



1776 Tribute Road, Suite 205
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AGENDA
CALIFORNIA AUTHORITY OF RACING FAIRS
BOARD OF DIRECTORS MEETING
JOHN ALKIRE, CHAIR
12:30 P.M., THURSDAY, OCTOBER 11, 2012

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 12:30 p.m., Thursday, October 11, 2012. The meeting will be held in Fresno.

AGENDA

- I. Date, time and location of next meeting:
- II. Approval of minutes.
- III. Report, discussion and action, if any, on Racing Dates for 2013 and beyond.
- IV. Report, discussion and action, if any, on Legislation for 2012 and beyond.
- V. Report, discussion and action, if any, on proposed changes to SCOTWInc. Guest Agreements with Satellite facilities.
- VI. Presentation of and action, if any, on 2011 Audit Report.
- VII. Financials
- VIII. Executive Director's Report



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NOTICE
CALIFORNIA AUTHORITY OF RACING FAIRS
BOARD OF DIRECTORS MEETING
JOHN ALKIRE, CHAIR
12:30 P.M., THURSDAY, OCTOBER 11, 2012
VIA TELECONFERENCE

Notice is hereby given that a meeting of the California Authority of Racing Fairs' Board of Directors will commence at 12:30 p.m., Thursday, October 11, 2012. The meeting will be held at the Fresno Conference Room located at 1121 S. Chance Avenue, Fresno, California 93702.

CARF Board of Directors Meeting
Toll Free Dial In Number: (800) 791-2345
Participant Code: 83711 #
Via Teleconference

The Public and members of the California Authority of Racing Fairs Board of Directors may participate from the following locations:

Alameda County Fair
4501 Pleasanton Avenue
Pleasanton, CA 94566

National Orange Show
689 South E Street
San Bernardino, CA 92408

Solano County Fair
900 Fairgrounds Drive
Vallejo, CA 94589

Antelope Valley Fair
2551 West Ave. H, Suite 102
Lancaster, CA 93536

Riverside National Date Festival
46-350 Arabia Street
Indio, CA 92201

Sonoma County Fair
1350 Bennett Valley Road
Santa Rosa, CA 95404

The Big Fresno Fair
1121 S. Chance Avenue
Fresno, CA 93702

San Bernardino Co. Fair
14800 Seventh Street
Victorville, CA 92395

Southern CA Fair
18700 Lake Perris Dr.
Perris, CA 92570

California State Fair
1600 Exposition Blvd.
Sacramento, CA 95815

San Joaquin Fair
1658 S. Airport Way
Stockton, CA 95206

Stanislaus County
900 North Broadway
Turlock, CA 95380

Humboldt County Fair
1250 5th Street
Ferndale, CA 95536

Shasta District Fair
1890 Briggs Street
Anderson, CA 96007

Tulare County Fair
215 Martin Luther King
Tulare, CA 93274

Kern County Fair
1142 South P Street
Bakersfield, CA 93307

Monterey County Fair
2004 Fairground Road
Monterey, CA 93940

Ventura County Fair
10 West Harbor Blvd
Ventura, CA 93001-2706

CALIFORNIA AUTHORITY OF RACING FAIRS

Board of Directors

Tuesday, September 11, 2012

MINUTES

A teleconference meeting of the California Authority of Racing Fairs Board of Directors was held at 12:30 P.M., Tuesday, September 11, 2012. The meeting was hosted at the California Authority of Racing Fairs Board Room, 1776 Tribute Road, Sacramento, California, 95815.

CARF Board Members joining: John Alkire, Norb Bartosik, Chris Borovansky and Kelly Violini. Joining by conference call: Mike Paluszak and Rick Pickering.

Staff and Guests joining: Christopher Korby, Larry Swartzlander, Tom Doutrich, Heather Haviland, Amelia White, Chris Carpenter, Jim Morgan, Richard Lewis, Raechelle Gibbons, Stuart Titus, Dave Elliott, Tom Sawyer, Ann Groveitt and Dave Mogni. Joining by conference call: Cindy Olsen.

Agenda Item 1 – Date, Time and Location of Next Meeting. The next CARF Board of Directors meeting is scheduled for October 11, 2012 in Fresno.

Agenda Item 2 – Approval of Minutes. Mr. Paluszak moved to approve the meeting minutes as presented. Mr. Bartosik seconded, unanimously approved.

Agenda Item 3 – Report, Discussion and Action, if any, on Legislation for 2012 and Beyond. Mr. Korby reported that CARF sponsored two bills this session, SB 1227 (Negrete McLeod) and SB 1418 (Berryhill). SB 1418, a technical cleanup bill regarding eliminating date restrictions, was signed by the Governor and will become law on Jan. 1, 2013. SB 1227, which would have provided license fee relief to racing Fairs, was held in Assembly Appropriations Committee at the end of session.

SB 1390 (Wright), the sports wagering bill, was also held in the Assembly Appropriations Committee. SB 1463 (Wright), regarding Internet poker, was held in the Senate G.O. Committee. Mr. Brown reported that there is a slim chance that if a special session is called, Internet poker could be resurrected due to its revenue generating potential.

Mr. Korby reported that a group of principals from the racing industry (including CARF, Del Mar, Santa Anita Park, Golden Gate Fields, Oak Tree, CTBA and TOC), has formed a group called Horse Racing United for the purpose of supporting and implementing Internet poker legislation. This group is tracking Internet poker legislation and is prepared to implement legislation should it be approved and signed by the Governor. Included in the meeting packet is a document prepared by Mr. Korby entitled "*Proposed Model for Distribution of Internet Poker Revenues to California Horse Racing Interests*" which is one of two proposals that Horse Racing United is considering as a method to distribute revenue. Also included in the meeting packet is the proposal presented by Del Mar

Thoroughbred Club. The major difference between the two models is that the CARF proposal includes a distribution for satellite wagering facilities.

Mr. Korby noted that until Tribal casino interests are in agreement regarding Internet poker, there is a lesser possibility that the bill will successfully navigate the legislative process.

Mr. Korby encouraged feedback regarding the legislative direction CARF should take next session. Mr. Borovansky suggested that CARF and legislative advocates take care to ensure that outside interests understand that CARF's positions represent racing Fairs and not the Fair industry as a whole. Mr. Alkire added that Mr. Borovansky's point is especially important when you consider that CARF advocates also represent WFA and CFA.

Agenda Item 4 – Report, Discussion and Action, if any, on Mini-Satellite Wagering Facility Development. Mr. Korby reported that the most active CARF-member project is a joint venture between Banker's Casino and Monterey County Fair to operate a mini-satellite wagering facility in Salinas. The mini-satellite application has been approved by the CHRB and Ms. Violini reported that the facility logos are complete and the facility is scheduled to open in October.

Mr. Korby reported that Gordon Gong has been retained to provide architectural drawings and design options for a mini-satellite facility at Cow Palace.

Mr. Korby reported that he has heard that the San Diego County Fair is in initial discussions with a restaurant in the Gas Lamp District of San Diego.

Agenda Item 5 – Financials. Mr. Korby reported that financials are included in the meeting packet.

Agenda Item 6 – Executive Director's Report. Mr. Korby reported that an error has been identified in CHRIMS reports on handle from TVG which affected the latter part of the Humboldt County Fair. Those handle reports are in the process of being corrected.

Mr. Bartosik stated that the Live Racing Committee has referred a policy matter regarding racing dates to the CARF Board. Board review of the matter was requested by Humboldt County Fair. That item will be on the agenda for the next Board of Director's meeting.

Agenda Item 7 – Executive Session (pending litigation).

Respectfully submitted,
Heather Haviland

2013 PROPOSED NORTHERN CALIFORNIA RACING CALENDAR (HOSTED DAYS) - GGF/CARF/TOC 9-6-12

III.

Dec-12						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		24	25	26	27	28
29	30	31				

GGF W/S	Dec 25 - June 18
GGF Summer	Aug 14 - Sept 17
GGF Fall	Oct 16 - Dec 25

Pleasanton	June 19 - July 9
Sacramento	July 10 - July 23
Santa Rosa	July 24 - August 13

Ferndale	August 14 - August 25
Stockton	September 18 - October 1
Fresno	October 2 - October 15

January						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1	2	3	4	5
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February						
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April						
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August*						
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September						
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October						
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November						
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December						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
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29	30	31				

*Humboldt County Fair in Ferndale to run overlapped with Golden Gate Fields, Golden Gate Fields to act as host..

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CALIFORNIA HORSE RACING BOARD



Los Alamitos Race Course
 4961 E. Katella Avenue
 Los Alamitos, CA 90720

Contact: Mike Marten
 (714) 820-2748
 Cell: (714) 240-1870
 Fax (714) 821-6232

CHRB NEWS RELEASE

SEPTEMBER 22, 2012

SUMMARY OF CHRB ACTIONS AND DISCUSSIONS 9-20-12

POMONA, CA – The California Horse Racing Board conducted its regular meeting Thursday, September 20, at Fairplex Park. Chairman Keith Brackpool presided. Vice Chairman David Israel and Commissioners Steve Beneto, Jesse Choper, Bo Derek, Richard Rosenberg, and Chuck Winner were in attendance.

The audio of this entire Board meeting is available on the CHRB Website (www.chrb.ca.gov) under the [Webcast](#) link. In brief:

- The Board completed the allocation of racing dates for 2013 by approving the Northern California thoroughbred and fair schedule – having previously approved the rest of the racing calendar. Date allocations cover every day of the calendar for purposes of live racing and for determining hosts for simulcasts on days and nights when there is no live racing. Precise racing dates are determined when the Board approves the license application for each meet. The allocated dates for Northern California begin with Golden Gate Fields on December 26, 2012, through June 18, 2013, followed by the Alameda County Fair (June 19 – July 9), State Fair (July 10 – 23), Sonoma County Fair (July 24 – August 13), Humboldt County Fair (August 14 – 25), Golden Gate (August 14 – September 17), San Joaquin County Fair (September 18 – October 1), Big Fresno Fair (October 2 – 15), and finally Golden Gate again (October 16 – December 25). A related issue pertaining to overlap days and host revenues involving Golden Gate and Humboldt will be on the agenda for the October Board meeting.
- The Board approved for public notice 25 proposed regulations governing the conduct of exchange wagering in California. These proposed regulations were previously noticed for 45 days. Subsequent changes to the texts were relatively minor in nature, allowing for a second, shorter 15-day notice period. The Board will conduct a public hearing October 18 at Santa Anita Park, at which time the regulations could be given final approval by the Board. The regulations would then be sent to the Office of Administrative Law for review and approval.
- The Board approved the license application by Hollywood Park Fall Racing Association for a thoroughbred meet at Hollywood Park from November 8 through December 16, providing a nine-day break in live thoroughbred racing before the December 26 start of the Santa Anita winter meet. Hollywood Park will offer simulcast-only wagering on non-live-racing days, including the break period before Christmas.
- The Board approved for 45-day public notice a proposed regulatory amendment to the current rule that allows a claim (purchase) to be voided if the horse suffered a fatality during the running of a race or before returning to be unsaddled. The proposed amendment would also require the stewards to void a claim if “the racing or official veterinarian determine the horse will be placed on the Veterinarian’s List as unsound or lame before the horse is released to the successful claimant.”

Public comments received during the 45-day notice period will be posted on the CHRB Website. The Board will conduct a public hearing on the proposed amendment following the comment period.

- The Board voted to reaffirm the language in the previously approved license application for the fall meet at Santa Anita pertaining to horses entered in Breeders' Cup championship races (November 2-3). Authorized bleeder medication will be limited to furosemide administered by CHRB licensed veterinarians approved by the Breeders' Cup and who are not otherwise attending horses competing in the Breeders' Cup races.
- The Board voted to amend the Defined Contribution Retirement Plan for California Licensed Jockeys by modifying the Plan's life expectancy table to more accurately reflect the expected life span of Plan participants.

#

Amelia White

From: Christopher Korby [korby@calfairs.net]
Sent: Wednesday, October 03, 2012 1:53 PM
To: 'Amelia M. White'
Subject: Fw: SCOTWINC "Guest Agreement"
Attachments: FORM-Guest Agreement 10-1-2012.doc; Simulcast and Parimutuel Operations Agreement SCOTWinc. 2006.pdf

Please print these attachments for Board Packets.

----- Original Message -----

From: [Christopher Korby](#)

To: [Thurman, Bernie](#) ; [frank demarco](#) ; [George Haines](#) ; [Josh Rubinstein](#) ; [Mike Ernst](#) ; [Jim Henwood](#) ; ['Mike Seder'](#) ; [Rick English](#) ; [Sherwood Chillingworth](#) ; [Wyatt, Eual](#) ; [Lou Raffetto-TOC](#)

Cc: [Jack Liebau](#)

Sent: October 02, 2012 6:22 AM

Subject: Re: SCOTWINC "Guest Agreement"

Thanks; that's the same copy we have in our records.

