Day	12	13	14	15	16	17 Preakness
18	19	20	21	22	23	24
26	26 Memorial Day	27	28	29	30	31

JUNE						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7 Belmont
8	9	10	11	12	13	14
15 Father's Day	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Laredo Downs
(Name of Racetrack)
Requested Live Race Dates for 2014

JULY						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4 Independence Day	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						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22 QH 12:30 p.m.	23 QH 12:30 p.m.
24 QH 12:30 p.m.	25	26	27	28	29 QH 12:30 p.m.	30 QH 12:30 p.m.
31 QH 12:30 p.m.						

IV. PROCEEDINGS ON RACETRACKS

H. Allocation of Live Race for Horse Racetracks under Commission Rule 303.41

- 3) For the period of 10/1/2014 – 11/30/2014



2012 SEP 13 AM 9:02

RECEIVED
TEXAS RACING
COMMISSION

September 7, 2012

Mr. Sammy Jackson
Deputy Director of Finance & Regulatory Control
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, TX 78754

Dear Mr. Jackson:

Retama Park respectfully requests an 18-day thoroughbred race meet for 2014, Friday, October 3, 2014 through Saturday, November 29, 2014. Post time will be 6:45 p.m.

Thoroughbred Meet

Week 1	October 3, 4
Week 2	October 10, 11
Week 3	October 17, 18
Week 4	October 24, 25
Week 5	October 31, Nov. 1
Week 6	November 7, 8
Week 7	November 14, 15
Week 8	November 21, 22
Week 9	November 28, 29

Please let me know if you have any questions.

Yours truly,

Bryan P. Brown, CEO

cc: Drew Alexander, Terry Blanton, Jan Haynes, Dr. Tommy Hays, Dave Hooper, Tooter Jordan, Greg LaMantia, Howard Philips, Brian Roeder, Marsha Rountree, Drew Shubeck, Karen Utecht, Pancho Villarreal, Rob Werstler, Ed Wilson, Andrea Young.

**TEXAS RACING COMMISSION
REQUEST FOR LIVE RACE DATES
HORSE RACETRACKS - 2014**

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 Friday, September 14, 2012.

I. Schedule Requested

Name of Racetrack: Retama Park

First Meet	Opening Day: <u>10/3/2014</u>	Closing Day: <u>11/29/2014</u>
<input checked="" type="checkbox"/> Thoroughbred	# of Races Per Day <u>9</u>	Projected Purse Per Day <u>\$\$100,000</u>
<input type="checkbox"/> Quarter Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Arabian	# of Races Per Day _____	Projected Purse Per Day \$ _____
<input type="checkbox"/> Paint Horse	# of Races Per Day _____	Projected Purse Per Day \$ _____
Totals	# of Races Per Day _____	Projected Purse Per Day \$ _____
Meet Type: <input checked="" type="checkbox"/> TB	<input type="checkbox"/> QH	<input type="checkbox"/> MX
	Total Number of Race Days - 18	

* Minor – One or two Arabian races per week during the meet.

RECEIVED
TEXAS RACING
COMMISSION
2012 SEP 13 AM 9:02

II. Negotiation with Breed Registries

Specify how the total races scheduled for 2014 will be allocated among the various breeds:

Appaloosa	<u>0.0</u> %	Arabian	<u>6.0</u> %	Paint	<u>0.0</u> %
Quarter Horse	<u>0.0</u> %	Thoroughbred	<u>94.0</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

Various Dates

Dave Hooper, Texas Thoroughbred Association

Marsha Rountree, Texas Horsemen's Partnership

Terry Blanton, Texas Thoroughbred HBPA

Jan Haynes, Texas Thoroughbred HBPA

Dr. Tommy Hays, Texas HBPA

Tooter Jordan, Texas HBPA

Rob Werstler, Texas Quarter Horse Association

Ed Wilson, Texas Arabian Breeders Association

Bruce Greider, Texas Paint Association

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:

11/14/2014* for RTCA – South Texas Chapter

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

11/21/2014 * for Texas A&M University Equine Research

(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 September 7, 2012, 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



Bryan P. Brown, CEO

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Valle de los Tesoros Race
Park
Greg LaMantia, President
3900 N. McCol Road
McAllen, TX 78501

Gillespie County Fair &
Festival
Brian Roeder, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Lone Star Park At Grand
Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Laredo Downs
Steve LaMantia, President
7220 CPL Road
Laredo, TX 78041

