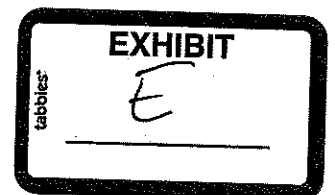


STATE OF INDIANA
BEFORE THE INDIANA HORSE RACING COMMISSION

IN RE:)
THE PETITION OF CENTAUR HOLDINGS, LLC,)
NEW CENTAUR, LLC, HOOSIER PARK, LLC,)
CENTAUR ACQUISITION, LLC, INDIANA)
HORSEMEN'S BENEVOLENT & PROTECTIVE)
ASSOCIATION, INC., INDIANA STANDARD-)
BRED ASSOCIATION, INC. AND QUARTER)
HORSE RACING ASSOCIATION OF INDIANA,)
INC. REQUESTING THAT THE COMMISSION)
APPROVE INITIAL DISTRIBUTION)
AGREEMENT)

FINAL ORDER

This matter came before the Indiana Horse Racing Commission (the "Commission") on October 29, 2013 and December 10, 2013 ("October Hearing", "December Hearing" collectively referred to as the "Hearings") pursuant to The Petition (the "Petition to Approve the IDA") of Petitioners, Centaur Holdings, LLC ("Old Centaur"), New Centaur, LLC ("New Centaur"), Hoosier Park, LLC ("Hoosier Park"), and Centaur Acquisition, LLC ("Indiana Downs") (Hoosier Park and Indiana Downs are collectively referred to as the "Licensees") (Old Centaur, New Centaur and Licensees are collectively referred to as "Centaur"), by counsel, and Indiana Horsemen's Benevolent & Protective Association, Inc. ("IHBPA"), Indiana Standardbred Association, Inc. ("ISA"), and Quarter Horse Association of Indiana, Inc. ("QHRAI") (IHBPA, ISA and QHRAI are collectively referred to as the "Associations"), to approve the Initial Distribution Agreement executed on or about September 26, 2013 ("IDA"). The undersigned Members of the Commission having considered the above referenced Petition, the presentation of the Petitioners, the testimony of the Commission Staff and others at the Hearings conducted before the Commission during public meetings, and the various exhibits and other materials admitted into evidence which were referenced



and considered at the Hearings and being in all respects duly advised hereby render the following Final Order:

The Record Before the Commission

1. Petitioners filed the Petition to Approve the IDA on September 27, 2013. The Petition included the IDA signed on Sept. 26th, 2013 with attachments. (Centaur Exhibits 1 & 2)
2. Pursuant to the Commission's Oct. 3, 2013 Pre-Hearing Order ("October Pre-Hearing Order"), Centaur submitted Pre-Filed Testimony on November 15, 2013, which included testimony from four Centaur representatives, both Licensee and Association representatives of the Negotiation Committees as well as representatives testifying from and/or on behalf of each of the State's horsemen's associations (the ISA, the IHBPA, the QHRAI, and the Indiana Thoroughbred Owners and Breeders Association, "ITOBA"). These materials separately expressed support for the Petition to Approve the IDA.
3. Pursuant to the Commission's October Pre-Hearing Order, the Commission's November 13, 2013 Pre-Hearing Order ("November Pre-Hearing Order") and pursuant to I.C. § 4-21.5-3-26(f), Centaur also submitted two separate Requests For Official Notice. The Commission separately granted those requests and officially took administrative notice that Hoosier Park and Indiana Downs and the Negotiation Committees were subject to, among other things, laws and regulations contained in Title 4, Article 35 of the Indiana Code (I.C. § 4-35) and Title 71 of the Indiana Administrative Code .
4. Pursuant to the Commission's October Pre-Hearing Order, the Commission Staff submitted its Staff Report: Analysis of Initial Distribution Agreement ("IDA") on Oct. 21, 2013 ("Staff Report"), recommending that the Petition to Approve the IDA be granted by the Commission. It recognized that the potential refinance contemplated by the IDA "appears to be the only vehicle to take the horse racing program to the next level." (Staff Report, p. 3)