We would agree that it's a good idea to review and update these agreements from time to time, but with a reasonable amount of time for everyone to review any proposed changes. We received the initial new draft of a new Guest agreement yesterday, then a few hours later a notice of SCOTWInc meeting today to approve.

Twenty-four hours allows only for a cursory and hurried review of this proposal, which shows substantial changes. These are important agreements that govern a significant sector of our business, so a little deliberation is in order.

Best regards,

--Chris

Christopher Korby
Executive Director
California Authority of Racing Fairs

----- Original Message -----

From: [Thurman, Bernie](#)

To: [Christopher Korby](#) ; [frank demarco](#) ; [George Haines](#) ; [Josh Rubinstein](#) ; [Mike Ernst](#) ; [Jim Henwood](#) ; ['Mike Seder'](#) ; [Rick English](#) ; [Sherwood Chillingworth](#) ; [Wyatt, Eual](#)
Cc: [Jack Liebau](#)
Sent: October 01, 2012 5:08 PM
Subject: RE: SCOTWINC "Guest Agreement"

Hi Chris-

Attached is a copy of the 2005 version, which, as you may recall, combined both the guest and host agreement language into one document.

Bern

From: Christopher Korby [mailto:korby@calfairs.net]

Sent: Monday, October 01, 2012 4:29 PM

To: Thurman, Bernie; [frank demarco](#); [George Haines](#); [Josh Rubinstein](#); [Mike Ernst](#); [Jim Henwood](#); ['Mike Seder'](#); [Rick English](#); [Sherwood Chillingworth](#); [Wyatt, Eual](#)

Cc: [Jack Liebau](#)

Subject: Re: SCOTWINC "Guest Agreement"

What are the proposed changes to the existing agreement? If there are changes proposed, we'll need to see this draft marked-to-show-changes.

Thanks.

-Chris

----- Original Message -----

From: [Thurman, Bernie](#)

To: [frank demarco](#) ; [George Haines](#) ; [Josh Rubinstein](#) ; [Mike Ernst](#) ; [Jim Henwood](#) ; ['Mike Seder'](#) ; [Rick English](#) ; [Sherwood Chillingworth](#) ; [Wyatt, Eual](#) ; ['korby@calfairs.net'](mailto:korby@calfairs.net)

Cc: [Jack Liebau](#)

Sent: October 01, 2012 11:25 AM

Subject: SCOTWINC "Guest Agreement"

Forwarding on behalf of Jack a draft Guest Agreement for your review. Please note that this draft would not be applicable to mini satellites or tribal sites.

All my best,

Bernie

SIMULCAST AND PARIMUTUEL OPERATIONS AGREEMENT

THIS AGREEMENT is made this 12th day of January, 2006 by and between SOUTHERN CALIFORNIA OFF-TRACK WAGERING, INC. ("Operator"); the Simulcast Wagering Centers identified herein and those listed on Exhibit A hereto (Satellites); and the Racing Association or Racing Fairs during the period of any racing meeting licensed by the California Horse Racing Board ("Tracks")

WHEREAS, Chapter 4, Article 9.2 of Division 8 of the California Business and Professions Code, (the "Simulcast Wagering Law") permits Satellites to operate simulcast wagering facilities for wagering on races conducted in the State of California; and

WHEREAS, Track operates a licensed race meeting and desires its race program to be transmitted by Operator to Satellites for simulcast wagering pursuant to the applicable provisions of the Simulcast Wagering Law; and

WHEREAS, Operator is an organization established under the provisions of the Simulcast Wagering Law to operate and administer a simulcast wagering system to permit transmission of each Track's race program to each and all of the Satellites identified herein; and

WHEREAS, Track, Operator and Satellites desire to memorialize their various rights, duties and obligation by this Agreement,

NOW THEREFORE, it is agreed as follows:

1. Term of Agreement - The term of this Agreement shall be valid for the period commencing December 26, 2005 through December 25, 2006. This Agreement shall automatically renew for ten (10) additional one-year periods unless any of the parties has given written notice to the other parties of its intention to amend or terminate this Agreement on or before November 1 of each year that the agreement is in effect.

2. Duties and Responsibilities of Satellites.

(a) Simulcast Facility - Each Satellite shall maintain a Simulcast Wagering Facility suitable for the operation of simulcast wagering and such facility and operation shall conform in all respects to the rules and regulations of the California Horse Racing Board.

(b) General Obligations of the Satellites - Each Satellite shall, as agreed with Operator, furnish or maintain or cause to be furnished or maintained, at its Simulcast Wagering Facility, at no expense to Operator or Track, each of the following five items:

(1) Reasonable physical protection at all times of the simulcast wagering system components installed or present on its premises from harm by any cause whatsoever including, but not limited to, trespass, damage, interference by other persons, vandalism or water damage. Such protection shall be afforded on a reasonable efforts basis and shall, among other things, provide such protection from the elements and fire extinguishing methods as are reasonably required to protect the same.

(2) Adequate secure space for Totalisator equipment, a Totalisator room and money room of sufficient size, equipped with an adequate alarm system and appropriate safes, together with adequate office space for mutual supervisors.

(3) Teller windows having counters of sufficient size and structural strength to accommodate the parimutuel machines and of such design as to reasonably protect Tellers and the change funds of Tellers from unlawful conduct.

(4) Necessary electrical power, cable, outlets and voltage regulation for the proper, normal operation of the simulcast wagering system equipment, including without limitation, a dedicated circuit to the parimutuel wagering terminals for simulcast operations.

(5) Secure space for the storage and care of printer ribbons, ticket materials and other supplies of Operator reasonably necessary for the conduct of simulcast wagering operations as well as secure areas for the storage of spare or additional parimutuel wagering machines.

(c) Access to Simulcast Facility - Each Satellite will give officers, directors, employees and the authorized representatives of Operator and its contractors access to all parts of the simulcast wagering system located at its simulcast wagering facility during normal business hours upon reasonable notice for the proper supervision, maintenance, repair or operation of the system and to permit removal by Operator or its designated contractor of the removable parts of the system when not required or necessary for Satellite Wagering. No fees, charges, expenses or licensing fees shall be charged to Operator's personnel or contractors by Satellites.

(d) Gates and Admissions - Each Satellite shall control public admissions to its simulcast wagering facility. The cost of labor, materials and supplies associated with the construction, maintenance and operation of admission booths and facilities shall be the sole responsibility of Satellites. Satellites shall furnish on request accurate records of daily admissions and attendance totals to Operator.

(e) Parking - Each Satellite shall provide for the parking space reasonably necessary to accommodate the anticipated patrons at its simulcast wagering facility. The cost of labor, materials and supplies associated with the construction, maintenance and operation of parking facilities shall be the sole responsibility of Satellites.

(f) Food and Beverage - Each Satellite shall maintain and establish reasonable food and beverage service at its simulcast wagering facility. The costs of labor, materials and supplies associated with construction, maintenance and operation of food and beverage service shall be the sole responsibility of Satellites.

(g) Amenities and Facilities - Each Satellite shall be responsible for providing and maintaining a clean, safe and habitable simulcast wagering facility suitable for public attendance. To the extent possible, such facilities shall contain a clubhouse type area for those members of the public desiring enhanced facilities. The cost of all labor, materials and supplies associated with maintaining each simulcast wagering facility in a clean and orderly manner shall be the sole responsibility of Satellites.

(h) Security - Each Satellite, pursuant to the Rules and Regulations of the California Horse Racing Board, shall provide adequate security for the protection of the public and simulcast employees, including such uniformed and plain clothed security personnel as shall be reasonably necessary to protect the public and simulcast wagering facility from unlawful and improper acts, as required by California Horse Racing Board. The cost of all labor, materials and supplies associated with security of the simulcast wagering facility shall be the sole responsibility of Satellites.

(i) Utilities - Each Satellite shall provide such air conditioning, electrical service, water, heat, and light as are reasonably necessary to maintain a proper simulcast wagering facility. The cost of such utility services shall be the sole responsibility of Satellites.

(j) Receiving and Display Equipment - Each Satellite shall acquire, maintain and provide proper down-link equipment to receive and display to the public the audio-video signal transmitted by Operator from Track, including such television monitors as are reasonably necessary to adequately display the audio-video signal to the public attending each simulcast wagering facility. In addition, each Satellite shall use its best efforts to display, if reasonable and practical under the circumstances, publicly televised sports events for the viewing of the public. Any necessary changes to existing equipment at receiving sites, due to expanded coverage from Operator or Track, shall require sixty (60) days notification to Satellite. The cost of labor, equipment, materials and supplies associated with receiving and display of the audio-video signal shall be the sole responsibility of Satellites.

(k) Maintenance - Each Satellite shall be responsible for maintenance of the facility and all equipment therein, except the parimutuel and other equipment installed by Operator at each simulcast wagering facility pursuant to the Simulcast Wagering Law.

(l) Pricing - Each Satellite shall annually furnish Operator a copy of the price lists filed by each Satellite setting forth the amounts to be charged to the public for attendance, parking, food and beverage services, programs, and all other vended items related to simulcast wagering. Each Satellite shall furnish Operator a copy of any price changes. Should Operator disagree with any of the proposed prices or price changes, the parties shall meet within forty-eight (48) hours to

attempt a resolution. In the event a satisfactory resolution cannot be obtained any party may submit the matter to the California Horse Racing Board for its consideration and determination.

3. Duties and Responsibilities of Track.

(a) Racing Program - Track shall make available a suitable audio-video signal of its daily racing program for transmission of that signal by Operator to each Satellite. Such audio-video signal shall include, at a minimum, video coverage of each race, the audio call of the race by the track announcer, video presentation of the order of finish and parimutuel pay-offs, pre-race odds and probables, plus such additional pre and post race audio coverage as is reasonably necessary to make the audio-video signal entertaining and informative.

(b) Audio-Video Signal - Track shall provide such equipment as is reasonably necessary to deliver to Operator's on-track up-link facility an audio-video signal of such quality as is consistent with the requirements of the California Horse Racing Board and industry standards. The cost of all labor, equipment, materials and supplies associated with providing such audio-video signal shall be the sole responsibility of Track.

(c) Parimutuel Operation - Track shall maintain such totalisator systems and operations as are consistent and compatible with those employed by Operator, and shall maintain such facilities as are reasonably necessary to accept and combine parimutuel data accumulated by Operator from Satellites and other simulcast wagering facilities with Track's on-track parimutuel pool so that a single parimutuel pool can be established for wagers accepted on-track and at Satellites and at other simulcast wagering facilities. Track shall employ a Parimutuel Manager for on-track parimutuel operations who shall additionally supervise the satellite parimutuel operations as agent of Operator at no charge to Operator.

4. Duties and Responsibilities of Operator.

(a) Racing Program - Operator shall provide for receipt through appropriate down-link equipment, supplied by satellite, an audio-video signal of such quality as is consistent with the requirements of the California Horse Racing Board and industry standards. Such audio-video signal shall include at a minimum video coverage of each race, the audio call of the race by the track announcer, video presentation of the order of finish and parimutuel pay-offs, pre-race odds and probables, plus such additional pre and post race audio coverage as is reasonably necessary to make the audio-video signal entertaining and informative.

(b) (b) Audio Video Transmission Operator shall provide all equipment necessary to operate the audiovisual signal system, including the costs of leasing or purchasing and operation of equipment for transmission and decoding of audiovisual signals and wagering data. Operator shall insure that all of its personnel and subcontractors involved in the encryption, transmission and decoding of the audio video signal shall comply with all applicable regulations of the Federal Communications Commission, the California Horse Racing Law (Business and Professions Code, Sections 19400, et

seq.) and all applicable rules, licensing and technical requirements of the California Horse Racing Board. The costs associated of compliance with this subsection (b) shall be borne by Operator.

(c) Parimutuel Operations - Operator shall engage as its agent the Parimutuel Manager of the Track to supervise the parimutuel operations at Satellites. In addition, Operator shall employ and supervise such qualified parimutuel operations management and personnel together with such equipment as is reasonably necessary for the proper operation and management of the simulcast wagering system given the reasonably anticipated attendance and parimutuel wagering handle at each simulcast wagering facility.

(d) Wagering Information - Track shall provide such parimutuel information as will allow Operator to transmit to Satellites the same wagering information which is provided by Track for its on track patrons.