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Retama Park

Requested Live Race Dates for 2014

OCTOBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3 T - 6:45	4 T - 6:45
5	6	7	8	9	10 T - 6:45	11 T - 6:45
12	13	14	15	16	17 T - 6:45	18 T - 6:45
19	20	21	22	23	24 T - 6:45	25 T - 6:45
26	27	28	29	30	31 T - 6:45	

NOVEMBER						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1 T - 6:45
2	3	4	5	6	7 T - 6:45 Breeders' Cup	8 T - 6:45 Breeders' Cup
9	10	11 Veteran's Day	12	13	14 T - 6:45	15 T - 6:45
16	17	18	19	20	21 T - 6:45	22 T - 6:45
23	24	25	26	27 Thanksgiving	28 T - 6:45	29 T - 6:45

2012 SEP 13 PM 2: 59

MOLTZ MORTON GLENN
LLP

RECEIVED
TEXAS RACING
COMMISSION

Janessa C. Glenn
(512) 439-2174
jglenn@MMandG.com

Travis Oaks Building
5113 Southwest Parkway, Suite 120
Austin, TX 78735
(512) 439-2170
Facsimile (512) 439-2165

September 13, 2012

Mr. Sammy Jackson
Deputy Director for Wagering & Racing Review
Texas Racing Commission
8505 Cross Park Drive, Suite 110
Austin, Texas 78754

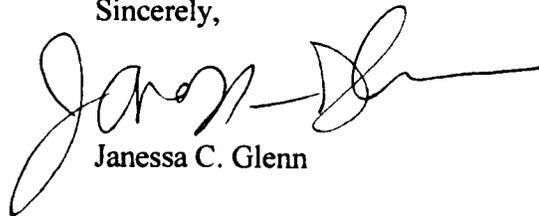
Via Hand Delivery

RE: Tesoros Race Park/ Valle de los Tesoros, Ltd. – Request for Live Race Dates

Dear Mr. Jackson:

Enclosed is Tesoros Race Park/Valle de los Tesoros, Ltd.'s ("VDLT") Request for Live Race Dates for November of 2014 in response to the Texas Racing Commission ("Commission") opening a period for the requests for Live Race Dates in October and November, 2014.

Sincerely,



Janessa C. Glenn

JCG/ktg
Enclosure

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

Participants in Negotiations

____/____/____ No negotiations have taken place.
____/____/____ _____
____/____/____ _____
____/____/____ _____
____/____/____ _____
____/____/____ _____

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:

11/21/2014 for Race Track Chaplaincy of Texas
(Name of Charity)

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

11/28/2014 for Texas A&M Equine Research Fund
(Name of Charity)

OPTIONAL

____/____/2014 for _____
(Name of Charity)

____/____/2014 for _____
(Name of Charity)

____/____/2014 for _____
(Name of Charity)

For each charity listed, attach the following information:

1. A brief description of the activities or purposes of the charity;

The Race Track Chaplaincy of Texas's mission is to enhance the lives of all racing personnel through spiritually based guidance.

The Equine Research Account Advisory Committee helps address the informational needs of the equine breeding and racing industries by recommending grants from funding from the Texas A&M Equine Research Fund for equine research at Texas universities.

2. The name and address of each individual who serves as an officer or director; and

3. A copy of an I.R.S. letter of determination that qualifies the charity as an exempt organization for federal income tax purposes.

See attached information. Additional information available upon request.

V. Certificate of Service

I hereby certify that on September 13, 2012, 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

Janessa Damm Counsel of record
Signature Title

Austin Jockey Club
Bryan Brown, Vice President
P.O. Box 47535
San Antonio, TX 78265-7535

Gillespie County Fair & Festival
Steve Wetz, General Manager
P.O. Box 526
Fredericksburg, TX 78624

Laredo Downs
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

Laredo Race Park, LLP
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Lone Star Park At Grand Prairie
Drew Shubeck, President
1000 Lone Star Parkway
Grand Prairie, TX 75050

Manor Downs
Howard Phillips, CEO
P.O. Box 141309
Austin, TX 78714

Retama Park
Bryan Brown, CEO
P.O. Box 47535
San Antonio, TX 78265-7535

Saddle Brook Park
Drew Alexander, President
3822 Business Park Drive
Amarillo, TX 79110

Sam Houston Race Park
Andrea Young, President
7575 N Sam Houston Pkwy W
Houston, TX 77064-3417

Valle de los Tesoros Race
Park
Greg LaMantia, President
3900 N. McColl Road
McAllen, TX 78501

PAGE 145

Tesoros Race Park/ Valle de los Tesoros, Ltd.