5. The Commission Staff requested additional information from Centaur on October 16, 2013 relating to four (4) questions concerning to the Petition to Approve the IDA and the Pre-filed testimony submitted on October 15, 2013. Centaur provided such information to the Commission on October 17, 2013. (Letter from Robin Babbitt to Joe Gorajec dated Oct. 17, 2013, admitted into the administrative record, October Hearing Transcript, p. 120)

6. Thereafter, the Commission's counsel requested that Centaur submit a filing specifically outlining the proposed structure of subordinated distributions under the existing statutory structure. (Memo from Ice Miller to the Commission dated Oct. 22, 2013, admitted into the administrative record, October Hearing Transcript, p. 120)

7. The Commission held an initial (public) Hearing on Oct. 29, 2013. Notice of the Hearing, including the Commission's consideration of the Petition to Approve the IDA, was timely provided to the public.

8. In compliance with the October Pre-Hearing Order, Centaur's Witness and Exhibit List was filed on October 15, 2013. All of the documents and information referenced above were offered and admitted into evidence at the October Hearing.

9. At the October Hearing, the Petitioners presented the testimony of twelve individuals, four of whom were employed by and/or representatives of Centaur, and eight horsemen representing all of the racing breeds and 2013 recognized horsemens' associations. All of these witnesses were available to answer questions posed to them at the Hearing by the Commission.

10. As reflected in the October Pre-Hearing Order, the Commission further provided an opportunity for interested individuals or entities to speak on behalf of, or in opposition to, the Petition. At the October Hearing, no one testified during this portion of the hearing.

11. At the October Hearing, having heard testimony and considering the evidence and filings before it, the Commission took two votes but was unable to take action on the Petition to Approve the IDA. (October Hearing Transcript, pp. 142 – 145.)

12. In compliance with the November Pre-Hearing Order, on Nov. 26, 2013, Centaur submitted a Supplemental Pre-Hearing Brief. That brief was made a part of the administrative record (along with the PowerPoint of Centaur's oral presentation) during the December Hearing. (December Hearing Transcript, pp. 5, 30)

13. At the December Hearing the Chair announced that sometime between the Hearings the Commission's counsel, at the request of one of the Commission members, had prepared and circulated a legal analysis to the Commission addressing whether the horsemen's associations, as a matter of law, could subordinate monies distributed for breed development and purses. That document was made an (*in camera*) part of the administrative record. (December Hearing Transcript, p. 62). That legal analysis remains confidential.

14. As reflected in the Commission's November Pre-Hearing Order, the Commission provided an additional opportunity at the December Hearing for the Petitioners to make an oral presentation and for interested individuals or entities to speak on behalf of, or in opposition to, the Petition to Approve the IDA. Pursuant to the November Pre-Hearing Order, Centaur's counsel addressed the Commission on behalf of the Petitioners. In addition, during the public testimony portion of the December Hearing, one (1) witness testified. That testimony supported the Petition to Approve the IDA. There was no testimony presented or offered at either the October or December Hearings opposing the IDA or expressing concerns about its subordination provisions.

15. The Commission considered the exhaustive administrative record presented and the thorough, credible, substantial and reliable evidence presented by the Petitioners in evaluating the Petition to Approve the IDA and in rendering this decision.

The Governing Criteria

1. The Commission has specifically evaluated and considered the Petition to Approve the IDA against the Indiana General Assembly's stated criteria, as set forth in I.C. § 4-35-7-18. In particular, the Commission considered pre-filed testimony, witness testimony and evidence presented at the October Hearing, the report of the Commission Staff, other documents and information made a part of the administrative record pursuant to the October and November Pre-Hearing Orders, the oral presentation made at the December Hearing on behalf of the petitioners as well as public comment and then publicly deliberated at the October and December Hearings. Following those deliberations, the Commission unanimously¹ decided that granting the Petition to Approve the IDA would be in the best interests of pari-mutuel horse racing in Indiana and approved the IDA.