(e) Parimutuel Hub - Operator shall establish a Parimutuel Hub to receive all parimutuel information from all simulcast wagering facilities including Satellites and combine the same into one parimutuel pool for transmission to Track for consolidation into Track's on-track parimutuel pool. The cost of all labor, materials, equipment, maintenance and services, including all telephone and data lines from each Satellite to hub and from hub to Track, associated with the operation and maintenance of the parimutuel hub shall be the sole responsibility of Operator.

(f) Change Fund, etc. - Operator shall establish at each Satellite a sufficient change fund so as to provide, at each parimutuel window in operation, the reasonably anticipated cash necessary to make change and payoffs. Operator shall be solely responsible for all handling of funds received by and through the parimutuel operation at each Satellite including the counting, accounting, safekeeping and transportation of said funds. The cost, materials, equipment and supplies associated with the provision, handling, accounting and transportation of all parimutuel funds shall be the sole responsibility of Operator.

5. Compensation to Satellites.

(a) In General - Each Satellite shall be entitled to all revenues from parking fees, admissions, program sales, food and beverage services and all other commercial enterprises conducted at its Simulcast Wagering Facility. Additionally, with respect to the gross amount of wagers accepted at each Satellite's Simulcast Wagering Facility on races which are part of Track's racing program, each Satellite shall receive from Track a fee of 2% thereof as a commission.

(b) Remittance to Satellites - Track shall remit all sums due each Satellite on a periodic basis, but not less frequently than weekly. Said distribution shall be based upon the reports of wagering submitted to the California Horse Racing Board by the accountants designated by Track and Operator and approved by the Board to make said reports.

6. Daily Racing Programs - For the purposes of this Agreement, Track and Satellites shall separately agree with respect to the distribution and sale of daily racing programs to the public.

7. Advertising and Promotion – The Promotion Fund, generated from the gross parimutuel handle at Satellite facilities pursuant to the provisions of Section 19605.71 (c) of the Simulcast Wagering Law shall be used for the purpose of advertising and promotion of parimutuel wagering on horse racing and defrayal of the costs of Workers Compensation Insurance in the manner set forth in Section 19605.73 (c), et. seq. of the Simulcast Wagering Law.

8. Insurance.

(a) Operator - Operator will, on request, provide certificates of insurance for, and will maintain, at its expense, insurance coverage with insurance companies having an A.M. Best rating of "A" or higher as follows:

(1) All risks of physical damage coverage on its operations and facilities subject to normal exclusions;

(2) Workers' compensation on Operator's employees providing statutory benefits and an employer's liability limit of \$100,000; and

(3) Comprehensive general liability coverage of not less than \$1,000,000 combined single limit, which shall include extensions of coverage for products, complete operations, personal injury and blanket contract.

(4) Operator shall also maintain an excess line of comprehensive general liability coverage in such amounts that Operator may deem appropriate;

(5) In each and all such policies, save and except the Workers' Compensation policy, each Track and all Satellites shall be named additional insureds.

(b) Satellites - Satellites will, on request, provide certificates of insurance for, and will maintain, at their expense, insurance coverage with insurance companies having an A.M. Best rating of "A" or higher as follows, or if governmental entities, said entities may, after giving notice to Operator and Track, self insure some or all of the following coverage or be covered by an insurance pool, where the risk is borne by insurance companies acceptable to Operator:

(1) All risks of physical damage coverage on each Satellite subject to normal exclusions;

(2) Workers' compensation on Satellites' employees providing statutory benefits and an employer's liability limit of \$100,000; and

(3) Comprehensive general liability with primary line coverage of not less than \$1,000,000 combined single limit, which shall include extensions of coverage for products, complete operations, personal injury and blanket contract.

(4) Satellites shall also maintain an excess line of comprehensive general liability coverage in such amounts that Satellites may deem appropriate;

(5) In each and all such policies, save and except the Workers' Compensation policy, each Track and Operator shall be named additional insureds.

(c) Track - Track will, on request, provide certificates of insurance for, and will maintain, at its expense, insurance coverage with insurance companies having an A.M. Best rating of "A" or higher as follows:

(1) All risks of physical damage coverage on its operations and facilities subject to normal exclusions;

(2) Workers' compensation on Track's employees providing statutory benefits and an employer's liability limit of \$100,000; and

(3) Comprehensive general liability coverage of not less than \$1,000,000 combined single limit, which shall include extensions of coverage for products, complete operations, personal injury and blanket contract.

(4) Track shall also maintain an excess line of comprehensive general liability coverage in such amounts that Track shall deem appropriate;

(5) In each and all such policies, save and except the Workers' Compensation policy, Satellites and Operator shall be named additional insureds.

9. Liability to Satellites - Neither Operator nor Track shall be liable to Satellites for any losses of Satellites occasioned by interruption or loss of the audio-video or parimutuel signal or transmission, for whatever duration, except that Operator shall save and hold Satellites harmless from and against any claims of patrons or third parties relative to wagers made or claimed to be made and accepted through the parimutuel system. Any recovery of losses, which includes the sums due Satellites pursuant to Section 5 of these Terms and Conditions, incurred as a result of interruption or loss of the audio-video signal or parimutuel signal or transmission, shall be distributed to Operator, Track and Satellite in the same ratio as their statutory distributions, as set forth in the Simulcast Wagering Law, relating to the total of such distributions.

10. Remedy for Failure to Accept Signal - In the event any Satellite determines to suspend its operations for all or any part of any Racing Meeting, it shall give prompt notice of such proposed suspension to California Horse Racing Board, Operator and the subject Track. In the absence of approval of the California Horse Racing Board or the mutual agreement of Operator and Track as to such suspension or unless such operations are suspended for reasons beyond the control of Satellite

or for reasons of public safety, Operator, with Track's consent, may suspend transmission of the audio-video signal to Satellite for the balance of the Racing Meeting.

11. Breach of Agreement - It shall be a material breach of this Agreement, justifying the suspension of the audio-video signal to Satellite by Operator for the remaining term of this Agreement, for any Satellite to accept an audio-video signal for parimutuel wagering purposes, of any racing program which is not transmitted to that Satellite by Operator as authorized by the Simulcast Wagering Law.

12. Limitation on Program Acceptance

(a) Mutual Agreement to Accept Less Entire Racing Program - Pursuant to Section 19605.3(d)(1) of the Simulcast Wagering Law, Satellites and Track may agree to operate less than the total number of programs available.

(b) Refusal to Accept Racing Program Where Loss is Incurred - Pursuant to Section 19605.3(d)(1) of the Simulcast Wagering Law, Satellites may refuse to accept any program offered it if the Satellite is incurring an operating loss in accepting the signal. The Satellite shall however accept the signal if Track agrees to reimburse Satellite for such loss.

(c) Calculation of Loss - Any loss incurred by a Satellite shall be calculated in the manner set forth in Section 19605.3(d)(2) of the Simulcast Wagering Law. The Satellite shall report any verified losses to the Operator together with a claim for reimbursement for the loss sustained. Operator shall remit, or cause Track to remit the full amount of any approved reimbursement.

(d) Disputes as to Claim of Loss - Should Operator or Track disagree in total or in part with the Satellite's claim, it shall do so in writing within ten (10) days of receipt of Satellite's claim. The parties shall promptly meet thereafter to resolve any differences. The parties shall submit any unresolved differences to the California Horse Racing Board for resolution by the California Horse Racing Board.

13. Miscellaneous Provisions.

(a) Prohibition of Parimutuel Wagering - If at any time during the term of this Agreement parimutuel wagering on racing or simulcast wagering is made, declared, or held to be illegal or prohibited by statute or decision of a court of last resort, which decision has become final, or by any competent public authority whose decision is final and not subject to appeal, then this Agreement shall thereupon be deemed terminated and the parties hereto shall be released from any and all further liability or obligation hereunder, provided however that such termination shall not relieve Operator, Track, or Satellites from any obligation or liability that accrued prior to the date of such termination.

(b) Third Party Liability.

(1) Operator - Operator will assume responsibility for the defense of, and will indemnify and hold harmless Track and Satellites, their directors, officers, shareholders, employees, representatives and agents from and against any losses, claims, damages, costs, suits, penalties, demands or liabilities, except claims of Operator's employees for personal injuries arising in the scope of their employment, including reasonable legal counsel fees, occasioned by or arising out of, in whole or in part, by any willful or negligent act or omission of Operator or any of its contractors, subcontractors, agents, servants or employees, provided that immediate written notice of such claim or suit is given to Operator by Track or Satellites, as the case may be, and provided Operator is given full control over all negotiations and litigation in connection therewith, including selection of counsel. Operator will not be responsible for settlements made or costs incurred without its prior written consent.

(2) Track - Track will indemnify and hold harmless Operator and Satellites, their directors, officers, shareholders, employees, representatives and agents from and against any losses, claims, damages, costs, suits, penalties, demands or liabilities, except claims of Track's employees for personal injuries arising in the scope of their employment, including reasonable legal counsel fees, occasioned by or arising out of, in whole or in part, by any willful or negligent act or omission of Track or any of its contractors, subcontractors, agents, servants or employees, provided that immediate written notice of such claim or suit is given to Track by Operator or Satellites, as the case may be, and provided Track is given full control over all negotiations and litigation in connection therewith, including selection of counsel. Track will not be responsible for settlements made or costs incurred without its prior written consent.

(3) Satellites - Satellites will indemnify and hold harmless Operator and Track, their directors, officers, shareholders, employees, representatives and agents from and against any losses, claims, damages, costs, suits, penalties, demands or liabilities, except claims of Satellites' employees for personal injuries arising in the scope of their employment, including reasonable legal counsel fees, occasioned by or arising out of, in whole or in part, by any willful or negligent act or omission of Satellites or any of its contractors, subcontractors, agents, servants or employees, provided that immediate written notice of such claim or suit is given to Satellites by Operator or Track, as the case may be, and provided Satellites are given full control over all negotiations and litigation in connection therewith, including selection of counsel. Satellites will not be responsible for settlements made or costs incurred without its prior written consent.

(c) Independent Contractor - Operator, Track and Satellites each agree that they are not joint ventures or partners and that their status as to one another is, for the purpose of this Agreement, independent contractors and that they or any of their contractors, subcontractors, agents or employees shall, at any time, constitute agents or employees of the other. Neither Operator, nor Track or Satellites are granted any rights or authority to assume or create any obligation or liability, express or implied, on behalf of each other or to bind each other in any manner or thing whatsoever.

(d) Liability of Satellites - Satellites shall not be liable, absent affirmative negligence or misconduct for any loss of funds of Operator held at the Satellite facility.

(e) Compliance with Law - The parties agree that they will comply with any and all applicable laws, rules and regulations of the United States of America, the State of California, the Horse Racing Law, the Rules and Regulations of the California Horse Racing Board, all agencies of the State of California, including, without limitation, all applicable anti-discrimination, affirmative action, and conflict of interest provisions. During the term hereof, Operator, Track and Satellites will be licensed and in good standing with the California Horse Racing Board.

(f) Survival of Certain Obligations - Notwithstanding the termination of this Agreement, the obligations contained in this Agreement concerning the accounting for and payment of monies pursuant to this Agreement shall survive the termination of this Agreement, and such accountings and payments shall be made in good faith by the parties in a timely manner and in all events not to exceed 30 days after the termination of this Agreement unless such time is extended in writing by the parties.

(g) Remedies Cumulative; Non-waiver Provisions - No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. The failure of either party to enforce at any time any provision of this Agreement or to require at any time performance by the other party of any provision of this Agreement shall in no way be construed as a waiver of such provision nor in any way affect the validity of this Agreement or any part hereof, or the right of either party thereafter to enforce each and every such provision in the event of a subsequent breach of this Agreement by the other party.

(h) Nondiscrimination Clause - During the performance of this Agreement no party hereto or subcontractor of any such party shall unlawfully discriminate against any employee or applicant for employment because of race, religion, national origin or ancestry or physical handicap, medical condition, marital status, age, or sex. Each party and each subcontracted party shall insure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination. Each party and each subcontracting party shall comply with the provisions of the Fair Employment and Housing Act and the applicable regulations promulgated thereunder.

(i) Governing Law - The laws of the State of California and, in particular, the Simulcast Wagering Law, and the applicable regulations promulgated thereunder by the California Horse Racing Board shall govern as to the interpretation, validity and effect of this Agreement. No conflict of law principle shall make application of the substantive law of any other State or jurisdiction applicable hereto. The parties hereto agree that -- in the event there are amendments to the Simulcast Wagering Law or the regulations promulgated thereunder by the California Horse Racing Board after the date hereof -- to negotiate in good faith any necessary or advisable modifications to this agreement.