(Name of Racetrack)

Requested Live Race Dates for 2014

OCTOBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13 Columbus Day	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31 Halloween	

NOVEMBER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10	11 Veterans Day	12	13	14	15
16	17	18	19	20	21 QH 12:30 p.m.	22 QH 12:30 p.m.
23 QH 12:30 p.m.	24	25	26	27 Thanksgiving	28 QH 12:30 p.m.	29 QH 12:30 p.m.
30 QH 12:30 p.m.						



Memorandum

P.O. Box 12080
Austin, Texas 78711-2080
(512) 833-6699
Fax (512) 833-6907

Date: December 11, 2012

To: Mark Fenner, General Counsel

From:  Sammy Jackson, Deputy Director for Finance and Wagering

RE: Approval of Allocation Formula for 2013 Greyhound Cross-Species Purse Money

On the agenda of the December 18, 2012, Commission meeting for consideration and approval will be the Texas Greyhound Association's (TGA) proposed allocation formula to distribute purse money the TGA collects from the Texas horse racetracks simulcasting out-of-state greyhound signals in accordance with §6.091(d) of the Texas Racing Act. Staff estimates \$1.2 million in purse funds will be generated in 2013 that will have to be allocated via the formula required to be submitted by the TGA for approval by the Commission.

Commission rule §303.102(d) states, the TGA shall prepare a proposed allocation for consideration by the Commission. In preparing a proposed allocation, TGA shall consider the following:

- the average price-per-point paid for purses at each greyhound racetrack during the preceding year;
- the purse payout at each greyhound racetrack during the preceding year; and
- the impact cross-species simulcasting has made on greyhound purse revenues at each greyhound racetrack during the preceding year.

The TGA's proposed formula would allocate 100% of all greyhound cross-species purse money to Gulf Greyhound Park for 2013. This allocation supports the 2013 greyhound race date calendar approved by the Commission during the October 9, 2012, Commission Meeting.

Should you have any questions, please feel free to contact me at any time.

CC: Chuck Trout, Executive Director
Mike Gougler, Deputy Director for Racing Oversight



2012 NOV -6 AM 9: 52

RECEIVED
TEXAS RACING
COMMISSION

texas greyhound association

November 5, 2012

Sammy Jackson
Texas Racing Commission
PO Box 12080
Austin, TX 78711

Dear Mr. Jackson,

The Texas Greyhound Association respectfully requests to be placed on the agenda for the December 2012 meeting for consideration and approval of the 2013 TGA Cross-Species allocation under TxRC Rule Section 303.102 (d)(2).

Valley race Park and Gulf Coast Racing have been granted 5 days each of racing in 2013. As Gulf Greyhound Park will be the only greyhound track running live races on a year-round basis in 2013, it is in the best interests of the greyhound owners to support the purses at this track as much as possible.

Effective January 1, 2013 the TGA requests that the Interstate cross –species simulcast purses received under Texas Racing Act Sec. 6.091(d)(2), after allowable TGA administrative expenses, be allocated to Gulf Greyhound Park purses through December 31, 2103.

Sincerely,

Nick James
Executive Director

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CHAPTER 309. RACETRACK LICENSES AND OPERATIONS
SUBCHAPTER A. RACETRACK LICENSES
DIVISION 1. GENERAL PROVISIONS

Sec. 309.1. Racetrack Licenses.

(a) (No change.)

(b) Duration of License. ~~A racetrack license is perpetual.~~ The Commission may suspend, ~~or~~ revoke or change the designation of a license in accordance with the Act and these rules. By agreement with the Commission, an association may voluntarily surrender a racetrack license for suspension or revocation.

(c)-(d) (No change.)

CHAPTER 311. OTHER LICENSES
SUBCHAPTER A. LICENSING PROVISIONS
DIVISION 1. OCCUPATIONAL LICENSES

Sec. 311.1. Occupational Licenses.

(a) License Required.

(1) A person other than a patron may not participate in racing at which pari-mutuel wagering is conducted unless the person has a valid license issued by the Commission. Any individual who enters an animal is deemed to be a participant in racing.