Findings of Fact

1. Indiana's racino model (allowing electronic gaming at the State's racetracks pursuant to IC 4-35-7-1 *et seq.*; "Gambling Games at the Racetracks Act") was implemented by the General Assembly in 2007 based on the apparent recognition that racing and gaming have grown inseparable, with the dependence of racing on gaming revenues. (Commission Final Order, Jan. 7, 2013, Centaur Exhibit 3, Finding of Fact #23)

2. During the 2013 legislative session, substantial changes were made to the Gambling Games at the Racetrack Act as a result of the enactment of SB 609. This essentially

¹ Chairman Bill Diener abstained from the vote. Commissioners Steve Schaefer, Greg Schenkel, Tom Weatherwax and George Pillow voted in favor.

removed the provisions that would redirect cap money to the State of Indiana and established a mechanism whereby the Licensees and Associations could negotiate an agreement that would provide for at least 10% and no more than 12% of adjusted gross receipts from the slot machine wagering ("AGR") to be paid to the statutorily identified horse racing interests. I.C. § 4-35-7-16.

3. The General Assembly has specifically delegated to this Commission the responsibility and authority to determine if a proposed distribution agreement is in the best interests of pari-mutuel racing in Indiana and has met the other criteria of I.C. § 4-35-7-18.

4. Petitioners presented multiple witnesses who described the thorough and public process utilized to arrive at the IDA presented to the Commission. The pre-filed testimony of John Keeler (with attachments) (Centaur Exhibit 12), Jack Kieninger (Centaur Exhibit 6), Joe Davis (Centaur Exhibit 8), Chris Duke (Centaur Exhibit 9), Rod Ratcliff (Centaur Exhibit 11) and the corresponding live testimony presented to the Commission at the October Hearing clearly established that the Associations and Licensees negotiation committees were constituted in compliance with the statutory directives and that the negotiation committees fully complied with all statutory procedural requirements necessary to enter into a binding distribution agreement. (October Hearing Transcript, pp. 19-32, 89-96, 99-102, 105-119)

5. The testimony of those same witnesses and the related testimony of Tom Mosley (October Hearing Transcript, pp. 62-76), Nat Hill (Centaur Exhibit 7; October Hearing Transcript, pp. 79-87), Mike Brown (October Hearing Transcript, pp. 92-99) and Herb Likens (Centaur Exhibit 10; October Hearing Transcript, pp. 102-105) confirmed that the IDA was unanimously supported by the Licensees (both tracks and the at-large representative of the negotiations committee) and the constituents of all four of the 2012 registered horsemen's associations, that it was freely and voluntarily entered into by the parties, and that it was the result of extended, good faith, give-and-take negotiations.

6. The IDA has a number of key terms. First, the distribution percentage is set at the maximum percentage allowed by law (12%). The initial term is one (1) year, but the agreement automatically renews (unless cancelled in writing) each year. If certain conditions and obligations, as described in Paragraph 7, are satisfied, the IDA will extend to an additional seven (7) year term. In agreeing to a long-term contract, the Associations and their constituents are the beneficiaries of predictability and stability. The IDA provides for immediate racing side investment/capital improvements at the tracks that are to be completed no later than the start of the 2015 race meet.² (Exhibit "A" to the IDA). Contrary to current industry trends, Centaur is continuing to increase its investment in the racing side of its operations. (October Hearing Transcript, pp. 67-68, 81-82; See also, Commission Final Order, Jan. 7, 2013, Centaur Exhibit 3, Finding of Fact #13). The distribution of funds under the IDA follows the current statutory guidelines and regulatory requirements and the IDA does not impact or impair any enforcement rights or tools currently available to the Commission.