(j) Disputes - Any dispute with respect to the interpretation of this Agreement or performance required thereunder shall, at the request of Satellite, Track or Operator, be referred to the Chief Executive Officer of the affected organizations. Said Chief Executive Officers, or their designees having full authority to resolve the dispute, shall meet within seventy-two (72) hours, or such longer time as the parties may agree upon, to discuss and in good faith attempt to resolve the dispute. Absent resolution of the dispute and at such meeting, the Chief Executive Officers or their designees shall select a

mutually acceptable and independent mediator to resolve such dispute in accordance with the Commercial Mediation Rules of the American Arbitration Association then in effect. Any such mediation shall be non-binding on the parties to the dispute. The utilization and exhaustion of the procedures set forth herein shall however be a condition precedent to application of any party to any judicial or administrative body for its adjudication of the dispute.

(k) Attorneys' Fees - In the event suit is brought to enforce or interpret any part of this Agreement, the prevailing party shall be entitled to recover, as an element of its cost of suit and not as damages, reasonable attorneys' fees to be fixed by the court. The prevailing party shall be the party who is entitled to recover its cost of suit whether or not the suit proceeds to final judgment. No sum for attorneys' fees shall be counted in calculating the amount of a judgment for purposes of determining whether a party is entitled to recover its attorneys' fees.

(l) Notices - All notices required by provisions of this Agreement shall be in writing and sent, postage prepaid, by overnight courier or U.S. Postal Service Express Mail, personal delivery or via electronic facsimile communication to the appropriate address as set forth on the Exhibits hereto. Notice shall be deemed complete the first business day following mailing or transmission.

(m) Entire Agreement - This Agreement shall be deemed to include and incorporate the entire Agreement by and between the parties and may be amended, modified or superseded only by an instrument in writing.

(n) Counterparts - This Agreement may be executed by any number of counterparts, each of which may be deemed an original and all of which shall constitute a single document.

(o) Titles and Captions - Section titles, captions and numbers are provided for each section or subsection only as a matter of reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision herein.

(p) Injury Illness and Prevention Plan Compliance - It is understood that all parties to this Agreement are in compliance with the provisions of the Injury and Illness Prevention Plan as required by the California Labor Code, Section 6401.7 and General Industry Safety Orders.

(q) Possessory Interest Tax - Satellites shall not be responsible for any Possessory Interest Tax levied against the Track and/or Operator.

(r) Repeal or Modifications - If any Section of the California Horse Racing Law is repealed, the effect of which is to make it illegal to conduct satellite parimutuel wagering as contemplated by this Agreement or to modify the method that substantially affects satellite parimutuel wagering, or a written decision of the California Horse Racing Board terminating the eligibility of Operator to perform the services contemplated by this Agreement, then in such event the parties

agree that this Agreement shall be reopened within thirty days after receipt of written notice from any of the parties requesting such discussions.

(s) Successors in Interest -- The rights and obligations of any party hereto may be assigned and transferred to any successor in interest of that party and such assignment and transfer shall be effective upon the satisfaction of any party of any indebtedness incurred to any party hereunder and upon the successors written acknowledgement that it will be bound by the terms of this Agreement.

WHEREFORE, the parties hereto have set their hand the date first above written.

OPERATOR

SOUTHERN CALIFORNIA OFF-TRACK
WAGERING, INC.

By J. M. Vande
Title General Manager

TRACKS

BAY MEADOWS RACING ASSOCIATION

By F. Jack Lubin
Title President

CALIFORNIA EXPOSITION AND STATE FAIR.

By _____
Title _____

DEL MAR THOROUGHBRED CLUB

By O. J. Travel
Title Ex. VP

HOLLYWOOD PARK RACING ASSOCIATION

By F. Jack Lubin
Title President

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OPERATOR

SOUTHERN CALIFORNIA OFF-TRACK
WAGERING, INC.

By J. M. Vander
Title General Manager

TRACKS

BAY MEADOWS RACING ASSOCIATION

By J. Jack Rubin
Title President

CALIFORNIA EXPOSITION AND STATE FAIR.

By Robert Bostak
Title CEO/CBA

DEL MAR THOROUGHBRED CLUB

By OC: J. F. Crowl
Title Ex. VP

HOLLYWOOD PARK RACING ASSOCIATION

By J. Jack Rubin
Title President

HOLLYWOOD PARK FALL RACING ASSOCIATION

By F. Jack Leber
Title President

LOS ALAMITOS QUARTER HORSE RACING ASSOCIATION

By Edmond C. Allen
Title Chairman

LOS ANGELES COUNTY FAIR

By W. J. De
Title v.p.

LOS ANGELES TURF CLUB

By [Signature]
Title President

OAK TREE RACING ASSOCIATION

By [Signature]
Title Exec. U.P.

PACIFIC RACING ASSOCIATION

By [Signature]
Title General Manager

SACRAMENTO HARNESS ASSOCIATION

By [Signature]
Title General Manager

SATELLITES

BAY MEADOWS RACING ASSOCIATION

By F. Jack Leikin
Title President

CALIFORNIA AUTHORITY OF RACING FAIRS
ON BEHALF OF THE SATELLITES
IDENTIFIED IN EXHIBIT A

By Christopher Kelly
Title: EXECUTIVE DIRECTOR

CALIFORNIA EXPOSITION AND STATE FAIR.

By _____
Title _____

HOLLYWOOD PARK RACING ASSOCIATION

By F. Jack Leikin
Title President

HOLLYWOOD PARK FALL RACING ASSOCIATION

By F. Jack Leikin
Title President

LOS ALAMITOS RACE COURSE

By Edmund F. Allen
Title Chairman

SATELLITES

BAY MEADOWS RACING ASSOCIATION

By J. Jack Leikin
Title President

CALIFORNIA AUTHORITY OF RACING FAIRS
ON BEHALF OF THE SATELLITES
IDENTIFIED IN EXHIBIT A

By Christopher Kelly
Title: Executive Director

CALIFORNIA EXPOSITION AND STATE FAIR.

By Albert Bontark
Title CEO

HOLLYWOOD PARK RACING ASSOCIATION

By J. Jack Leikin
Title President

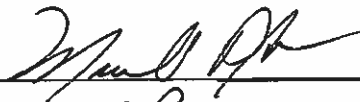
HOLLYWOOD PARK FALL RACING ASSOCIATION

By J. Jack Leikin
Title President

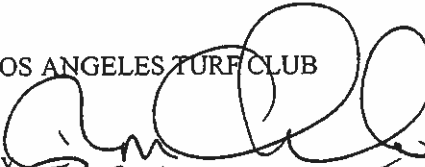
LOS ALAMITOS RACE COURSE

By Salvador F. Illia
Title Chairman

LOS ANGELES COUNTY FAIR

By 
Title V.P.

LOS ANGELES TURF CLUB

By 
Title President

PACIFIC RACING ASSOCIATION


By 
Title General Manager

EXHIBIT A
SATELLITES

Satellite Facility Supervisor
Alameda County Fair
4501 Pleasanton Ave.,
Pleasanton, California 94566

Satellite Facility Supervisor
Antelope Valley Fair
2251 West Avenue H
Lancaster, Ca 93536

Satellite Facility Supervisor
Del Mar Fair
Del Mar Fairgrounds
2260 Jimmy Durante Blvd.
Del Mar, Ca. 92014

Satellite Facility Supervisor
The Fresno Fair
Fresno County Fair
1121 Chance Avenue
Fresno, California 93702

Satellite Facility Supervisor
Humboldt County Fair
1250 Fifth Street
Ferndale California 95536

Satellite Facility Supervisor
Kern County Fair
1142 S. P St.
Bakersfield, California 93307

Satellite Facility Supervisor
The Farmer's Fair
Lake Perris Fairgrounds
18700 Lake Perris Drive
Perris, California 92370

Satellite Facility Supervisor
Los Alamitos Race Course
4961 Katella Avenue
Los Alamitos, California 90720
Satellite Facility Supervisor
Monterrey County Fair
2004 Fairgrounds Rd.
Monterrey, Ca. 93490

Satellite Facility Supervisor[
Redwood Acres Fair
750 Harris St.
Eureka, California 95502
Satellite Facility Supervisor

Satellite Facility Supervisor
Riverside County Fair
Riverside County Fairgrounds
46-350 Arabia Street
Indio, Ca. 92201

Satellite Facility Supervisor
National Orange Show
San Bernadino County Fair
930 South Arrowhead Avenue
San Bernadino, Ca. 92408

Satellite Facility Supervisor
San Bernadino County Fair
14800 7th Street
Victorville, California 92393

Satellite Facility Supervisor
San Joaquin County Fair
1658 South Airport Way
Stockton, California 95206

Satellite Facility Supervisor
San Mateo County Fair
P.O. Box 1027, 2495 South Delaware St
San Mateo, California 94403

Satellite Facility Supervisor
Santa Barbara County Fair
Earl Warren Showgrounds
3400 Calle Real
Santa Barbara, Ca. 93105

Satellite Facility Supervisor
Santa Barbara County Fair
937 South Thornburg Street
Santa Maria, Ca. 93454

Satellite Facility Supervisor
Santa Clara County Fair
344 Tully Road
San Jose, Ca. 95111

Satellite Facility Supervisor
Shasta District Fair
1890 Briggs St.
Anderson, California 96007

Satellite Facility Supervisor
Solano County Fair
900 Fairgrounds Drive
Vallejo, California 94589

Satellite Facility Supervisor
Sonoma County Fair
1350 Bennett Valley Road
Santa Rosa, California 95402

Satellite Facility Supervisor
Stanislaus County Fair
900 N. Broadway
Turlock, California 95380

Satellite Facility Supervisor
Tulare County Fair
215 Martin Luther King, Jr. Ave.
Tulare, California 95380

Satellite Facility Supervisor
Ventura County Fair
10 West Harbor Blvd.
Ventura, Ca. 93001

EXHIBIT B
TRACKS AND RACING FAIRS

BAY MEADOWS RACING ASSOCIATION
2600 OUTH DELAWARE ST.
SAN MATEO, CA. 94403
650-573-4607
Attn: Chief Executive Officer

CALIFORNIA AUTHORITY OF RACING FAIRS
1776 TRIBUTE ROAD. SUITE 205
SACRAMENTO, CA. 95815
916-263-3340
Attn: Chief Executive Officer

CALIFORNIA STATE FAIR AND EXPOSITION
1600 EXPOSITION BLVD.
SACRAMENTO, CA. 95815
916-263-3000
Attn: Chief Executive Officer

DEL MAR THOROUGHBRED CLUB
DEL MAR RACE TRACK
P.O. BOX 700
DEL MAR, CA 92014
(619) 755-1141
Attn: Chief Executive Officer

HOLLYWOOD PARK RACING ASSOCIATION. and
HOLLYWOOD PARK FALL RACING ASSOCIATION
HOLLYWOOD PARK RACE TRACK
P.O. BOX 369
INGLEWOOD, CA 90306
(310) 419-1500
Attn: Chief Executive Officer

LOS ALAMITOS RACE COURSE
4961 KATELLA AVE.
LOS ALAMITOS, CA. 90720

LOS ANGELES COUNTY FAIR ASSOCIATION
FAIRPLEX PARK
P.O. BOX 2250
POMONA, CA 91769
(909) 623-3111
Attn: Chief Executive Officer

LOS ANGELES TURF CLUB
SANTA ANITA PARK
P.O. BOX 60014
ARCADIA, CA 91066
(626) 574-7223
Attn: Chief Executive Officer

OAK TREE RACING ASSOCIATION
SANTA ANITA PARK
P.O. BOX 60014
ARCADIA, CA 91066
(626) 574-6345
Attn: Chief Executive Officer

PACIFIC RACING ASSOCIATION
1100 E. SHORE HIGHWAY
ALBANY, CA. 94710
510-559-7430
Attn: Chief Executive Officer

SACRAMENTO HARNESS ASSOCIATION
2335 American River Dr.
Suite 406
Sacramento, Ca. 95825
916-622-7223
Attn: Chief Executive Officer

AGREEMENT TO PROVIDE AUDIOVISUAL SIGNAL AND
PARIMUTUEL SERVICES TO A SATELLITE WAGERING FACILITY

GUEST

(_____ Site)

This Agreement is made and entered into as of the ____ day of _____, 20__ (the “Effective Date”), at Inglewood, California, by and between SOUTHERN CALIFORNIA OFF-TRACK WAGERING INCORPORATED, a California corporation (“Operator”), and _____ (“Guest”).