(2) A licensee may not employ a person to work at a racetrack at which pari-mutuel wagering is conducted unless the person has a valid license issued by the Commission.

(3) An association may not employ a person who works in an occupation that affords the employee an opportunity to influence racing with pari-mutuel wagering, or who will likely have significant access to the backside or restricted areas of a racetrack, unless the person has a valid license issued by the Commission.

(b) Duration of License.

(1) Except as provided in paragraph [subsection (b)] (2) of this subsection [section], an occupational license expires one year after the last day of the month in which the license was issued.

(2) - (3) (No change.)

(c) - (d) (No change.)

CHAPTER 311. OTHER LICENSES
SUBCHAPTER A. LICENSING PROVISIONS
DIVISION 1. OCCUPATIONAL LICENSES

Sec. 311.2. Application Procedure.

(a) (No change.)

(b) Application Site.

(1) Except as provided in paragraphs paragraphs [~~subsection (b)~~] (2) and [~~(b)~~] (3) of this subsection [~~section~~], an applicant for an occupational license must file the appropriate application form and related documents at the licensing office at a licensed racetrack.

(2) An applicant for the following occupational license types may file the appropriate application form and related documents by mail to the main office of the Commission in Austin; kennel owner, kennel owner/owner, kennel owner/owner/trainer, kennel owner/trainer, owner, owner/trainer, trainer, multiple owner/stable/farm registration, training facility employee, and training facility general manager/CEO.

(3) An applicant for [~~who is eligible to renew~~] an occupational license that is available through the Texas OnLine portal may submit [~~file~~] the required application information through the Texas OnLine portal.

(c) - (e) (No change.)

CHAPTER 311. OTHER LICENSES
SUBCHAPTER A. LICENSING PROVISIONS
DIVISION 1. OCCUPATIONAL LICENSES

Sec. 311.3. Information for Background Investigation.

(a) Fingerprint Requirements and Procedure.

(1) - (3) (No change.)

(4) A person who desires to renew an occupational license must:

(A) - (B) (No change.)

(C) if the applicant's original fingerprints are classified and on file with the Department of Public Safety, the applicant must pay a processing fee to resubmit the original fingerprints in lieu of submitting another set of fingerprints under paragraph (5) [~~(6)~~] of this subsection. The processing fee shall be equal to the amount necessary to reimburse the Department of Public Safety for obtaining criminal history records under subsection (b) of this section.

~~{(5) Waiver.}~~

~~{(A) Pursuant to Texas Civil Statutes, Article 179c, §7.10, the Commission will waive the fingerprint requirements in this section for an applicant for an owner or trainer license if:}~~

~~{(i) the individual presents proof of a valid owner or trainer license issued in a racing jurisdiction that requires the submission of fingerprints to the Federal Bureau of Investigation and the Commission verifies that fingerprints were submitted by that jurisdiction for the applicant within the three years preceding the date of the application in Texas; and}~~

~~{(ii) the applicant's permanent residence is outside the State of Texas.}~~

~~{(B) This subsection does not apply to an applicant who:}~~

~~{(i) has a criminal history in another state, as revealed by a report by the Federal Bureau of Investigation or other reliable criminal information sources;}~~

~~{(ii) maintains a residence or is employed, whether self-employed or otherwise, in Texas; or}~~

~~{(iii) obtains a license badge issued by the Commission which gives the applicant access to a restricted area on association grounds.}~~

~~{(C) Notwithstanding a waiver of the fingerprint requirements under this subsection, the Commission reserves the~~

CHAPTER 311. OTHER LICENSES
SUBCHAPTER A. LICENSING PROVISIONS
DIVISION 1. OCCUPATIONAL LICENSES

~~right, at its sole discretion, to require the submission of fingerprints after a license has been issued.]~~

(5) [~~6~~] If an applicant for a license or license renewal is required to submit fingerprints under this section, the applicant must also submit a fingerprinting fee and a processing fee equal to the amounts necessary to reimburse the Commission and the Department of Public Safety for obtaining criminal history records under subsection (b) of this section.

(b) (No change.)

CHAPTER 311. OTHER LICENSES
 SUBCHAPTER A. LICENSING PROVISIONS
 DIVISION 1. OCCUPATIONAL LICENSES

Sec. 311.5. License Categories and Fees.