7. Moreover, if certain IDA conditions and requirements are satisfied (Extension Conditions and Extension Requirements) then the IDA will extend to an additional seven (7) year term. This would give rise to the Licensees' obligation to make addition capital expenditures of up to \$31,500,000 (thirty one and a half million dollars) to improve the tracks. In addition, it would effectuate the Licensees' and Associations' agreement to implement a number of operational changes for the benefit of racing. (Exhibit "B" to the IDA). See Pre-Filed Testimony of Jack Kieninger, Joe Davis, Chris Duke, Herb Likens (Centaur Exhibit 7), John Keeler and Brian Elmore (Centaur Exhibit 5; Testimony of Brian Elmore, October Hearing Transcript, pp. 33-40)

² Subject to Commission approval of the IDA, Centaur was prepared (and actually began) to set in motion the completion of the expensive near-term capital improvements at Indiana Downs (including significant track surface improvements, renovation of existing dorm rooms and construction of new dorm rooms, and the addition of 100 new stalls for quarter horses).

8. Centaur has a reputable management team that is well known to the Commission and well respected throughout the industry and across Indiana. The management team includes Rod Ratcliff (Chairman, Chief Executive Officer and Equity Manager), Tammy Schaeffer (Chief Financial Officer), Jim Brown (President and Chief Operating Officer), John Keeler (Vice President and General Counsel), Brian Elmore (Vice President of Racing), and others, each of whom has significant experience with racing issues. (Commission Final Order, Jan. 7, 2013, Centaur Exhibit 3, Finding of Fact #11; October Hearing Transcript, pp. 41-47, 69-70)

9. The Commission Staff and each of the statewide horsemen's associations have strongly and unanimously endorsed the Petition to Approve the IDA. These endorsements collectively speak highly of Centaur's proven commitment to support the racing industry in Indiana. (October Hearing Transcript, pp.98-99; *See also*, Commission Final Order, Jan. 7, 2013, Centaur Exhibit 3, Finding of Fact #12)

10. Association representatives made clear during their testimony that they have trust and confidence in the Centaur management team and that an important IDA benefit to the Associations was that they would be able to continue their positive relationship with the current Centaur management team. (Testimony of Tom Mosley, Nat Hill, Mike Brown, Jack Kieninger, October Hearing Transcript, pp. 75-76, 81, 83-84, 91-92, 96-99)

11. The Licensees have represented that the IDA provides flexibility for Centaur to explore refinancing options in the marketplace that can benefit both Licensees and the Associations. *See* Pre-Filed Testimony of Rod Ratcliff (Centaur Exhibit 11) and Tammy Schaeffer (Centaur Exhibit 13). A refinancing would provide additional capacity for future capital projects and would likely lead to a simplified debt structure for Centaur. The subordination provisions of the IDA allow Centaur to explore potential financing options that could reduce the cost of capital. These provisions put Centaur in the position to attempt to

negotiate favorable financing arrangements that could potentially be presented to the Commission (and the Indiana Gaming Commission). (Testimony of Rod Ratcliff, October Hearing Transcript, pp. 105-119; Testimony of Tammy Schaeffer, October Hearing Transcript, pp. 41-47)

12. The provisions of the IDA are interdependent – not independent. (IDA, ¶¶ 5(b) and (c); Testimony of Nat Hill, October Hearing Transcript, p.81; See also, Testimony of Tom Mosley, October Hearing Transcript, p.76).

13. Prior to the October Hearing, the Commission's counsel requested that Centaur submit a filing specifically outlining the proposed structure of subordinated distributions under the existing statutory structure. That memo provided that "[u]pon an event of default, at the senior lender's discretion, some or all of the Payments may be temporarily redirected to pay the obligations of the Debtors." That same memo identified "Payment" as a defined term that constitutes 100% of the 12% distributions contemplated by the IDA, which includes purse and breed development distributions. (Oct. 22, 2013 Memo from Ice Miller to IHRC, pp.1, 3)

14. Moreover, the potential subordination of the full amount of the 12% distributions was fully discussed and considered when the IDA was negotiated and executed by the negotiation committees and was fully disclosed (by the Petitioners) to and understood by the Commission during its consideration of the IDA. (October Hearing Transcript, pp. 57-60, 130-132; December Hearing Transcript, pp. 28-29, 66-67) The three Associations' negotiation committee members understood the potential scope and extent of subordination as they evaluated the benefits and risks presented by the IDA when the terms were negotiated. (October Hearing Transcript, pp. 91-92)