RECITALS

- A. Certain racing associations (collectively referred to herein as “Licensees”) are licensed by the California Horse Racing Board (“Board”) to conduct horse racing meets in accordance with the applicable provisions of the California Horse Racing Law, Sections 19400 *et seq.* of the California Business and Professions Code (the “B&P Code”).
- B. Article 9.2 of Chapter 4 of the B&P Code permits the operation of satellite wagering facilities at which parimutuel wagering is offered.
- C. Operator is an organization established under the provisions of B&P Code Section 19608.2 to establish a simulcast wagering system in California and, in connection therewith, Operator (i) manages the audiovisual signal system by which the racing programs from certain Licensees are transmitted to, among other places, various satellite wagering facilities, and (ii) at satellite wagering facilities, facilitates wagers on the transmitted races.
- D. In fulfilling Operator’s purposes under the California Horse Racing Law, Operator has entered into agreements with one or more Licensees (each, a “Host”; the agreements that Operator from time to time has in effect with each Host is referred to herein as a “Host Agreement”), pursuant to which Operator is authorized to transmit to various satellite wagering facilities, audiovisual signals of races offered for

parimutuel wagering by the various Hosts for the purpose of facilitating parimutuel satellite wagering thereon.

E. Pursuant to the terms of the California Horse Racing Law and this Agreement, Guest would like to serve as a satellite wagering facility for, and accept parimutuel wagers on, races offered by one or more Host tracks. Guest (i) is an entity which is authorized by the California Horse Racing Law to accept parimutuel wagering on races conducted by a Host and on races conducted at other racetracks on which Host offers parimutuel wagering during its own racing meet, (ii) has the right to use a location (or locations) suitable for satellite parimutuel wagering and is otherwise eligible to serve as a satellite wagering facility under the provisions of the California Horse Racing Law (and the Rules and Regulations promulgated by the Board thereunder), and (iii) when acting as a satellite wagering facility, is thereby subject to an integrated scheme of supervision and regulation by the Board and its Executive Director.

NOW, THEREFORE, in consideration of the Recitals set forth above and the mutual covenants of the parties hereinafter set forth, and in order to satisfy the requirements of the California Horse Racing Law, the parties hereto hereby agree as follows:

1. Term of Agreement: Subject to early termination, as provided below, this Agreement shall commence on the Effective Date first set forth above and shall continue for one (1) year following said Effective Date (the "Initial Term"), and shall thereafter be automatically extended for additional one (1) year periods of time (each, an "Extension Period"), unless either party has delivered notice of non-renewal to the other party at least ninety (90) days prior to the end of the Initial Term or then applicable Extension Period, as the case may be. Notwithstanding the foregoing, however, no Extension Period shall commence or otherwise be in effect unless (i) Guest's authority/license to conduct a satellite wagering facility on the Guest's premises is in effect at the beginning of the applicable Extension Period, *and* (ii) Guest's authority/license to conduct a satellite wagering facility at its premises is not scheduled to expire prior to the end of the applicable Extension Period.

Notwithstanding the foregoing provisions, this Agreement shall automatically terminate upon the *earliest to occur* of the following:

- (a) Upon repeal or modification of any section of the California Horse Racing Law, the effect of which is to make it illegal to conduct satellite parimutuel wagering as contemplated by this Agreement or to change or modify the method or amount of distributions to Guest as a percentage of parimutuel handle from wagering; or
- (b) A written decision of the Board terminating the eligibility of Operator to perform the services contemplated by this Agreement; or
- (c) Upon the Board's revocation (or non-renewal) of Guest's authority/license to conduct a satellite wagering facility at the Guest's premises; or
- (d) If Guest breaches the terms of Section 13 of this Agreement (there being no opportunity to cure a breach of said Section 13); or
- (e) If Guest fails to comply with any other term of this Agreement or any provision of applicable California Horse Racing Law and fails to cure such non-compliance within ten (10) days following Guest's receipt of written notice of such non-compliance, then Operator shall have the right to terminate this Agreement and thereby discontinue the transmittal of the audiovisual signals of the races and the satellite wagering thereon herein contemplated; or
- (f) Upon ninety (90) days' written notice by either party.

Upon any such termination of this Agreement, no party shall thereafter have any further rights, duties or obligations hereunder, except that (i) the parties shall not be relieved from any obligation or liability that occurred prior to such termination, (ii) Operator shall be given a reasonable amount of time to remove all of its equipment from Guest's facility, and (iii) the obligations contained in this Agreement concerning the accounting for and payment of monies

pursuant to this Agreement shall survive the termination of this Agreement, and such accountings and payments shall be made in good faith by the parties in a timely manner and in all events not to exceed thirty (30) days after termination of this Agreement unless such time is extended in writing by the parties.

2. Obligations of Guest: During the term of this Agreement, Guest shall conduct satellite wagering activities at its facility in conformance with California Horse Racing Law and this Agreement. At all times when Operator is managing and administering parimutuel satellite wagering at Guest's facility pursuant to this Agreement, Guest shall provide, at its sole cost and expense, the following:

- (a) Simulcast Facility: A clean, safe, and habitable simulcast wagering site suitable for public attendance and the operation of simulcast wagering. Such facility and the simulcast wagering operations conducted thereat shall conform in all respects to the rules and regulations of the California Horse Racing Law and the Board.
- (b) Maintenance: Cleaning, janitorial and security services to ensure that Guest's facility is at all times maintained in a clean, neat, operable and safe condition for patrons engaging in parimutuel satellite wagering, as well as a safe and clean work place for employees of Operator performing services on Guest's premises for a mutually agreed upon period of time each day.
- (c) Furnishings: Appropriate furniture, furnishings and equipment for Guest's facility, for use by Operator and Operator's employees (including supervisory, administrative and parimutuel wagering personnel employed by Operator) while performing service functions, and for use by wagering patrons and patrons of food and drink concessionaires on Guest's premises;
- (d) Utilities: Electrical power, cable, outlets and voltage regulation for the proper, normal operation of the simulcast wagering system equipment, including without limitation a dedicated circuit for parimutuel wagering terminals. Guest shall also

provide such heating and cooling systems and other utilities, including natural gas, telephone, water, lighting, sewer, garbage collection and disposal services, as are necessary to maintain a proper simulcast wagering facility. The cost of such utilities shall be the sole responsibility of Guest, with the exception of data lines and telephone circuits for parimutuel wagering which shall be arranged and paid for by Operator.

- (e) Parking: Adequate parking (lighted at night) for anticipated patrons at Guest's facility with or without charge, and for Operator's employees and its service providers, without charge.
- (f) Mutuel Department Requirements: Sufficient, secure space for totalizator equipment, office space for mutuel supervisors, storage space, area including appropriate cabinetry designed to protect both Operator's equipment and Operator's employees from injury and unlawful conduct, and space and appropriate cabinetry for self service parimutuel terminals. Exclusive use by Operator of mutuel department space and the immediately adjacent area in which totalizator and communications equipment are located at Guest's facility (to preserve the security of such equipment, to protect the receipt and transmission of wagering and racing data and to safeguard money wagered by and paid out to bettors). It is understood that the number, type and location of parimutuel wagering windows will be determined for each racing meet by Operator, based upon anticipated satellite parimutuel wagering handle at Guest's facility on racing meets included in the audiovisual signal menu furnished by Operator. Exclusive use by Operator of a safe and of a room with a security alarm system approved by Operator for handling and holding of a change fund and parimutuel wagering funds; provided, however, that Guest's obligation to furnish such facilities shall not impose any responsibility on Guest for loss of any money placed in such safe

or room by Operator, absent negligence by Guest. Any changes to the initially approved mutual department at Guest's facility will be permitted if approved in advance in writing by Operator.

- (g) Security: Pursuant to the Rules and Regulations of the Board, adequate security for the protection of the simulcast wagering facility, public attendees, and Operator's employees, vendors and equipment from unlawful and improper acts.
- (h) Physical Protection: Physical protection at all times of the simulcast wagering system components present in Guest's facility from harm by any cause whatsoever, including but not limited to trespass, damage, or interference by other persons, vandalism or water damage. Such protection shall be afforded on a reasonable efforts basis and shall, among other things, provide such protection from the elements and shall include fire extinguishing methods as are reasonably required to protect same.
- (i) Access: Adequate access to all areas of Guest's facility required by Operator, its employees and other service providers, necessary to render the services contemplated by this Agreement, or appropriate for use of patrons engaged in parimutuel satellite wagering at Guest's facility, and comfortable, clean and adequate facilities and amenities in such patron areas, it being understood that access to such patron areas shall remain under control of Guest and that Guest may impose reasonable admission charges on patrons utilizing such areas and may sell and serve food and beverages and sell merchandise to patrons in such patron areas. Notwithstanding anything to the contrary contained herein, such access for Operator, its employees and other service providers shall be rendered without charge.
- (j) Receiving and Display Equipment: Guest shall acquire, maintain and provide adequate and appropriate equipment to receive and display to the public the

audiovisual signals transmitted by Operator. In addition, Guest shall use its best efforts to display, if reasonable and practical, publicly televised sports events for public viewing.

(k) Gates and Admissions: Guest shall control public admissions to its simulcast wagering facility. Guest shall furnish accurate records of daily attendance and admission records to Operator or its agent. Guest shall annually furnish Operator a pricing list setting forth the amounts to be charged to the public for attendance and parking and shall advise Operator of any price changes.

(l) Food and Beverage and Merchandise Sales: Guest shall maintain and establish reasonable food and beverage service at its simulcast wagering facility. Guest may engage in direct sale of merchandise on its premises at all hours when Guest's facility is open to the public. Access to and control of areas for food and beverage sales and for direct sale of merchandise by Guest and all revenues from such areas and activities shall be retained by Guest.

3. Obligations of Operator: During the term of this Agreement, Operator shall manage and administer parimutuel satellite wagering at Guest's facility in accordance with the terms and conditions of this Agreement. At all times when Operator is managing and administering parimutuel satellite wagering at Guest's facility pursuant to this Agreement, Operator shall only be responsible for and shall only provide the following, at its sole cost and expense:

(a) Audiovisual Transmission: Audiovisual signals of such quality as are consistent with the requirements of the Board and Industry standards. Such audiovisual signals shall include video coverage of each race being transmitted, the audio call of the race by the track announcer, video presentation of the order of finish and parimutuel payoffs, pre-race odds and probables, plus such additional pre and post race coverage as is reasonably necessary to make the signals informative. Where multiple signals are received simultaneously by Guest, Operator shall determine a

suitable protocol for reception and display of the multiple audiovisual signals to minimize conflicting use of Guest's facility in an effort to maximize display of California racing and to permit adequate and clear reception of simultaneous audiovisual signals by Guest.

- (b) Wagering Information: Scratches, changes, overweights and similar racing information which a Host furnishes to wagering patrons at its own facility shall be provided to patrons of Guest's facility through Operator's audiovisual program.
- (c) Parimutuel Operations: Personnel, equipment and supplies necessary and appropriate for the facilitation of parimutuel satellite wagering at Guest's facility. Guest will not have any interest in such equipment or supplies or any obligation to pay or contribute to the rental therefore.
- (d) Telecommunications: Data lines and telephone circuits appropriate for the facilitation of parimutuel wagering on horse racing included in the audiovisual signals described in subparagraph (a) above.
- (e) Change Fund: A change fund necessary for the operation of parimutuel satellite wagering. Operator shall arrange for, pay the costs of transmittal and transfer of the funds necessary for satellite parimutuel wagering. Guest shall cooperate fully with Operator to implement such security measures as Operator deems are necessary or appropriate to meet minimum insurance company standards in connection with the safekeeping, transmittal and transportation of all funds necessary and derived from satellite parimutuel wagering at Guest's facility (including, but not limited to, the change fund).

- 4. Rights of Guest Not Exclusive: Operator specifically reserves the right, when furnishing services hereunder to Guest, simultaneously to furnish audiovisual signals of the same racing events to other satellite wagering facilities (and to minisatellite wagering sites), and to manage and administer parimutuel satellite wagering at other satellite wagering facilities (and at minisatellite

wagering sites) in California.