(a) - (c) (No change.)

(d) The fee for an occupational license is as follows:

Type of License	1 Year Fee	2 Year Fee	3 Year Fee
Adoption Program Personnel	\$25		
Announcer	\$35		
Apprentice Jockey	\$75		
Assistant Farrier/Plater/Blacksmith	\$25		
Assistant Starter	\$25		
Assistant Trainer	\$100		
Assistant Trainer/Owner	\$100		
Association Assistant Management	\$50		
Association Management Personnel	\$75		
Association Officer/Director	\$100		
Association Other	\$75		
Association Staff	\$35		
Association Veterinarian	\$75		
Authorized Agent	\$15		
Chaplain	\$25		
Chaplain Assistant	\$25		
Exercise Rider	\$25		
Farrier/Plater/Blacksmith	\$75		
Groom/Hot Walker	\$25		
Jockey	\$100	\$200	\$300
Jockey Agent	\$100		
Kennel	\$75		
Kennel Helper	\$25		
Kennel Owner	\$100	\$200	\$300
Kennel Owner/Owner	\$100	\$200	\$300
Kennel Owner/Owner-Trainer	\$100	\$200	\$300
Kennel Owner/Trainer	\$100	\$200	\$300

CHAPTER 311. OTHER LICENSES
 SUBCHAPTER A. LICENSING PROVISIONS
 DIVISION 1. OCCUPATIONAL LICENSES

Lead-Out	\$25		
Maintenance	\$35		
Medical Staff	\$35		
Miscellaneous	\$25		
Multiple Owner	\$35	\$70	\$105 [100]
Mutuel Clerk	\$35		
Mutuel Other	\$35		
Owner	\$100	\$200	\$300
Owner-Trainer	\$100	\$200	\$300
Pony Person	\$25		
Racing Industry Representative	\$100		
Racing Industry Staff	\$30		
Racing Official	\$50		
Security Officer	\$30		
Stable Foreman	\$50		
Tattooer	\$100		
Test Technician	\$25		
Tooth Floater	\$100		
Trainer	\$100	\$200	\$300
Training Facility Employee	\$30		
Training Facility General Manager	\$50		
Valet	\$25		
Vendor Concessionaire	\$100		
Vendor/Concessionaire Employee	\$30		
Vendor Totalisator	\$500		
Vendor/Totalisator Employee	\$50		
Veterinarian	\$100	\$200	\$300
Veterinarian Assistant	\$30		

CHAPTER 311. OTHER LICENSES
SUBCHAPTER B. LICENSING PROVISIONS

Sec. 311.101. Horse Owners.

(a) - (f) (No change.)

(g) Emergency License.

(1) - (3) (No change.)

(4) If an owner submits an incomplete application for an owner's license, the application will remain in pending status until:

(A) the owner submits any additional information required to process the application;

(B) the application expires in accordance with the term of the applied-for license; or

(C) a horse is entered in the owner's name or in the name of a multiple owner of which the owner is a member, in which case the pending license will be presumed to be a request for an emergency license.

~~{(4) An application for an owner's license submitted to the Commission's main office in Austin that is incomplete will be presumed to be a request for an emergency license and an emergency license may be granted.}~~

(5) A license issued under this section expires on the 21st day after the date the emergency owner's license is issued. An owner may obtain only one emergency license per year. An emergency license cannot be issued if the owner failed to complete the prior licensing process.

(6) (No change.)

CHAPTER 311. OTHER LICENSES
SUBCHAPTER B. LICENSING PROVISIONS

Sec. 311.102. Greyhound Owners.

(a) - (b) (No change.)

(c) Emergency License.

(1) - (3) (No change.)

(4) If an owner submits an incomplete application for an owner's license, the application will remain in pending status until:

(A) the owner submits any additional information required to process the application;

(B) the application expires in accordance with the term of the applied-for license; or

(C) a greyhound is entered in the owner's name or in the name of a multiple owner of which the owner is a member, in which case the pending license will be presumed to be a request for an emergency license.

~~{(4) An application for an owner's license submitted to the Commission's main office in Austin that is incomplete will be presumed to be a request for an emergency license and an emergency license may be granted.}~~

(5) A license issued under this section expires on the 21st day after the date the emergency owner's license is issued. An owner may obtain only one emergency license per year. An emergency license cannot be issued if the owner failed to complete the prior licensing process.