15. In compliance with the November Pre-Hearing Order, on November 26, 2013, Centaur submitted a Supplemental Pre-Hearing Brief addressing: (1) the authority of the Associations' negotiation committee representatives to enter into an agreement to subordinate

with respect to purse and breed development funds; and (2) whether the subordination of all monies distributed pursuant to a distribution agreement (including purses and breed development payments) would be lawful pursuant to the provisions of I.C. § 4-35-7-12 and SB 609.

16. To the extent that a Finding of Fact in this Final Order would be more properly stated as a Conclusion of Law, it is considered to be restated as such.

Conclusions of Law

First Conclusion of Law: The Licensees and Associations have acted in compliance with I.C. § 4-35-5-16 to establish negotiation committees on behalf of the Associations and Licensees and to negotiate and enter into an initial distribution agreement that meets the statutory criteria.

1. Subsections (b) and (c) of I.C. § 4-35-7-16 set forth the procedures that must be followed with respect to appointing and constituting the negotiating committee representing all racing breeds of horsemen (the Associations' negotiation committee) and the tracks (the Licensees' negotiation committee).

2. Subsection (d) of I.C. § 4-35-7-16 sets forth the procedural requirements that must be met to enter into a binding distribution agreement.

3. The pre-filed testimony of John Keeler (with attachments), Jack Kieninger, Joe Davis, Chris Duke and Rod Ratcliff and the corresponding testimony presented to the Commission at the October Hearing clearly established that the Associations' and Licensees' negotiation committees were constituted in compliance with the statutory directives and that the negotiation committees fully complied with all statutory procedural requirements necessary to enter into a binding distribution agreement.

4. Each official meeting of the Negotiation Committee complied with the requirements of the Indiana Open Door Law, was held in a public place, was open to the public and solicited and allowed public comment. Pre-filed Testimony of John Keeler, (Centaur Exhibit 12, ¶ 3)

5. The First Conclusion of Law is supported by the Findings of Fact and by the other Conclusions of Law (and supporting information) contained in this Final Order which are incorporated herein by reference.

Second Conclusion of Law: The IDA complies with the requirements of I.C. § 4-35-7-16(e).

1. The IDA submitted to the Commission by Petition dated September 27, 2013, was in compliance with I.C. § 4-35-7-35(e) in that it was in writing; was in compliance with I.C. § 4-35-7-35(f), in that it provides for 12% of AGR to be distributed pursuant to I.C. § 4-35-7-12(b)(2); contains terms determined to be necessary and appropriate by the negotiation committees, including the potential subordination of all distributions made pursuant to the IDA³ that are lawful and in compliance with I.C. § 4-35-7-12; and was unconditionally approved by a unanimous Commission vote of 4-0 at the December Hearing.⁴

2. The Second Conclusion of Law is supported by the Findings of Fact and by the other Conclusions of Law (and supporting information) contained in this Final Order which are incorporated herein by reference.

Third Conclusion of Law: The IDA Submitted by the Petitioners Satisfies the Criteria Set Forth in I.C. § 4-35-7-18, is in the public interest and should be approved.

1. The IDA satisfies the statutory criteria set forth in I.C. § 4-35-7-18 and provides important tools and concessions to both Licensees and Associations.

a) The IDA serves the “best interests of pari-mutuel wagering”. I.C. § 4-35-7-18(1):

³ Section 5(c) of the IDA identifies the horsemen’s associations “right to receive”, which is three percent of the 12 percent of AGR that will go to the horsemen. However, evidence before the Commission, including testimony and filings, which has been made part of the record makes clear that Centaur and the Associations intended to subordinate the entire 12 percent of AGR that the associations are authorized to negotiate on behalf of the horsemen. The Commission had the opportunity to consider the IDA and question witnesses from that vantage point.