5. Control of Host Racing Program: This Agreement shall not give Guest any right to control any Host's racing program or the content of the audiovisual signal broadcast to Guest's facility by Operator or any proprietary right in such program or audiovisual signals. Each Host, in its sole discretion, may for good cause, elect to delete one or more races from a particular audiovisual signal or from Host's own racing card.
6. Parimutuel Wagering Pools: Subject to the provisions of Section 7 hereof, Guest's satellite parimutuel wagering at Guest's facility will be included in the appropriate conventional or exotic pools at the Host where the race meeting is conducted. The method used by Operator at each satellite wagering facility (including Guest's facility) to transmit wagers, odds, results and other data related to wagering shall be subject to approval by the Board.
7. Termination of Parimutuel Wagering on Particular Races; Other "No Bet" Scenarios: If parimutuel satellite wagering is for any reason terminated before the distribution of the wagering pool on any race on which satellite parimutuel wagering at Guest's facility is being conducted, the responsibility of Host and Operator for such termination shall be limited solely to reimbursement of bettors for amounts wagered. Neither Operator nor any Host shall be liable to any other party for any costs, charges or loss of proceeds, winnings or profits arising out of the inoperability of audiovisual signals and/or data lines during the term of this Agreement. Furthermore, if any parimutuel wagers that are placed at Guest's facility do not, for any reason, get transmitted to the wagering pool of the applicable Host, then the responsibility of Host and Operator for such wagers shall be limited solely to reimbursement of bettors for amounts wagered. Neither Operator nor Host shall be liable to any other party for any costs, charges or loss of proceeds, winnings or profits arising out of the failure of such wager(s) to have been transmitted to the wagering pool(s) maintained by the applicable Hosts.
8. Parties on Whom Rights are Conferred: This Agreement is entered into solely for the benefit of the parties hereto and this Agreement shall confer no rights on any person or entity who is not a

- party to this Agreement, except that the Hosts shall be intended third party beneficiaries of Sections 5, 7, 10 and 11 of this Agreement. No non-party (other than the applicable Hosts, with respect to Sections 5, 7, 10 and 11 of this Agreement) shall have any right to enforce performance of any of the terms of this Agreement or to recover damages based on non-performance of any of such terms by any party.
9. Compensation to Guest: Guest shall be entitled to all revenues from parking fees, admissions, program sales, food and beverage services and all other commercial (but non-wagering) enterprises conducted at Guest's facility. Additionally, Guest shall receive from Hosts (or from Operator on behalf of Hosts), pursuant to B&P Code Sections 19605.7, 19605.71, and 19601(b), commissions based upon the applicable percentage of handle (wagering net of canceled bets) generated at Guest's facility. Such commissions shall be distributed on a weekly basis by Thoroughbred Licensees, and a monthly basis for Quarter and Harness Licensees. Guest shall receive a reduced commission on races conducted for Triple Crown and Breeders' Cup events conducted outside California. Additionally, Guest shall receive from Hosts (or from Operator on behalf of Hosts) satellite wagering commissions from market access fees paid to Hosts by advanced deposit providers pursuant to B&P Code Section 19604(f)(4). Commission distributions shall be based upon the reports of wagering submitted to the Board by the organization designated by the Board for purposes of maintaining a database of horseracing information or by the accountants designated by the applicable Licensee and approved by the Board.
10. Access to Guest's Facility: Representatives of Operator and of any Host whose audiovisual signal of racing is being broadcast for purpose of satellite wagering at Guest's facility, and their respective agents, employees and independent contractors, shall be permitted access to Guest's facility during normal business hours (and at other times, on reasonable prior notice to Guest) for the purpose of conducting and supervising parimutuel satellite wagering under the administration and management of Operator, as contemplated by this Agreement, and for the purposes of

installing, maintaining and repairing equipment necessary for the successful conduct of such parimutuel satellite wagering.

11. Failure to Accept Signal: In the event that Guest determines to suspend its operations for all or any part of any race meeting, it shall send at least 15 days advance notice of such proposed suspension to the Board, Operator and subject Host. If such suspension has been approved by the Board or by the mutual agreement between Guest, Operator and subject Host, or if Guest's operations are suspended for reasons beyond the reasonable control of Guest or for reasons of public safety, Operator may suspend transmission of the signal to Guest during the period of such suspension.
12. Mutual Agreement to Accept Less than Entire Racing Program: Subject to the limitations, if any, of the existing display equipment, Operator will generally make available to Guest, the audiovisual signal of all components of a Host's racing program (including live, out-of-zone, out-of-state and out-of-country races). In consultation with Guest, Operator may from time to time determine that Guest may accept less than the total number of programs available.
13. Exclusive Use By Guest of Operator's Services: During the entire term of this Agreement, Guest may not accept audiovisual signals of any Host's races from any person or entity, other than Operator. It shall be a material breach of this Agreement, justifying the immediate termination of this Agreement by Operator, for Guest to accept an audiovisual signal for parimutuel purposes, of any racing program that is not transmitted to Guest from a Host.
14. Non-Waiver Provisions: No remedy herein provided for termination or breach of contract shall prejudice any other legal remedy of any party to this Agreement, or relieve any party alleged to have breached this Agreement of any of its obligations under this Agreement incurred prior to the effective date of such termination. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach. The failure of either party to enforce at any time any provision of this Agreement, or to require at any time, performance by the other party of any provision of this Agreement, shall in no way affect the validity of this Agreement or any

part thereof, or the right of either party thereafter to enforce each and every such provision (unless barred by applicable limitation of actions statutes) or in the event of a subsequent breach of this Agreement by the other party.

15. Rights and Remedies Cumulative: The rights and remedies of the parties to this Agreement provided herein are not exclusive, but shall be in addition to any other rights and remedies provided by law or under this Agreement.
16. Non-Discrimination Clause: During the performance of this Agreement, no party hereto, and no subcontractor of any such party, shall unlawfully discriminate against any employee or applicant for employment because of race, religion, national origin or ancestry or physical handicap, medical condition, marital status, age (over 40) or sex. Each party and each subcontracting party shall ensure that the evaluation and treatment of its employees and applicants for employment are free of such discrimination and shall comply with the provisions of the California Fair Employment and Housing Act (Government Code Sections 19200, et. seq.). The applicable regulations of the Fair Employment and Housing Commission for implementation of Government Code Subsection 12900, set forth in Chapter 5 of Division 4 of Title II of California Administrative Code, are incorporated in this Agreement by reference and made a part hereof as if set forth in full.
17. Compliance With Applicable Law, Including California Horse Racing Law:
 - (a) Generally. This Agreement has been executed in the State of California. The parties agree that they will comply with any and all applicable laws, rules and regulations of the United States of America, the State of California and its agencies, including without limitation all applicable anti-discrimination, affirmative action and conflict of interest provisions.
 - (b) California Horse Racing Law. Without limiting the generality of the foregoing, Operator and Guest and their respective agents and employees furnishing services and equipment pursuant to the terms of this Agreement, shall comply with all

provisions of the California Horse Racing Law applicable to parimutuel satellite wagering or to furnishing a live audiovisual signal of horseracing as a basis for such satellite parimutuel wagering.

(c) Health and Safety. Without limiting the generality of the foregoing, it is understood that the Guest will remain in compliance with all provisions of all applicable laws, rules and regulations relative to health and safety. Guest shall post evacuation plans in public areas and those areas utilized by Operator. Furthermore, since various personnel of Operator will be performing services at Guest's facility, Guest will cooperate with Operator in order to help ensure that Operator's personnel are not subjected to harmful activities, in violation of any applicable California Labor Law to which Operator is subject.

(d) ADA. Guest shall also comply with the provisions of the Americans with Disability Act.

18. Modifications: It is understood that in order to conduct satellite wagering on its premises, Guest may be required by changes in equipment or governmental statutes, regulations, collective bargaining agreements of Operator, or by other similar causes beyond Operator's control, to modify its facility and/or arrange for special equipment for the conduct of satellite parimutuel wagering on Guest's premises pursuant to this Agreement. Operator shall have no obligation to furnish or pay the cost of such modifications or special equipment.

19. Further Assurances Each party hereto shall perform such further acts and execute and deliver such further documents as may be reasonable necessary to carry out provisions of this Agreement.

20. Disputes: Any dispute with respect to the interpretation of this Agreement, or performance required hereunder shall, at the request of Guest or Operator, be referred to Operator's Board Chairman or designee and Guest's Chief Executive Officer or Manager, who shall, in good faith, jointly attempt to resolve such dispute expeditiously. If such parties cannot resolve such dispute

within seventy-two (72) hours after such request is made, or such longer time on which the parties hereto may mutually agree, they shall select a mutually acceptable and independent single mediator who shall attempt to resolve such dispute in accordance with the Commercial Mediation Rules of the American Arbitration Association then in effect. Utilization and exhaustion of the procedures set forth in this paragraph shall be a condition precedent to application to any judicial or administrative body for damages or for any other relief with respect to the matter in dispute.

21. Insurance to be Provided by Operator: Operator hereby warrants that it carries, and at all times during the term of this Agreement will carry, the following insurance coverage:

- (a) Workers' Compensation Insurance for all of Operator's employees engaged in the performance of its functions under this Agreement, to the full extent required by applicable law, from an appropriate insurance company (and Operator agrees to furnish to Guest, upon written request, evidence thereof at any time or times); and
- (b) Comprehensive general liability insurance for Operator's operations under this Agreement and for the areas in which the Operator performs its functions under this Agreement, providing coverage of at least \$1,000,000 per incident and in the aggregate, subject to industry standard deductibles, from an insurance company having an A.M. Best rating of "A" or higher. Operator shall, upon request of Mini-Satellite, furnish Mini-Satellite with a certificate of insurance evidencing such coverage.

22. Insurance to be Provided by Guest: Guest hereby warrants that it carries, and at all times during the term of this Agreement will carry, the following insurance coverage:

- (a) All risks of physical damage coverage on all equipment located at Guest's facility (including the equipment provided by Operator), in an amount equal to the replacement cost of such equipment, subject to normal exclusions, from an insurance company having an A.M. Best rating of "A" or higher;

- (b) Worker's Compensation Insurance for all of Guest's employees, to the full extent required by applicable law, from an appropriate insurance company (and Guest agrees to furnish to Operator, upon written request, evidence thereof at any time or times);
- (c) Comprehensive general liability insurance with primary line coverage of not less than \$1,000,000 combined single limit, from an insurance company having an A.M. Best rating of "A" or higher; and
- (d) An excess line of comprehensive general liability coverage (i.e., "umbrella insurance") in a coverage amount equal to at least \$4,000,000, from an insurance company having an A.M. Best rating of "A" or higher.

In each and all such policies, save and except the Worker's Compensation policy, Operator shall be named an additional insured.

23. Indemnification for Third Party Liabilities:

- (a) By Operator: Operator will assume responsibility for the defense of, and will indemnify and hold harmless Guest, and its directors, officers, owners, managers, employees, representatives and agents, from and against any losses, claims, damages, costs, suits, penalties, demands or liabilities, including reasonable legal counsel fees and costs, occasioned by or arising out of, in whole or in part, any willful or negligent act or omission of Operator or any of its agents, servants or employees, provided that reasonable written notice of such claim or suit is given to Operator by Guest and provided Operator is given full control over all negotiations and litigation in connection therewith, including selection of counsel. Operator will not be responsible for settlements made or costs incurred without its prior written consent; and
- (b) By Guest: Guest will assume responsibility for the defense of, and will indemnify and hold harmless Operator, and its directors, officers, owners, managers,

employees, representatives and agents, from and against any losses, claims, damages, costs, suits, penalties, demands or liabilities, including reasonable legal counsel fees and costs, occasioned by or arising out of, in whole or in part, any of the following: (i) the performance by Operator (or its agents, servants, or employees) of Operator's duties and obligations hereunder; (ii) any act or omission (whether or not such act or omission was negligent) of Guest or any of its agents, servants, contractors or employees; (iii) any accidents occurring at Guest's facility; and/or (iv) any non-willful or non-negligent act or omission of Operator or any of its agents, servants or employees. Notwithstanding anything to the contrary contained in this Section 23(b), Guest shall have no responsibility with respect to any acts or omissions of Operator (or any of its agents, servants or employees) that are covered by the indemnification provisions set forth in Section 23(a) next above.

24. Independent Contractor: Operator and Guest agree that they are not joint venturers or partners and that their status as to one another is, for the purpose of this Agreement, independent contractors and that they nor any of their contractors, subcontractors, agents or employees shall, at any time, constitute agents or employees of the other. Neither Operator nor Guest are granted any rights or authorities to assume or create any obligation of liability, express or implied, on behalf of each other or bind each other in any manner or thing whatsoever.
25. Attorneys' Fees. Subject to the provisions of Section 20 hereof, if any litigation, arbitration or other similar proceeding is instituted by a party in order to enforce any of the terms or conditions of this Agreement, or to otherwise adjudicate a dispute hereunder, the prevailing party in such proceeding shall be entitled to collect from the other party, the prevailing party's reasonable attorneys' fees and costs (including expert witness fees and costs) from time to time paid or incurred by the prevailing party in connection with such proceeding(s).
26. No Assignment by Guest: Absent prior written consent of Operator (and the approval of the

Board), the rights and obligations of Guest hereunder may not be assigned by Guest to any other person, firm or entity.