(d) (No change.)

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER A. MUTUEL OPERATIONS
DIVISION 3. MUTUEL TICKETS AND VOUCHERS

Sec. 321.29. Mutuel Tickets.

Each mutuel ticket issued must have printed on its face:

- (1) the name of the racetrack facility where the wager was placed;
- (2) the name of the racetrack where the race was conducted;
- (3) the number of the race;
- (4) the unique computer-generated ticket number;
- (5) the date the ticket was issued;
- (6) the date of the race for which the ticket was issued;
- (7) the number of the ticket-issuing machine;
- (8) the type of pool;
- (9) the number of each entry on which the wager was placed;
- (10) the dollar amount of the wager; and
- (11) appropriate language to indicate the expiration [date] of the ticket shall be the first anniversary of the day the ticket was purchased.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER A. MUTUEL OPERATIONS
DIVISION 3. MUTUEL TICKETS AND VOUCHERS

Sec. 321.31.Vouchers.

Each voucher issued must have printed on its face:

- (1) the name of the racetrack facility where the voucher was issued;
- (2) the unique computer-generated voucher number;
- (3) the date the voucher was issued;
- (4) the number of the ticket-issuing machine;
- (5) the dollar amount of the voucher; and
- (6) appropriate language to indicate the expiration [date] of the voucher
~~ticket~~ shall be the first anniversary of the day the ~~voucher ticket~~ was
purchased.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER A. MUTUEL OPERATIONS
DIVISION 3. MUTUEL TICKETS AND VOUCHERS

Sec. 321.46. Payment on No Ticket Issue.

When a ticket issuing machine does not produce a paper ticket due to a mechanical failure, the mutuel manager may validate the wager through totalisator logs. If the transaction is a winning wager and the mutuel manager pays the patron, then the mutuel manager shall report the transaction to the Commission within 24 hours on a form prescribed by the association and approved by the executive secretary. The form must contain, at the minimum, the following: [~~Commission~~]

- (1) Association name;
- (2) Date and time of the machine failure;
- (3) Terminal number;
- (4) Bet description to include:
 - (A) racetrack;
 - (B) race number;
 - (C) animal number;
 - (D) bet type;
 - (E) amount wagered;
 - (F) total ticket cost;
 - (G) winning amount; and
 - (H) ticket serial number;
- (5) Patron's name and phone number;
- (6) Signature of the patron;
- (7) Description of the incident;
- (8) Date and time of the report; and
- (9) Signature of the ~~mutuel~~ mutuel manager.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER C. REGULATION OF LIVE WAGERING
DIVISION 1. GENERAL PROVISIONS

Sec. 321.215. Multiple Wagers.

(a) The following wagers are considered to be multiple two wagers for all purposes:

- (1) daily double;
- (2) quinella;
- (3) exacta; and
- (4) quinella double.

(b) The following wagers are considered to be multiple three wagers for all purposes:

- (1) trifecta;
- (2) twin trifecta;
- (3) pick (n);
- (4) select three, four, or five;
- (5) superfecta; [~~and~~]
- (6) tri-superfecta; [~~-~~]
- (7) fortune pick (n); and
- (8) super hi-five.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER C. REGULATION OF LIVE WAGERING
DIVISION 2. DISTRIBUTION OF PARI-MUTUEL POOLS

Sec. 321.320. Super Hi-Five.

(a) - (g) (No change.)

(h) If on the final day of a race meeting or on a designated mandatory payout date the pool has not been distributed under subsection (b) or (c) of this section, then the net pool for that performance plus any carryover from previous performances shall be paid out in the following manner: [is canceled or the super hi-five pool has not been distributed, the pool shall be deposited in an interest-bearing account approved by the executive secretary. The pool plus all accrued interest shall then be carried over and added to the super hi-five pari-mutuel pool in the following race meeting on a date and performance designated by the executive secretary.]

(1) To those who selected first-place, second-place, third place, and fourth-place finishers in order. If there are no such wagers, then:

(2) To those who selected first-place, second-place, and third-place finishers in order. If there are no such wagers, then:

(3) To those who selected first-place and second-place finishers in order. If there are no such wagers, then:

(4) To those who selected the first-place finisher.

(i) If the final or designated mandatory payoff performance is canceled or the pool has not been distributed under subsection (h) of this section the pool shall be deposited in an interest-bearing account approved by the executive secretary. The pool plus all accrued interest shall then be carried over and added to the super hi-five pari-mutuel pool in the following race meeting on a date and performance designated by the executive secretary.