⁴ Chairman Diener abstained from the vote. See footnote 2, supra.

- 1) It creates a multi-year agreement providing for continuity of the relationship between the Licensees and the horsemen;
 - 2) It provides for an immediate racing side capital investment of \$5 million; and
 - 3) It provides a realistic path towards an additional \$16-31 million of capital expenditures at the facilities.
- a) The IDA maintains “the highest standards and greatest level of integrity” of racing. I.C. § 4-35-7-18 (2):
- 1) The Negotiation Committees meetings were conducted at arms’ length, with the benefit of counsel and advisors, utilizing the Open Door/Public Meeting safeguards;
 - 2) The Associations’ Negotiation Committee members kept their members fully informed;
 - 3) All Negotiation Committee members acknowledged the respect and civility of the negotiation process; and
 - 4) The agreement provides funding levels at the maximum statutory amount and provides a path for significant capital expenditures, all of which would allow the parties to maintain the highest standards of breeding and horsemen involvement.
- b) The IDA is fair to all parties. I.C. § 4-35-7-18 (3):
- 1) All parties are unanimous that the agreement is fair;
 - 2) The Licensees and Associations each get the benefit of a potentially long term deal; and
 - 3) The Licensees obtain the opportunity to seek favorable long term financing.
 - 4) Assuming that a favorable refinancing option becomes available to Licensees, the subordination of distributions⁵ is an acceptable risk in that it creates the opportunity for significant benefits for the Licensees and Association members, but has five levels of safeguards to protect against any potential downside:
 - i. The Licensees must demonstrate by the \$27.5 million cash-on-hand projection to the Associations’ Negotiation Committee that there will be an appropriate cash cushion;

⁵ See footnote 3, supra.

- ii. A majority of the Associations' Negotiation Committee must reasonably agree that the cushion will be in place;
- iii. The Indiana Gaming Commission must approve the refinancing and its terms, including the subordination;
- iv. This Commission must approve the refinancing and its terms, including the subordination; and
- v. This Commission retains enforcement powers to impose penalties for non-compliance in the event the subordination is triggered and the Licensees do not honor the terms of the IDA.

c) The IDA supports the financial stability of the Licensees. I.C. § 4-35-7-18(4):

- 1) A long term agreement provides predictability of expense loads and insures continuity of well bred horses to race at the tracks; and
- 2) The IDA provides the best path for stable, long term financing with significant capital expenditure funding to continue to promote racing

2. While the Commission recognizes that horsemen's associations do not have a right to directly receive purse and breed development payments, the Commission finds as a part of this Order that the Associations have the power and authority to enter into this IDA which empowers the Associations to enter into, as part of a potential refinance package, subordination agreements that contain provisions allowing the senior lenders in the event of default to subordinate to any and all of the (12%) distributions made pursuant to I.C. § 4-35-7-12, including purse and breed development distributions, subject to the Commission's approval.

3. Permitting Centaur (pursuant to the IDA and subject to the necessary contractual and regulatory approvals) to explore entering into a refinancing agreement that contains provisions allowing the senior lenders to subordinate to any and all distributions made pursuant to I.C. § 4-35-7-12 in the event of default is lawful and is in accord with the provisions of I.C. § 4-35-7-1 *et seq.* Any such refinance is subject to this Commission's consideration and approval. This Order should in no way be construed to give prospective approval to any refinancing by Centaur.

4. As a part of this Order and at this time, the Commission is not considering or approving a refinance by the Licensees, is not considering or approving specific subordination provisions that may be presented as a part of any potential refinance, is not altering any of the provisions or requirements of I.C. § 4-35-7-12 (including the enforcement authority contained in subsection (j)) and is not altering any of the provisions of 71 IAC that relate to the maintenance of separate horsemen's trust accounts for various I.C. § 4-35-7-12 distributions. Moreover, the Commission is hereby affirming that there are items contained in IDA Exhibits "A" and "B" that may require regulatory approval at an appropriate time in the future.