- 27. Time of Essence: Time is of the essence of this Agreement and the performance of the provisions hereof.
- 28. Amendments: This Agreement may only be amended in writing, executed by all of the parties hereto.
- 29. Entire Agreement; Supremacy Clause: This Agreement contains the entire understanding between the parties hereto concerning the subject matter contained herein and supersedes all prior agreements between the applicable parties concerning the subject matter hereof. No representations, agreements, arrangements or understandings, oral or written, between or among the parties hereto relating to the subject matter of this Agreement, which are not fully expressed herein, shall have any effect; and the parties hereto affirm that there are no other such representations, agreements, arrangements or understandings, oral or written, which may affect the terms of this Agreement or said Attachments.
- 30. Notices: All notices required by the provisions of this Agreement, shall be in writing and sent by United States mail, postage prepaid, certified or registered, return receipt requested, addressed as follows:

To Operator:

Southern California Off Track Wagering Incorporated
c/o Hollywood Park Racing Association
1050 South Prairie Avenue, Inglewood, CA 90301

To Guest:

Notice shall be deemed complete the second business day following mailing (in the manner

described above).

31. Counterparts: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

IN WITNESS WHEREOF the parties hereto have executed this Agreement, as of the Effective Date first set forth above.

OPERATOR:

SOUTHERN CALIFORNIA OFF TRACK WAGERING INCORPORATED,
a California corporation

By: _____
F. Jack Liebau, President

GUEST:

By: _____

Its: _____

CONSENT & APPROVAL OF HORSEMEN'S ORGANIZATIONS

The foregoing Agreement to Provide Audiovisual and Parimutuel Services To a Satellite Wagering Facility between Southern California Off-Track Wagering Incorporated and _____ is hereby approved and consented to by the undersigned Horsemen's Organizations.

PACIFIC COAST QUARTER HORSE RACING
ASSOCIATION

By: _____

Its: _____

THOROUGHBRED OWNERS OF CALIFORNIA

By: _____

Its: _____

HARNESS HORSEMEN'S ASSOCIATION

By: _____

Its: _____

VI. Audit Report

**California Authority of Racing Fairs
Agency Income Statement
June 30, 2012**

	2010 Year End Actual	2011 Year End Actual	2011 YTD Actual	2012 YTD Actual	2012 Annual Budget	2012 Budget Variance	2012 % Budget
Revenue:							
Other Revenue	(2,326)	981	0	30	0	30	0%
Interest Income	18,003	14,756	11,079	4,990	15,000	(10,010)	33%
Member Dues	290,107	288,330	145,802	149,235	260,593	(111,358)	57%
CARF South Prog Admin Fee	21,256	18,333	9,293	10,476	21,038	(10,562)	50%
CARF Projects Admin Fee	141,872	442,753	410,503	0	0	0	0%
CARF Live Racing Admin Fee	108,854	157,607	11,387	20,506	138,201	(117,695)	15%
Total Revenue	577,767	922,760	588,064	185,237	434,832	(249,594)	43%
Expenses:							
Salaries	241,506	310,701	133,668	113,231	222,959	109,728	51%
Employee Benefits	18,890	41,866	19,545	15,849	34,900	19,051	45%
Post Retirement Benefits	33,688	35,083	17,413	17,692	35,000	17,308	51%
Payroll Taxes	12,529	14,970	8,082	4,933	11,500	6,567	43%
Accounting Costs	17,272	23,384	12,009	8,159	16,250	8,091	50%
Audit Services	6,375	8,925	6,300	5,950	6,375	425	93%
Automobile Expense	10,650	3,251	468	1,932	4,000	2,068	48%
Contracted Services	10,435	3,574	1,544	1,861	3,000	1,139	62%
Depreciation	11,985	12,634	0	6,966	11,000	4,034	63%
Dues & Subscriptions	11,952	1,819	741	1,426	2,000	574	71%
Insurance Expense	37,127	38,772	18,555	21,474	41,000	19,526	52%
Legal Expenses	21,720	8,009	7,372	13,485	12,500	(985)	108%
Legislative Expenses	53,796	56,144	28,102	28,141	55,000	26,859	51%
Meetings Expense	6,852	3,782	2,737	1,687	5,000	3,313	34%
Misc. (Ag Day Sponsor)	2,010	51	3	196	0	(196)	0%
Office Supplies	27,882	27,362	14,323	17,877	22,500	4,623	79%
Postage & Shipping	3,117	3,960	1,878	1,752	3,600	1,848	49%
Rent (Tribute Road)	38,265	35,770	17,885	17,885	35,770	17,885	50%
Repairs & Maintenance	674	328	0	0	1,000	1,000	0%
Telephone Expense	9,492	11,451	5,985	4,660	10,000	5,340	47%
Training	895	1,139	0	350	2,500	2,150	14%
Travel Expense	27,226	23,817	4,511	11,957	22,500	10,543	53%
Total Expenses	604,340	666,795	301,119	297,465	558,354	260,889	53%
Agency Income (Loss)	(26,573)	255,965	286,945	(112,228)	(123,523)	11,295	
Southern Prog Income (Loss)	8,153	4,160	1,570	5,990	2,963	(18,096)	
Total Bal Sheet Net Income (Loss)	(18,420)	260,125	288,514	(106,238)	(120,560)	(6,801)	

**California Authority of Racing Fairs
Southern Region Income Statement
June 30, 2012**

	2010	2011	2011	2012	2012	2012	2012
	Year End	Year End	YTD	YTD	Annual	Budget	% Budget
	Actual	Actual	Actual	Actual	Budget	Variance	
Program Revenue:							
Program Sales	285,716	254,468	133,944	139,686	280,500	(140,814)	50%
Other Revenue	0	0	0	0	0	0	0%
Royalties/Fees Due Host	(256,307)	(231,975)	(123,082)	(123,220)	(256,500)	133,280	48%
Total Revenue	29,409	22,493	10,863	16,466	24,000	(7,534)	69%
Expenses:							
Legal Expenses	0	0	0	0	0	0	0%
Meetings Expense	0	0	0	0	0	0	0%
Misc Exp.(Storage)	0	0	0	0	0	0	0%
Office Supplies	0	0	0	0	0	0	0%
Paper Expense	0	0	0	0	0	0	0%
Postage & Shipping	0	0	0	0	0	0	0%
Printing Supplies	0	0	0	0	0	0	0%
Rent & Utility Expenses	0	0	0	0	0	0	0%
Repairs & Maintenance	0	0	0	0	0	0	0%
Telephone Expense	0	0	0	0	0	0	0%
Travel Expense	0	0	0	0	0	0	0%
Total Expenses	0	0	0	0	0	0	0%
Operating Income (Loss)	29,409	22,493	10,863	16,466	24,000	(7,534)	69%
CARF Admin Fee	21,256	18,333	9,293	10,476	21,038	10,562	50%
Rebate							
Income (Loss)	8,153	4,160	1,570	5,990	2,963	(18,096)	202%

**California Authority of Racing Fairs
Project Management Income Statement
June 30, 2012**

	2010 Year End Actual	2011 Year End Actual	2011 YTD Actual	2012 YTD Actual	2012 Annual Budget	2012 Budget Variance	2012 % Budget
Revenue:							
CARF Admin Fee	141,872	442,753	410,503	0	0	0	0%
Project Management	85,559	0	0	0	0	0	0%
Total Revenue	227,432	442,753	410,503	0	0	0	0%
Expenses:							
Salaries Expense	63,396	0	0	0	0	0	0%
Employee Benefits	8,538	0	0	0	0	0	0%
Payroll Taxes	3,076	0	0	0	0	0	0%
Accounting Costs	6,620	0	0	0	0	0	0%
Audit Services	2,550	0	0	0	0	0	0%
Automobile Expense	0	0	0	0	0	0	0%
Contracted Services	0	0	0	0	0	0	0%
Telephone Expense	754	0	0	0	0	0	0%
Travel Expense	68	0	0	0	0	0	0%
Misc. Storage	558	0	0	0	0	0	0%
Total Expenses	85,559	0	0	0	0	0	0%
CARF Admin Fee	141,872	442,753	410,503	0	0	0	0%

**California Authority of Racing Fairs
Live Racing Income Statement
June 30, 2012**

2009 = 79dys 2010 = 64 days 2011=58days 2012= 61days

	2010	2011	2011	2012	2012	2012	2012
	Year End	Year End	YTD	YTD	Annual	Budget	% Budget
	Actual	Actual	Actual	Actual	Budget	Variance	
Revenues:							
Change Fund Admin Fee	14,074	5,161	0	4,241	15,000	(10,759)	28%
Racing Fairs Admin Fee	69,032	69,945	16,689	25,766	78,201	(52,435)	33%
Supplemental Purses Admin Fee	22,000	82,500	82,500	0	45,000	(45,000)	0%
NCOTWINC Reimbursement	29,000	29,000	0	0	29,000	(29,000)	0%
Racing Fairs Reimbursement	1,003,686	932,602	222,514	343,546	1,042,681	(699,135)	33%
Advertising Revenue	4,550	2,500	4,750	0	4,000	(4,000)	0%
Total	1,142,343	1,121,708	326,452	373,552	1,213,882	(840,330)	31%
Expenses:							
Salaries	255,146	275,424	101,021	136,184	295,750	159,566	46%
Employee Benefits	46,948	48,505	22,800	21,360	44,278	22,918	48%
Payroll Taxes	13,103	12,669	5,902	3,741	10,928	7,187	34%
Accounting Costs	43,035	42,255	21,130	24,385	48,750	24,365	50%
Audit Services	25,323	16,575	11,700	11,050	19,125	8,075	58%
Automobile Expense	64	0	0	40	2,000	1,960	2%
Depreciation	0	0	0	0	0	0	0%
Dues & Subscriptions, NTRA	10,109	0	0	0	1,000	1,000	0%
Insurance Expense	0	0	0	0	0	0	0%
Legal Expenses	8,734	605	0	811	5,000	4,189	16%
Meetings Expense	3,440	740	301	401	2,000	1,599	20%
Misc. Exp (Storage,Bank fee)	0	0	0	0	0	0	0%
Telephone Expense	3,924	3,051	1,225	1,552	3,500	1,948	44%
Travel Expense	29,898	34,340	7,353	6,188	35,000	28,812	18%
Sub-Totals	439,725	434,164	171,432	205,713	467,331	261,618	44%
Racing Support Services:							
Announcer	23,904	17,850	9,150	0	23,850	23,850	0%
Condition Bk/Program Cover	15,245	15,748	6,493	4,325	20,000	15,675	22%
Courier Service (Pgm Distribution)	0	0	0	0	0	0	0%
Racing Operations Support	78,325	57,834	45,988	48,866	90,000	41,134	54%
TC02 Testing	7,425	6,940	0	995	10,000	9,005	10%
Marketing	3,901	160	100	60	3,000	2,940	2%
Network Management	1,548	2,641	844	260	500	240	52%
Paymaster	8,106	6,044	2,607	2,585	7,500	4,915	34%
Program Production	179,004	171,503	27,068	19,966	205,000	185,034	10%
Racing Office System	43,739	26,406	6,839	5,556	40,000	34,444	14%
Recruitment	31,108	13,654	9,539	9,175	15,000	5,825	61%
Jumbo Screen	126,250	104,550	10,200	33,150	110,000	76,850	30%
Supplies	15,964	11,296	802	873	15,000	14,127	6%
Tattooing	17,200	18,901	7,505	4,636	20,000	15,364	23%
Timing/Clocker	22,805	0	2,334	0	0	0	0%
Transportation	2,150	1,711	500	0	3,500	3,500	0%
TV Production/Simulcast	17,088	74,701	13,663	16,888	45,000	28,113	38%
Sub-Totals	593,763	529,938	143,633	147,333	608,350	461,017	24%
Total Expenses	1,033,488	964,102	315,065	353,046	1,075,681	722,635	33%
CARF Admin Fee	108,854	157,607	11,387	20,506	138,201	117,695	15%

CALIFORNIA AUTHORITY OF RACING FAIRS

BALANCE SHEET

June 30, 2012

ASSETS

	CURRENT YTD	PRIOR YTD
	6/30/12	6/30/11
Current Assets		
CASH - LAIF & INVESTMENTS	1,286,006	229,059
CASH - OPERATING/MM	827,271	1,035,187
CASH - TRUST & TOC	948,691	1,586,110
MARKETABLE SECURITIES	2,426,016	2,428,456
A/R - DUES	20,853	78,637
A/R - PROGRAMS	33,371	37,037
A/R - RACING FAIRS	371,561	245,702
A/R - ERF/OTHER A/R	432,477	2,172,434
PREPAIDS/DEPOSITS	30,167	37,059
OPEB ASSETS	89,564	92,725
Total Current Assets	6,465,977	7,942,406
Fixed Assets		
AUTOMOBILE	70,947	37,967
FURNITURE & EQUIPMENT	566	1,646
COMPUTER HARDWARE/SOFTWARE	5,249	7,050
TRACK EQUIPMENT	150,234	259,712
Total Fixed Assets (Net of Depr.)	226,997	306,374
TOTAL ASSETS	6,692,973	8,248,781