(j) [(i)] If an animal is scratched or declared a nonstarter, no further tickets may be issued designating such animal and all super hi-five tickets previously issued designating such animal shall be refunded and the money deducted from the gross super hi-five pool.

(k) [(j)] For purposes of statutory deductions and commissions, the net amount does not include any amounts carried over from any previous super hi-five pool.

(l) The association may select a distinctive name for the super hi-five, with prior approval of the executive secretary.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER C. REGULATION OF LIVE WAGERING
DIVISION 2. DISTRIBUTION OF PARI-MUTUEL POOLS

Sec. 321.321. Fortune Pick (n).

(a) - (f) (No change.)

(g) Fortune pick (n) with minor pool and carryover with unique wager:

(1) the entire net fortune pick (n) pool and carryover, if any, shall be distributed to the holder of a unique wager selecting the first place finisher in each of the selected fortune pick (n) contests, based upon the official order of finish. If there is no unique wager selecting the first place finisher in all fortune pick (n) contests, the minor share of the net fortune pick (n) pool shall be distributed as a single price pool to those who selected the first place finisher in the greatest number of fortune pick (n) contests; and the major share shall be added to the carryover;~~[-]~~

(2) if the fortune pick (n) minor pool cannot be distributed in accordance with paragraph (1) of this subsection, the minor pool shall be combined with the major pool and added to the previous day's carryover. The entire pool plus carryover shall be carried forward to the next fortune pick (n) pool.

(h) - (p) (No change.)

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER B. TOTALISATOR REQUIREMENTS AND OPERATING ENVIRONMENT

REPEAL OF THE FOLLOWING DIVISIONS AND RULES:

DIVISION 1. FACILITIES AND EQUIPMENT

- §321.101.Purpose.
- §321.103.Facility Requirements.
- §321.105.Hardware Requirements.
- §321.107.Software Requirements.

DIVISION 2. OPERATIONAL REQUIREMENTS

- §321.121.General Management Requirements.
- §321.123.Personnel Requirements.
- §321.124.Waivers for Technological Advancement of Off-site Processing.
- §321.125.Totalisator Network.
- §321.127.Data Transmission Protocols.
- §321.131.General Requirements.
- §321.133.Pre-Race Reports.
- §321.135.Race-by-Race Reports.
- §321.137.End-of-Day Reports.
- §321.139.Ad Hoc Reports.
- §321.141.Special Reports.
- §321.143.Logs.

DIVISION 3. REPORTING AND LOG REQUIREMENTS

- §321.131.General Requirements.
- §321.133.Pre-Race Reports.
- §321.135.Race-by-Race Reports.
- §321.137.End-of-Day Reports.
- §321.139.Ad Hoc Reports.
- §321.141.Special Reports.
- §321.143.Logs.

CHAPTER 321. PARI-MUTUEL WAGERING

SUBCHAPTER B. TOTALISATOR REQUIREMENTS AND OPERATING ENVIRONMENT

Sec. 321.101. Totalisator Requirements and Operating Environment.

Each association shall conduct wagering using a pari-mutuel system approved by the Commission. The pari-mutuel system shall operate in accordance with applicable laws and rules and meet the technical standards set forth in the Association of Racing Commissioners International Totalisator Technical Standards as amended in July 2012. Copies of the Totalisator Technical Standards are available at the Texas Racing Commission, P.O. Box 12080, Austin, Texas 78711, or at the Commission office at 8505 Cross Park Dr., #110, Austin, Texas 78754.

CHAPTER 321. PARI-MUTUEL WAGERING
SUBCHAPTER A. MUTUEL OPERATIONS
DIVISION 3. MUTUEL TICKETS AND VOUCHERS

Sec. 321.15. License to Provide Totalisator Services.

(a) To provide totalisator services to an association in Texas, a totalisator company must be licensed by the Commission as a Totalisator Vendor. The license application must include:

(1) (No change.)

(2) a list of all totalisator personnel assigned to work in Texas, or on behalf of an association operating in Texas, as described in Subchapter B [§321.123] of this chapter [title] (relating to Totalisator Requirements and Operating Environment) [~~Personnel Requirements~~];

(3) - (4) (No change.)

(b) (No change.)