5. The distribution and allocation of funds from slot revenues for purses and breed development are prescribed by statute and remain unchanged by this Order.

6. The Commission, having considered the Petition to Approve the IDA, all of the facts set forth above and the entire record presented to the Commission, hereby concludes that Petitioners have established by credible and substantial evidence that all of the applicable criteria outlined in I.C. § 4-35-7-18 have been met. In doing so, the Petitioners have met and carried their burden of establishing the matters set forth herein as provided for by I.C. § 4-21.5-3-14(c).

7. The Commission finds that the IDA is in the public interest. The IDA is in the best interests of the Indiana horse racing industry and the State of Indiana.

8. The Third Conclusion of Law is supported by the Findings of Fact and by the other Conclusions of Law (and supporting information) contained in this Final Order which are incorporated herein by reference.

9. To the extent that a Conclusion of Law in this Final Order would be more properly stated as a Finding of Fact, it is considered to be restated as such.

* * *

WHEREFORE, for the foregoing reasons, the Commission concludes that the Petition to Approve the Initial Distribution Agreement meets or exceeds all of the applicable statutory and regulatory standards and specifically finds that the Petition is in the best interests of the Indiana horse racing industry and the State of Indiana. The Commission, therefore, **ORDERS AND DECREES** that the Petition to Approve the Initial Distribution Agreement is **GRANTED**, and that the Initial Distribution Agreement dated September 26, 2013 submitted by the Associations' and Licensee's negotiation committees is hereby unanimously **APPROVED**.

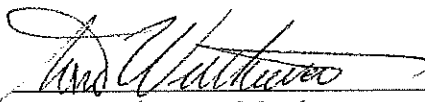
ORDERED this 10th day of December, 2013, by the Indiana Horse Racing Commission.

(Abstaining)

William Diener, Chairman

Steve Schaefer, Vice-Chair

Greg Schenkel, Member



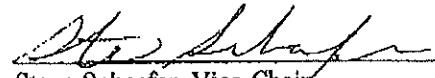
Tom Weatherwax, Member

George Pillow, Member

WHEREFORE, for the foregoing reasons, the Commission concludes that the Petition to Approve the Initial Distribution Agreement meets or exceeds all of the applicable statutory and regulatory standards and specifically finds that the Petition is in the best interests of the Indiana horse racing industry and the State of Indiana. The Commission, therefore, **ORDERS AND DECREES** that the Petition to Approve the Initial Distribution Agreement is **GRANTED**, and that the Initial Distribution Agreement dated September 26, 2013 submitted by the Associations' and Licensee's negotiation committees is hereby unanimously **APPROVED**.

ORDERED this ___ day of December, 2013, by the Indiana Horse Racing Commission.

(Abstaining) _____
 William Diener, Chairman


 Steve Schaefer, Vice-Chair

 Greg Schenkel, Member

 Tom Weatherwax, Member

 George Pillow, Member

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INDIANA HORSE RACING COMMISSION

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(Abstaining)

William Diener, Chairman

Steve Schaefer, Vice-Chair

Greg Schenkel, Member

Tom Weatherwax, Member



George Pillow, Member



WHEREFORE, for the foregoing reasons, the Commission concludes that the Petition to Approve the Initial Distribution Agreement meets or exceeds all of the applicable statutory and regulatory standards and specifically finds that the Petition is in the best interests of the Indiana horse racing industry and the State of Indiana. The Commission, therefore, **ORDERS AND DECREES** that the Petition to Approve the Initial Distribution Agreement is **GRANTED**, and that the Initial Distribution Agreement dated September 26, 2013 submitted by the Associations' and Licensee's negotiation committees is hereby unanimously **APPROVED**.

ORDERED this ___ day of December, 2013, by the Indiana Horse Racing Commission.

(Abstaining)

William Diener, Chairman

Steve Schaefer, Vice-Chair



Greg Schenk, Member

Tom Weatherwax, Member

George Pillow, Member