LIABILITIES & NET ASSETS

Current Liabilities		
A/P & WITHHOLDINGS	1,228,624	847,628
A/P - PROGRAM ROYALTIES TO HOST	66,834	49,858
RACING DISTRIBUTIONS	(351,892)	(197,502)
PURSES	1,064,775	1,836,148
TRACK SAFETY/MAINT.	390,872	638,624
INFOTEXT UPGRADE	0	0
CMC HORSEMENS PROGRAMS	0	0
LOU-1 - TIMING/TRACK SURFACE/AREA ENHANC	0	0
LOU-2 - SPECIAL EVENT CENTERS	0	0
LOU-3 - SATELLITE SURVEY/TURF STUDY	0	0
EQUIPMENT REPLACEMENT FUND	0	0
LOU-5 - SYMPOSIUM	3,805	3,805
MINI SATELLITE FUNDS	500,867	169,583
CAPITAL IMPROVEMENT FUND	75,117	0
Total Current Liabilities	2,979,004	3,348,144
Non-Current Liabilities		
CHRIMS FUNDS	92,051	91,196
CHANGE FUND	1,014,000	1,014,000
FAIRS - EQUIP REPLACEMENT FUNDS	1,594,117	2,762,452
Total Non-Current Liabilities	2,700,168	3,867,648
TOTAL LIABILITIES	5,679,171	7,215,792
Net Assets		
FUND EQUITY	969,806	709,681
F&E Net Assets	150,234	34,794
CARF@GG	0	0
RETIREMENT CONTINGENCY	0	0
NET INCOME/LOSS	(106,238)	288,514
Total Net Assets	1,013,802	1,032,989
TOTAL LIABILITIES & NET ASSETS	6,692,973	8,248,781

Racing Fair

Financial

Highlights 2011



Total Conventional & ADW Handle

\$123 million

Revenue Distributed by CARF

\$26 million

Total Commissions

\$5.8 million

Total Purses

\$7.4 million



	Total	STK	PLN	SAC	SR	FER	FNO
Revenue							
Takeout & Other Revenue	26,068,691	1,957,306	6,915,616	4,116,207	7,292,091	1,099,223	4,688,247
Commissions							
Total Commissions	5,822,216	411,663	1,563,929	898,481	1,634,977	283,209	1,029,958
Purses							
Total Purses	7,425,905	645,256	1,983,372	1,232,362	1,989,750	246,953	1,328,213
Distributions							
F&E Fund 19614d/License Fees	212,065	12,724	56,585	25,999	58,771	13,440	44,546
F&E Recapture	32,515	2,004	8,687	5,411	8,920	1,360	6,134
CHRB Support	417,922	26,430	112,245	69,231	114,130	17,403	78,482
Commingle Guest O/S	5,753,952	348,636	1,465,555	803,616	1,731,396	244,866	1,159,882
Interstate Host	818,562	71,889	231,799	134,864	225,751	20,590	133,669
Location Fee	1,435,829	118,078	380,971	247,776	403,238	59,381	226,385
Promotion	138,186	10,549	37,523	23,908	39,274	4,574	22,358
City/County	218,317	15,876	59,561	34,913	61,590	8,211	38,166
Stabling/Vanning	663,281	50,634	180,106	114,757	188,513	21,954	107,319
Equine Lab	66,158	4,811	18,049	10,580	18,664	2,488	11,566
Owners	48,404	3,555	13,140	7,770	13,454	1,926	8,560
Breeders	483,533	36,312	129,869	78,034	133,895	22,949	82,473
CHRIMS	27,637	2,110	7,504	4,782	7,855	915	4,471
Other ADW Distributions	201,488	13,481	47,104	29,628	49,411	17,355	44,509
NCOTW Simulcast Expense Fund	2,302,720	183,299	619,615	394,097	612,504	131,652	361,553



CALIFORNIA FAIRS SATELLITE NETWORK

PARI-MUTUEL HANDLE & DISTRIBUTIONS (LIVE & SIMULCAST)

1987-2011

Handle & Distributions Figures Do Not Include Advanced Deposit Wagering (ADW).

Detailed Distribution Report

01/01/1987 -
 Date Range: 12/31/2011
 Race Type: All Races
 Hosts: All Hosts
 Locations: All Locations
 Tracks: All Tracks
 Report By: Location
 Location Types: California

Location	Handle	License Fee	CHRB Support Fee	F & E	City Tax	Equine	Workers Comp	Satellite Location	Expense Fund	Promotion	Chrims	Van Stable	Proxy Fees	Track	Purses	SB1072	Owners	Breeders Sires	To Out of State Tracks
Anderson	80,326,332	1,735,350	21,782	107,492	259,350	79,876	35,889	1,561,052	2,590,031	375,187	665	477,976	5	3,573,453	3,554,070	11,720	73,688	353,553	485,662
Bakersfield	332,889,862	7,195,451	80,071	286,427	1,078,953	324,000	144,536	6,521,346	11,585,888	1,898,923	3,119	1,870,351	27,400	14,786,473	14,721,231	46,641	253,305	1,432,857	1,560,638
Eureka	50,441,318	1,136,636	1,498	64,349	162,942	49,268	19,097	963,000	1,530,973	239,657	0	282,824	0	2,210,479	2,202,696	0	45,955	221,303	309,455
Ferndale	24,253,924	237,130	12,174	216,928	57,407	17,122	17,917	88,856	270,195	17,584	84	34,457	16	1,811,479	1,933,428	9,984	22,310	102,365	21,031
Fresno	538,571,201	11,525,428	119,225	1,627,752	1,750,322	468,796	207,180	8,371,971	14,577,681	2,180,333	2,722	2,092,976	19,666	27,777,158	28,296,042	71,522	464,513	2,248,679	1,919,004
Fresno Club One	57,316,755	536,659	42,092	40,307	187,477	57,332	62,799	1,139,563	2,208,314	230,978	1,612	422,308	11,622	2,887,194	2,897,736	23,633	34,404	287,018	593,630
Imperial	63,558	1,310	0	0	2	64	0	1,084	1,355	217	0	303	0	2,631	2,593	0	38	293	1,915
Lake Perris	427,495,310	8,809,745	280,714	299,350	1,392,429	427,509	349,298	8,443,556	12,964,749	2,143,619	6,266	2,969,499	32,690	20,302,762	20,177,793	126,913	325,512	2,051,114	2,747,504
Lakeport	100,835	1,281	0	33	0	101	0	1,737	2,522	347	0	608	0	4,258	4,304	0	61	462	2,680
Lancaster	449,439,696	10,276,825	287,994	284,420	1,469,915	449,030	302,550	8,907,423	14,124,713	2,793,460	6,872	3,177,612	51,612	20,600,824	20,448,357	117,243	330,302	2,070,048	2,524,441
Merced	131,242	1,623	0	41	0	131	0	2,309	3,535	462	0	808	0	5,700	5,721	0	81	611	3,377
Mobile Unit	2,578,629	81,157	0	2,675	2,952	2,518	0	50,882	73,558	19,517	0	17,032	0	92,785	90,371	0	2,414	9,890	4,888
Monterey	321,483,483	6,086,931	86,724	293,002	1,043,884	320,172	154,657	6,300,773	11,719,882	1,582,997	3,680	1,602,658	39,355	15,075,852	15,035,434	50,941	257,078	1,412,750	2,171,679
Paso Robles	790,507	16,733	0	108	176	791	0	14,170	17,078	3,045	0	4,087	0	34,178	33,705	0	535	3,652	18,335
Pleasanton	1,439,548,074	26,266,464	532,315	2,927,869	4,676,666	1,338,988	825,038	24,304,043	45,181,546	5,527,227	17,198	7,617,220	158,214	72,998,837	73,974,704	307,418	1,192,543	6,401,708	8,207,819
Pomona	1,715,548,666	38,591,766	1,259,981	4,527,320	5,612,065	1,511,154	1,220,104	25,793,425	39,541,328	6,195,668	27,963	9,659,712	215,284	93,034,165	94,470,984	518,753	1,449,127	7,788,438	8,650,237
Sacramento	1,324,635,197	23,159,271	357,089	1,862,194	2,312,092	1,212,454	704,952	20,763,303	38,722,144	4,802,672	11,743	5,873,365	71,154	71,752,423	71,419,207	183,177	900,007	7,183,355	6,833,502
San Bernardino	1,386,571,292	35,601,264	532,143	819,773	4,534,633	1,384,410	652,918	27,436,466	42,104,794	9,723,308	11,960	9,938,707	65,693	61,023,804	60,350,493	233,765	1,094,863	6,116,804	5,850,656
San Jose	1,100,491,878	18,574,360	418,399	1,063,714	3,580,078	1,097,416	650,709	21,638,622	41,552,108	5,066,391	16,574	6,029,697	207,780	52,105,055	52,182,653	242,133	849,580	4,966,150	7,703,544
San Mateo	256,109,303	837,529	908,765	217,438	840,638	256,111	472,980	5,165,625	9,929,623	954,813	33,624	2,563,299	271,320	12,819,299	12,867,715	528,458	152,083	1,360,120	3,437,649
Santa Barbara	305,518,466	8,556,013	17,756	273,058	495,865	295,272	103,208	6,028,195	8,689,892	1,980,057	0	1,925,164	1,101	13,325,353	13,090,997	0	264,746	1,315,830	1,330,918
Santa Maria	241,413,382	6,252,744	87,383	210,121	787,001	236,904	103,347	4,758,888	6,885,375	1,490,336	1,493	1,611,461	3,326	10,690,951	10,530,839	27,883	203,092	1,072,886	1,140,910
Santa Rosa	661,991,173	13,118,803	186,913	1,961,396	2,153,748	584,091	322,581	9,754,458	18,336,772	2,337,627	5,188	2,798,135	49,600	35,146,399	35,900,668	113,906	560,017	2,841,800	3,024,369
Shalimar (Indio)	296,321,883	7,984,659	107,392	162,512	967,720	295,810	134,188	5,844,043	8,452,383	2,119,676	2,263	2,214,636	1,905	12,914,178	12,730,672	54,849	243,544	1,301,389	1,276,367
Sonora	151,478	2,191	0	19	0	151	0	2,636	3,394	558	0	903	0	6,581	6,671	0	116	680	3,659
Stockton	745,344,897	14,059,003	215,688	1,347,579	2,425,929	695,804	392,985	13,406,071	24,846,497	3,124,640	7,767	3,664,931	89,256	36,579,378	36,825,755	122,654	602,297	3,270,737	4,146,346
Surfside Race Place	2,276,102,789	59,597,875	942,197	988,188	7,427,714	2,273,020	1,073,728	44,893,519	63,720,400	15,498,650	21,001	17,328,335	120,507	99,418,199	97,987,455	403,728	1,897,237	10,185,620	11,833,875
Tulare	125,718,798	2,593,228	40,135	148,980	405,778	125,313	56,532	2,447,118	4,211,680	601,268	1,348	784,119	2,193	5,593,650	5,569,079	24,303	109,921	556,833	778,061
Turlock	177,509,805	2,753,210	95,868	193,246	572,104	177,425	122,780	3,453,798	5,917,010	682,901	3,185	1,331,506	1,785	8,463,774	8,476,923	56,466	151,962	838,700	1,577,598
Vallejo	617,363,414	11,094,894	197,832	1,396,380	1,259,100	561,746	345,063	10,267,781	20,092,206	2,396,382	7,412	3,001,104	99,222	32,261,765	32,731,278	119,662	497,708	2,721,119	3,546,622
Ventura	1,040,507,473	25,678,695	522,770	739,757	3,396,556	1,039,373	529,195	20,559,521	30,709,799	6,600,249	11,347	7,522,199	46,630	47,117,735	46,548,065	205,571	848,722	4,694,887	5,577,424
Victorville	305,484,368	7,090,111	122,268	190,910	998,379	305,229	185,341	6,044,453	9,693,570	1,897,966	2,929	1,999,574	31,993	13,949,882	13,857,336	55,189	223,955	1,392,410	1,638,781
Yuba City	137,875	1,998	0	26	0	138	0	2,329	3,183	501	0	800	0	5,843	5,825	0	111	591	4,032

TOTALS	16,302,352,865	349,456,337	7,477,167	22,253,364	49,851,874	15,587,519	9,189,572	294,932,014	490,264,178	82,487,215	208,014	98,818,367	1,619,331	788,372,463	788,930,799	3,656,513	13,051,827	74,204,650	88,926,609
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